



Digital Video Systems, Inc.

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For Immediate Release

DVS TO SHOWCASE CAR DVD PLAYERS AT SEMA EXPO IN LAS VEGAS Premier Automotive Specialty Products Show To Open November 4

PALO ALTO, CA., October 31, 2003 – Moving to capitalize on the exploding automotive entertainment electronics market, Digital Video Systems, Inc. (DVS/NASDAQ DVID), a leading pioneer of DVD technologies, will introduce its new line of car DVD products at the SEMA 2003 Expo in Las Vegas, November 4-7.

Manufactured by the Company's subsidiary, DVS Korea (DVSK), featured products include portable as well as in-dash DVD players and the VXD 2000 In-Dash Car DVD/CD/MP3/AM/FM receiver which combines the features of a car DVD player and AM/FM radio.

SEMA is a key show for us," stated DVS CEO, Douglas T. Watson, "We have been looking forward to the North American launch of new higher-margin products and I feel confident our advanced DVD players will establish themselves as preferred systems in the marketplace."

Features of the DVS line of automotive DVD units —depending on the model— include: flexible mounting at any angle, superior shock resistance and patented error correction, multiple media capability (8 cm as well as the standard 12 cm discs), ability to read the full range of DVD, CD, and MP3 formats, slot-in loading, and support for several types of input/output connections.

Renowned as the world's premier automotive specialty products trade event, the SEMA (Specialty Equipment Market Association) trade show is expected to draw over 113,000 attendees including over 40,000 domestic and international buyers and will unite thousands of leading industry reps and buyers from over 100 countries looking over thousands of state-of-the-art products in two million square feet of exhibits.

"The SEMA show represents a major turning point for DVS and DVSK", stated DVS America - Sales & Marketing Division President Shaun Kang. "Historically, we have focused on OEM customers for our DVD loaders, the core component of DVD players, and which contain all the high precision engineering, laser optics, electro-mechanics, electronics and software technologies."

"But now, with our new DVD automotive products, we are combining our proprietary DVS technologies with our proven manufacturing expertise to produce feature-rich DVD players with high quality and performance, at competitive prices, under the DVS brand name."

"The SEMA Show is a superb opportunity to demonstrate our DVD products to automotive after-market buyers while reinforcing the DVS brand name with consumers," Kang concluded.

The DVS products and team may be found in SEMA Booth #20809 of the New Products Showcase area in the Central Hall of the Las Vegas Convention Center.

About DVS

Established in 1992, DVS is a publicly held company specializing in the development and application of digital video technologies enabling the convergence of data, digital audio, digital video and high-end graphics. DVS is headquartered in Palo Alto, California, with subsidiaries and branch offices in South Korea, China and India.

About DVS Korea

DVS Korea Co., Ltd. was established in 1998 following the acquisition by DVS of the DVD operations of Hyundai Electronics. Assets acquired included the management and R&D team, manufacturing equipment and capabilities, patents, and a perpetual, worldwide, royalty-free, exclusive license to all DVD-related intellectual properties of Hyundai Electronics. In 2002, DVS Korea began trading on the Korean Stock Exchange (KOSDAQ) as DVS. DVS Korea is currently a leading provider in the worldwide external DVD loader market with an estimated 20% market share.

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995

Any statements made in this release that are not historical facts contain forward-looking information that involves risks and uncertainties. These forward-looking statements include, but are not limited to, statements regarding the strategic direction of DVS and DVS Korea, DVS's new products, sales and marketing initiatives, product quality and features, research and development efforts, expected margins, profitability and its market position. Important factors that may cause actual results to differ include, but are not limited to, the timely availability of components, sufficiency of working capital, the impact of competitive products and services, the company's ability to manage growth and acquisitions of technology or businesses, the effect of economic and business conditions, and other risks detailed from time to time in the company's filings with the Securities and Exchange Commission. Digital Video Systems, Inc. assumes no obligation to update these forward-looking statements, and does not intend to do so.

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