



Digital Video Systems, Inc.

For Immediate Release

Dr. Edmund Sun, Robert Kondamoori Named to Co-Chair Digital Video Systems; Will Expand Leadership Roles in Areas of Technology and Product Development

PALO ALTO, CALIF. SEPT. 25, 2003 - Digital Video Systems, Inc. (NASDAQ: DVID) today announced the appointments of Dr. Edmund Y. Sun and Robert (Bob) Kondamoori as Co-Chairmen of the DVS Board of Directors. They succeed Ande Abbott, a prominent labor executive who retains his seat on the Board.

Douglas T. Watson, the Company's Chief Executive Officer, stated: "The selection of Dr. Sun and Mr. Kondamoori as Co-Chairmen will further accentuate their roles in developing the digital video technology needed to deliver standard-setting products to the marketplace."

"We expect that Dr. Sun's comprehensive understanding of the markets that DVS addresses, and his extensive experience in both business and technology will bring great value to the Company," said Watson, "and Bob Kondamoori will be a key contributor as we strive to reach our strategic objectives of advancing and commercializing new technologies to create profitable product lines."

Dr. Sun, 54, founded Digital Video Systems in 1992 and served as Chairman of the Board until 2000. He was President of DVS from 1992 to 1996 and from 1992 to 1998 held the position of CEO. Dr. Sun assumed his current position of Chief Technology Officer in 1998. In addition to his distinguished contributions to DVS, Dr. Sun was a co-founder of C-Cube Microsystems Inc., a public company involved in the development of full-color still and motion picture compression technology, and was both its CEO and Chairman of the Board. C-Cube was acquired by LSI Logic in 2001.

Bob Kondamoori, 42, brings over twenty years' of digital video, semiconductor and telecommunications experience to DVS. He is currently a partner at Charter Ventures, a \$400 million Silicon Valley venture capital firm. Mr. Kondamoori also serves as the Chairman and CEO of Xalted Networks, Inc., a privately held telecommunications company. Prior to Xalted, he served in executive roles with Ramp Networks (acquired by Nokia) and NEC America. In addition to Xalted, Mr. Kondamoori also serves on the board of Cradle Technologies Inc. a spinoff of the semiconductor company Cirrus Logic. Kondamoori holds a B.S. in mechanical engineering from Clemson University.

Dr. Sun holds a Ph.D. in Applied Physics and an M.S. in Electrical Engineering from the California Institute of Technology and a B.S. in Electrophysics from National Chiao-Tung University in Taiwan. Dr. Sun, who has played a pivotal role in the Digital Versatile Disc (DVD) advances of the last decade, also serves as CTO of the new DVS R&D subsidiary, MobileTouch, Inc. and leads a team of engineers operating in the US, Ireland, Taiwan, Japan, and in Korea with the DVS subsidiary, DVS Korea. He is also the founder of Jeecom, Inc., an enterprise level software company now working in partnership with 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, in the near future, India.

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, DVS's products, its market position, and the expected impact of the changes to the Board of Directors on the Company. 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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