



For Immediate Release

Dr. Song Sim Elected as CEO of DVS Korea

PALO ALTO, CALIF. SEPT. 8, 2003 - Digital Video Systems, Inc. (NASDAQ: DVID) today announced that the Board of Directors of DVS Korea has elected Dr. Song Sim as President and CEO of DVS Korea.

Dr. Sim, a founder of DVS Korea, and Chief Technology Officer, joined the management team in 1998 when DVS Korea was formed by spinning off Hyundai's DVD player unit. At that time, Dr. Sim had almost a decade of engineering experience in optical storage technologies. He has been directly involved with the evolution of DVD technology since the inception of that product in Hyundai's laboratories. Dr. Sim has headed up the 60-engineer R & D department for three years and since April of this year he has also supervised the Sales, Marketing and Purchasing departments.

Commenting on Dr. Sim, Douglas T. Watson, DVS CEO stated, "Dr. Sim is a brilliant choice to lead DVS Korea. He is extremely well liked and admired by the entire DVS team, from junior employees up to top managers and has a respected track record as an engineer and manager. I doubt that anybody alive today can claim a longer history of pioneering DVD products than Dr Sim. I fully expect him to accelerate the development of new products and technologies and take full advantage of our combined resources in Korea, China, the US and India."

The positions that Dr. Sim was just elected to were formerly held by Mr. B.H. Lee. It is anticipated that Mr. Lee will serve as CEO of MobileTouch, a subsidiary of DVS Korea. Though Dr. Sim has succeeded Mr. Lee as Representative Director, the Korean equivalent to CEO, Mr. Lee remains on the Board of DVS Korea.

Watson continued, "We are all pleased that B.H. Lee has chosen to focus on the sizable opportunities offered at MobileTouch, since that subsidiary has the opportunity to take DVS into new product areas beyond our core business. I know that his extensive background as a manager in the telecommunications industry can serve DVS well."

Dr. Sim received his Ph.D in engineering (Vibration and Dynamics) from the Korea Advanced Institute of Science and Technology (KAIST).

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About Digital Video Systems, Inc.

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. The Company's strategy is to remain a leading solutions provider at the forefront of the DVD industry.

About Digital Video Systems Korea

In 1998 DVS acquired the DVD operations of Hyundai Electronics, including the management and R&D team, manufacturing equipment and capabilities, patents and a perpetual, worldwide, royalty-free, exclusive license to DVD related intellectual properties, such as other patents, patent applications, trade secrets, design know-how, and engineering plans, drawings and diagrams. This acquisition resulted in the establishment of DVS Korea Co., Ltd. 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 a commanding 20% market share. DVD loaders are the primary component of DVD players.

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, the benefits resulting from a change in management, DVS's products and its market position and business activities proposed for India. 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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For Further Information Please Contact:

DVS Contact: Larissa Licea

Office: 650.322.8108 X106 / Cell: 408-712-4165

E-Mail: ir@dvsystems.com

<http://www.dvsystems.com>

Investor Relations Contact:

Sean Collins, Partner

CCG Investor Relations

(818) 789-0100, ext. 202.

sean.collins@ccgir.com

