

Dear Fellow Shareholders:

I am pleased to announce that effective October 1, 2009, the holders of a majority of our company's common stock re-elected Mr. Jon E. Elias and Congressman Darrell E. Issa as Class I directors to serve three-year terms expiring in June 2012, or until their respective successors are elected and qualified.

The re-election of Messrs. Elias and Issa provides our board with years of private and public company board experience, industry specialization, and the ability to address the challenges facing our company resulting from recent changes in our business and the current climate of the U.S. economy.

Mr. Elias has served as a director of our company since December 1999 and is a partner of Trivest Partners, L.P. Mr. Elias currently serves on the boards of directors of various companies with businesses ranging from engineering to manufacturing to retail. Mr. Elias' diverse background and vast experience is a great asset to our board of directors.

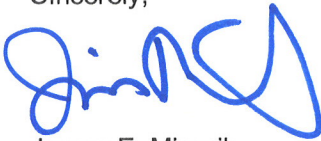
Congressman Issa has served as a director of our company since December 1982. Mr. Issa founded our company in 1982 and also served as President and Chief Executive Officer until December 2000. Mr. Issa's experience with our company and in the consumer electronics industry in general makes him an invaluable part of our board of directors.

A copy of the resolutions appointing Messrs. Elias and Issa are included with this letter. Also included with this letter is our company's annual financial statements for the fiscal year ended December 31, 2008.

We also want to take this opportunity to report that in August, we concluded an amendment to our loan agreement that modified our financial covenants, increased our interest rate, and waived any related defaults. We believe that this amendment will contribute meaningfully to our ability to continue to manage through the current economic crisis, and we look forward to reporting our 2009 results to you in early 2010.

I am excited about the remainder of 2009 and our company's prospects for the future.

Sincerely,



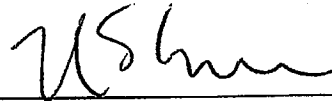
James E. Minarik
President and Chief Executive Officer

Notice of the Taking of Action by Written Consent
Without a Meeting

To the Shareholders of DEI Holdings, Inc.:

In accordance with Section 607.0704 of the Florida Business Corporation Act, notice is hereby given that effective as of October 1, 2009, the holders of a majority of the outstanding shares of Common Stock of DEI Holdings, Inc., a Florida corporation, approved the election of two Class I directors of the Company, to serve for a three-year term expiring on October 1, 2012 or until their successors are duly elected and qualified. A copy of such resolutions are attached hereto as Schedule 1.

By Order of the Board of Directors,



Michael S. Simmons, Secretary

Dated: October 2, 2009

Schedule 1

**RESOLUTIONS ADOPTED BY
A MAJORITY OF THE HOLDERS OF COMMON STOCK**

RESOLVED, that the following individuals be, and they hereby are, elected as Class I directors of the Company to serve for a three-year term expiring on October 1, 2012 or until their successors are duly elected and qualified:

Jon E. Elias
Darrell E. Issa