

Press Release

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PLEDGE TO RECONNECT THIS HOLIDAY: VTECH HELPS CONSUMERS CELEBRATE HOLIDAY TRADITIONS THROUGH THE POWER OF STORYTELLING

According to survey, consumers spend more time shopping than with friends and family during the holidays, yet want more time for one-on-one connections

BEAVERTON, Ore., November 18, 2010 – The holidays may be the most important time to reconnect with loved ones – yet more than half of consumers only spend the same or less time with friends and family compared to the rest of the year, according to a new survey¹ conducted by independent market research firm Toluna and VTech® Communications, a wholly owned subsidiary of VTech Holdings Ltd. (HKSE: 303; ADR: VTKHY) and the largest U.S. cordless phone manufacturer.

What are consumers doing when they should be spending time with loved ones? The survey showed that Americans spend more time shopping for gifts or deals than connecting with loved ones, with 51 percent of females putting shopping at the top of their to-do lists. Additionally, 30 percent of respondents felt they had not devoted enough time during recent holidays for friends and extended family.

To help consumers make reconnecting with loved ones a reality this holiday season, VTech is celebrating the power of storytelling as a way to strengthen quality connections and propel favorite cultural and family traditions. The company is encouraging consumers to share their holiday stories and make a pledge at http://www.facebook.com/VTechPhones, to call and connect with a loved one. Participants will be eligible to win weekly prizes and a grand prize trip for two to reconnect in person.

"Although we get caught up with the holiday rush of shopping and preparing for parties, we should make a conscious effort to share stories and special traditions with people who are important in our lives – especially those outside of our immediate household who are great sources of emotional support," says developmental psychologist and life coach, Dr. Michelle Callahan, host of syndicated daytime talk show *Wedlock or Deadlock* and author of *Ms. Typed: Stop Sabotaging Your Relationships* and *Find Dating Success* (Three Rivers Press, 2010). "The holidays are the perfect time to cultivate those personal bonds through storytelling – sharing life stories builds family, friend and cultural traditions that ultimately become the meaning and fabric of the holiday season."

Through VTech's Facebook® page, consumers can pledge to reconnect with special friends or long-lost acquaintances for a chance to win airline tickets, as well as weekly prize packs. VTech's <u>StayGrounded.com</u>, an online destination for promoting the art of good conversation to build relationships and personal connections, features advice from Dr. Michelle, weekly polls, tips, and articles on building bonds with friends and family.

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VTech's <u>StayGrounded.com</u> also features more detailed data from the Toluna/VTech survey, which highlights consumers' desire and need to reconnect. Other key findings include:

- Who wants to reconnect?: Catching up and talking to loved ones was a top priority for the young (24 & under) and the old (55+); age groups in between are probably out shopping!
- **The next best thing to being there:** People are most likely to use the phone to connect with friends and extended family over the holidays.
- **People feel disconnected from immediate family:** For the majority of Americans (51 percent), spending more time during the holidays with parents and siblings was more important than spending time with extended family or friends.
- Who do you want to reconnect with? More men (12 percent) than women (8 percent) were thinking of reconnecting with their exes during the holidays, while 25-34 year olds were the most nostalgic about their exes than any other age group (13 percent). The younger the respondents were, the more likely they were interested in reconnecting with a high school friend, college friend or former roommate.

"A simple phone call may be the most powerful and impactful way to connect with loved ones during the busy holiday season," said Tom Bacon, vice president of marketing, VTech Communications, Inc. "We want people to make a public pledge to reconnect through one-on-one conversation as a way to remember the power of quality personal connections."

Connect to Win Today

<u>StayGrounded.com</u> features weekly visitor polls, regularly updated tips, fun facts and videos. Visitors can continue the dialogue by sharing with others through email, Facebook or Twitter®.

- Facebook: Make a pledge to connect with someone this holiday season on <u>http://www.facebook.com/VTechPhones</u> to be eligible for the grand prize of gift cards for the value of two American Airlines® domestic round-trip tickets or a weekly prize package (valued at \$100/each), and receive information on VTech discounts, events, sports and music initiatives.
- **Twitter:** Follow VTech at <u>http://twitter.com/vtech411</u> for the latest news, including links to product reviews, contests and giveaways.

A VTech Phone for Any Lifestyle

VTech's latest DECT 6.0 cordless phone systems offer superior call quality, range and reception for the conversations that matter most. Available now on <u>www.vtechphones.com</u> and through major retail stores nationwide, the current lineup includes:

- The VTech LS6325-4 is ideal for busy families who need to connect with friends and family – and with each other throughout the home – thanks to an added Push-to-Talk (PTT) feature.
- VTech's **two-line DS6151 system** is also great for busy households, as well as small office/home office users. It eliminates fights for phone time and frustrations over having just one phone line, and features intercom, call transfer, conference capabilities and a dedicated voicemail box for each line.

About VTech®

VTech is the world's largest manufacturer of cordless telephones and a leading supplier of electronic learning products. It also provides highly sought-after contract manufacturing services. Founded in 1976, the Group's mission is to be the most cost effective designer and manufacturer of innovative, high quality consumer electronic products and to distribute them to markets worldwide in the most efficient manner.

For further information on VTech and its array of products, please visit www.vtechphones.com.

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1. Survey methodology

Toluna, Inc. fielded the study on behalf of VTech from Nov 4-8, 2010 via its online omnibus service, interviewing a nationwide sample of 1,000 adults aged 18 years and older. Data were weighted using propensity score weighting to be representative of the total U.S. adult population on the basis of region, age within gender, education, household income, race/ethnicity, and propensity to be online. Data for questions related to online use or behaviors were weighted specifically to the respective "online" populations. No estimates of theoretical sampling error can be calculated; a full methodology is available.