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FOR IMMEDIATE RELEASE

TAITRON REPORTS FOURTH QUARTER AND YEAR-END 2002 RESULTS

LOS ANGELES, California — March 20, 2003 — Taitron Components Incorporated (Nasdaq:TAIT) today announced financial results for its fourth quarter and year-ended December 31, 2002.

The Company reported net sales of \$13.8 million for the year 2002 compared with \$16.7 million a year earlier. The Company also reported a net loss of \$680,000, or \$0.12 loss per diluted share, compared with net loss of \$1.3 million, or \$0.22 loss per diluted share, in 2001. Net sales for the fourth quarter were \$3.1 million compared with \$3.3 million a year earlier. The Company also reported net income for the same period of \$112,000 or \$0.02 earnings per basic and diluted share, compared with a net loss of \$509,000, or \$0.09 loss per diluted share, in 2001.

Included in the 2002 income tax provision is a total of \$332,000 in non-cash income tax charges related to increasing its reserve against its deferred tax assets. Although the Company recorded non-cash income tax charges of \$522,000 in the second quarter 2002, the reserve was reduced by \$220,000 during the fourth quarter 2002 primarily as a result of the anticipated gain on sale of the Company's former office/warehouse facility that is currently unoccupied.

Excluding these non-cash income tax charges, the Company's net loss for the year ended December 31, 2002, would have been approximately \$348,000.

Stewart Wang, president and chief executive officer, said, "While the fourth quarter of 2002 net sales results were lower than 2001 and sequentially decreasing from the third quarter of 2002, the sales results are still symbolic of the very challenging economic and competitive environment for electronic distributors throughout the country. Currently, we believe that the decline in our business has now stabilized."

(more)

Wang added, "While we continue our efforts of cost cutting to achieve our break even point, we also plan to refocus our business strategy beyond the traditional role of electronic components fulfillment to the additional role of engineering services for the existing OEM and CEM customers."

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Safe Harbor Statement Under the Private Securities Litigation Reform Act of 1995: Any statements set forth above that are not historical facts are forward-looking statements that involve risks and uncertainties that could cause actual results to differ materially from those in the forward-looking statements projected. Potential risks and uncertainties include, but are not limited to, such factors as general economic conditions, fluctuations in product demand and market acceptance, the Company's ability to maintain customer and vendor relationships, technological advancements, impact of competitive products and pricing, risks of foreign operations, and other information detailed from time to time in the Company's reports filed or to be filed with the United States Securities and Exchange Commission. The Company urges all interested parties to read these reports to gain a better understanding of the many business and other risks that the Company faces. Additionally, the Company undertakes no obligation to publicly release the results of any revisions to these forward-looking statements, which may be made to reflect events or circumstances occurring after the date hereof or to reflect the occurrence of unanticipated events.

(financial table follows)

TAITRON COMPONENTS INCORPORATED
Statements of Operations (Unaudited)
(Dollars in thousands, except per share amounts)

	Three months ended December 31,		Year ended December 31,	
	<u>2002</u>	<u>2001</u>	<u>2002</u>	<u>2001</u>
Sales, net	\$ 3,142	\$ 3,334	\$ 13,816	\$ 16,736
Cost of goods sold	<u>2,198</u>	<u>2,850</u>	<u>9,922</u>	<u>12,534</u>
Gross profit	944	484	3,894	4,202
Selling, general and administrative expenses	<u>1,036</u>	<u>1,241</u>	<u>4,355</u>	<u>5,521</u>
Loss from operations	(92)	(757)	(461)	(1,319)
Interest expense, net	(111)	(127)	(454)	(761)
Other (expense) income, net	<u>(5)</u>	<u>116</u>	<u>352</u>	<u>435</u>
Loss before income taxes	(208)	(768)	(563)	(1,645)
Income tax (benefit) provision (*)	<u>(320)</u>	<u>(259)</u>	<u>117</u>	<u>(391)</u>
Net income (loss)	\$ <u><u>112</u></u>	\$ <u><u>(509)</u></u>	\$ <u><u>(680)</u></u>	\$ <u><u>(1,254)</u></u>
Basic earnings (loss) per share	\$ <u>0.02</u>	\$ <u>(0.09)</u>	\$ <u>(0.12)</u>	\$ <u>(0.22)</u>
Diluted earnings (loss) per share	\$ <u>0.02</u>	\$ <u>(0.09)</u>	\$ <u>(0.12)</u>	\$ <u>(0.22)</u>
Basic weighted average shares outstanding	<u>5,710,602</u>	<u>5,649,302</u>	<u>5,698,065</u>	<u>5,679,946</u>
Diluted weighted average shares outstanding	<u>6,217,020</u>	<u>5,649,302</u>	<u>5,698,065</u>	<u>5,679,946</u>

(*) Net of non-cash charges for reserving a portion of deferred income taxes during the year ended December 31, 2002.