



Press Release

FOR IMMEDIATE RELEASE

**VTech® RAISES THE BAR FOR CORDLESS PHONE TECHNOLOGY WITH
LAUNCH OF 23 INNOVATIVE MODELS**

*Revamped Product Line Features First Integrated VoIP Phone, Stylistic Mini Handsets
and the Latest in 5.8GHz Digital Models for Consumers and Home Office Users*

Hong Kong, January 5, 2005 – VTech Communications, Inc. (a wholly-owned subsidiary of VTech Holdings Ltd., SEHK: 303; London SE: VTH; ADR: VTKHY), one of the largest suppliers of corded and cordless phones in North America, today introduced 23 new cordless telephones at the 2005 Consumer Electronics Show in Las Vegas. Featuring the latest in cordless telecommunications, VTech's new product line includes the first ever fully integrated Voice over Internet Protocol (VoIP) broadband cordless 5.8GHz telephone, the sleek i5858 that offers the latest in ringtones and graphic interface and new mini models that stylistically mimic mobile handsets.

“With the launch of a completely new line of cordless phones, VTech combines the latest cordless phone technology with innovative design styles and practical features,” said Donna Silbert, vice president of product management at VTech. “We offer everyone – men, women, families and small business owners – cordless phone technologies that answer their needs with stunning designs, advanced features and technology, all at reasonable price points.”

Latest in Cordless Technology: First VoIP-Enabled Phone

In 2005, VoIP is projected to begin taking hold, with more than five million VoIP users worldwide by the middle of 2004, according to figures from broadband research firm Point Topic. VTech is the first company to bring fully integrated VoIP technology to household and small office users with the new ip8100 5.8GHz cordless broadband phone, featuring an integrated terminal adapter and eliminating wired computer connections. This model includes two handsets and one base station, and is expandable up to four handsets. The VTech ip8100 plug-and-play solution does not require a separate router and works with either a broadband cable or DSL modem.

To complete the VoIP offering, VTech has partnered with leading broadband service provider Vonage, which will provide telephony services. Other features include “hands-free” handset speakerphone, caller ID, 50 name/number phonebook and 10 ringer melodies.

The Mobile Phone Look: The VTech “Mini”

VTech’s contemporary new black and silver mini design packs big features into a small form, with a stylistic design representative of a cellular telephone design, which consumers have come to embrace for their portability. The “mini” mi6861 is expandable up to four additional handsets and has an integrated digital answering system with three mailboxes. Great for the small business on the rise, the mini mi6861 provides flexibility as needs expand in the home or office, and there is no need to keep a separate phonebook as it has a 50 name/number phonebook directory.

Style and Substance: 5.8GHz Innovation

VTech’s new 5.8GHz digital i5858 cordless phone’s sleek, ultra-tech design is the perfect blend of form and function, providing modern flair to any home. VTech’s i5858 is expandable up to eight handsets, each with a 65K high-resolution color LCD screen, speakerphone and ability to share phonebook directories between respective handsets. The Phonebook Download feature enables users to export their phonebook from popular applications, such as MS Outlook and Palm, directly into the handset. Users can set musical ring tones and picture caller ID for their favorite callers using the recordable ringer and phonebook directory features. In addition to the i5858, VTech is introducing several other new 5.8GHz models, the best in cordless phone technology, as the 5.8GHz frequency does not interfere with wireless internet routers for the truly technology savvy home environment.

A Complete Cordless Line for Every Need

A full listing of VTech’s new cordless telephones can be found below, including 900MHz, 2.4GHz and 5.8GHz models.

VoIP New Product Offerings

<i>Model</i>	<i>Key Features</i>	<i>Price</i>
ip8100	<ul style="list-style-type: none"> • 5.8GHz • Integrated Terminal Adapter • Two RJ45 ports • Includes two handsets with Caller ID/Call Waiting • Vonage service support 	US\$149.95
4106	<ul style="list-style-type: none"> • VoIP Terminal Adapter • Two FXS ports • PSTN fail over • Vonage service support 	US\$79.95

5.8GHz Digital New Product Offerings

<i>Model</i>	<i>Key Features</i>	<i>Price</i>
i5858	<ul style="list-style-type: none"> • 65K high-resolution color LCD with animated graphical icons • Phonebook Download • Recordable ringers • Picture Caller ID/Call Waiting • Expandable to 8 handsets • Handset and base speakerphone 	US\$179.95

i5871	<ul style="list-style-type: none"> • 65K high-resolution color LCD with animated graphical icons • Phonebook Download • Recordable ringers • Picture Caller ID/Call Waiting with ITAD • Expandable to 8 handsets • Handset and base speakerphone 	US\$199.95
i5808	<ul style="list-style-type: none"> • Expansion handset for i5858 and i5871 	US\$99.95
mi6861	<ul style="list-style-type: none"> • Mini handset • Integrated Digital Answering System • Caller ID/Call Waiting • Expandable to 4 handsets • Handset speakerphone 	US\$79.95
mi6821	<ul style="list-style-type: none"> • Mini handset • Caller ID/Call Waiting • Expandable to 4 handsets • Handset speakerphone 	US\$59.95
mi6820	<ul style="list-style-type: none"> • Expansion handset for mi6821 and mi6861 	US\$39.95

5.8GHz Analog New Product Offerings

<i>Model</i>	<i>Key Features</i>	<i>Price</i>
ia5859	<ul style="list-style-type: none"> • Caller ID/Call Waiting with ITAD • Includes 2 handsets 	US\$64.95
ia5839	<ul style="list-style-type: none"> • Caller ID/Call Waiting • Includes 2 handsets 	US\$49.95
ia5851	<ul style="list-style-type: none"> • Caller ID/Call Waiting with ITAD 	US\$44.95
ia5829	<ul style="list-style-type: none"> • Call ID/Call Waiting 	US\$29.95

2.4GHz Analog New Product Offerings

<i>Model</i>	<i>Key Features</i>	<i>Price</i>
gz2334	<ul style="list-style-type: none"> • Caller ID/Call Waiting • Polyphonic ringers • Changeable face plates 	US\$29.95
t2450	<ul style="list-style-type: none"> • Caller ID/Call Waiting with ITAD • Includes 2 handsets 	US\$44.95
t2440	<ul style="list-style-type: none"> • Caller ID/Call Waiting • Includes 2 handsets 	US\$34.95
t2453	<ul style="list-style-type: none"> • Caller ID/Call Waiting with ITAD 	US\$29.95
t2429	<ul style="list-style-type: none"> • Caller ID/Call Waiting 	US\$19.95
t2408	<ul style="list-style-type: none"> • Basic 	US\$14.95

900MHz New Product Offerings

<i>Model</i>	<i>Key Features</i>	<i>Price</i>
t2151	<ul style="list-style-type: none"> • Caller ID/Call Waiting with ITAD 	US\$24.95
t2121	<ul style="list-style-type: none"> • Caller ID/Call Waiting 	US\$14.94
t2101	<ul style="list-style-type: none"> • Basic 	US\$12.95

VTech's new telephone offerings will be featured January 6 – 8, 2005 at Caesars Palace Hotel and Casino, Florentine Ballroom, in conjunction with the 2005 Consumer Electronics Show in Las Vegas. The products will available in all major retail outlets and online at www.vtechphones.com in the spring of 2005.

About VTech®

VTech is one of the largest suppliers of corded and cordless phones in North America and one of the world's leading suppliers of electronic learning products. It also provides highly sought-after contract manufacturing services. VTech is a pioneer in the establishment of China-based manufacturing facilities and sells its products via a strong brand platform supported by a well-established distribution network in North America, Europe and Asia.

This release is issued by VTech Holdings Ltd through GolinHarris. For further information on VTech and its array of telecommunication products, please visit www.vtechphones.com or contact:

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VTech i5871 5.8GHz cordless phone



VTech "Mini" mi6861 5.8GHz cordless phone