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FOR IMMEDIATE RELEASE

**TAITRON REPORTS FIRST QUARTER RESULTS  
AND REGAINS NASDAQ COMPLIANCE**

LOS ANGELES, California — May 8, 2002 — Taitron Components Incorporated (Nasdaq:TAIT) today announced financial results for its first quarter ended March 31, 2002.

The Company reported net sales of \$3,706,000 for the quarter ended March 31, 2002, a 11% sequential increase from net sales of \$3,334,000 during the quarter ended December 31, 2001. The Company also reported a net loss during the quarter ended March 31, 2002 of \$193,000 or \$.03 net loss per basic and diluted share, a 62% sequential improvement from a net loss of \$509,000 or \$.09 net loss per basic and diluted share, during the quarter ended December 31, 2001.

Yearly comparison of the same quarter net sales was \$3,706,000 for the quarter ended March 31, 2002, as compared with \$5,524,000 for the same quarter a year earlier. Yearly comparison of the same quarter net loss was \$193,000 or \$.03 net loss per basic and diluted share as compared with a net loss of \$74,000 or \$.01 net loss per basic and diluted share for the same quarter a year earlier.

Stewart Wang, president and chief executive officer, said, "The low demand for discrete semiconductors still remains an industry wide issue resulting from the sluggish economy. Although it is very difficult to know when a recovery may begin, the sequential increase in our sales from the fourth quarter provides some indication that the weakness may be stabilizing. We are fortunate to be in a strong financial position to support us during this difficult time. For example, with \$25 million of equity, we were able to complete a new loan package, which provides us with a \$15 million dollar line of credit. As of today, we have used approximately \$10 million of the \$15 million credit line and have approximately \$5 million available to draw upon."

Mr. Wang further mentioned that results for the quarter were favorably impacted by a decrease in Selling, General and Administrative expenses related to the Company's efforts in cutting costs due to the decrease in sales.

(more)

Taitron also announced today that it has regained compliance with the Nasdaq National Market listing requirements. On May 1, 2002, the Company received notice from Nasdaq that compliance has been regained and that the matter as announced in the Company's press release on March 14, 2002 is now closed and resolved.

Taitron, based in Valencia, California, is the "Discrete Components Superstore." The Company distributes a wide variety of transistors, diodes and other discrete semiconductors, optoelectronic devices and passive components utilized by other electronic distributors, original equipment manufacturers and contract electronic manufacturers.

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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

(In thousands, except share and per share data)

(Unaudited)

	Three Months Ended March 31,	
	<u>2002</u>	<u>2001</u>
Net sales	\$ 3,706	\$ 5,524
Cost of goods sold	<u>2,683</u>	<u>3,887</u>
Gross profit	1,023	1,637
Selling, general & administrative expenses	<u>1,196</u>	<u>1,535</u>
(Loss) earnings from operations	(173)	102
Interest expense, net	124	247
Other income, net	<u>(89)</u>	<u>(47)</u>
Loss before taxes	(208)	(98)
Income tax benefit	<u>(15)</u>	<u>(24)</u>
Net loss	<u>\$ (193)</u>	<u>\$ (74)</u>
Basic loss Per Share	<u>\$ (0.03)</u>	<u>\$ (0.01)</u>
Diluted loss Per Share	<u>\$ (0.03)</u>	<u>\$ (0.01)</u>
Basic weighted average shares outstanding	<u>5,653,463</u>	<u>5,722,573</u>
Diluted weighted average shares outstanding	<u>5,653,463</u>	<u>5,722,573</u>