

April 7, 2011

VTECH Holdings Limited - Termination Notice

SPONSORED CUSIP: 928929108

ADR Ratio 1 ADS: 10 Shares

UNSPONSORED CUSIP: 928929207

ADR Ratio 1 ADS: 1 Share

ADR holders were notified in a letter dated December 21, 2010, that at the request of **VTech Holdings Limited** the Deposit Agreement between **VTech Holdings Limited**, The Bank of New York Mellon, as Depositary, and the Owners and Beneficial Owners of ADRs (the "Deposit Agreement") would be terminated effective on January 21, 2011.

The Bank of New York Mellon has established an unsponsored ADR facility (the "unsponsored ADRs") for **VTech Holdings Limited** shares. Holders of sponsored ADRs representing **VTech Holdings Limited** shares (CUSIP # 928929108) can now surrender the sponsored ADRs and request delivery of unsponsored ADRs (CUSIP # 928929207) at the rate of 10 new unsponsored American Depositary Shares ("ADSs") for every 1 sponsored ADS surrendered. **Please note: The Bank of New York Mellon provides no advice, recommendation or endorsement with respect to the Company, its shares, its ADRs or unsponsored ADRs. An unsponsored ADR may have significantly different terms than the sponsored VTECH HOLDINGS LIMITED ADRs and such differences may be considered materially adverse to investors.**

As a result of the termination of the Deposit Agreement described above, you have until January 21, 2012 to decide if you would like to retain an interest in shares of the Company in the form of shares in Hong Kong or in the form of unsponsored ADRs. If you do not surrender your sponsored ADRs and request delivery of the underlying shares in Hong Kong or request delivery of unsponsored ADRs, in either case, on or before January 21, 2012, you will only be entitled, upon subsequent surrender of your sponsored ADRs, to receive the net proceeds of sale of the underlying shares of **VTECH HOLDINGS LIMITED**, if any such sale does occur and if any such proceeds are received. The date or dates on which the Depositary may sell remaining deposited shares has not been determined, but the sale will take place after January 21, 2012.

To learn more about Depositary Receipts and issuer programs, please contact our marketing desks:

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This information and data is provided for general purposes only; it is not investment advice and should not be used for any investment decisions nor trading purposes. BNY Mellon does not warrant or guarantee the accuracy, timeliness or completeness of this announcement and shall have no liability for investment or other decisions based hereon, including market values loss on the sales or purchase of securities or other instruments or obligations. We do not undertake any obligation to update or amend this information or data. Nothing herein shall be deemed to constitute an offer to sell or a solicitation of an offer to buy securities.

April 7, 2011

If you surrender sponsored ADRs for the purpose of withdrawing and receiving the underlying shares in Hong Kong on or before January 21, 2012, you must pay the Depositary's cancellation fee of \$0.05 per ADS a cable fee of \$17.50, and any applicable taxes or governmental charges. Payment should be made to The Bank of New York Mellon.

If you surrender sponsored ADRs for the purpose of receiving unsponsored ADRs on or before January 21, 2012, the Depositary will waive the cancellation fee of \$0.05 per sponsored ADR and the issuance fee of \$0.05 per unsponsored ADR.

In order to surrender your sponsored ADRs to receive unsponsored ADRs or the underlying shares in Hong Kong, please contact Mr. Patrick Small, (Tel # 212-815-2231) or Mr. Oliver Torres (Tel. # 212-298-1694) prior to January 21, 2012.

If you do not surrender your sponsored ADRs before the Depositary sells the deposited shares, upon surrender the expenses of the sale, the depositary's cancellation fee of \$0.05 per sponsored ADR and any applicable taxes or governmental charges will be deducted from the payment of proceeds of sale of the shares, if any such proceeds are received. If you wish to receive payment of the proceeds of sale of the shares, please do not surrender your sponsored ADRs at this time. The Depositary will send a separate notice with instructions to surrender your ADRs if the sale of shares has been completed.

To learn more about Depositary Receipts and issuer programs, please contact our marketing desks:

<i>New York</i>	<i>London</i>	<i>Hong Kong</i>
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