

## **DESWELL ANNOUNCES FILING AND AVAILABILITY OF ANNUAL REPORT ON FORM 20-F**

**MACAO—August 2, 2011 -- Deswell Industries, Inc. (Nasdaq: DSWL)** today announced that the Company has filed its Annual Report on Form 20-F, which includes its audited financial statements for its fiscal year ended March 31, 2011, with the United States Securities and Exchange Commission (“SEC”). Deswell has also posted its 2011 Form 20-F on its website and it can be accessed electronically at <http://www.deswell.com/invest.html>.

The Company will deliver a paper copy of its fiscal 2011 Annual Report on Form 20-F, including its complete audited financial statements, free of charge, to any shareholder within a reasonable time after request. To obtain a paper copy of Deswell's fiscal 2011 Annual Report on Form 20-F, written request should be made to Deswell Industries, Inc., 17B, Edificio Comercial Rodrigues, 599 Avenida da Praia Grande, Macau, Special Administrative Region, PRC.

Deswell is an independent manufacturer of injection-molded plastic parts and components, electronic products and subassemblies and metallic molds and accessory parts for original equipment manufacturers, or “OEMs” and contract manufacturers. Deswell also began to distribute audio equipment in China. The company conducts all of its manufacturing activities at separate plastics, electronics and metallic operation factories located in Dongguan, People’s Republic of China. Deswell produces a wide variety of plastic parts and components used in the manufacture of consumer, automotive, medical and industrial products. Electronic products manufactured by the Company include sophisticated professional audio equipment, high end home theatre audio products, and complex printed circuit board assemblies and telecommunication products.

To learn more about Deswell Industries, Inc., please visit the Company’s web site at [www.deswell.com](http://www.deswell.com).

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