SVB Financial Group

TFS Secures Line of Credit From Silicon Valley Bank

TEMPE, Ariz., July 29 /PRNewswire-FirstCall/ -- Three-Five Systems, Inc. (NYSE: TFS) announced today that it has secured a one-year, $10 million line of credit with Silicon Valley Bank, the primary banking subsidiary of Silicon Valley Bancshares (Nasdaq: SIVB).

Jeffrey D. Buchanan, Executive Vice President and Chief Financial Officer of TFS, commented, "The new line of credit will provide us with added flexibility in funding the company as we drive additional growth, particularly in the second half of 2004. We are pleased to be working with Silicon Valley Bank. They successfully delivered to us a new credit line that carries favorable terms."

Kevin Grossman, Senior Vice President, Silicon Valley Bank, said, "Three-Five Systems is a welcome addition to our portfolio of technology clients in Arizona and across the country. We recognize the opportunities that lie ahead for Three-Five and look forward to a long-term relationship in which we can support its growth with our suite of banking services."

About TFS

TFS is a recognized leader in providing specialized electronics manufacturing services (EMS) to original equipment manufacturers (OEMs). TFS has a global footprint, with operations in the United States, Europe, and several locations in Asia. TFS offers a broad range of engineering and manufacturing capabilities, with a special emphasis and expertise in display solutions. TFS' website is located at www.tfsc.com.

Three-Five Systems, Inc. and the TFS logo are trademarks or registered trademarks of TFS. All other trademarks are the property of their respective owners.

About Silicon Valley Bank

Silicon Valley Bank provides diversified financial services to emerging growth and mature companies in the technology, life sciences and private equity markets, as well as the premium wine industry. Through its focus on specialized markets and extensive knowledge of the people and business issues driving them, Silicon Valley Bank provides a level of service and partnership that measurably impacts its clients' success. Founded in 1983 and headquartered in Santa Clara, Calif., the company serves more than 9,500 clients across the country through 26 regional offices. More information on the company can be found at www.svb.com.

Certain statements contained in this document may be deemed to be forward-looking statements under federal securities laws, and TFS intends that such forward-looking statements be subject to the safe-harbor created thereby. Such forward-looking statements include, but are not limited to, TFS driving additional growth, particularly in the second half of 2004. TFS cautions that these statements are qualified by important factors that could cause actual results to differ materially from those reflected by the forward-looking statements contained herein. Such factors include, but are not limited to: (a) changes in markets or demand; (b) the failure of the products to achieve desired results; © the failure of TFS to meet all requested production schedules due to manufacturing, yield, or supply issues; and (d) other risks as identified from time to time in TFS' SEC reports, including Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and Annual Reports on Form 10-K.

SOURCE Three-Five Systems, Inc.

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"Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995: Statements in this press release regarding Three-Five Systems, Inc.'s business which are not historical facts are "forward-looking statements" that involve risks and uncertainties. For a discussion of such risks and uncertainties, which could cause actual results to differ from those contained in the forward-looking statements, see "Risk Factors" in the Company's Annual Report or Form 10-K for the most

recently ended fiscal year.