



News Announcement

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JACO ELECTRONICS, DT RESEARCH AND IMAGE BASE INTERNATIONAL SELECTED BY ALLIANCE AIRPORT ADVERTISING TO INSTALL DIGITAL SIGNAGE AND INTERACTIVE KIOSKS AT PORTLAND AIRPORT

Hauppauge, NY, Reno, NV, San Jose, CA and Portland, OR, -- May 5, 2008 -- Jaco Electronics, Inc. (Nasdaq: JACO), a global distributor and integrator of electronic components and customized flat panel display (FPD) solutions, and provider of value-added logistics services, and DT Research, a leading developer of information appliances for vertical markets, today announced a partnership with Image Base International (IBI), a digital signage integrator and interactive media company. This partnership has resulted in all three companies securing the digital signage contract for Portland's International Airport – including state-of-the-art kiosks. Terms of the agreement were not disclosed.

Jaco's Chairman and Chief Executive Officer Joel Girsky, stated, "We are very excited about partnering with two digital signage leaders on the Portland Airport contract, and look forward to forging a long and mutually beneficial relationship in one of the most dynamic areas of FPD deployment. The digital signage sector is an area of focus, growth and importance for Jaco as we are uniquely positioned in the industry as a supplier, designer and integrator."

"As such, we recently named Joe Fijak as Jaco's Vice President of Business Strategy and Marketing - Display & Embedded Computer Solutions. In this capacity, Joe will oversee this segment of our Display Solutions business, and manage Jaco's partner relationships in this area. Joe has been with Jaco since 2004, and brings a wealth of related knowledge, expertise and relationships to our Company, augmented by 27 years of industry experience."

"A digital signage system significantly enhances the airport experience," said Dr. Daw Tsai, president of DT Research. "Digital signs can provide airport travelers with accurate, up-to-the-minute flight, gate and baggage claim information. Travelers can watch dynamic advertising while waiting for the next flight. Interactive kiosks provide rapid access to specific content for travelers in a hurry. We

look forward to working with Jaco, Image Base International and Alliance Airport Advertising in offering dynamic communications to travelers within the Portland International Airport.”

Commenting on the Portland Airport agreement, Image Base International (IBI) President and Co-founder Catherine Oaks, added, “Digital signage is a particularly effective medium for attention-getting advertising, especially when you are able to reach a captive audience, such as airport travelers who often spend a considerable amount of time waiting. When Alliance Airport Advertising (AAA) approached us about creating large flat panel screens for their main concourse and interactive, informational kiosks to enhance the baggage claim area, we were pleased to have the opportunity to bring in Jaco to manage the sales procurement and logistics process and DT Research for their hardware and software implementation expertise. Going forward, we will continue to proactively seek similar and related projects we can all collaborate on, and have already submitted several proposals.”

About DT Research

DT Research™ develops and manufactures web-enabled information appliances for vertical applications. The WebDT family of products is based on thin computing platforms for secure, reliable, and cost-effective computing. These systems emphasize mobility, wireless connectivity and touch displays. WebDT products include digital signage systems, wireless tablets, compact modular appliances, and display-integrated information systems. Powered by Windows® Embedded and Windows XP operating systems, WebDT devices offer durability and ease in integration, leading to solutions that can be remotely managed with the user-friendly WebDT Device Manager software. For more information, visit www.dtresearch.com.

About Jaco Electronics

Jaco is a leading distributor of electronic components to industrial OEMs and contract manufacturers. Jaco distributes products such as semiconductors, capacitors, resistors, electromechanical devices, flat panel displays (FPD) and power supplies, which are used in the manufacture and assembly of electronic products, including: telecommunications equipment, computers and office equipment, medical devices and instrumentation, industrial equipment and controls, military/aerospace systems and automotive and consumer electronics.

Jaco has two distribution centers, a warehouse in Singapore, and 15 strategically located sales offices throughout the United States. The Company operates an in-house FPD integration center housing its engineering and manufacturing staff and operations. The integration center enhances Jaco’s ability to provide customers with unique value-added display solutions and a “one-stop” source for their FPD supply and integration requirements. In addition to customized FPD solutions, Jaco provides a variety of value-added services including automated inventory management services and assembling stock items for customers into pre-packaged kits.

About Image Base International

Recognized as one of the leading providers of interactive marketing, dynamic branding and digital media solutions, IBI provides a full range of services, including digital signage implementation, touch-screen applications, 3-D animation, High Definition video production, logo design, and web and e-commerce development. Visit IBI at www.ibiworld.com. Designing the Future...NOW.

“Safe Harbor” Statement under the Private Securities Litigation Reform Act of 1995:

This press release provides historical information and includes forward-looking statements. Although we believe that the expectations in such forward-looking statements are reasonable, we can give no assurance that such expectations will prove to have been correct. The forward-looking statements are based upon a number of assumptions and estimates that, while considered reasonable by our management, are inherently subject to significant business, economic and competitive risks, uncertainties and contingencies which are beyond our control, and upon assumptions with respect to future business decisions which are subject to change. Accordingly, the forward-looking statements are only an estimate, and actual results will vary from the forward-looking statements, and these variations may be material. Consequently, the inclusion of the forward-looking statements should not be regarded as a representation by us of results that actually will be achieved. Forward-looking statements are necessarily speculative in nature, and it is usually the case that one or more of the assumptions in the forward-looking statements do not materialize. Investors are cautioned not to place undue reliance on the forward-looking statements. We caution that, among others, the factors below, which are discussed in our Annual Report on Form 10-K for the fiscal year ended June 30, 2007, as amended, and in our other filings with the Securities and Exchange Commission, could cause our results to differ materially from those stated in the forward-looking statements. These factors include (i) the highly cyclical nature of our industry and the adverse impact of downturns in our industry; (ii) our dependence on a limited number of suppliers for the products we distribute and most of our distribution agreements are cancelable upon short notice; (iii) the market for our products is very competitive and our industry is subject to rapid technological change; (iv) our dependence on individual purchase orders and absence of long-term supply agreements exposes us to customer cancellations, reductions or delays; (v) our substantial leverage and debt service obligations; (vi) a significant and growing portion of our business is in non-U.S. locations, particularly Asia, and failure to expand in Asia could adversely affect our sales while our dependence on foreign manufacturers exposes us generally to political and economic risks; (vii) volatility in the pricing of electronic components; (viii) disruptions in transportation of our products by third party carriers; (ix) potential warranty and/or product liability risks inherent in the products we sell; and (x) our dependence on the continued service of key members of our management and technical personnel.

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