



IDT Reaffirms Guidance for the Fourth Quarter of Fiscal 2003

SANTA CLARA, Calif., Feb 27, 2003 (BUSINESS WIRE) -- IDT™ (Integrated Device Technology, Inc.; Nasdaq: IDTI), a leading communications IC company, today reaffirmed guidance in its regular mid-quarter financial teleconference. As previously indicated, IDT expects fourth-quarter fiscal 2003 revenues to be flat compared to the third-quarter fiscal 2003 revenues of \$79 million.

IDT also announced several cost-cutting measures, including a reduction in workforce of approximately 150 positions worldwide. This represents approximately 5 percent of the Company's total worldwide employees and includes a 10 percent reduction in its non-manufacturing workforce. IDT plans to close its design center in Dallas and five sales offices worldwide, among other cost-cutting measures. These and other actions will enable the Company to reduce its planned fiscal 2004 spending by approximately \$30 million. Related to these actions, IDT expects to incur severance and related charges of approximately \$4 million in Q4FY03.

"Due to the current uncertain industry outlook and the Company's projected revenue levels for the upcoming fiscal year, IDT has decided to implement these measures to better align our cost structure with anticipated revenues," said Greg Lang, president and CEO of IDT. "With these actions, we expect to be cash-flow positive in the June quarter and achieve pro-forma break-even earnings in the second half of fiscal 2004 without impacting new product development or future growth potential for IDT."

Webcast and Conference Call Information

Investors can listen to a live or replay Webcast of the Company's regular mid-quarter conference call at www.idt.com. The live Webcast begins at 1:30 p.m. PST on February 27, 2003. The Webcast replay will be available after 4 p.m. PST on February 27 through March 20, 2003. A taped telephone replay of the conference call will be available at (800) 475-6701 (access code is 676016) beginning at 5 p.m. PST on February 27, 2003 and will be accessible until 9 p.m. PST on March 6, 2003.

Investor Information

IDT stock is traded on the Nasdaq Stock Market® under the symbol "IDTI." The company is included in the S&P 1000, which is a combination of the S&P MidCap 400 and S&P SmallCap 600 Indices. The investor hotline is (408) 654-6420.

About IDT

IDT enhances the global network with semiconductor solutions for communications companies that lead innovation and drive convergence in voice, data and wireless networks. IDT is focused on enhancing system bandwidth with communications-specific products including network search engines, classification and content inspection processors and integrated communications processors. The portfolio is also comprised of products optimized for communications applications, including telecom products, FIFOs, multi-ports, and clock management products. In addition, the product mix includes high-performance digital logic and high-speed SRAMs to meet the requirements of leading communications companies.

Headquartered in Santa Clara, Calif., the company employs approximately 3,100 people worldwide and has a wafer manufacturing facility in Oregon, and test and assembly facilities in the Philippines and Malaysia. Additional information about IDT is easily accessible at www.idt.com.

Forward-looking statements in this release involve a number of risks and uncertainties including, but not limited to, product demand, manufacturing capacity and costs, competition, pricing, patent and other intellectual property rights of third parties, timely development and supply of new products and manufacturing processes, availability of capital, cash flow and other risk factors detailed in the Company's Securities and Exchange Commission filings. Actual results may differ materially from the Company's projections.

Note to Editors: IDT is a trademark of Integrated Device Technology, Inc. All other brands, product names and marks are or may be trademarks or registered trademarks used to identify products or services of their respective owners.

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