



FOR IMMEDIATE RELEASE

DGT HOLDINGS REPORTS

FISCAL 2013 SECOND QUARTER FINANCIAL RESULTS

NEW YORK, March 13, 2013 – DGT Holdings Corp. (OTCBB: DGTC) (“DGT Holdings” or the “Company”) today announced financial results for its fiscal 2013 second quarter ended January 26, 2013.

FINANCIAL PRESENTATION

The Company sold its Power Conversion Business on August 16, 2012, and sold its Medical Systems Group on November 3, 2011. The Company’s operations currently consist of a real estate business from rental activities relating to buildings retained from the sales of the related businesses. The Company’s focus is on capital redeployment and identification of new profitable operations to redeploy its existing working capital and maximize the use of its net operating loss carryforwards. The operating results for the Power Conversion Business and for the Medical Systems Group, as well as the gains on disposals of such units, are reported as discontinued operations for all periods presented. Continuing operations consist of the real estate business, as well as the costs incurred in capital redeployment activities and general and administrative expenses.

FINANCIAL RESULTS

Revenue from continuing operations for the second fiscal quarter of 2013, consisting of rental income on the Company’s real estate, was \$212,000. Cost of sales, consisting of depreciation and rental-related costs, was \$92,000.

The loss from continuing operations for the second fiscal quarter of 2013 was \$482,000, as compared to a loss from continuing operations of \$565,000 for the second fiscal quarter of 2012.

The loss from discontinued operations for the second fiscal quarter of 2013 was \$74,000, as compared to income from discontinued operations of \$923,000 in the second fiscal quarter of 2012.

The gain on the sale of discontinued operations of \$6,837,000 in the second fiscal quarter of 2012 was recorded on the sale of the Medical Systems Group business.

Net loss for the second quarter of fiscal 2013 was \$556,000 or \$0.14 per share. Net income for the second quarter of fiscal 2012 was \$7,195,000, or \$1.87 per share.

FINANCIAL CONDITION

DGT Holdings’ working capital at January 26, 2013 was \$54,960,000, which included \$13,118,000 of unrestricted cash; \$3,441,000 of restricted cash, and \$40,070,000 of investments held for sale.

The cash and marketable securities balance, net of debt, was \$54,309,000, or \$14.00 per share.

ABOUT DGT HOLDINGS

DGT Holdings Corp. previously manufactured proprietary high-voltage power conversion subsystems, including electronic filters, high voltage capacitors, pulse modulators, transformers and reactors, and a variety of other products designed for industrial, medical, military and other commercial applications through its Power Conversion Group's RFI Corporation subsidiary. This business was sold on August 16, 2012. The Company currently owns and leases two industrial buildings.

The Company's web site is www.dgtholdings.com.

Statements about future results made in this release may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on current expectations and the current economic environment. DGT Holdings cautions that these statements are not guarantees of future performance. Actual results could differ materially from those expressed or implied in the forward-looking statements. Important assumptions and other important factors that could cause actual results to differ materially from those in the forward-looking statements are specified in the Company's filings with the Securities and Exchange Commission.

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DGT HOLDINGS CORP.

Terry Gibson
Chief Executive Officer
Chief Financial Officer
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DGT HOLDINGS CORP.
STATEMENTS OF OPERATIONS
(DOLLARS IN THOUSANDS EXCEPT PER SHARE AMOUNTS)
(UNAUDITED)

<u>Three Months Ended</u>	
January	January

	<u>26, 2013</u>	<u>28, 2012</u>
SALES	\$ 212	\$ 107
COST OF SALES	92	20
GROSS MARGIN	<u>120</u>	<u>87</u>
General and administrative	624	659
Total operating expenses	<u>624</u>	<u>659</u>
OPERATING LOSS	<u>(504)</u>	<u>(572)</u>
Interest income	19	60
Interest expense	(35)	(15)
Other income	101	-
LOSS FROM CONTINUING OPERATIONS BEFORE INCOME TAXES	<u>(419)</u>	<u>(527)</u>
Income tax provision	<u>63</u>	<u>38</u>
LOSS FROM CONTINUING OPERATIONS	(482)	(565)
Discontinued operations, net of income tax	(74)	923
Gain on disposal of discontinued operations, net of income tax	-	6,837
NET INCOME (LOSS)	<u>\$ (556)</u>	<u>\$ 7,195</u>
NET INCOME (LOSS) PER BASIC AND DILUTED SHARE:		
Loss from continuing operations	\$ (0.12)	\$ (0.15)
Income(loss) from discontinued operations	<u>(0.02)</u>	<u>2.02</u>
Net income(loss)	<u>\$ (0.14)</u>	<u>\$ 1.87</u>
WEIGHTED AVERAGE SHARES OUTSTANDING	3,879,468	3,841,102
COMPREHENSIVE INCOME (LOSS) :		
NET INCOME (LOSS)	\$ (556)	\$ 7,195
Other comprehensive income (loss), net of \$0 income taxes:		
Net unrealized gain on securities held for sale	470	-
Foreign currency translation adjustments	105	(857)
Total other comprehensive income (loss)	<u>575</u>	<u>(857)</u>
OTHER COMPREHENSIVE INCOME	<u>\$ 19</u>	<u>\$ 6,338</u>

DGT HOLDINGS CORP.
BALANCE SHEETS
(DOLLARS IN THOUSANDS EXCEPT PAR VALUE)

January 26, July 28,
2013 2012

	Unaudited	
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 13,118	\$ 38,169
Restricted cash	3,441	2,428
Securities held for sale	40,070	4,359
Prepaid expenses and other current assets	106	158
Current assets of discontinued operations	-	3,125
Total current assets	<u>56,735</u>	<u>48,239</u>
NON-CURRENT ASSETS:		
Property plant and equipment, net	3,595	3,428
Promissory note receivable	676	614
Other assets	62	73
Non-current assets of discontinued operations	-	443
Total non-current assets	<u>4,333</u>	<u>4,558</u>
TOTAL ASSETS	<u>\$ 61,068</u>	<u>\$ 52,797</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Current portion of long-term debt	\$ 84	\$ 82
Accounts payable - trade	771	11
Accrued expenses	920	1,951
Current liabilities of discontinued operations	-	1,002
Total current liabilities	<u>1,775</u>	<u>3,046</u>
NON-CURRENT LIABILITIES:		
Long-term debt, less current portion	2,235	2,278
Deferred income taxes	488	458
Total non-current liabilities	<u>2,723</u>	<u>2,736</u>
Total liabilities	<u>4,588</u>	<u>5,782</u>
COMMITMENTS AND CONTINGENCIES		
SHAREHOLDERS' EQUITY:		
Common stock, \$.10 par value;		
Authorized 100,000,000; January 26, 2013 and July 28,		
2012, respectively; issued-4,082,157 and 4,042,157		
at January 26, 2013 and July 28, 2012, respectively	408	404
Additional paid-in capital	98,400	98,174
Treasury shares - 202,689 shares, at cost, at January		
26, 2013 and July 28, 2012	(7,429)	(7,429)
Accumulated other comprehensive income (loss)	1,922	(78)
Accumulated deficit	(36,731)	(44,056)
Total shareholders' equity	<u>56,570</u>	<u>47,015</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u>\$ 61,068</u>	<u>\$ 52,797</u>