

Power Integrations Reports Verdict in Patent Case Against Fairchild Semiconductor

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Fairchild found to infringe and induce infringement of two Power Integrations patents

SAN JOSE, Calif.--(BUSINESS WIRE)-- Power Integrations (Nasdaq:**POWI**) today announced a verdict reached in the company's 2008 patent-infringement lawsuit against Fairchild Semiconductor. After a three-week trial in the U.S. District Court for the District of Delaware, a jury found that Fairchild infringes two Power Integrations patents. The infringement findings cover approximately 75 Fairchild products, including the following products and those with substantially identical infringing circuitry:

AS1000	FAN6754	FSEZ1217	PO268MY	SG6846
AS1003	FAN6791	FSEZ1307	PO368MY	SG6846A
AS1207	FAN6793	FSEZ1317	SG5841J	SG6846B
DAP024	FAN6861	FSEZ2007	SG5842J	SG6846C
FAN100	FAN6862	FSEZ2016	SG5842JA	SG6846G
FAN102	FAN6862L	FSEZ2037	SG5851	SG68502
FAN103	FAN6862R	LTA504SG	SG5851A	SG68502A
FAN104	FSBH0170	LTA504SJ	SG6741	SG68502B
FAN301	FSBH0270	LTA703S	SG6741A	SG6859
FAN400A	FSBH0370	LTA704S	SG6742	SG6859A
FAN400C	FSBH0F70	LTA705S	SG6742HL	SG6860
FAN6747	FSEZ1016A	LTA809FA	SG6742HR	SGP100
FAN6751	FSEZ1116	LTA810FA	SG6742ML	SGP101
FAN6752	FSEZ1216	LTA811FA	SG6742MR	SGP400
FAN6753	FSEZ1216B	PO168MY	SG6842J	

The jury also upheld the validity of the infringed patents, and further found that Fairchild has induced others to infringe Power Integrations' patents. Power Integrations will seek an injunction preventing further infringement and is seeking financial damages, as well as enhanced damages for willful infringement, issues that are to be decided in a separate trial to be held at a later date.

Of the two counterclaim patents asserted in the case by Fairchild, one was found by the jury not to be infringed. The jury found the second Fairchild patent to be infringed by a limited number of Power Integrations products, but further found that Power Integrations did not induce infringement by any customers, including customers outside the United States, who are therefore unaffected by the verdict. Power Integrations is challenging the enforceability of the Fairchild patent, an issue still to be decided by the judge overseeing the case. Nevertheless, Power Integrations estimates that even if the verdict were ultimately upheld, the sales potentially impacted amount to only about 0.1% of the company's revenues.

The latest verdict follows rulings in two earlier cases brought by Power Integrations against Fairchild and its System General subsidiary. In 2006, Fairchild was found to infringe four Power Integrations patents, including the same two patents found infringed today. The Court issued a permanent injunction against more than 100 infringing Fairchild products in that case, and later found the infringement to be willful, resulting in enhancement of the damage award, which currently stands at \$12 million. The results of that case are currently under appeal.

Also in 2006, the International Trade Commission (ITC) found that System General, later acquired by Fairchild, infringed two Power Integrations patents and issued an exclusion order barring the infringing products from the U.S. market.

Commented Balu Balakrishnan, president and CEO of Power Integrations: "We are gratified that the legal system has once again helped us protect our innovations, and we hope this decision will put a stop to Fairchild's repeated violations of our intellectual property."

About Power Integrations

Power Integrations, Inc., is a Silicon Valley-based supplier of high-voltage integrated circuits and other high-voltage components used in energy-efficient power conversion. The company's innovative technologies enable compact, reliable AC-DC power supplies for a vast range of electronic products including mobile devices, TVs, PCs, appliances, smart utility meters and LED lights. Since its introduction in 1998, Power Integrations' EcoSmart® energy-efficiency technology has prevented billions of dollars' worth of energy waste and millions of tons of carbon emissions. Reflecting the environmental benefits of the company's products, Power Integrations' stock is included in the NASDAQ® Clean Edge® Green Energy Index, The Cleantech Index®, and the Ardour Global IndexSM. For more information, including design-support tools and resources, please visit www.powerint.com; visit Power Integrations' **Green Room** for a comprehensive guide to energy-efficiency standards around the world.

Note Regarding Forward-Looking Statements

The statement in this press release relating to the potential revenue impact of this litigation is a forward-looking statement reflecting management's current expectations and beliefs. This forward-looking statement is based on current information that is, by its nature, subject to rapid and even abrupt changes. Due to risks and uncertainties associated with the company's business, the litigation process, and the reaction of customers to the decision, actual results could differ materially from those projected or implied by this forward-looking statement. General risk factors associated with the company's business are more fully explained under the caption "Risk Factors" in the company's most recent Quarterly Report on Form 10-K, filed with the Securities and Exchange Commission (SEC) on February 29, 2012. The company is under no obligation (and expressly disclaims any obligation) to update or alter its forward-looking statements, whether as a result of new information, future events or otherwise, except as otherwise required by the rules and regulations of the SEC.

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