



Power Integrations' EcoSmart® Energy Savings to Consumers Exceed \$500 Million

SAN JOSE, Calif. - April 20, 2004 - Power Integrations (NASDAQ: POWI), reached a significant milestone recently in its ongoing efforts to reduce the energy waste from inefficient power supplies used in electronic products and appliances. The company estimates that electronic equipment using the company's EcoSmart® integrated circuit technology has allowed consumers worldwide to save more than \$500 million on their energy bills to date.

"We are thrilled that EcoSmart energy savings have reached this level," said Balu Balakrishnan, CEO of Power Integrations. "As more devices use our efficient technology, we expect the rate of savings to accelerate, helping consumers even more in the future.

"For every dollar we earn in product sales, consumers save an estimated \$5.00 to \$15.00 in electricity costs over the lifetime of many of their consumer products," continued Balakrishnan. "We are extremely proud of the significant contribution already made by EcoSmart to save energy dollars and reduce electricity demand."

Power Integrations' integrated circuits, which can be used in virtually all consumer and office products, offer manufacturers the ability to dramatically improve the energy efficiency of power supplies both while the product is in standby mode and under normal operation. EcoSmart improves efficiency by intelligently reducing the power consumed when the load is reduced or stops.

Facts About Energy Waste:

- Every household contains numerous vampire-like power bricks that consume electricity even when the equipment is thought to be 'off'. These "energy vampires" may be plugged into outlets and power strips or embedded into appliances or office equipment.
- Energy vampires in the US waste an estimated 52 billion kilowatt-hours of electricity annually, or the equivalent of 26 average-size power plants.*
- It has been estimated that up to 10 percent of the average consumer's electric bill is wasted paying for electricity that performs no useful function.*
- In the U.S. alone, more than \$4 billion of energy is wasted by electronic products that consumers think are "off." *

Power Integrations' EcoSmart technology enables manufacturers to conform to all current and proposed worldwide standby and no-load energy efficiency guidelines. Power Integrations is committed to eliminating the energy vampires with its EcoSmart technology. As a symbol of this commitment, the company has created an energy friendly super hero 'Link the Energy Vampire Slayer' whose mission is to reduce energy waste. LINK can be seen on the company's energy-centric 'Green Room' at www.powerintegrations.com/greenroom.

Power Integrations

Power Integrations is a leading supplier of high-voltage analog integrated circuits for use in power conversion. For more information, contact the company at 5245 Hellyer Avenue, San Jose, California 95138, PH: (408) 414-9665 or visit the company's web site at www.powerint.com. For information on meeting energy regulations, visit the Power Integrations Green Room at www.powerint.com/greenroom.

Safe Harbor Statement

This press release contains forward-looking statements, which reflect management's current forecast of certain aspects of the Company's future business. These forward-looking statements are based on current information, which we have assessed, but which by its nature, is subject to rapid and even abrupt changes. Forward looking statements are denoted by the use of such words and phrases as "will," "expects," "believe," and similar words and phrases that look toward future events or performance. The Company's actual results could differ materially from those projected or implied by our forward looking statements due to risks and uncertainties associated with the Company's business. These include, but are not limited to, changes and shifts in customer demand away from products which integrate the Company's ICs to products which do not; the lengthy sales cycle for the Company's products which often results in the Company incurring substantial expenses before the Company generates significant revenues, if any, from the sale of a new product or even before a customer, if any, decides to use the new product in any of its products; and the associated risk that the customer's product in which the Company's new product is used will not be commercially successful due to a variety of factors including cost relative to competitive products at the time the customer's product enters the market. Other factors include, but are not limited to, our ability to maintain and establish strategic relationships; the risks inherent in the development and delivery of complex technologies; our ability to attract, retain and

motivate qualified personnel; the emergence of new markets for our products and services, and our ability to compete in those markets based on timeliness, cost and market demand; and our limited financial resources. We more fully discuss these and other risk factors in the Company's most recent reports on Form 10-K and Form 10-Q filed with the Securities and Exchange Commission.