



Power Integrations Named One of World's Top 20 Sustainable Stocks

Company Recognized for Energy Savings and Financial Performance

SAN JOSE, Calif. – August 9, 2005 – For the second time in three years, Power Integrations (Nasdaq: POWI), the inventor of EcoSmart[®] energy-efficiency technology, has been named one of the world's top 20 sustainable stocks by SustainableBusiness.com. The annual list, known as the SB20, recognizes companies from around the world that stand out in terms of financial performance as well as their contributions to the sustainability of society. According to the SB20 judges, Power Integrations was recognized for eliminating energy waste without requiring consumers to change their behavior or pay more for energy-efficient products.

Power Integrations' integrated circuits with EcoSmart technology reduce energy waste in a wide range of electronic products, including computers, TVs, DVD players, home appliances, AC adapters and many more. The technology intelligently manages the flow of power into a device, reducing the amount of energy consumed in "standby" mode by as much as 97%, and enabling manufacturers to meet all current and proposed energy-efficiency standards for electronic products.

"Since 1998, Power Integrations has sold more than 800 million EcoSmart chips, saving consumers and businesses more than an estimated \$1 billion on their electricity bills and preventing the release of more than 6 million tons of carbon dioxide emissions," noted Balu Balakrishnan, president and CEO of Power Integrations. "EcoSmart technology makes products energy-efficient without increasing their cost. This is good for consumers, manufacturers, and the environment, and it has proven to be good for our stockholders as well."

First named to the SB20 list in 2003, Power Integrations has been recognized repeatedly for its contributions to reducing energy waste from electronic products. Earlier this year the company was named champion of Efficiency Challenge, a power-supply design competition sponsored by the U.S. Environmental Protection Agency and the California Energy Commission. In 2004, analogZONE awarded the company Product of the Year honors for its highly efficient DAK-32 reference design for power supplies used in DVD players and other consumer electronics. In 1999, the company received the Discover Award for Technological Innovation for the environmental benefits of its EcoSmart technology.

About Power Integrations

Power Integrations, Inc. is the leading supplier of high-voltage analog integrated circuits used in power conversion. The company's breakthrough integrated-circuit technology enables compact, energy-efficient power supplies in a wide range of electronic products, in both AC-DC and DC-DC applications. The company's EcoSmart energy-efficiency technology, which dramatically reduces energy waste, has saved consumers and businesses around the world more than an estimated \$1 billion on their electricity bills since its introduction in 1998. For more information, visit the company's Web site at www.powerint.com. For information on global energy-efficiency standards and EcoSmart solutions, visit the Power Integrations Green Room at www.powerint.com/greenroom.