



PSi TECHNOLOGIES CONSOLIDATES OPERATIONS

Manila, Philippines – April 5, 2006 – PSi Technologies Holdings, Inc., (NASDAQ: PSIT), a leading independent provider of assembly and test services for the power semiconductor market, today announced that it has informed the Management Committee of the Chengdu Hi-Tech Zone of its decision to close PSi's facility in Chengdu, Sichuan, China.

Commercial operations are expected to cease by the end of April 2006, with loading from the Chengdu facility partially shifting to PSi's facility in Laguna, Philippines.

The Company expects to incur approximately \$2.9 million in asset impairment charges and \$0.23 million in severance costs. Post closure and dissolution, the Company expects to reduce consolidated operating losses by up to \$1.8 million on an annualized basis.

About PSi Technologies

PSi Technologies is a focused independent semiconductor assembly and test service provider to the power semiconductor market. The Company provides comprehensive package design, assembly and test services for power semiconductors used in telecommunications and networking systems, computers and computer peripherals, consumer electronics, electronic office equipment, automotive systems and industrial products. Their customers include most of the major power semiconductor manufacturers in the world such as Fairchild Semiconductor, Infineon Technologies, ON Semiconductor, Philips Semiconductor, and ST Microelectronics. For more information, visit the Company's web site at www.psitechnologies.com or call:

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Safe Harbor Statement

This press release contains forward-looking statements that involve risks and uncertainties. Actual results and outcomes may differ materially. Factors that might cause a difference include, but are not limited to, those relating to the pace of development and market acceptance of PSi's products and the power semiconductor market generally, commercialization and technological delays or difficulties, the impact of competitive products and technologies, competitive pricing pressures, manufacturing risks, the possibility of our products infringing patents and other intellectual property of third parties, product defects, costs of product development, manufacturing and government regulation, audit review, risks inherent in emerging markets, including but not limited to, currency volatility and depreciation, restricted access to financing and political and social unrest and the possibility that the initiatives described herein may not produce the intended results. PSi undertakes no responsibility to update these forward-looking statements to reflect events or circumstances after the date hereof. More detailed information

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about potential factors that could affect PSi's financial results is included in the documents PSi files from time to time with the Securities and Exchange Commission.