



PSi TECHNOLOGIES ANNOUNCES APPOINTMENT OF GORDON J. STEVENSON

**Industry Veteran Joins Company as Chief Operating Officer and
Executive Vice President**

South San Francisco, CA & Manila, Philippines – June 2, 2005 – PSi Technologies Holdings, Inc., (NASDAQ: PSIT), a leading independent provider of assembly and test services for the power semiconductor market, announced today the appointment of Gordon J. Stevenson as Chief Operating Officer and Executive Vice President. Stevenson, a Scot by birth, is an accomplished operations and turnaround specialist with over 30 years of experience in the semiconductor and manufacturing industries at companies such as GI Microelectronics (1973-1987) and Royal Philips Electronics (1987-2005).

Stevenson joined Philips in 1987 as Wafer Fabrication & Assembly Manager, and was later promoted to Plant Director in August 1991. He joined Philips Semiconductors Philippines in October 1992 on a turnaround assignment as Operations Director and Vice President, where he remained until transferring to the Philips Lighting Division. In August 1997, Stevenson was appointed General Manager and Technical Director of Philips' Lighting Plant in Surabaya, Indonesia, one of the largest and most complex organizations in the Lighting Division. During his assignment in Indonesia, Stevenson was credited with returning the Surabaya Plant to profitability, earning a special commendation in 1998 from Cor Boonstra – then Philips President and Chairman of the Board of Management, and John Whybrow – then Philips Executive Vice President and President/CEO of the Lighting Division for his distinctive contribution during the Indonesian social, economic and political crisis. For his contributions to improving Philips' business performance, Stevenson received the ASEAN (Association of Southeast Asian Nations) Best Executive 2001-2002 award in Jakarta, Indonesia. The Surabaya plant was awarded the Philips Quality Award - PBE Gold benchmark, in 2003. Upon completing his assignment in Indonesia, Stevenson was named General Manager of Philips & Yaming in Shanghai, China and Vice President of BU Lamp Asia Pacific Region, where he established and executed a turnaround blueprint to return the unit to profitability that enabled the Shanghai plant to win the Philips Bronze Award for Business Excellence.

Gordon's experience in operations and in turning around businesses has made him an active proponent of Total Quality Management (TQM). He was the originator of the Philips Service Quality Program in 1992, which became the single largest Quality Improvement Competition with the Philips organization. In 2003, Stevenson authored a publication entitled "Confronting Conformance", that has been widely documented and utilized throughout the Philips organization and cited in the Philips Quality Matters publication for its approach as a tool for business turnaround. The book is now mandatory reading for certain of Philips' worldwide "Black Belt" training courses. In addition, he is a trained and qualified business excellence auditor to European Foundation for Quality Management (EFQM) standards, a skill he regularly utilized throughout Philips' businesses worldwide.

"Gordon's role as Chief Operating Officer and his wealth of experience will make him a central figure in executing our plan to return to profitability," said Arthur J. Young, Jr., Chairman and

CEO. “As COO, Gordon will provide leadership, management, and vision to ensure proper operational controls, procedures, and systems. He will direct operational initiatives to effectively grow business and ensure financial strength and operating efficiency.”

About PSi Technologies Holdings, Inc.

PSi Technologies is an independent semiconductor assembly and test service provider focused on 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. PSi’s customers include most of the major power semiconductor manufacturers in the world such as 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 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, risks inherent in emerging markets, including but not limited to, currency volatility and depreciation, restricted access to financing, and political and social unrest. PSi undertakes no responsibility to update these forward-looking statements to reflect events or circumstances after the date hereof. More detailed information 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.

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