



FOR IMMEDIATE RELEASE

**PSi TECHNOLOGIES CONFERRED
INTERNATIONAL ASIA PACIFIC QUALITY AWARD (IAPQA)**

South San Francisco, CA & Manila, Philippines - September 16, 2004 – PSi Technologies Holdings, Inc. (NASDAQ: PSIT) a leading independent provider of assembly and test services for the power semiconductor market, today announced that its main operating subsidiary, PSi Technologies, Inc., was conferred the International Asia Pacific Quality Award (IAPQA) under the award category of “Best of His Class – Big Manufacturing Organization”.

The International Asia Pacific Quality Award is the Asian Region’s counterpart to the prestigious Malcolm Baldrige National Quality Award of the United States. The Award is administered by a foundation established by the Asia Pacific Quality Organization called “The Walter L. Hurd Foundation”. PSi Technologies was judged based on similar criteria used for the Malcolm Baldrige Award, specifically: leadership, strategic planning, customer and market focus, analysis and knowledge management, human resource, process management, and business results.

“Each of our employees have exerted tremendous effort to provide our customers with superior performance in cost, quality and delivery,” said Arthur Young, Jr., PSi Technologies’ Chairman and CEO. “Being the first Philippine company that was conferred the International Asia Pacific Quality Award under the award category of ‘Best of His Class’ serves as a testament to the capabilities of the Filipino workers and our efforts to continuously improve and reinforces our commitment to quality.”

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. Our 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 contact:

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About the Asia Pacific Quality Organization (APQO)

The Asia Pacific Quality Organization (APQO) is a non-profit organization that serves as an umbrella group that brings together all of the leading quality professional societies from countries that border the Pacific Ocean or are considered Asian nations. The governing body of the APQO includes representatives from Australia, China, India, Indonesia, Korea, Malaysia, Mexico, New Zealand, the Philippines, Sri Lanka, United States, and Vietnam.

This press release contains forward-looking statements that involve risks and uncertainties. Actual results 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 and manufacturing and government regulation. PSi will not 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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Mr. Arthur J. Young Jr., President/CEO of P*Si* Technologies, Inc. and Mr. Ramon C. Magsaysay, VP for Reliability & Quality being conferred the International Asia Pacific Quality Award - "Best of Its Class for Big Manufacturing Organization" in the occasion of the 16th Annual National Quality Forum and 10th Asia Pacific Quality Organization International Conference at EDSA Shangri-la Hotel, Philippines.

Left to right: Jose Gonzales Prado (President, Instituto Mexicano de Control de Calidad), Dr. H. James Harrington (President Walter Hurd Foundation Inc.), the awardees, Charles Aubrey (President of Asia Pacific Quality Organization), Vicky Vallesteros (Secretary General APQO)





APQO (Asia Pacific Quality Organization) plaque for Best of His Class Distinction (Big Manufacturing Organization) presented to PSi Technologies, Inc.





Mr. Arthur J. Young Jr. giving the acceptance speech