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**PSi TECHNOLOGIES CONFERRED PHILIPPINE QUALITY  
AWARD (PQA) FOR PROFICIENCY IN QUALITY MANAGEMENT**

**MANILA, PHILIPPINES & SANTA CLARA, CALIF. - December 10, 2002 –**  
**PSi Technologies Holdings, Inc. (NASDAQ: PSIT)** a leading independent provider of assembly and test services for the power semiconductor market, today announced that it was selected by the Philippine Quality Award Committee as a recipient of the PQA Recognition for Proficiency in Quality Management (Level II). PSi Technologies was previously awarded the PQA Recognition for Commitment to Quality (Level I) in 1999 and 2000.

The PQA is the country's counterpart to the prestigious Malcolm Baldrige National Quality Award in the United States. PSi Technologies was judged based on seven criteria focusing on leadership, strategic planning, customer and market focus, information and analysis, human resource, process management, and business results.

The award was presented by Gloria Macapagal Arroyo, President of the Republic of the Philippines and Adrian Cristobal, Jr., Acting Secretary of the Philippine Department of Trade & Industry, on December 6, 2002 in Malacañang Palace, the Philippines.

“In this competitive 21st century, we do need to strengthen our competitiveness. This means attention to quality. So, I'm glad that today in the field of management, our PQA recipients, PSi Technologies...are this year's best examples of quality,” said Philippine President Gloria Macapagal Arroyo. “They have also been steady sources of jobs for thousands of Filipinos, and are important contributors to domestic output and productivity in the electronics industry. Both are our biggest exporters of electronic semiconductors. And I congratulate them.”

“We are honored to receive this recognition from the Philippine Quality Award Committee,” said Arthur Young, Jr., PSi Technologies' Chairman and CEO. “Our company has gone through a series of Management and Quality System reviews to continuously improve our operations. We believe that the PQA award is another

milestone for us to achieve on our journey towards excellence. I look forward to the new year where we will aim for ‘Mastery in Quality Management’”

***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](http://www.psitechnologies.com).

***About the Philippine Quality Award (PQA)***

The Philippine Quality Award (PQA) is the highest level of national recognition for exemplary organizational performance through Total Quality Management (TQM). Established through Executive Order No. 448, issued by President Fidel V. Ramos on October 3, 1997, the award is given to organizations in the private and public sectors that excel in quality and productivity.

The Award focuses on results, including customer satisfaction. It is not an award for product quality or service quality but for a quality management system, which hinges on continuous improvement in the delivery of products and/or services, and provides a way of satisfying and responding to customers.

For more information, visit PQA’s website at [www.pdc.dap.edu.ph/pqa.htm](http://www.pdc.dap.edu.ph/pqa.htm)

*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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