



PSi TECHNOLOGIES REGAINS NASDAQ COMPLIANCE

Manila, Philippines – December 14, 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 received a Nasdaq Staff Letter, dated December 12, 2006, advising that the Company has regained compliance with the minimum bid price requirement for continued listing found in Nasdaq Marketplace Rule 4320(e)(2)(E)(i). On July 17, 2006, the Company had received a Nasdaq Staff Deficiency letter, indicating that the Company failed to comply with the minimum bid price requirement of \$1.00 over the previous 30 consecutive business days as required by the Nasdaq Marketplace Rules. During the subsequent 180-day compliance period provided under the Marketplace Rules, the closing bid price of the Company's American Depositary Share has been at \$1.00 per share or greater for at least 10 consecutive business days. Accordingly, the Nasdaq Staff determined that the Company has regained compliance with the Nasdaq Marketplace Rules.

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 Infineon Technologies, ON Semiconductor, Philips Semiconductor, and ST Microelectronics. For more information, visit the Company's web site at www.psitechnologies.com or call:

At PSi Technologies Holdings, Inc.:

Thelma G. Oribello
(63 2) 838 44 89
tgoribello@psitechnologies.com.ph

At Financial Relations Board:

Lasse Glassen
(310) 854 8313
lglassen@frbir.com

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, 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 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.