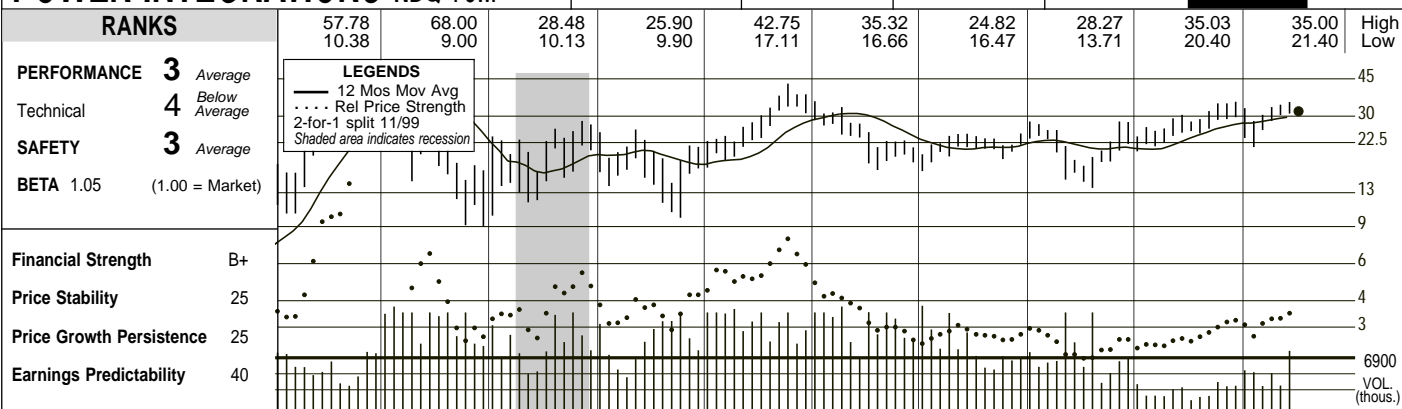


POWER INTEGRATIONS NDQ--POWI

RECENT PRICE **31.61** TRAILING P/E RATIO **36.8** RELATIVE P/E RATIO **2.29** DIV'D YLD **Nil** VALUE LINE



© VALUE LINE PUBLISHING, INC.	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008/2009
SALES PER SH	3.93	4.07	3.36	3.78	4.13	4.48	4.87	5.67	6.35	
"CASH FLOW" PER SH	1.05	.87	.49	.57	.82	.89	.75	.58	1.16	
EARNINGS PER SH	.87	.69	.23	.32	.57	.63	.51	.31	.85	1.10 ^A /1.48 ^C
DIV'DS DECL'D PER SH	--	--	--	--	--	--	--	--	--	
CAP'L SPENDING PER SH	.25	.59	.27	.16	1.24	.27	.11	.35	.36	
BOOK VALUE PER SH	3.03	3.97	4.40	4.91	6.27	6.97	7.13	7.70	9.63	
COMMON SHS OUTST'G (MILL)	26.47	27.43	28.01	28.63	30.41	30.49	29.37	28.66	30.07	
AVG ANN'L P/E RATIO	33.7	37.3	83.0	55.3	48.7	38.8	42.1	69.7	32.1	28.7/21.4
RELATIVE P/E RATIO	1.92	2.42	4.25	3.02	2.78	2.05	2.23	3.76	1.70	
AVG ANN'L DIV'D YIELD	--	--	--	--	--	--	--	--	--	
SALES (\$MILL)	104.1	111.5	94.1	108.2	125.7	136.6	143.1	162.4	191.0	Bold figures are earnings estimates and, using the recent prices, P/E ratios.
OPERATING MARGIN	28.7%	26.8%	15.8%	17.3%	24.6%	23.8%	17.7%	6.7%	17.8%	
DEPRECIATION (\$MILL)	3.2	4.2	6.9	6.7	6.8	6.9	6.3	7.1	8.2	
NET PROFIT (\$MILL)	24.5	19.8	6.7	9.6	18.1	20.4	15.7	9.4	26.6	
INCOME TAX RATE	15.0%	30.0%	30.3%	30.0%	28.0%	23.8%	29.1%	3.4%	22.3%	
NET PROFIT MARGIN	23.5%	17.7%	7.1%	8.9%	14.4%	14.9%	11.0%	5.8%	13.9%	
WORKING CAP'L (\$MILL)	71.2	87.0	100.8	120.4	135.7	143.5	132.8	133.6	215.0	
LONG-TERM DEBT (\$MILL)	1.4	.7	.3	.0	--	--	--	--	--	
SHR. EQUITY (\$MILL)	80.3	108.8	123.3	140.6	190.7	212.5	209.4	220.8	289.5	
RETURN ON TOTAL CAP'L	30.2%	18.1%	5.5%	6.8%	9.5%	9.6%	7.5%	4.3%	9.2%	
RETURN ON SHR. EQUITY	30.5%	18.2%	5.5%	6.8%	9.5%	9.6%	7.5%	4.3%	9.2%	
RETAINED TO COM EQ	30.5%	18.2%	5.5%	6.8%	9.5%	9.6%	7.5%	4.3%	9.2%	
ALL DIV'DS TO NET PROF	--	--	--	--	--	--	--	--	--	

^ANo. of analysts changing earn. est. in last 28 days: 0 up, 0 down, consensus 5-year earnings growth 31.5% per year. ^BBased upon 5 analysts' estimates. ^CBased upon 5 analysts' estimates.

ANNUAL RATES		
of change (per share)	5 Yrs.	1 Yr.
Sales	8.5%	12.0%
"Cash Flow"	5.0%	101.0%
Earnings	6.0%	174.0%
Dividends	--	--
Book Value	13.0%	25.0%

Fiscal Year	QUARTERLY SALES (\$mill.)				Full Year
	1Q	2Q	3Q	4Q	
12/31/05	34.4	34.3	36.5	37.9	143.1
12/31/06	35.2	41.5	44.4	41.3	162.4
12/31/07	45.3	43.2	49.8	52.7	191.0
12/31/08	51.8				

Fiscal Year	EARNINGS PER SHARE				Full Year
	1Q	2Q	3Q	4Q	
12/31/04	.16	.15	.18	.14	.63
12/31/05	.14	.16	.17	.04	.51
12/31/06	d.03	.15	.09	.10	.31
12/31/07	.21	.22	.22	.20	.85
12/31/08	.22	.24	.32	.32	

Cal-endar	QUARTERLY DIVIDENDS PAID				Full Year
	1Q	2Q	3Q	4Q	
2005	--	--	--	--	--
2006	--	--	--	--	--
2007	--	--	--	--	--
2008	--	--	--	--	--

INSTITUTIONAL DECISIONS			
	3Q'07	4Q'07	1Q'08
to Buy	68	71	72
to Sell	14	41	47
Hld's(000)	26376	26722	27042

ASSETS (\$mill.)	2006	2007	3/31/08
Cash Assets	127.4	204.2	213.1
Receivables	10.5	14.2	17.3
Inventory (FIFO)	28.3	19.7	21.9
Other	7.5	5.5	3.9
Current Assets	173.7	243.6	256.2

LIABILITIES (\$mill.)	2006	2007	3/31/08
Property, Plant & Equip, at cost	106.7	115.4	--
Accum Depreciation	53.2	58.7	--
Net Property	53.5	56.7	56.8
Other	33.7	34.8	34.6
Total Assets	260.9	335.1	347.6

LONG-TERM DEBT AND EQUITY as of 3/31/08	2006	2007	3/31/08
Accts Payable	8.6	10.8	11.1
Debt Due	.0	.0	.0
Other	31.5	17.8	17.2
Current Liab	40.1	28.6	28.3

LONG-TERM DEBT AND EQUITY as of 3/31/08
 Total Debt None Due in 5 Yrs. None
 LT Debt None
 Including Cap. Leases None
 Leases, Uncapitalized Annual rentals NA
 Pension Liability None in '07 vs. None in '06

Pfd Stock None Pfd Div'd Paid None
 Common Stock 30,400,342 shares (100% of Cap'l)

INDUSTRY: Electrical Equipment

BUSINESS: Power Integrations, Inc. designs, develops, manufactures, and markets proprietary, high-voltage, analog integrated circuits (IC) for use primarily in alternating current (AC)-direct current (DC) and DC-DC power conversion in the consumer, communications, computer, and industrial electronics markets worldwide. Its products include TOPSwitch, which integrates a pulse width modulation, controller, a high-voltage MOSFET, for use in various applications; and TinySwitch with EcoSmart technology used in adapters for portable equipment, as well as for power supplies. The company's products also include Link-Switch products that are integrated high-voltage power conversion IC designed to displace low-power linear transformers; and DPA-Switch products that supply output power levels of up to 100 watts, such as Power-over-Ethernet powered devices, as well as network hubs, line cards, servers, digital PBX phones, DC-DC converter modules, and industrial controls. Has 385 employees. C.E.O. & President: Balu Balakrishnan. Inc.: DE. Address: 5245 Hellyer Avenue, San Jose, CA 95138. Tel.: (408) 414-9200. Internet: <http://www.powerint.com>. E.B.

July 11, 2008

TOTAL SHAREHOLDER RETURN				
Dividends plus appreciation as of 5/31/2008				
3 Mos.	6 Mos.	1 Yr.	3 Yrs.	5 Yrs.
24.07%	8.48%	14.49%	36.99%	22.39%