



## Power-One Updates First Quarter Guidance

CAMARILLO, Calif.--(BUSINESS WIRE)--April 18, 2007--Power-One, Inc. (NASDAQ:PWER) today announced that for its first quarter ending March 31, 2007 the company expects to report revenue slightly below guidance at approximately \$124 million, and a net loss of approximately \$0.14 per share. The revenue shortfall comes predominantly from North American business, which did not achieve anticipated forecasts. North America experienced a softening of sales to distributors and certain key customers, who have taken actions to make their inventory positions significantly leaner. The weakness occurred particularly during the latter part of the quarter. However, the company believes that this shortfall reflects a general market contraction rather than impact from declining company market share. The company's bookings remained strong during the quarter with a book-to-bill ratio of approximately 1.0.

Due to the revenue shortfall and product mix changes, gross margins have been affected. The company also experienced significant unplanned expediting for motor control customers, higher than expected legal expenses, and some integration inefficiencies associated with the recent acquisition. As part of the integration of the acquisition and the many new opportunities in custom products, focus was centered on ensuring customer satisfaction and positioning the company to operate as a combined entity. While the integration has been somewhat more complex than originally thought, the company firmly believes that the synergies will be as planned, but extended out for a few quarters.

The recently acquired factory in California will be shut down as originally planned by the end of June, and the company is also planning to accelerate restructuring of the combined business. In light of the slower economic demand, the company is taking the necessary actions to swiftly return the company back to profitability, and believes that it is one of the best positioned power supply companies to take advantage of growth as the industry continues to consolidate.

Power-One will release results for the first quarter at the close of market on Tuesday, May 1st. A conference call to discuss the first quarter financial results and near-term outlook is scheduled that same day at 2PM PDT/ 5PM EDT. Investors who would like to listen to the live conference call may go to the investor relations section at [www.power-one.com](http://www.power-one.com). An online re-broadcast will be available through May 8.

### About Power-One:

Power-One is a leading designer and manufacturer of power conversion products sold primarily to OEM customers in the telecommunications and server/storage markets; as well as data communications equipment manufacturers. Power-One's high-reliability products are also used in applications such as test equipment, high-end industrial applications, and alternative energy. Power-One, with headquarters in Camarillo, CA, has over 4,000 employees with manufacturing and/or R&D operations in the United States, Dominican Republic, Italy, Hungary, Switzerland, Slovakia, Ireland and China.

For information on Power-One and its products, visit the company's Web site at [www.power-one.com](http://www.power-one.com).

This press release contains forward-looking statements, which are made pursuant to the Safe-Harbor provisions of the Private Securities Litigation Reform Act of 1995. Words such as "expect," "anticipate," "will," "looking," "believe" and similar expressions reflecting something other than historical fact are intended to identify forward-looking statements, but are not the exclusive means of identifying such statements. Future results may be adversely affected by various factors including any general economic slowdown, pricing pressure resulting from the Company's need to respond to market conditions, a downturn or other disruption of the market trends within our end customers' industries, unplanned expediting or other unrecoverable costs incurred to meet product delivery requirements, cancellations, rescheduling, or other customer actions that cause expected revenues to be pushed out or to fail to materialize, inability to turn design wins into sales revenues, delays or cancellations of new product designs by customers, inability to achieve anticipated restructuring timelines and synergy savings related to the acquisition of the Magnetek, Inc. Power Electronics Group, and continued unplanned legal fee amounts associated with unexpected litigation requirements. See "Risk Factors" in the Company's 2006 Form 10-K on file with the Securities and Exchange Commission for greater detail regarding factors that constitute cautionary statements with respect to such forward-looking statements, including certain risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The Company undertakes no obligations to revise or update any forward-looking statements in order to reflect events or circumstances that may arise after the date of this release.

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