



Press Release

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IXYS Corporation Announces December Quarter Results

Milpitas, CA., USA and Biel, Switzerland. February 5, 2009 -- IXYS Corporation (NASDAQ:IXYS), an international power semiconductor company, today reported net revenues of \$58.3 million for the third fiscal quarter ended December 31, 2008 as compared with net revenues of \$73.1 million for the same period in the prior fiscal year.

For the nine months ended December 31, 2008, IXYS reported net revenues of \$215.3 million, as compared with net revenues of \$225.2 million for the same period in the prior fiscal year.

"The December 2008 quarter proved challenging, as we faced a global economic slowdown. Keenly aware of constrained credit markets and recessionary environments, IXYS took proactive steps to adjust its plants and workforce. This resulted in a profitable quarter from operations, excluding the one-time charges. We continued our robust new product introductions and saw growth in some of our higher margin products," stated Dr. Nathan Zommer, Chairman and CEO of IXYS.

Gross profit was \$12.7 million, or 21.7% of net revenues, for the quarter ended December 31, 2008 as compared to gross profit of \$20.8 million, or 28.4% of net revenues, for the same quarter in the prior fiscal year. Gross profit for the nine months ended December 31, 2008 was \$61.2 million, or 28.4% of net revenues, as compared to a gross profit of \$63.1 million, or 28.0% of net revenues, for the same period in the prior fiscal year.

Net loss for the quarter ended December 31, 2008 was \$4.0 million, or \$0.13 loss per diluted share, as compared to net income of \$2.2 million, or \$0.07 income per diluted share, for the same quarter in the prior fiscal year. Net income for the nine months ended December 31, 2008 was \$7.6 million, or \$0.23 per diluted share, as compared to net income of \$13.2 million, or \$0.39 per diluted share, for the same period in the prior fiscal year.

The results for the quarter ended December 31, 2008 included pre-tax adjustments of \$3.7 million (\$3.0 million, after tax effects) for impairment of goodwill related to the Clare acquisition and \$3.0 million (\$1.9 million, after tax effects) for inventory write-downs, which are in the nature of one-time events. Excluding the impact of these one-time adjustments, net income for the quarter ended December 31, 2008 would have been

\$940,000, or \$0.03 per share, diluted, as compared to what was a net income of \$2.2 million, or \$0.07 per diluted share, for the same quarter in the prior fiscal year.

“Dictated by generally accepted accounting principles, management concluded that the \$3.7 million goodwill remaining from the Clare acquisition was impaired, therefore it was written off. Furthermore, we examined our inventory. Applying generally accepted accounting principles, we took an additional one-time charge in the quarter of about \$3.0 million to recognize inventory exposure. Except for these one-time charges, our net income would have been \$940,000 or \$0.03 per diluted share,” stated Uzi Sasson, COO and CFO.

Mr Sasson continued, “Due to global economic declines, some of our customers tapered back on purchase orders and delayed previously scheduled deliveries. In the face of on-going market volatility, we expect revenues in the March 2009 quarter to be relatively flat, as compared to the December 2008 quarter.”

About IXYS Corporation

Since its founding in Silicon Valley, IXYS Corporation has been developing power semiconductor technology-driven products to improve power conversion efficiency, generate clean energy, improve automation and provide advance products for the transportation, medical and telecommunication industries. IXYS is a worldwide pioneer in the development of power MOSFETs, IGBTs, Solid State Relays, GaAs based RF FETs and amplifiers and high voltage integrated circuits (HVIC) that are key to reducing the world’s dependence on fossil fuels. IXYS has provided its array of products to the renewable energy market since 1996 - products that enabled high efficiency wind energy generation and high efficiency solar photovoltaic electricity generation.

Non-GAAP Financial Information

Included above and within the attached schedules are certain non-GAAP financial figures. Management believes non-GAAP net income and non-GAAP net income per share are useful measures of operating performance because they exclude the impact of the write-off for the impairment of goodwill and the impact of various adjustments to inventory, which are in the nature of one-time events. However, these non-GAAP measures should be considered in addition to, not as a substitute for, or superior to net income and net income per share, or other financial measures prepared in accordance with GAAP.

Safe Harbor Statement

The foregoing press release contains forward-looking statements, including those related to market volatility and our expectations for revenues in the March 2009 quarter. Actual results may vary materially from those contained in the forward-looking statements, due to changes in customer delivery schedules, the cancellation of orders, an unanticipated decline in our business and disruptions in our production caused by our vendors, among other things. Further information on other factors that could affect IXYS is detailed and included in IXYS’ Form 10-Q for the fiscal quarter ended September 30, 2008, as filed with the Securities and Exchange Commission. IXYS undertakes no obligation to publicly release the results of any revisions to these forward-looking statements.