

iWatt sees no impact to supply chain by Japan earthquake and tsunami

March 16, 2011

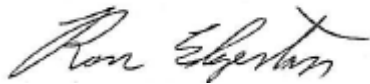
Dear Valuable iWatt Customer.

First and foremost, our thoughts and prayers go out to the people of Japan as they begin to recover from the recent tragic events.

We have completed our initial impact survey of iWatt's supply chain and have determined that iWatt's ability to supply product and to meet customers' orders will not be affected by the Japan earthquake events. None of iWatt's direct suppliers are located in Japan. The survey of our suppliers also established that they do not procure any direct raw materials from Japan and they all appear to have sufficient inventories of raw materials. Our suppliers have no immediate material supply concerns and they continue with normal production loading. In addition, their communication and transportation abilities have not been affected.

iWatt is actively working with each of our supplier partners to monitor the supply situation around the world to determine if there will be any long term impact on materials supplied to their factories as well as to their communication and transportation networks. We will be providing ongoing updates directly to our customers and via our web site to keep you updated.

Best regards,



Ron Edgerton, CEO