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**DIODES INCORPORATED**  
**REPORTS**  
**RECORD REVENUES AND EARNINGS**  
**-- 1999 EPS Tops \$1.00 --**

**Westlake Village, California — January 27, 2000 — Diodes Incorporated (Amex: DIO)** a manufacturer of discrete semiconductors, today reported record revenues and earnings for the fourth quarter and year ended December 31, 1999.

Revenues in the quarter rose to a record \$23.2 million, compared with \$14.9 million for the fourth quarter of 1998, an increase of 56%. Net income in the quarter was a record \$2.4 million, or \$0.41 per share, compared to \$412,000, or \$0.08 per share, in the comparable period in 1998, an increase of over 400%.

On a sequential basis, fourth quarter revenues were 6% higher than third-quarter revenues of \$21.8 million, and net income was 41% higher than third-quarter net income of \$1.7 million, or \$0.31 per share. In addition to the record results, this was the Company's 39<sup>th</sup> consecutive profitable quarter and 4<sup>th</sup> consecutive quarter in which both sales and income have increased.

Revenues for the twelve months ended December 31, 1999 rose to a record \$79.3 million, compared with \$61.3 million for 1998, an increase of 29%. Net income for 1999 increased 107% to a record \$5.6 million, or \$1.02 per share, compared to \$2.7 million, or \$0.50 per share, last year.

Manufacturing profits from Diodes-China combined with stronger average selling prices toward the latter part of 1999 contributed to higher gross margins. For the quarter, gross margin percentage was 28.9% compared to 23.2% in the fourth quarter last year and 27.1% in the third quarter of 1999, while for the entire year, gross margin was to 26.4% compared to 25.1% in 1998.

Michael Rosenberg, President and CEO of Diodes, attributed the record operating results to a combination of increased demand for the Company's products, improved product mix, and better inventory management. "Diodes-China, our manufacturing facility on mainland China, was a major contributor to our record year," said Mr. Rosenberg. "As previously announced, our \$4.5 million investment followed by our \$6.5 million investment in Diodes-China will start contributing to financial results in the 2<sup>nd</sup> and 3<sup>rd</sup> quarters of 2000. Consequentially, should market conditions remain strong, we can expect an even greater contribution from Diodes-China in year 2000."

Mr. Rosenberg continued: “Though we are only one month into the New Year, demand for our products remains strong, especially in the Far East, which now accounts for approximately 45% of total sales. As we begin year 2000, the Company’s book-to-bill ratio remains solidly in positive territory, and with our backlog at its highest level ever, we are optimistic that the Company will achieve further sequential top-and bottom-line growth.”

Diodes Incorporated (Amex: DIO) manufactures high-quality discrete semiconductor devices and provides customer support to leading manufacturers in the automotive, electronics, computing and telecommunications industries. Through the Company’s ISO-9000 and QS-9000 certified manufacturing facilities located in Shanghai, China and Taipei, Taiwan, Diodes' products, marketed under the *Vishay Lite-On Power Semiconductor* brand, among others, include small signal transistors and MOSFETs, transient voltage suppressors (TVSs), zeners, Schottkys, diodes, rectifiers and bridges. The Company’s ISO-9000 corporate sales, marketing, engineering and logistics headquarters is located in Southern California.

*Safe Harbor Statement Under the Private Securities Litigation Reform Act of 1995: Any statements set forth above that are not historical facts are forward-looking statements that involve risks and uncertainties that could cause actual results to differ materially from those in the forward-looking statements. Potential risks and uncertainties include, but are not limited to, such factors as fluctuations in product demand, the introduction of new products, the Company's ability to maintain customer and vendor relationships, technological advancements, impact of competitive products and pricing, growth in targeted markets, risks of foreign operations, and other information detailed from time to time in the Company's filings with the United States Securities and Exchange Commission.*

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Recent news releases, annual reports, and SEC filings are available at the Company's web site: <http://www.diodes.com>.

Written requests may be sent directly to the Company, or they may be e-mailed to: [diodes-fin@diodes.com](mailto:diodes-fin@diodes.com).

(Statement of Income Follows)

**DIODES INCORPORATED AND SUBSIDIARIES**  
**CONSOLIDATED CONDENSED STATEMENTS OF INCOME**  
(Unaudited)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	1998	1999	1998	1999
Net sales	\$ 14,916,000	\$ 23,240,000	\$ 61,325,000	\$ 79,251,000
Cost of goods sold	11,449,000	16,519,000	45,924,000	58,303,000
Gross profit	3,467,000	6,721,000	15,401,000	20,948,000
Selling, general and administrative expenses	2,473,000	3,537,000	11,016,000	13,670,000
Income from operations	994,000	3,184,000	4,385,000	7,278,000
Other income (expense)				
Interest income	91,000	84,000	304,000	311,000
Interest expense	(181,000)	(159,000)	(585,000)	(603,000)
Other	94,000	93,000	94,000	182,000
	4,000	18,000	(187,000)	(110,000)
Income before income taxes and minority interest	998,000	3,202,000	4,198,000	7,168,000
Provision for income taxes	578,000	733,000	1,511,000	1,380,000
Minority interest in joint venture earnings	(8,000)	(99,000)	(14,000)	(219,000)
Net income	\$ 412,000	\$ 2,370,000	\$ 2,673,000	\$ 5,569,000
Earnings per share				
Basic	\$ 0.08	\$ 0.46	\$ 0.53	\$ 1.10
Diluted	\$ 0.08	\$ 0.41	\$ 0.50	\$ 1.02
Number of shares used in computation				
Basic	5,047,237	5,190,925	5,029,064	5,083,518
Diluted	5,234,517	5,811,615	5,370,952	5,472,635