



FOR IMMEDIATE RELEASE

Diodes Incorporated Raises Second Quarter Guidance

- *Q2 Revenue expected to grow 9-11% sequentially on the strength of new product sales*

Westlake Village, California, June 3, 2004 – Diodes Incorporated (Nasdaq: DIOD), a leading manufacturer and supplier of high quality discrete semiconductors, today raised its revenue guidance for the second quarter of 2004 at the Company's annual shareholders' meeting.

The Company expects to report sequential revenue growth between 9-11% from the record \$41.4 million in the first quarter of 2004. This is up from the guidance of 4-6% sequential growth the Company reported on its first quarter earnings call on April 29, 2004. The increased revenue growth expectations are the result of stronger than expected market demand and very positive reception for the Company's new products from new and existing customers.

In his remarks at the annual shareholder's meeting, C.H. Chen, President and CEO of Diodes Incorporated, said, "We have made tremendous strides in our goal to become a global innovator of discrete technologies. Earlier this year, we reached a milestone in our corporate history, launching the PowerDI™123, our first product platform based on our patented packaging technology. And we expect this to be the start of many innovations to come. In addition, we have a robust pipeline of new products and a record number of design wins in the last quarter that we expect will increase the proportion of new higher-margin products in our sales mix in the coming quarters.

Mr. Chen added, "Halfway into 2004, demand is running ahead of our expectations. Order cycles are lengthening. Inventory at our distributors remains moderate. And our book to bill is well above one. We expect the momentum to continue as we introduce new product platforms later in the year."

The Company's discussion of second quarter financial and operating performance is based on preliminary information and subject to change based on actual financial and operating results for the period.

PowerDI is a trademark of Diodes Incorporated.

About Diodes Incorporated

Diodes Incorporated (Nasdaq: DIOD) is a leading manufacturer and supplier of high-quality discrete semiconductor products, primarily to the communications, computing, industrial, consumer electronics and automotive markets. The Company operates three Far East subsidiaries, Diodes-China (QS-9000 and ISO-14001 certified) in Shanghai, Diodes-Taiwan (ISO-9000 certified) in Taipei, and Diodes-Hong Kong. Diodes-China's manufacturing focus is on subminiature surface-mount devices destined for

wireless devices, notebook, flat panel display, digital camera, mobile handset, set-top box, DC to DC conversion, and automotive applications, among others. Diodes-Taiwan is our Asia-Pacific sales, logistics and distribution center. Diodes-Hong Kong covers sales, warehouse and logistics functions. The Company's 5" wafer foundry, Diodes-FabTech (QS-9000 certified), specializes in Schottky products and is located just outside Kansas City, Missouri. The Company's ISO-9001:2000 corporate sales, marketing, engineering and logistics headquarters is located in Southern California. For further information, including SEC filings, visit the Company's website at www.diodes.com.

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.

Source: Diodes Incorporated

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Recent news releases, annual reports, and SEC filings are available at the Company's website:

<http://www.diodes.com>. Written requests may be sent directly to the Company, or they may be e-mailed to: diodes-fin@diodes.com.

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