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**DIODES INCORPORATED**  
**REPORTS**  
**RECORD REVENUES FOR SECOND-QUARTER 1999**

**— Earnings Increase 58% on a 26% Increase in Revenues —**

**Westlake Village, California — July 28, 1999 — Diodes Incorporated (Amex: DIO)** today reported net income of \$825,000, or \$0.16 per diluted share, on record revenues of \$18.0 million for the second quarter ended June 30, 1999. In the comparable period a year ago, the Company reported net income of \$521,000, or \$0.10 per diluted share, on revenues of \$14.3 million.

Commenting on the Company's 37<sup>th</sup> consecutive profitable quarter, Michael Rosenberg, President and CEO of Diodes, said: "I'm pleased that, in light of recent industry conditions, this is the second consecutive quarter in which the Company has experienced sequential improvement in revenues and net income. The results for the quarter were in line with our expectations announced last month, and we continue to believe that the improvement in both top- and bottom-line performance will persist for the balance of the year."

Mr. Rosenberg attributed the highest quarterly revenues in the Company's history primarily to higher unit shipments resulting from a healthy demand for the Company's products. He also cited additional sales and engineering personnel, and revenue contribution from Diodes-China as contributing factors. "Continuing pressure on average selling prices and gross margins — an industry-wide condition that is expected to continue for at least the balance of the year — has been largely offset by higher unit shipments that have come with improving economic conditions in Asia, which now accounts for approximately a third of the Company's sales, as well as the additional revenue and profits generated by Diodes-China," said Mr. Rosenberg.

"The previously announced \$4.5 million expansion at our manufacturing facility on mainland China (which continues to run at full capacity) is expected to be completed during the fourth quarter, and we anticipate that the additional output will contribute measurably to the Company's growth and profitability in 2000. In the meantime," concluded Mr. Rosenberg, "we are benefiting from a stronger demand for discrete

semiconductors, notably from manufacturers of communications and consumer electronics products, areas that we expect will become increasingly important over the next several years.”

Diodes Incorporated provides high-quality discrete semiconductor devices and 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, Diodes' products, marketed under the *Vishay/Lite-On Power Semiconductor* brand, include small signal transistors and MOSFETs, transient voltage suppressors (TVSs), zeners, Schottkys, diodes, rectifiers and bridges

*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 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 June 30,		Six Months Ended June 30,	
	1998	1999	1998	1999
<b>Net sales</b>	\$ 14,333,000	<b>\$ 18,007,000</b>	\$ 31,137,000	<b>\$ 33,619,000</b>
<b>Cost of goods sold</b>	10,727,000	<b>13,683,000</b>	23,139,000	<b>25,488,000</b>
Gross profit	3,606,000	<b>4,324,000</b>	7,998,000	<b>8,131,000</b>
<b>Selling, general and administrative expenses</b>	2,900,000	<b>3,376,000</b>	5,732,000	<b>6,497,000</b>
Income from operations	706,000	<b>948,000</b>	2,266,000	<b>1,634,000</b>
<b>Other income (expense)</b>				
Interest income	66,000	<b>78,000</b>	149,000	<b>139,000</b>
Interest expense	(161,000)	<b>(143,000)</b>	(254,000)	<b>(303,000)</b>
Minority interest in joint venture earnings	2,000	<b>(33,000)</b>	(3,000)	<b>(66,000)</b>
Commissions and other	116,000	<b>95,000</b>	249,000	<b>248,000</b>
	23,000	<b>(3,000)</b>	141,000	<b>18,000</b>
<b>Income before income taxes</b>	729,000	<b>945,000</b>	2,407,000	<b>1,652,000</b>
<b>Provision for income taxes</b>	208,000	<b>120,000</b>	700,000	<b>137,000</b>
<b>Net income</b>	<b>\$ 521,000</b>	<b>\$ 825,000</b>	<b>\$ 1,707,000</b>	<b>\$ 1,515,000</b>
<b>Earnings per share</b>				
Basic	\$ 0.10	<b>\$ 0.16</b>	\$ 0.34	<b>\$ 0.30</b>
Diluted	\$ 0.10	<b>\$ 0.16</b>	\$ 0.31	<b>\$ 0.29</b>
Number of shares used in computation				
Basic	5,022,621	<b>5,047,237</b>	5,010,589	<b>5,047,237</b>
Diluted	5,391,062	<b>5,269,485</b>	5,424,287	<b>5,247,919</b>