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## Diodes Incorporated Updates Third Quarter Guidance

- *Sequential increase in revenue and gross profit percentage expected*

**Westlake Village, California, September 16, 2003** – Diodes Incorporated (Nasdaq: DIOD), a leading manufacturer and supplier of high quality discrete semiconductors, primarily to the communications, computing, industrial, consumer electronics and automotive markets, today updated guidance for the third quarter of 2003.

The Company now expects that revenue for the quarter will rise moderately (2-4%) on a sequential basis, benefiting from the expanding Asian market and strong new product sales. In addition, the Company anticipates that its gross profit margin should expand by 60-90 basis points sequentially as new higher margin products and an improved product mix contribute strongly to sales.

C.H. Chen, President and CEO of Diodes Incorporated, said, “By continuing to introduce new higher-margin, proprietary products that are targeted to fast-growing end applications, Diodes continues to outperform the semiconductor industry growth rate and gain market share. In support of these proprietary products, we expect research and development expenses in the quarter to exceed 1.5% of revenue.”

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

### **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-9000 corporate sales, marketing, engineering and logistics headquarters is located in Southern California. For further information, including SEC filings, visit the Company’s website at <http://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

CONTACT: Crocker Coulson, Partner, CCG Investor Relations; (818)789-0100, e-mail: crocker.coulson@ccgir.com or Carl Wertz, Chief Financial Officer, Diodes, Incorporated; (805) 446-4800

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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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