

For Immediate Release

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DIODES ANNOUNCES THIRD QUARTER RESULTS

Westlake Village, California — November 6, 1996 — Diodes Incorporated (ASE: DIO) today announced revenues and earnings for its third quarter and nine months ended September 30, 1996.

Revenues for the quarter were \$14,394,000 versus \$15,356,000 in the same period last year, a decrease of 6.3%. Net income was \$755,000 versus \$1,261,000 a year ago, and primary earnings per share were \$0.14 compared to \$0.24 in the third quarter of 1995, a decrease of 41.7%.

Revenues for the nine months ended September 30th were \$41,050,000 versus \$44,134,000 in the same period a year ago, and primary earnings per share were \$0.40 compared to \$0.65.

David Lin, President and CEO of Diodes, noted that although revenues and earnings were lower than those during the same period a year ago, they showed considerable improvement over the immediately preceding quarter: earnings per share increased 27.3% on a 7.0% increase in revenues.

"Gross profit as a percentage of net sales remained lower than we would wish," said Mr. Lin, "due in large part to two factors — continued pricing pressures throughout the industry, and further inventory reserves recorded by the Company. However, we are pleased that we have been successful in controlling total inventory, which has been reduced by 13.8% since the beginning of the year, as well as overhead expenses. Furthermore, provided industry conditions continue to improve, we are cautiously optimistic that we will continue to see further improvements in the Company's revenues and earnings per share."

The Company cautions the reader that there can be no assurance that actual results or business conditions will not differ materially from those projected or suggested in forward-

looking statements as a result of various factors. Such forward looking statements are intended to come within the “safe harbor” provision of the Private Securities Litigation Reform Act of 1995.

Diodes Incorporated is a leading supplier of discrete semiconductor products to the automotive, electronics/computing and telecommunications industries. Its products include a broad line of standard, zener and signal diodes, bridge rectifiers, small signal transistors, transient voltage suppressors (TVSs), and power MOSFETs.

(Statement of Income Follows)

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	1996	1995	1996	1995
Net sales	\$ 14,394,000	\$ 15,356,000	\$ 41,050,000	\$ 44,134,000
Cost of goods sold	10,893,000	10,924,000	30,381,000	31,621,000
Gross profit	3,501,000	4,432,000	10,669,000	12,513,000
Selling, general and administrative expenses	2,388,000	2,483,000	7,397,000	7,363,000
Income from operations	1,113,000	1,949,000	3,272,000	5,150,000
Other income (expense)				
Interest income	55,000	3,000	144,000	22,000
Interest expense	(149,000)	(76,000)	(421,000)	(120,000)
Commissions and other	88,000	190,000	265,000	388,000
Minority interest in joint venture	71,000	--	83,000	--
	65,000	117,000	71,000	290,000
Income before income taxes	1,178,000	2,066,000	3,343,000	5,440,000
Provision for income taxes	423,000	805,000	1,185,000	2,074,000
Net income	\$ 755,000	\$ 1,261,000	\$ 2,158,000	\$ 3,366,000
Earnings per share				
Primary	\$ 0.14	\$ 0.24	\$ 0.40	\$ 0.65
Fully-diluted	\$ 0.14	\$ 0.24	\$ 0.40	\$ 0.64
Weighted average shares outstanding				
Primary	5,235,179	5,276,127	5,390,866	5,206,042
Fully-diluted	5,293,366	5,276,127	5,390,866	5,255,624