UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) November 12, 2013

DIODES INCORPORATED
(Exact name of registrant as specified in its charter)

Delaware	**002-25577**	**95-2039518**
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

4949 Hedgcoxe Road, Suite 200 **Plano, Texas**	**75024**
(Address of principal executive offices)	(Zip Code)

(972) 987-3900
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02 Results of Operations and Financial Condition.

On November 12, 2013, Diodes Incorporated (the "Company") issued a press release announcing its third quarter 2013 financial results. A copy of the press release is attached as Exhibit 99.1.

As announced in its press release dated October 11, 2013 providing the date, time and live webcast and telephone access information, on November 12, 2013, the Company hosted a conference call to discuss its third quarter 2013 financial results. A recording of the conference call has been posted on its website at www.diodes.com. A copy of the script is attached as Exhibit 99.2.

During the conference call on November 12, 2013, Dr. Keh-Shew Lu, President and Chief Executive Officer of the Company, as well as Richard D. White, Chief Financial Officer, Mark King, Senior Vice President of Sales and Marketing, and Laura Mehrl, Director of Investor Relations, made additional comments during a question and answer session. A copy of the transcript is attached as Exhibit 99.3.

In the press release and earnings conference call, the Company utilizes financial measures and terms not calculated in accordance with generally accepted accounting principles in the United States ("GAAP") in order to provide investors with an alternative method for assessing the Company's operating results in a manner that enables investors to more thoroughly evaluate its current performance as compared to past performance. The Company also believes these non-GAAP measures provide investors with a more informed baseline for modeling the Company's future financial performance. Management uses these non-GAAP measures for the same purpose. The Company believes that investors should have access to the same set of tools that management uses in analyzing results. These non-GAAP measures should be considered in addition to results prepared in accordance with GAAP, but should not be considered a substitute for or superior to GAAP results and may differ from similar measures used by other companies. See Exhibit 99.1 and below for a description of the non-GAAP measures used.

In addition to the non-GAAP measures included in Exhibit 99.1, during the conference call additional non-GAAP measures were discussed. Presentation of these non-GAAP measures allows investors to review the Company's results of operations from the same viewpoint as the Company's management and Board of Directors. The Company has historically provided similar non-GAAP financial measures to provide investors an enhanced understanding of its operations, facilitate investors' analyses and comparisons of its current and past results of operations and provide insight into the prospects of its future performance. The Company also believes the non-GAAP measures are useful to investors because they provide additional information that research analysts use to evaluate semiconductor companies. These non-GAAP measures should be considered in addition to results prepared in accordance with GAAP, but should not be considered a substitute for or superior to GAAP results and may differ from similar measures used by other companies. The following are non-GAAP measures discussed during the conference call:

Non-GAAP operating expenses - This measure consists of GAAP operating expenses, which is then adjusted solely for the purpose of adjusting for amortization of acquisition related intangible assets, restructuring costs and retention costs (as these items are described in Exhibit 99.1). Excluding amortization of acquisition related intangible assets, restructuring costs and retention costs provides investors with a better depiction of the Company's operating expenses and provides a more informed baseline for modeling future operating expenses.

	Three Months Ended September 30, 2013 *unaudited*	Three Months Ended June 30, 2013 *unaudited*	Three Months Ended September 30, 2012 *unaudited*
GAAP operating expenses	**$ 49,297**	**$ 51,055**	**$ 36,083**
GAAP operating expenses as a percent of revenue	**22.0%**	**23.8%**	**21.7%**
Adjustments to reconcile GAAP operating expenses to non-GAAP adjusted operating expenses			
Amortization of acquisition related intangible assets	**(1,871)**	**(2,295)**	**(1,203)**
Restructuring costs	**—**	**(1,533)**	**—**
Retention costs	**(815)**	**(975)**	**—**
Non-GAAP adjusted operating expenses	**$ 46,611**	**$ 46,252**	**$ 34,880**
Non-GAAP operating expenses as a percent of revenue	**20.8%**	**21.5%**	**20.9%**

Non-GAAP selling, general and administrative ("SG&A") expenses - This measure consists of GAAP SG&A expenses, which is then adjusted solely for the purpose of adjusting for retention costs (as this item is described in Exhibit 99.1). Excluding retention costs provides investors with a better depiction of the Company's SG&A expenses and provides a more informed baseline for modeling future SG&A expenses.

	Three Months Ended September 30, 2013 *unaudited*	Three Months Ended June 30, 2013 *unaudited*	Three Months Ended September 30, 2012 *unaudited*
GAAP SG&A expenses	**$ 33,810**	**$ 35,080**	**$ 25,796**
GAAP SG&A expenses as a percent of revenue	**15.1%**	**16.4%**	**15.5%**
Adjustments to reconcile GAAP SG&A expenses to non-GAAP adjusted SG&A expenses			
Retention costs	**(815)**	**(975)**	**—**
Non-GAAP adjusted SG&A expenses	**$ 32,995**	**$ 34,105**	**$ 25,796**
Non-GAAP SG&A expenses as a percent of revenue	**14.7%**	**15.8%**	**15.5%**

Item 7.01 Regulation FD Disclosure.

The presentation and reconciliation of non-GAAP operating expenses and non-GAAP SG&A expenses contained in Item 2.02 above is incorporated by this reference into this Item 7.01. The press release in Exhibit 99.1 also provides an update on the Company's business outlook, that is intended to be within the safe harbor provided by the Private Securities Litigation Reform Act of 1995 (the "Act") as comprising forward looking statements within the meaning of the Act.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit Number	Description
99.1	Press release dated November 12, 2013
99.2	Conference call script dated November 12, 2013
99.3	Question and answer transcript dated November 12, 2013

The information in this Form 8-K and the exhibits attached hereto shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Securities Exchange Act of 1934, except as shall be expressly set forth by specific reference in such filing.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: November 14, 2013	DIODES INCORPORATED
	By /s/ Richard D. White
	RICHARD D. WHITE
	Chief Financial Officer

EXHIBIT INDEX

Exhibit Number	Description
99.1	Press release dated November 12, 2013
99.2	Conference call script dated November 12, 2013
99.3	Question and answer transcript dated November 12, 2013

Exhibit 99.1

Diodes Incorporated Reports Third Quarter 2013 Financial Results

Achieves Record Revenue with Continued Margin Improvement

Plano, Texas – November 12, 2013 – Diodes Incorporated (Nasdaq: DIOD), a leading global manufacturer and supplier of high-quality application specific standard products within the broad discrete, logic and analog semiconductor markets, today reported its financial results for the third quarter ended September 30, 2013.

Third Quarter Highlights

- Revenue was $224.5 million, an increase of 4.7 percent from the $214.4 million in the second quarter 2013, and an increase of 34.7 percent from the $166.6 million in the third quarter 2012;
- Gross profit was $69.6 million, compared to $61.3 million in the second quarter of 2013, that included a $3.7 million inventory valuation adjustment related to the BCD acquisition, and $43.6 million in the third quarter of 2012;
- Gross profit margin was 31.0 percent, compared to 28.6 percent in the second quarter of 2013 and 26.2 percent in the third quarter of 2012;
- GAAP net income was $13.6 million, or $0.28 per diluted share, compared to second quarter 2013 of $8.6 million, or $0.18 per diluted share, and third quarter 2012 of $8.6 million, or $0.18 per diluted share;
- Non-GAAP adjusted net income was $15.8 million, or $0.33 per diluted share, compared to $15.5 million, or $0.33 per diluted share, in second quarter 2013 and $9.5 million, or $0.20 per diluted share, in third quarter 2012;
- Excluding $2.3 million, net of tax, share-based compensation expense, GAAP and non-GAAP adjusted net income would have increased by $0.05 per diluted share; and
- Achieved $16.7 million cash flow from operations and $9.6 million of free cash flow. Net cash flow was $(9.3) million, primarily due to the $22 million purchase of short-term investments and a $7 million paydown of our revolver.

Commenting on the results, Dr. Keh-Shew Lu, President and Chief Executive Officer, stated, “Our third quarter was highlighted by the continued achievement of record quarterly revenue, increased market share gains, and solid operational performance across our business. Our past design win momentum and strength in the TV market and at certain major OEM customers were able to offset the continued weakness in the PC market. We also further improved our gross margin through our cost reduction efforts and improved BCD wafer fab loadings. Additionally, we reduced our operating expenses on a dollar basis, and as a percentage of revenue, demonstrating further progress towards achieving our target model of 20 percent of revenue.

“These achievements are even more notable when considering the weakness of the U.S. dollar relative to most of the currencies where we have operations, in particular the British Pound and the Euro. Our improved operational efficiencies and cost reductions were able to mostly offset this currency impact and allowed us to exceed our operational expectations for the quarter.

“As we look to the fourth quarter, it is shaping up to be weaker than our normal seasonality due to a broad based market weakness, especially the continued weakness in the PC market. However, we believe we are well positioned in the coming year to benefit from ongoing operational improvements as we leverage our broadened product portfolio and additional cost savings from transferring BCD products into our packaging facilities, and eventually off-loading our analog foundry wafer loadings into BCD’s wafer fabs.”

Third Quarter 2013

Revenue for the third quarter 2013 was $224.5 million, an increase of 4.7 percent over the $214.4 million in the second quarter 2013 and 34.7 percent from the $166.6 million in the third quarter 2012. Revenue was up sequentially primarily due to continued ramping of past design wins and strength at certain major OEM customers.

Gross profit for the third quarter 2013 was $69.6 million, or 31.0 percent of revenue, compared to the second quarter 2013 of $61.3 million, or 28.6 percent of revenue, which included a $3.7 million inventory valuation adjustment related to the BCD acquisition, and compared to the third quarter 2012 of $43.6 million, or 26.2 percent of revenue. Gross profit margin improved as a result of the Company’s cost reduction efforts and improved BCD wafer fab loadings.

Third quarter 2013 GAAP net income was $13.6 million, or $0.28 per diluted share, compared to second quarter 2013 GAAP net income of $8.6 million, or $0.18 per diluted share, and third quarter 2012 GAAP net income of $8.6 million, or $0.18 per diluted share.

Third quarter 2013 non-GAAP adjusted net income was $15.8 million, or $0.33 per diluted share, which excluded, net of tax, $1.5 million of non-cash amortization of intangible asset costs and $0.7 million of acquisition-related employee retention accruals. This compares to non-GAAP adjusted net income of $15.5 million, or $0.33 per diluted share, in the second quarter 2013 and $9.5 million, or $0.20 per diluted share, in the third quarter 2012.

The following is a summary reconciliation of GAAP net income to non-GAAP adjusted net income and per share data, net of tax (in thousands, except per share data):

		Three Months Ended September 30, 2013
GAAP net income	**$**	**13,619**
GAAP diluted earnings per share	**$**	**0.28**
Adjustments to reconcile net income to adjusted net income:		
Retention costs		**693**
Amortization of acquisition related intangible assets		**1,500**
Non-GAAP adjusted net income	**$**	**15,812**
Non-GAAP adjusted diluted earnings per share	**$**	**0.33**

(See the reconciliation tables of net income to adjusted net income near the end of the release for further details.)

Included in third quarter 2013 GAAP and non-GAAP adjusted net income was approximately $2.3 million, net of tax, non-cash share-based compensation expense. Excluding share based compensation expense, both GAAP and non-GAAP adjusted diluted EPS would have increased by an additional $0.05 per diluted share, the same amount per diluted share by which share-based compensation affected GAAP and non-GAAP adjusted net income in the second quarter 2013 and the third quarter 2012.

EBITDA, which represents earnings before net interest expense, income tax, depreciation and amortization, for the third quarter 2013 was $36.7 million, compared to $30.2 million for the second quarter 2013 and $24.8 million for the third quarter 2012. For a reconciliation of GAAP net income to EBITDA (non-GAAP), see the table near the end of the release for further details.

As of September 30, 2013, the Company had approximately $204 million in cash and cash equivalents and approximately $22 million in short-term investments. Working capital was approximately $489 million.

Business Outlook

Dr. Lu concluded, “For the fourth quarter of 2013, we expect revenue to range between $205 million and $220 million, or down 2 to 9 percent sequentially. We expect gross margin to be 28.0 percent, plus or minus 2 percent. Operating expenses are expected to be approximately 22.7 percent, plus or minus 1 percent. We expect our income tax rate to range between 18 and 24 percent, and shares used to calculate EPS for the fourth quarter are anticipated to be approximately 48.2 million.”

Conference Call

Diodes will host a conference call on Tuesday, November 12, 2013 at 4:00 p.m. Central Time (5:00 p.m. Eastern Time) to discuss its third quarter financial results. Investors and analysts may join the conference call by dialing 1-866-788-0544 and providing the confirmation code 30041226. International callers may join the teleconference by dialing 1-857-350-1682 and enter the same confirmation code at the prompt. A telephone replay of the call will be made available approximately two hours after the call and will remain available until Tuesday, November 19, 2013 at midnight Central Time. The replay number is 1-888-286-8010 with a pass code of 26611483. International callers should dial 1-617-801-6888 and enter the same pass code at the prompt. Additionally, this conference call will be broadcast live over the Internet and can be accessed by all interested parties on the Investors section of Diodes’ website at http://www.diodes.com. To listen to the live call, please go to the Investors section of Diodes’ website and click on the conference call link at least 15 minutes prior to the start of the call to register, download and install any necessary audio software. For those unable to participate during the live broadcast, a replay will be available shortly after the call on Diodes’ website for approximately 60 days.

About Diodes Incorporated

Diodes Incorporated (Nasdaq: DIOD), a Standard and Poor’s SmallCap 600 and Russell 3000 Index company, is a leading global manufacturer and supplier of high-quality application specific standard products within the broad discrete, logic and analog semiconductor markets. Diodes serves the consumer electronics, computing, communications, industrial, and automotive markets. Diodes’ products include diodes, rectifiers, transistors, MOSFETs, protection devices, functional specific arrays, single gate logic, amplifiers and comparators, Hall-effect and temperature sensors; power management devices, including LED drivers, AC-DC converters and controllers, DC-DC switching and linear voltage regulators, and voltage references along with special function devices, such as USB power switches, load switches, voltage supervisors, and motor controllers. Diodes' corporate headquarters, logistics center, and Americas' sales office are located in Plano, Texas. Design, marketing, and engineering centers are located in Plano; San Jose, California; Taipei, Taiwan; Manchester, England; and Neuhaus, Germany. Diodes' wafer fabrication facilities are located in Kansas City, Missouri and Manchester, with four manufacturing facilities located in Shanghai, China, and two joint venture facilities located in Chengdu, China, as well as manufacturing facilities located in Neuhaus and Taipei. Additional engineering, sales, warehouse, and logistics offices are located in Fort Worth, Texas; Taipei; Hong Kong; Manchester; Shanghai; Shenzhen, China; Seongnam-si, South Korea; Suwon, South Korea; Tokyo, Japan; and Munich, Germany, with support offices throughout the world. For further information, including SEC filings, visit Diodes' 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. Such statements include statements regarding our expectation that: we reduced our operating expenses on a dollar basis, and as a percentage of revenue, demonstrating further progress towards achieving our target model of 20 percent of revenue; as we look to the fourth quarter, it is shaping up to be weaker than our normal seasonality due to a broad based market weakness, especially the continued weakness in the PC market; however, we believe we are well positioned in the coming year to benefit from ongoing operational improvements as we leverage our broadened product portfolio and additional cost savings from transferring BCD products into our packaging facilities, and eventually off-loading our analog foundry wafer loadings into BCD's wafer fabs; for the fourth quarter of 2013, we expect revenue to range between $205 million and $220 million, or down 2 to 9 percent sequentially; we expect gross margin to be 28.0 percent, plus or minus 2 percent; operating expenses are expected to be approximately 22.7 percent, plus or minus 1 percent; and we expect our income tax rate to range between 18 and 24 percent, and shares used to calculate EPS for the fourth quarter are anticipated to be approximately 48.2 million. Potential risks and uncertainties include, but are not limited to, such factors as: the risk that BCD's business will not be integrated successfully into Diodes'; the risk that the expected benefits of the acquisition may not be realized; the risk that BCD's standards, procedures and controls will not be brought into conformance within Diodes' operations; difficulties coordinating Diodes' and BCD's new product and process development, hiring additional management and other critical personnel, and increasing the scope, geographic diversity and complexity of Diodes' operations; difficulties in consolidating facilities and transferring processes and know-how; the diversion of our management's attention from the management of our business; the risk that we may not be able to maintain our current growth strategy or continue to maintain our current performance, costs and loadings in our manufacturing facilities; risks of domestic and foreign operations, including excessive operation costs, labor shortages, higher tax rates and our joint venture prospects; the risk of unfavorable currency exchange rates; our future guidance may be incorrect; the global economic weakness may be more severe or last longer than we currently anticipated; and other information detailed from time to time in Diodes' filings with the United States Securities and Exchange Commission.

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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DIODES INCORPORATED AND SUBSIDIARIES
CONSOLIDATED CONDENSED STATEMENTS OF OPERATIONS
(unaudited)
(in thousands, except per share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2013	2012	2013	2012
NET SALES	$ 224,510	$166,617	$615,853	$470,519
COST OF GOODS SOLD	154,951	123,012	438,818	352,180
Gross profit	69,559	43,605	177,035	118,339
OPERATING EXPENSES				
Selling, general and administrative	33,810	25,796	99,266	72,702
Research and development	13,611	9,084	35,836	24,466
Amortization of acquisition related intangible assets	1,871	1,203	6,075	3,401
Restructuring	—	—	1,535	—
Gain on sale of assets	5	—	47	(3,556)
Total operating expenses	49,297	36,083	142,759	97,013
Income from operations	20,262	7,522	34,276	21,326
OTHER INCOME (EXPENSES)				
Interest income	576	234	979	584
Interest expense	(1,638)	(212)	(4,150)	(569)
Other	(1,706)	1,901	1,201	2,846
Total other income (expenses)	(2,768)	1,923	(1,970)	2,861
Income before income taxes and noncontrolling interest	17,494	9,445	32,306	24,187
INCOME TAX PROVISION	3,604	509	11,653	1,983
NET INCOME	13,890	8,936	20,653	22,204
Less: NET INCOME attributable to noncontrolling interest	(271)	(383)	(325)	(2,127)
NET INCOME attributable to common stockholders	$ 13,619	$ 8,553	$ 20,328	$ 20,077
EARNINGS PER SHARE attributable to common stockholders				
Basic	$ 0.29	$ 0.19	$ 0.44	$ 0.44
Diluted	$ 0.28	$ 0.18	$ 0.43	$ 0.43
Number of shares used in computation				
Basic	46,605	45,997	46,260	45,702
Diluted	48,023	46,995	47,584	46,901

Note: Throughout this release, we refer to “net income attributable to common stockholders” as “net income.”

DIODES INCORPORATED AND SUBSIDIARIES
CONSOLIDATED RECONCILIATION OF NET INCOME TO ADJUSTED NET INCOME
(in thousands, except per share data)
(unaudited)

For the three months ended September 30, 2013:

	Cost of Goods Sold	Operating Expenses	Other Income (Expense)	Income Tax Provision	Net Income
Per-GAAP					**$ 13,619**
Earnings per share (Per-GAAP)					
Diluted					**$ 0.28**
Adjustments to reconcile net income to adjusted net income:					
Retention costs	—	815	—	(122)	**693**
Amortization of acquisition related intangible assets	—	1,871	—	(371)	**1,500**
Adjusted (Non-GAAP)					**$ 15,812**
Diluted shares used in computing earnings per share					**48,023**
Adjusted earnings per share (Non-GAAP)					
Diluted					**$ 0.33**

Note: Included in GAAP and non-GAAP adjusted net income was approximately $2.3 million, net of tax, non-cash share-based compensation expense. Excluding share based compensation expense, both GAAP and non-GAAP adjusted diluted earnings per share would have improved by $0.05 per share.

DIODES INCORPORATED AND SUBSIDIARIES
CONSOLIDATED RECONCILIATION OF NET INCOME TO ADJUSTED NET INCOME – Cont.
(in thousands, except per share data)
(unaudited)

For the three months ended September 30, 2012:

	Operating Expenses	Other Income (Expense)	Income Tax Provision	Net Income
Per-GAAP				**$ 8,553**
Earnings per share (Per-GAAP)				
Diluted				**$ 0.18**
Adjustments to reconcile net income to adjusted net income:				
Amortization of acquisition related intangible assets	1,203	—	(301)	**902**
Adjusted (Non-GAAP)				**$ 9,455**
Diluted shares used in computing earnings per share				**46,995**
Adjusted earnings per share (Non-GAAP)				
Diluted				**$ 0.20**

Note: Included in GAAP and non-GAAP adjusted net income was approximately $2.3 million, net of tax, non-cash share-based compensation expense. Excluding share based compensation expense, both GAAP and non-GAAP adjusted diluted earnings per share would have improved by $0.05 per share.

DIODES INCORPORATED AND SUBSIDIARIES
CONSOLIDATED RECONCILIATION OF NET INCOME TO ADJUSTED NET INCOME – Cont.
(in thousands, except per share data)
(unaudited)

For the nine months ended September 30, 2013:

	Cost of Goods Sold	Operating Expenses	Other Income (Expense)	Income Tax Provision	Net Income
Per-GAAP					**$ 20,328**
Earnings per share (Per-GAAP)					
Diluted					**$ 0.43**
Adjustments to reconcile net income to adjusted net income:					
Inventory valuations	5,484	—		(823)	**4,661**
Acquisition costs		600		110	**710**
Retention costs		2,115		(317)	**1,798**
Restructuring costs		1,533		(406)	**1,127**
Amortization of acquisition related intangible assets		6,075		(1,285)	**4,790**
Tax expense related to tax audit		—		5,447	**5,447**
Adjusted (Non-GAAP)					**$ 38,862**
Diluted shares used in computing earnings per share					**47,584**
Adjusted earnings per share (Non-GAAP)					
Diluted					**$ 0.82**

Note: Included in GAAP and non-GAAP adjusted net income was approximately $6.5 million, net of tax, non-cash share-based compensation expense. Excluding this expense, both GAAP and non-GAAP adjusted diluted earnings per share would have improved by $0.14 per share.

DIODES INCORPORATED AND SUBSIDIARIES
CONSOLIDATED RECONCILIATION OF NET INCOME TO ADJUSTED NET INCOME – Cont.
(in thousands, except per share data)
(unaudited)

For the nine months ended September 30, 2012:

	Operating Expenses	Other Income (Expense)	Income Tax Provision	Net Income
Per-GAAP				**$ 20,077**
Earnings per share (Per-GAAP)				
Diluted				**$ 0.43**
Adjustments to reconcile net income to adjusted net income:				
Amortization of acquisition related intangible assets	2,198	—	(549)	**1,649**
Gain on sale of assets	(3,452)	—	735	**(2,717)**
Adjusted (Non-GAAP)				**$ 19,009**
Diluted shares used in computing earnings per share				**46,901**
Adjusted earnings per share (Non-GAAP)				
Diluted				**$ 0.41**

Note: Included in GAAP and non-GAAP adjusted net income was approximately $6.9 million, net of tax, non-cash share-based compensation expense. Excluding this expense, both GAAP and non-GAAP adjusted diluted earnings per share would have improved by $0.15 per share.

ADJUSTED NET INCOME (Non-GAAP)

This measure consists of generally accepted accounting principles ("GAAP") net income, which is then adjusted solely for the purpose of adjusting for inventory valuations, restructuring costs, acquisition costs, retention costs, amortization of acquisition related intangible assets, tax payments related to tax audit and gain on sale of assets, as discussed below. Excluding inventory valuations, restructuring costs, acquisition costs, retention costs, tax payments related to tax audit and gain on sale of assets provides investors with a better depiction of the Company's operating results and provides a more informed baseline for modeling future earnings expectations. Excluding the amortization of acquisition related intangible assets allows for comparison of the Company's current and historic operating performance. The Company excludes the above listed items to evaluate the Company's operating performance, to develop budgets, to determine incentive compensation awards and to manage cash expenditures. Presentation of the above non-GAAP measures allows investors to review the Company's results of operations from the same viewpoint as the Company's management and Board of Directors. The Company has historically provided similar non-GAAP financial measures to provide investors an enhanced understanding of its operations, facilitate investors' analyses and comparisons of its current and past results of operations and provide insight into the prospects of its future performance. The Company also believes the non-GAAP measures are useful to investors because they provide additional information that research analysts use to evaluate semiconductor companies. This non-GAAP measure should be considered in addition to results prepared in accordance with GAAP, but should not be considered a substitute for or superior to GAAP results and may differ from measures used by other companies. For example, we do not adjust for any amounts attributable to noncontrolling interest. The Company recommends a review of net income on both a GAAP basis and non-GAAP basis be performed to get a comprehensive view of the Company's results. The Company provides a reconciliation of GAAP net income to non-GAAP adjusted net income.

Detail of non-GAAP adjustments:

Inventory valuations – The Company excluded cost incurred for inventory valuations. The Company adjusted the inventory acquired from the BCD Semiconductor Manufacturing Limited ("BCD") acquisition to account for the reasonable profit allowance for the selling effort on finished goods inventory and the reasonable profit allowance for the completing and selling effort on the work–in-progress inventory. This non-cash adjustment to inventory is not recurring in nature. The Company believes the exclusion of inventory valuations provides investors an enhanced view of certain costs the Company may incur from time to time and facilitates comparisons with the results of other periods that may not reflect such costs.

Restructuring costs – The Company has recorded restructuring charges to reduce its cost structure in order to enhance operating effectiveness and improve profitability. These restructuring activities related to our UK development team and the closure of our New York sales office. These restructuring charges are excluded from management's assessment of the Company's operating performance. The Company believes the exclusion of the restructuring charges provides investors an enhanced view of the cost structure of the Company's operations and facilitates comparisons with the results of other periods that may not reflect such charges or may reflect different levels of such charges.

Acquisition costs – The Company excluded costs associated with acquiring BCD, which consisted of advisory, legal and other professional and consulting fees. These costs were expensed in the first quarter of 2013 as that was when the costs were incurred and services were received of which, the corresponding tax adjustments were made for the non-deductible portions of these expenses. The Company believes the exclusion of the acquisition related costs provides investors an enhanced view of certain costs the Company may incur from time to time and facilitates comparisons with the results of other periods that may not reflect such costs.

Retention costs – The Company excluded costs accrued within operating expenses in regard to the $5 million employee retention plan in connection with the BCD acquisition. The retention payments are payable at the 12, 18 and 24 month anniversaries of the acquisition with the majority of the cost occurring in the second 12 months. Although these retention costs will be recurring every quarter until the final retention payment has been made, they are not part of the employees normal annual salaries and therefore being excluded. The Company believes the exclusion of retention costs provides investors an enhanced view of certain costs the Company may incur from time to time and facilitates comparisons with the results of other periods that may not reflect such costs.

Amortization of acquisition related intangible assets – The Company excluded the amortization of its acquisition related intangible assets including developed technologies and customer relationships. The fair value of the acquisition related intangible assets, which was allocated to the assets through purchase accounting, is amortized using straight-line methods which approximate the proportion of future cash flows estimated to be generated each period over the estimated useful lives of the applicable assets. The Company believes the exclusion of the amortization expense of acquisition related assets is appropriate as a significant portion of the purchase price for its acquisitions was allocated to the intangible assets that have short lives and exclusion of the amortization expense allows comparisons of operating results that are consistent over time for both the Company's newly acquired and long-held businesses. In addition, the Company excluded the amortization expense as there is significant variability and unpredictability across other companies with respect to this expense.

Tax expense related to tax audit – The Company excluded additional tax expense in regard to a tax audit of the China tax authorities. The China government audited the Company's High and New Technology Enterprise ("HNTE") status for the years 2009 through 2011 and determined there was an underpayment for the tax year 2011. The Company has been approved for the HNTE status for 2012 through 2014. Given that 2011 is an isolated occurrence, the additional tax and any penalties and interest associated with the audit are being excluded. The Company believes the exclusion of tax expense related to tax audit provides investors an enhanced view of certain costs the Company may incur from time to time and facilitates comparisons with the results of other periods that may not reflect such costs.

Gain on sale of assets – The Company excluded the gain recorded for the sale of assets. During the second quarter 2012, the Company sold an intangible asset located in Europe and this gain was excluded from management's assessment of the Company's core operating performance as this long-lived asset was a non-core intellectual asset. The Company believes the exclusion of the gain on sale of assets provides investors an enhanced view of a gain the Company may incur from time to time and facilitates comparisons with results of other periods that may not reflect such gains.

Adjusted Earnings per Share (Non-GAAP) – This non-GAAP financial measure is the portion of the Company's GAAP net income assigned to each share of stock, excluding inventory valuations, restructuring costs, acquisition costs, retention costs, amortization of acquisition related intangible assets, tax payments related to tax audit and gain on sale of assets, as discussed above. Excluding inventory valuations, restructuring costs, acquisition costs, retention costs, tax payments related to tax audit and gain on sale of assets provides investors with a better depiction of the Company's operating results and provides a more informed baseline for modeling future earnings expectations. Excluding the amortization of acquisition related intangible assets allows for comparison of the Company's current and historic operating performance, as described in further detail above. This non-GAAP measure should be considered in addition to results prepared in accordance with GAAP, but should not be considered a substitute for or superior to GAAP results and may differ from measures used by other companies. For example, we do not adjust for any amounts attributable to noncontrolling interest. The Company recommends a review of diluted earnings per share on both a GAAP basis and non-GAAP basis be performed to obtain a comprehensive view of the Company's results. Information on how these share calculations are made is included in the reconciliation tables provided.

CASH FLOW ITEMS

Free cash flow (FCF) (Non-GAAP)

FCF for the Third quarter of 2013 is a non-GAAP financial measure, which is calculated by taking cash flow from operations less capital expenditures. For the Third quarter of 2013, the amount was $9.6 million ($16.7 million less (-) ($7.1 million). FCF represents the cash and cash equivalents that we are able to generate after taking into account cash outlays required to maintain or expand property, plant and equipment. FCF is important because it allows us to pursue opportunities to develop new products, make acquisitions and reduce debt.

CONSOLIDATED RECONCILIATION OF NET INCOME TO EBITDA

EBITDA represents earnings before net interest expense, income tax provision, depreciation and amortization. Management believes EBITDA is useful to investors because it is frequently used by securities analysts, investors and other interested parties, such as financial institutions in extending credit, in evaluating companies in our industry and provides further clarity on our profitability. In addition, management uses EBITDA, along with other GAAP and non-GAAP measures, in evaluating our operating performance compared to that of other companies in our industry. The calculation of EBITDA generally eliminates the effects of financing, operating in different income tax jurisdictions, and accounting effects of capital spending, including the impact of our asset base, which can differ depending on the book value of assets and the accounting methods used to compute depreciation and amortization expense. EBITDA is not a recognized measurement under GAAP, and when analyzing our operating performance, investors should use EBITDA in addition to, and not as an alternative for, income from operations and net income, each as determined in accordance with GAAP. Because not all companies use identical calculations, our presentation of EBITDA may not be comparable to similarly titled measures used by other companies. For example, our EBITDA takes into account all net interest expense, income tax provision, depreciation and amortization without taking into account any attributable to noncontrolling interest. Furthermore, EBITDA is not intended to be a measure of free cash flow for management's discretionary use, as it does not consider certain cash requirements such as tax and debt service payments.

The following table provides a reconciliation of net income to EBITDA (in thousands, unaudited):

	Three Months Ended September 30,	
	2013	2012
Net income (per-GAAP)	$13,619	$ 8,553
Plus:		
Interest expense, net	1,062	(22)
Income tax provision	3,604	509
Depreciation and amortization	18,459	15,758
EBITDA (Non-GAAP)	$ 36,744	$ 24,798

	Nine Months Ended September 30,	
	2013	2012
Net income (per-GAAP)	$ 20,328	$ 20,077
Plus:		
Interest expense, net	3,171	(15)
Income tax provision	11,653	1,983
Depreciation and amortization	54,894	47,121
EBITDA (Non-GAAP)	$ 90,046	$69,166

DIODES INCORPORATED AND SUBSIDIARIES
CONSOLIDATED CONDENSED BALANCE SHEETS

ASSETS
(in thousands)

	September 30, 2013	December 31, 2012
	(unaudited)	
CURRENT ASSETS		
Cash and cash equivalents	$ 204,214	$ 157,121
Short-term investments	21,690	—
Accounts receivable, net	191,792	152,073
Inventories	194,320	153,293
Deferred income taxes, current	11,508	9,995
Prepaid expenses and other	48,741	18,928
Total current assets	672,265	491,410
PROPERTY, PLANT AND EQUIPMENT, net	328,802	243,296
DEFERRED INCOME TAXES, non current	32,234	36,819
OTHER ASSETS		
Goodwill	89,330	87,359
Intangible assets, net	55,284	44,337
Other	24,205	16,842
Total assets	$ 1,202,120	$ 920,063

DIODES INCORPORATED AND SUBSIDIARIES
CONSOLIDATED CONDENSED BALANCE SHEETS

LIABILITIES AND EQUITY
(in thousands, except share data)

	September 30, 2013 *(unaudited)*	December 31, 2012
CURRENT LIABILITIES		
Lines of credit	$ 5,499	$ 7,629
Accounts payable	106,622	64,072
Accrued liabilities	69,893	41,139
Income tax payable	1,322	678
Total current liabilities	183,336	113,518
LONG-TERM DEBT, net of current portion	202,115	44,131
OTHER LONG-TERM LIABILITIES	63,332	41,974
Total liabilities	448,783	199,623
COMMITMENTS AND CONTINGENCIES		
EQUITY		
Diodes Incorporated stockholders' equity		
Preferred stock - par value $1.00 per share; 1,000,000 shares authorized; no shares issued or outstanding	—	—
Common stock - par value $0.66 2/3 per share; 70,000,000 shares authorized; 46,639,997 and 46,010,815 issued and outstanding at September 30, 2013 and December 31, 2012, respectively	31,093	30,674
Additional paid-in capital	292,505	280,571
Retained earnings	420,124	399,796
Accumulated other comprehensive loss	(32,807)	(33,856)
Total Diodes Incorporated stockholders' equity	710,915	677,185
Noncontrolling interest	42,422	43,255
Total equity	753,337	720,440
Total liabilities and equity	$ 1,202,120	$ 920,063

Exhibit 99.2

Call Participants: Dr. Keh-Shew Lu, Richard White, Mark King and Laura Mehrl

Operator:

Good afternoon and welcome to Diodes Incorporated's third quarter 2013 financial results conference call. At this time, all participants are in a listen only mode. At the conclusion of today's conference call, instructions will be given for the question and answer session. If anyone needs assistance at any time during the conference call, please press the star key followed by the zero on your touchtone phone.

As a reminder, this conference call is being recorded today, Tuesday, November 12, 2013. I would now like to turn the call over to Leanne Sievers of Shelton Group Investor Relations. Leanne, please go ahead.

Introduction: Leanne Sievers, EVP of Shelton Group

Good afternoon and welcome to Diodes' third quarter 2013 financial results conference call. I'm Leanne Sievers, executive vice president of Shelton Group, Diodes' investor relations firm.

With us today are Diodes' President and CEO, Dr. Keh-Shew Lu; Chief Financial Officer, Rick White; Senior Vice President of Sales and Marketing, Mark King; and Director of Investor Relations, Laura Mehrl.

Before I turn the call over to Dr. Lu, I would like to remind our listeners that management's prepared remarks contain forward-looking statements, which are subject to risks and uncertainties, and management may make additional forward-looking statements in response to your questions.

Therefore, the Company claims the protection of the safe harbor for forward-looking statements that is contained in the Private Securities Litigation Reform Act of 1995. Actual results may differ from those discussed today, and therefore we refer you to a more detailed discussion of the risks and uncertainties in the Company's filings with the Securities and Exchange Commission.

In addition, any projections as to the Company's future performance represent management's estimates as of **today, November 12, 2013.** Diodes assumes no obligation to update these projections in the future as market conditions may or may not change.

Additionally, the Company's press release and management's statements during this conference call will include discussions of certain measures and financial information in GAAP and non-GAAP terms. Included in the Company's press release are definitions and reconciliations of GAAP to non-GAAP items, which provide additional details. Also, throughout the Company's press release and management's statements during this conference call, we refer to "net income attributable to common stockholders" as "GAAP net income."

For those of you unable to listen to the entire call at this time, a recording will be available via webcast for 60 days in the investor relations section of Diodes' website at www.diodes.com.

And now I will turn the call over to Diodes' President and CEO, Dr. Keh-Shew Lu. Dr. Lu, please go ahead.

Dr. Keh-Shew Lu, President and CEO

Thank you, Leanne.

Welcome everyone, and thank you for joining us today.

I am pleased to report another quarter of record revenue, increased market share gains and solid operational performance across our business. Our past design win momentum and strength in the TV market and at certain major OEMs were able to offset the continued weakness in the PC market. Also during the quarter, we further improved gross margin through our cost reduction efforts and improved BCD wafer fab loadings. Additionally, we reduced our operating expenses on a dollar basis, and as a percentage of revenue, demonstrating further progress towards achieving our target model of 20 percent of revenue.

These achievements are even more notable when considering the weakness of the U.S. dollar relative to most currencies where we have operations, especially the British Pound and the Euro. Our improved operational efficiencies and cost reductions were able to mostly offset this currency impact and allowed us to exceed our operational expectations for the quarter.

As we look to the fourth quarter, it is shaping up to be weaker than our normal seasonality due to a broad-based market weakness, especially the continued weakness in the PC market. However, we believe we are well positioned to benefit from ongoing operational improvements as we leverage our broadened product portfolio and additional cost savings from transferring BCD products into our packaging facilities by the end of the year, and then eventually off-loading our analog foundry wafer loadings into BCD's wafer fabs.

With that, I will now turn the call over to Rick to discuss our third quarter financial results in more detail as well as fourth quarter guidance.

Rick White, CFO

Thanks, Dr. Lu, and good afternoon everyone.

Revenue for the third quarter 2013 was $224.5 million, an increase of 4.7 percent over the $214.4 million in the second quarter and an increase of 34.7 percent from the $166.6 million in the third quarter of 2012. The sequential increase in revenue was primarily due to our past design win momentum and strength at certain major OEMs.

Gross profit was $69.6 million, or 31.0 percent of revenue, compared to $61.3 million, or 28.6 percent of revenue, in the second quarter 2013 which included $3.7 million of an inventory valuation adjustment related to our BCD acquisition, and $43.6 million, or 26.2 percent of revenue, in the third quarter 2012. Gross profit margin improved as a result of our cost reduction efforts and improved BCD wafer fab loadings.

GAAP operating expenses for the third quarter were $49.3 million, or 22.0 percent of revenue, which included approximately $1.9 million of amortization of acquisition intangibles and approximately $800,000 of acquisition-related employee retention accruals, compared to $51.1 million, or 23.8 percent of revenue, in the second quarter 2013, and $36.1 million, or 21.7 percent of revenue, in the third quarter 2012. Even with the addition of BCD, we were able to sequentially reduce our operating expenses on a dollar basis and as a percentage of revenue, putting us closer to our target model of 20 percent of revenue.

Excluding amortization of acquisition intangibles and acquisition-related employee retention accruals, operating expenses on a **non-GAAP basis** for the third quarter 2013 were $46.6 million, or 20.8 percent of revenue, compared to $46.2 million, or 21.5 percent of revenue, in the second quarter 2013, and $34.9 million, or 20.9 percent of revenue, in the third quarter 2012.

Looking specifically at **Selling, General and Administrative** expenses for the third quarter, **GAAP SG&A** was approximately $33.8 million, or 15.1 percent of revenue, compared to $35.1 million, or 16.4 percent of revenue, in second quarter 2013 and $25.8 million, or 15.5 percent, in third quarter 2012.

Excluding acquisition-related employee retention accruals, **Non-GAAP SG&A** was $33.0 million, or 14.7 percent of revenue, compared to $34.1 million, or 15.8 percent of revenue, in the second quarter and $25.8 million, or 15.5 percent, in the third quarter 2012.

Investment in Research and Development for the third quarter was approximately $13.6 million, or 6.1 percent of revenue, on a GAAP basis. This compares to second quarter 2013 R&D expense of $12.1 million, or 5.6 percent of revenue, and $9.1 million, or 5.5 percent of revenue, in the prior year quarter.

Total Other Expense amounted to $2.8 million for the third quarter. We had approximately $1.6 million of interest expense and approximately $600,000 of interest income. In addition, we sustained approximately $2.5 million of currency losses due to the weaker U.S. dollar relative to the British Pound, down by 6 plus percent, and the Euro, down by 4 percent. Our favorable operational results mostly offset this currency impact on net income and earnings per share.

Income Before Taxes and Noncontrolling Interest in the third quarter was $17.5 million on a GAAP basis. This compares to income of $10.5 million in the second quarter 2013, and $9.4 million in the third quarter 2012.

Turning to **income taxes** for the third quarter, our tax rate was 20.5 percent, which was within our estimated range of 18 to 24 percent, reflecting the increased amount and movement of profit between various taxing jurisdictions with differing tax rates.

GAAP net income for the third quarter was $13.6 million, or $0.28 per diluted share, compared to GAAP net income of $8.6 million, or $0.18 per diluted share, in the second quarter and GAAP net income of $8.6 million, or $0.18 per diluted share, in the prior year quarter.

Third quarter **non-GAAP adjusted net income** was $15.8 million, or $0.33 per diluted share, which excluded, net of tax, $1.5 million of non-cash amortization of intangible asset costs and approximately $700,000 of acquisition-related employee retention accruals.

The fully diluted share count used to compute GAAP and non-GAAP earnings per share for the third quarter was 48.0 million shares.

We have included in our earnings release a reconciliation of GAAP net income to non-GAAP adjusted net income, which provides additional details. Included in third quarter GAAP and non-GAAP adjusted net income was approximately $2.3 million, net of tax, of non-cash share-based compensation expense. Excluding share based compensation expense, both GAAP and non-GAAP adjusted diluted EPS would have improved by $0.05 per share.

Cash flow generated from operations was $16.7 million and **free cash flow** was $9.6 million for the third quarter.

Net cash flow was a negative $9.3 million for the third quarter. Two specific items reducing our net cash flow were a $7 million payment to reduce our revolver and the purchase of $22 million in short-term investments. For more details about our cash flow statement please see our Form 10-Q.

Turning to the **balance sheet**, at the end of the third quarter, we had approximately $204 million in cash and cash equivalents and $22 million short-term cash investment. Working capital was approximately $489 million.

At the end of the third quarter, **inventory** was approximately $194 million, compared to $187 million last quarter. Inventory days were 113 in the third quarter, compared to 110 days last quarter. Inventory in the quarter reflects a $2 million decrease in finished goods, and a $7 million increase in raw materials and a $2 million increase in work-in process.

At the end of the third quarter**, Accounts Receivable** was approximately $192 million and A/R days were 77, compared to 75 last quarter.

Capital expenditures for the third quarter were $12.4 million, or 5.5 percent of revenue. This compares to 3.8 percent of revenue in the second quarter. We expect capital expenditures to remain between 5 and 8 percent of revenue for the full year, which includes both BCD and Chengdu.

Depreciation and amortization expense for the third quarter was $18.5 million.

Now, turning to our Outlook…

For the fourth quarter of 2013, we expect revenue to range between $205 million and $220 million, or down 2 to 9 percent sequentially. We expect GAAP gross margin to be 28.0 percent, plus or minus 2 percent. GAAP operating expenses are expected to be approximately 22.7 percent, plus or minus 1 percent. We expect our income tax rate to range between 18 and 24 percent, and shares used to calculate GAAP EPS for the fourth quarter are anticipated to be approximately 48.2 million.

For more detail on the outlook please see our press release.

With that said, I will now turn the call over to Mark King.

Mark King, Senior VP of Sales and Marketing

Thank you, Rick, and good afternoon

Our record third quarter revenue was driven by growth in all regions with strong increases in North America and Europe after a relatively flat second quarter in these regions. We also achieved record sales in the China local market, where we are making great progress. In the communications end market, our solid position with smartphone manufacturers continues to be a key driver of sales as a result of our growing new design win revenue. Computing grew slightly in the quarter, primarily due to increased sales for our products used in tablets partially offset by weakness in notebooks and motherboards. The auto and industrial markets were also up in the quarter on the strength in both North America and Europe.

OEM sales were up 2 percent and distributor POS was up 8.6 percent. Distributor inventory rose 6 percent, and global inventory remained in line and under 3 months.

In terms of **Global Sales**, Asia represented 82 percent of revenue, North America and Europe each represented 9 percent.

Our **end market breakout** consisted of consumer representing 32 percent of revenue, computing and communications each representing 23 percent, industrial 19, and automotive 3 percent. Beginning last quarter, we realigned our end market product classifications according to the guidelines of the World Semiconductor Trade Statistic. As a reminder, smartphones and cellphones are now classified under communications; tablets in computing; and lighting now falls within industrial.

In terms of **design wins**, activity once again remained very strong across all regions as well as end equipment and markets. We have a solid pipeline of designs as a result of our expanded customer engagements. There continues to be significant cross-selling opportunities with the BCD products. In fact, we achieved another record quarter for BCD's AC-DC line. In addition, we achieved record quarterly revenue on DC-DC converters, CMOS LDO's, LED drivers and MOSFETs products. We also had a strong revenue quarter on Hall sensors, SBR®, and logic products across broad-based markets and end equipment. In fact, our logic products had another record quarter and continues to remain on a positive trend.

On our **discrete** products, introductions totaled 63 new products across 14 product families aimed at a diverse range of markets and applications. Once again several new products were launched for high-volume portable devices, such as smartphones, tablets and energy-efficient power adapters. Other product developments were aimed at applications such as LED lighting, touch-screens, USB, HDMI and other industrial applications. Several products were launched specifically for the high-growth automotive electronics market, where ruggedness, reliability and quality are key attributes.

During the quarter, Diodes launched additional products based on its performance-leading Trench SBR ® technology. These new products are aimed at the thermally-demanding small form-factor portable adapter market and enable power supply designers to meet efficiency and temperature targets. We also launched the first Trench SBR® products for the LED lighting market that offer reduced power consumption and improved efficiency in higher temperature operation, resulting in better thermal stability.

As I have mentioned in the past, miniature packaging remains a core strength for Diodes, and building upon this expertise we introduced new chip-scale packaged products for portable applications. These SBR ® CSP's occupy less board space and have a 50 percent thinner off-board profile.

Also new in Q3 were high voltage technologies to complement our MOS and Diode ranges. 300 volt MOSFETs were released based on the new mid-range Trench-MOS platform. This innovative process platform allows Diodes to offer up to 300 volt MOSFETs with low Rds(on) in small packages. In addition, new switching diode products feature our proprietary, industry-leading 400 volt technology and are suitable for many new applications employing high voltage, including capacitive touchscreens and LED lighting circuits. Diodes also added to our performance TVS portfolio with the release of a wide range of devices suitable for USB 2.0, HDMI and USB 3.0 applications.

Now turning to **analog** products, we released 21 new products across 4 product families during the quarter. New product highlights include the significant expansion of Diodes' low voltage, high performance Hall-Effect products with the addition of a family of omnipolar and unipolar switches. This product family offers a range of medium and high sensitivity devices as well as a programmable sensitivity device for enhanced system flexibility.

Additional new releases during the quarter included two new offerings in our growing family of AC-DC power devices. We released a high-performance power supply controller with excellent standby power performance. In addition, we introduced a secondary side synchronous rectifier, whose fast response to the secondary side voltage can effectively improve transient performance in the system's primary side regulation. Both devices are targeted at the high-efficiency charger and set-top box markets.

Also during the quarter, we released two new high performance LED drivers that offer protection features to further enhance system performance and cost effectiveness. The first is an AC-DC power factor correction controller that provides accurate constant current regulation, while eliminating the need for an opto-coupler and secondary control circuitry at the system level. The other new product is a primary side PFC controller for dimmable LED driver applications.

In terms of design wins for our analog products, Diodes continued to gain traction for our Hall sensor products, with significant wins in the smartphone and gaming markets. During the quarter, we secured a large win for our AC-DC devices in the set-top box market, as well as continued traction for our AC-DC products in smartphone chargers. Our USB power switches also continued to receive excellent market acceptance with multiple wins across essentially all major notebook manufacturers. We also secured a number of design wins for our DC-DC converters across a broad range of applications, including white goods and communications data cards, as well continued expansion in LED TV, WiFi modules and set-top box applications. We also obtained two significant new design wins in the European set-top box market for our low voltage DC-DC converters that we acquired from PAM. Also from PAM, our audio amplifiers were awarded sockets in flat panel TV and monitor markets.

In summary, we are very pleased with the operational achievements we made in the quarter as evidenced by our solid results. We also continued to aggressively expand our new product introductions, which has been a key driver of our design win momentum and market share gains. Going forward, we remain focused on leveraging our expanded product portfolio with the addition of the BCD's products and capitalizing on the cross-selling opportunities in order to fuel our future growth.

With that, I'll open the floor to questions—Operator?

Upon Completion of the Q&A…

Dr. Lu: Thank you everyone for joining us today. Operator, you may now disconnect.

Exhibit 99.3

DIODES 3Q 2013 EARNINGS CALL
QUESTION AND ANSWER

Operator

(Operator Instructions)

Your first question comes from the line of Gary Mobley of Benchmark.

Gary Mobley — *The Benchmark Company — Analyst*

Hi, guys. Thanks for taking the question. If I look at the midpoint of your guidance for the fourth quarter for revenue, it calls for about a 5.5% sequential decline. And in your third quarter I think you grew 5% sequentially, which was in line with peers, but your fourth quarter revenue guides below the peer group, which is guiding for about a 1% to 3% sequential decline. So I'm just wondering, where is that Diodes that historically has taken market share, and should we read anything sinister into that sequential comp?

Keh-Shew Lu — *Diodes Inc — President & CEO*

Well, Gary, I don't think the peer — I don't know where you get the peer is at 2% down. I think when we look at our peer company, we feel it's somewhere around 8% down.

So that maybe different company you use, but the key thing really, you need to compare is the third quarter we actually grew and then fourth quarter we're down. And then you need to — if you compare with third quarter and fourth quarter, then you might come up different numbers, okay?

But in general — what we see is a general market slowdown, especially is in the PC market. And you can see that the PC market continue weakness, continued weak. And at the same time, some of our OEM company they are not as strong as the third quarter.

So overall, that's why we guided 5.5%. It's strong — it's worse than our normal seasonality, somewhere around 0% to 5% down. That's normal seasonality. It's worse than that. But I think really majority was due to the weak PC market and the general market weakness.

Gary Mobley — *The Benchmark Company — Analyst*

Okay.

Keh-Shew Lu — *Diodes Inc — President & CEO*

But we still believe — we don't know yet, but we still believe in the fourth quarter we may still can gain the market share.

Gary Mobley — *The Benchmark Company — Analyst*

Okay. If I look at the midpoint of your gross margin guidance, it calls for about a 300 basis point sequential decline. Could you give us sort of a relative ranking of what the impacting factors are there? Whether it be a lower manufacturing load, currency, so on and so forth.

Keh-Shew Lu — *Diodes Inc — President & CEO*

Okay. It's majority is really is the manufacturing under-loaded, and especially this time was you have some impact by the packaging, but the majority are impact is really by the wafer fab. If you look at our — from the first — 1Q, wafer inventory to end of 3Q wafer inventory, we are up almost $10 million.

And the reason we started loading the wafer fab is we think when we — 1Q, we look at 2Q going to be strong, and 3Q going to be strong, and so we started loading wafer fab. But now if I look at it, leading forward, 4Q we know is weak, and we think and traditionally 1Q will be a weak quarter too.

Therefore, we take this time, try to reduce the output of a wafer fab and such that we can hopefully reduce our wafer fab inventory to align with our regular plan for 4Q and 1Q. So if the packaging under-load has some impact, but the majority of the impact coming from BCD fab, our Oldham fab, and especially our Kansas City fab.

Gary Mobley — *The Benchmark Company — Analyst*

Okay. Let me ask a follow-up, and it's somewhat of a hypothetical situation. Let's assume your inventory was flat sequentially in the third quarter, and your revenue for the fourth quarter was expected to be sequentially flat with the third. Would your gross margins stay the same or increase?

Keh-Shew Lu — *Diodes Inc — President & CEO*

Well, if you make that assumption, if the revenue the same and wafer fab loading is the same, and then you're obviously the GPM will be flat on 31%, yet your costs might going up, but our cost reduction effort will be able to balance that. So this time we look at it is pure due to the loading factor of the making functions.

Gary Mobley — *The Benchmark Company — Analyst*

That's it from me. Thanks, guys.

Operator

Your next question comes from the line of Steve Smigie of Raymond James.

Steven Smigie — *Raymond James & Associates — Analyst*

Great. Thanks a lot. Doctor, obviously a soft environment out there. If I look at maybe perfect comp, but maybe a semiconductor, they guided down about 8%. They did have a lot of computing exposure there.

Still, it seems like there's a lot of that computing weakness out there. I was just curious if you could talk a little bit about how you see that, maybe even the next year generically, not necessarily an estimate, but it seems like that's a little bit soft.

Should we think about that as you're diversifying, you've got other categories growing while that's coming down a little bit? Or is there even the potential that because you guys gained share, and you have new products coming out that it might be down a little bit next year, but not as bad as you might think?

Keh-Shew Lu — *Diodes Inc — President & CEO*

I think you know we originally heavy in the PC market, and if you notice under the notebook age it went down quite a bit, even the desktop and the mother board kind of flat or slightly down. PCs, the notebook is the major softness.

But fortunately we are working our way to the tablets and that kind of market. So that will help to reduce some of the burden of the PC century. But at the same time, we have another design win, cellphone, and other applications and that's why we can still continue gaining the market share so far.

Mark King — *Diodes Inc — SVP, Sales and Marketing*

If I could add on the PC side, we do see some significant opportunities for us to balance out the decline with new products, and we're looking into that. We're moving in that direction for next year. So we see some ways that we can mitigate the softness in that market either way.

Steven Smigie — *Raymond James & Associates — Analyst*

Okay. Great. That's very helpful. And how should we think about Q1? That sounds like Q1 is probably a little bit soft for everybody out there. Again, computing probably continues to roll off.

You've got some seasonality in stuff like handsets, typically. So is it fair to say that you guys would likely be similar to other folks where you'd probably have a soft seasonal Q1, followed by, in a typical pattern, like a strong Q2, Q3? Because you guys have always done well there, plus BCD's always had very strong Q2, Q3 period as well.

Keh-Shew Lu — *Diodes Inc — President & CEO*

Well, actually, it's too early to call about 1Q. Right now, the visibility is very short. If three months ago you asked me, what will be the 4Q look like, I won't say it will be so soft.

So obviously now to look at 1Q, I really don't know. Even this 4Q is worse than seasonality. So 1Q, yes, seasonally go down, but since 4Q is so soft, I don't know. 1Q will be better or will be the same. Really very hard for me to see.

Steven Smigie — *Raymond James & Associates — Analyst*

Okay. Great. And I was hoping for a little bit of commentary around operating expenses and currency impacts. I'm not sure if I'm doing the math right.

The OpEx seems a little bit higher in Q4 dollar-wise than I would have thought. And so is there going to be some cost control potentially coming in on some of that going forward post-Q4? And then just on the currency stuff, is that sort of one-time in nature, or would we potentially see some more impacts going forward as well?

Keh-Shew Lu — *Diodes Inc — President & CEO*

You're talking about the currency exchange impact is actually in 3Q, and the 3Q is just because our currency, US currency against euro and against the pound, English pound, is significant low, okay? Against renminbi, that's about — it's still going down but it's in the range.

You can — normal going down type of performance. But euro and the pound, English pound, is the one significant change.

So I don't think that will be repeated because if the US dollar starts getting stronger, then you reverse. These are just — it will be automatically balanced. If you go down, then you go up, they will cancel each other.

Rick White — *Diodes Inc — CFO*

So basically the issue with the guidance is that there are no currency impacts in the guidance. We just assumed the same currency going forward that we closed the third quarter with.

So there's no significant currency up or down in the guidance numbers. So from an Op-expense standpoint, we were slightly over $49 million in third quarter at 22%.

And if you just take the midpoint of our guidance, it's a little bit over $48 million, but because the revenue goes down, it ends up being 22.7% from a GAAP perspective. So the dollars did not increase. They're going to go down.

Steven Smigie — *Raymond James & Associates — Analyst*

Okay. Yeah, I may be looking at GAAP versus non-GAAP, might be a little bit of my issue. Great. Thank you very much.

Keh-Shew Lu — *Diodes Inc — President & CEO*

Okay.

Operator

Your next question comes from the line of Christopher Longiaru of Sidoti & Company.

Christopher Longiaru — *Sidoti & Company — Analyst*

Hello, can you hear me?

Rick White — *Diodes Inc — CFO*

Yes, we can hear you.

Christopher Longiaru — *Sidoti & Company — Analyst*

Hello, guys. How are you? My question has to do with just the supply chain in general. I know that you're manufacturing's in China, but in terms of the situation in the Philippines, are there any parts that are in the food chain of customers that your parts are in the food chain that you might see delays on because they can't get product, at least in the short term. from their Filippino suppliers?

Keh-Shew Lu — *Diodes Inc — President & CEO*

No, I'm aware of it.

Mark King — *Diodes Inc — SVP, Sales and Marketing*

I don't think we have a significant customer base in the Philippines, and we don't have any raw material base in the Philippines. So we haven't seen any impact as of yet.

Christopher Longiaru — *Sidoti & Company — Analyst*

Okay, And then just in terms of the utilization rate that you're assuming for the fourth quarter guide, can you just give us what the number was in September, and kind of what you're expecting for December?

Rick White — *Diodes Inc — CFO*

From a wafer fab perspective, we were — it really depends on the wafer fab, but we were around 85% in most of them, except for our K fab, which is the Kansas City fab and it was a little bit lower. We basically conclude that 85% is fully loaded for the wafer fab. From a fourth quarter perspective, two of them are in the 80% range and one of them is below 70%.

Christopher Longiaru — *Sidoti & Company — Analyst*

Okay. Just in terms of the packaging and test facility, because you moved BCD in there. So you had a lot of capacity there. Can you just give us an update on where you are as you moved BCD into the packaging facility? Or you're saying that it's going to take some time, but just in terms of where you are?

Rick White — *Diodes Inc — CFO*

It's about 85%, 86% in the third quarter, and it's about that in the fourth quarter.

Christopher Longiaru — *Sidoti & Company — Analyst*

I'll jump back. Thank you, guys.

Operator

Your next question comes from the line of Tristan Gerra of Baird.

Tristan Gerra — *Robert W. Baird & Company, Inc. — Analyst*

Hi. Good afternoon. Could you give us an update on the manufacturing transition at BCD to Fab-2? How that's going?

It sounds like the BCD utilization rates are higher than they've been in the past, but how loaded or unloaded is Fab-1? And if we assume normal demand, what will be the utilization rate outlook for BCD a year from now, when we look at both fabs?

Keh-Shew Lu — *Diodes Inc — President & CEO*

Okay. Actually, what we try to do now is move from Fab-1, which is O-fab, some of the product to the Fab-2, which is new one. So basically the Fab-2 is ramping up and so it is 100% loaded all the time. But don't forget, it's ramping up.

So basically we try to keep Fab-2 while they ramp it, then fully loaded. Therefore, the Fab-1 going to be in the 4Q, going to be going down.

Tristan Gerra — *Robert W. Baird & Company, Inc. — Analyst*

So is the expectation that in the future you will still be using Fab-1, or is that a fab that eventually you plan on using for certain — just some lower products, lower end products?

Keh-Shew Lu — *Diodes Inc — President & CEO*

Okay. For the Fab-1, what we intend to do will be move the diodes currently outside wafer into the BCD Fab-1. Currently Diodes analog wafer, majority of them, is using foundry.

And that is one we plan to do, is move inside the BCD Fab-1, while BCD Fab-1 moved their loading to their Fab-2 for the high end product. We eventually will be fill up the Fab-1 by Diodes products, too.

Tristan Gerra — *Robert W. Baird & Company, Inc. — Analyst*

That's very useful. And then in PCs, you mentioned the opportunity to offset declines with new opportunities. Industry-wide do you think that there is credence to some that have thinking that the notebooks units could rebound next year?

Mark King — *Diodes Inc — SVP, Sales and Marketing*

Yeah, I think the industrial segment for us specifically with our MOSFET products and our SBR (technical difficulties) is quite strong. I don't think we've seen a significant weakness movement in the industrial market.

I think it's kind of been up to flattish over the last couple of quarters. So we don't see any declines. So we see continued upside with new product additions that we're adding.

Tristan Gerra — *Robert W. Baird & Company, Inc. — Analyst*

Okay. Thank you.

Operator

Your next question comes from the line of Harsh Kumar of Stephens.

Harsh Kumar — *Stephens Inc. — Analyst*

Hello, Dr. Lu. Couple of questions. Are you seeing anything strange in the end markets at this point for your seasonality to be worse than historical, let's say, even some of the industry players in your category? Is it a inventory of chips issue, or is it an inventory of finished goods, or is it just a slower market?

Keh-Shew Lu — *Diodes Inc — President & CEO*

Well, what I see is the general slowing market. If you look at, let's say Europe. Typically third quarter Europe is a vacation quarter and fourth quarter will recover.

This year for some reason, Europe third quarter is strong, and then fourth quarter is relative to third quarter is weak. So this is a normal situation.

Then you go to the PC. We already know PC is really slow down, and especially notebook. And then you go to the general China market. Again, general China market, we're supposed to see a very hot in 4Q, but we do not see that.

So it's just a normal from a typical year, but the key thing really now I don't know how to define typical year because since 2011 every year looks like it's different. So I don't know now what is a typical year. But it's different from my past 20 years of experience.

Harsh Kumar — *Stephens Inc. — Analyst*

Okay. That's helpful, Dr. Lu. And then you have actually tablets in your computing business, and my understanding is that tablets should continue to build through December, maybe towards the midpoint of the December quarter. Or is the build in tablets not strong enough to offset some of the PC weakness in notebooks?

Mark King — *Diodes Inc — SVP, Sales and Marketing*

Probably not strong enough to offset the weakness in PC and notebook.

Harsh Kumar — *Stephens Inc. — Analyst*

Okay. And then last question from me. Mark, maybe you can answer this. But as you look across your four or five end markets, which will be the best faring and which will fare the worst?

Mark King — *Diodes Inc — SVP, Sales and Marketing*

I think probably computer is going to fare the worst.

Harsh Kumar — *Stephens Inc. — Analyst*

Okay. Any more color on which, like any kind of industrial versus — or com versus consumer, more color on that?

Mark King — *Diodes Inc — SVP, Sales and Marketing*

To be honest with you, I think that the auto and industrial will be relatively flat. The impacts that we see in regions or some downs might be POP versus POS.

I think POS is remaining relatively stable, but the channel might be a little bit less interested in investing over the fourth quarter. I think it's a choppy market in general, and there's bright spots and there's weak spots, and we just have to navigate through them. I don't think it's such a clear pattern.

Harsh Kumar — *Stephens Inc. — Analyst*

Thanks, guys. Thanks, Dr. Lu, Rick, and Mark.

Operator

Your next question comes from the line of Vijay Rakesh of Sterne Agee.

Vijay Rakesh — *Sterne, Agee & Leach, Inc. — Analyst*

Just looking at your — look at the last four years your March quarter top line has been flat to up. When you look at your disty inventories, do you see — for the March quarter, do you see your fab loadings improve into the March quarter?

Mark King — *Diodes Inc — SVP, Sales and Marketing*

I mean, I think our disty inventory's been pretty good. If the market's going forward then we should have a good position to load.

We're not over-inventoried in our channel. We're very, very happy with our channel position right now. It's relatively clean. Again, if there's any feeling that the market's going to grow in 2014, then we'll see a stronger loading in that period.

Vijay Rakesh — *Sterne, Agee & Leach, Inc. — Analyst*

Okay. And when you look at your gross margins, obviously Dr. Lu mentioned two things. You've done some cost reduction efforts, and on the BCD side, some loading.

When you look at the cost structure side and the product mix, what is a sustainable gross margin that you guys can hit? Obviously margins came down a little bit here, it looks like fab loading. As you look at next year, given your cost reduction and the mix, what is a sustainable margin level that you can achieve?

Keh-Shew Lu — *Diodes Inc — President & CEO*

I think I need to make some correction. When I said wafer fab loading down, I'm not just saying BCD wafer fab loading down.

I say in general, especially one of the fab, which is the biggest fab, that loading down because we had too much of wafer inventory. So I'm not saying BCD is the only wafer loading down, okay?

And you are talking about what will be the GPM we can sustain? We measure our GPM percent, the actual versus underloaded numbers. The fully loaded number versus underloaded number, and I think we still able to maintain or go up to our business model.

Our business model is 35% GPM, and we believe we can hit there. It's just because the underloaded factor going to affect that GPM percent.

If you look at third quarter, we already up to 31%, and that, again, is not fully loaded yet. Our wafer fab is kind of there. but the assembly is not there yet. So if we can assume all the fab is loaded up to 85%, all the assembly loaded up above 95%, then I think we should be have very good chance to get our business model of 35%.

Vijay Rakesh — *Sterne, Agee & Leach, Inc. — Analyst*

Got it. So when you look at your 35% business model and assembly and fab loading, what is — is that like a midterm time line which you're looking at to get to those kind of levels on the gross margin side? And that's the last question. Thanks.

Rick White — *Diodes Inc — CFO*

Exactly what do you mean by midterm? What does that mean?

Vijay Rakesh — *Sterne, Agee & Leach, Inc. — Analyst*

Are you looking at, given — are you looking at improving that assembly loading for the next couple of quarters based on keeping the capacity there flattish and improving the loading on the assembly side? How do you envision getting to those gross margin?

Keh-Shew Lu — *Diodes Inc — President & CEO*

Well, number one, if your revenue, let's say if our revenue go back to $225 million like the third quarter or above that, our wafer fab will be kind of equal to about 85% loading.

That’s in our third quarter, we are doing that, and BCD should be, if their business continue grow, they will continue growing and we can put move our wafer fab loading next year from our foundry into the BCD. Then the fab will be there. So then we can back to like a third quarter number, 31% or above.

Vijay Rakesh — *Sterne, Agee & Leach, Inc. — Analyst*

Got you.

Keh-Shew Lu — *Diodes Inc — President & CEO*

Then you look at the packaging, and the packaging we have been have problem loaded up. And so if we can get another 10% or more loading up, then that will be — that will give us the — another several point of the GPM improvement.

Now, another key factor, which we probably talking about, is we start to cut down our capital investment. If you remember our business model in the past is 10% to 12% of revenue. And now we are cutting down our expense.

This year we said 5% to 8%, and our business model going to — we were going to talking about 5% to 8% or 5% to 9%. So basically we cut down our capital from 11% midpoint of our revenue to 7% midpoint of our revenue, and if we continue to do that, 4% capital reductions, then several years later, that automatically improves your GPM 4%.

Vijay Rakesh — *Sterne, Agee & Leach, Inc. — Analyst*

Yep.

Keh-Shew Lu — *Diodes Inc — President & CEO*

This is what we try to do to improve our GPM from long term point of view. Our model said 35%. Obviously, we are not happy from long term point of view, using 35% as the model.

One is to design more new product with more differentiated type of new products to get a better GPM. But the other thing is, we reduce our capital investment, our target now is reduce 4%. And if we are able to reduce 4% continuously for four, five years, then our GPM will be automatically improved 4%, 5% and that will be make it better than our business model.

Vijay Rakesh — *Sterne, Agee & Leach, Inc. — Analyst*

Got it. Thank you very much.

Operator

Your next question comes from the line of Shawn Harrison of Longbow Research.

Shawn Harrison — *Longbow Research — Analyst*

Hi. Evening, everybody.

Keh-Shew Lu — *Diodes Inc — President & CEO*

Hi, Shawn.

Shawn Harrison — *Longbow Research — Analyst*

I don’t think I heard this specifically asked, but of the gross margin decline sequentially for the December quarter, how much of that is related to the inventory you want to take out of your system in terms of the finished goods? So is that inventory decline 100 basis points of the 300 basis points? Just trying to get a triangulation of that figure.

Keh-Shew Lu — *Diodes Inc — President & CEO*

We didn't talking about take the finished good out of the inventory number. We talking about reduced wafer fab. The wafer inventory, okay, what I'm talking about is if you look at our wafer inventory from 1Q to end of 3Q, our wafer inventory up about $10 million.

And that is quite a bit, and that is because we predict second quarter and third quarter going to be, and we think in fourth quarter going to be a good quarter too. And you know my strategy always, wafer, you build up the wafer and then we put in different package because the lead time for packaging is short, and that way you can easily to support the customer and take advantage of the short lead time.

And then when the market turn, you can take advantage of the support customer and gain the market share. That really is the strategy.

I make that strategy, and had been working fine but now since we start see fourth quarter and 1Q going to be slow quarter, then we try to say, okay, basically reduce our wafer inventory. And so we significantly cutting the wafer fab. And if you said how much PPM point, how much base point you affect? I will say probably 2 to 3. I said we talking about probably 2.5 basis — 250 basis points.

Rick White — *Diodes Inc — CFO*

Yeah, something like that. 200 basis points.

Keh-Shew Lu — *Diodes Inc — President & CEO*

200 basis points, just by the wafer fab is 200 basis points.

Shawn Harrison — *Longbow Research — Analyst*

Okay. That's extremely helpful. The other thing I just wanted to clarify, I think last quarter it was mentioned that there was a power outage that affected your business. And I was just wondering kind of what the cost drag on the September quarter was related to that power outage?

Keh-Shew Lu — *Diodes Inc — President & CEO*

That power outage, I think at that time we — I don't know, I don't remember talking about how much or not. But I remember we said about $0.5 million impact. I don't remember.

I don't know. I don't remember whether I tell you or not. At the end, we do write-off the inventory, and it's less than that, it's less than that number. Okay.

The capacity loss is not a major issue because wafer fab is not fully loaded, but we did have some WIP in the line. It end up to be small, and I don't remember what, if I say something but right now we have the number is less than $0.5 million.

Rick White — *Diodes Inc — CFO*

About $0.5,

Keh-Shew Lu — *Diodes Inc — President & CEO*

About $0.5 million. That's why we are able to get 31%.

Shawn Harrison — *Longbow Research — Analyst*

Okay. Perfect. And then, Mark, I guess a question for you on distribution. Of this revenue decline for the December quarter, is there any abnormal destocking activity occurring at distribution?

Is there any risk of that heading into the March quarter? It doesn't sound like there is, but I just want to be 100% clear on that.

Mark King — *Diodes Inc — SVP, Sales and Marketing*

Certainly they're not robustly placing inventory orders. So they're definitely being careful. And so I think that it is putting a little bit of drag, and it could put a little drag on this quarter and next quarter.

But if the POP — if the POS holds up, then we should remain a little consistent. But again, distributors towards the end of the year are very habit-based at not placing stocking orders or restocking in that period. So, yeah, I definitely think that they're being conservative.

Shawn Harrison — *Longbow Research — Analyst*

If I'm correct, it sounded as if your point of purchase for the third quarter distribution was higher than the point of sale, is that correct?

Mark King — *Diodes Inc — SVP, Sales and Marketing*

Not correct.

Shawn Harrison — *Longbow Research — Analyst*

I guess would the sell-in match sell-through, or was sell-in below sell-through?

Mark King — *Diodes Inc — SVP, Sales and Marketing*

It always kind of matches in that area. I think we did have some inventory increase because they were expecting maybe slightly better than they expected, but our POS was up 8.6% in the quarter. So I think it was — I think that was all healthy.

Shawn Harrison — *Longbow Research — Analyst*

Got you. Thanks so much everybody.

Operator

Your next question comes from the line of Lena Zhang of Blaylock Robert Van.

Lena Zhang — *Blaylock Robert Van, LLC — Analyst*

Hi. Thank you for taking my question. Can you talk about ASP erosion in Q3, and also give us general weakness in the market? How about ASP you are seeing right now for the current quarter? Thank you.

Keh-Shew Lu — *Diodes Inc — President & CEO*

I think I've been talking about our typical ASP going to be — go down almost every quarter. That is our business and typically we said it's normal, typically it's like go down 1.5% to 2% a quarter,

And third quarter it turn out to be mixed independent, look like go down slightly worse than seasonal, or typical. We define typical about 1.5% to 2% down each quarter, and third quarter is worse than typical.

Lena Zhang — *Blaylock Robert Van, LLC — Analyst*

How about the current quarter?

Keh-Shew Lu — *Diodes Inc — President & CEO*

Current quarter, I don't know. Because we don't have the number yet.

Mark King — *Diodes Inc — SVP, Sales and Marketing*

A lot of moving targets.

Keh-Shew Lu — *Diodes Inc — President & CEO*

Yeah.

Lena Zhang — *Blaylock Robert Van, LLC — Analyst*

Okay. Thank you.

Operator

Your next question comes from the line of Suji De Silva of Topeka.

Suji De Silva — *Topeka Capital Markets — Analyst*

Hi, guys. I'm curious, on the BCD and analog side, are you seeing design wins accelerate there as you bring the BCD products into your Company in terms of the merger synergies there?

Mark King — *Diodes Inc — SVP, Sales and Marketing*

Yeah. To be honest with you, we're really, really, really happy with what we're seeing in the customer base and the interest at the customers. North America and Europe has a whole new energy toward analog, and frankly I think that they're pretty excited about being able to walk in to every customer in North America and Europe where they couldn't before.

So I think there's a significant amount of opportunity for us to develop these design wins over the next year and beyond. Again, an analog design win takes a little longer to get to production than some of the discrete design wins, but the progress is quite good and the activity is very, very strong.

Keh-Shew Lu — *Diodes Inc — President & CEO*

When you look at the top of the revenue, and so and almost double the number of the product, you make the sales more exciting. Our sales team, very exciting.

Suji De Silva — *Topeka Capital Markets — Analyst*

Okay. And then my other question, should we still think of your phone exposure as more high end, or are you making progress in the low end smartphone market? and also, (inaudible) can you talk about the momentum in the charger market? I know that's an area of strength the last few quarters.

Mark King — *Diodes Inc — SVP, Sales and Marketing*

I think that you would probably say that we're driven by the higher end of the smartphone market, but we have a lot of interest and a lot of activity in the mid-size, maybe the larger Chinese and moving forward on there. And the charger progress continues, both on the Diodes side as well on the BCD side. So there was some pretty good synergies between our two companies in that area.

Suji De Silva — *Topeka Capital Markets — Analyst*

Okay. Great. Thanks, guys.

Operator

This ends today's question-and-answer session. I would like to hand the call back to management for closing remarks.

Keh-Shew Lu — *Diodes Inc — President & CEO*

Well, thank you everyone for join us today. Operator, you now can disconnect.

Operator

Thank you for your participation in today's conference. This concludes the presentation. You may now disconnect, and have a wonderful day.