

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): May 18, 2007

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

Delaware
(State or other jurisdiction
of incorporation or organization)

1-5740
(Commission File Number)

95-2039518
(I.R.S. Employer Identification No.)

15660 North Dallas Parkway Suite 850
Dallas, Texas
(Address of principal executive offices)

75248
(Zip Code)

(972) 385-2810
(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))
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Item 2.05. Costs Associated with Exit or Disposal Activities.

On May 18, 2007, the Board of Directors of Diodes Incorporated (the "Company") approved a plan to consolidate its analog wafer probe and final test operations from Hsinchu, Taiwan to its manufacturing facilities in Shanghai, China in order to increase operational efficiencies.

In connection with the consolidation, the Company estimates that it will incur approximately \$1.3 to \$1.7 million in total 2007 pre-tax restructuring costs primarily related to severance costs and asset impairment charges, with the remaining related to other costs incurred to relocate and consolidate facilities.

The transition is expected to be completed by July 31, 2007.

Item 7.01 Regulation FD Disclosure.

On May 18, 2007, the Company issued a press release announcing the consolidation of its analog manufacturing operations described in Item 2.05. A copy of the press release is attached as Exhibit 99.1 to this Report.

The information in this Item 7.01, including Exhibit 99.1, will not be treated as filed for the purposes of Section 18 of the Securities Exchange Act of 1934 (the "Exchange Act") or otherwise subject to the liabilities of that section. This information will not be incorporated by reference into a filing under the Securities Act of 1933, or into another filing under the Exchange Act, unless that filing expressly refers to specific information in this Report. The furnishing of the information in this Item 7.01 is not intended to, and does not, constitute a representation that such furnishing is required by Regulation FD or that the information in this Item 7.01 is material information that is not otherwise publicly available.

Cautionary Information Regarding Forward-Looking Statements

Except for the historical and factual information contained in the press release, attached as an exhibit to this Report, the matters set forth therein (including statements as to the expected benefits of the consolidation, and other statements identified by words such as "estimates," "expects," "projects," "plans," "will" and similar expressions) are forward-looking statements within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially, including: the possibility that the analog manufacturing operations will not be integrated successfully into the Company's manufacturing facilities in Shanghai, China; the risk that the expected benefits of the consolidation may not be realized, including the realization of the benefits of leveraging the infrastructure already in place in the Company's Shanghai manufacturing facilities; the estimated number of employees to be affected; the estimated completion date; the estimated amount of restructuring charge and annual cost savings; and the impact of competition and other risk factors relating to our industry and business as detailed from time to time in the Company's reports filed with the SEC. You should not place undue reliance on these forward-looking statements, which speak only as of the date of the press release. The Company undertakes no obligation to update publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

99.1 Press release of Diodes Incorporated dated May 18, 2007.

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 thereunto duly authorized.

DIODES INCORPORATED

Date: May 18, 2007

By: /s/ Carl C. Wertz

Carl C. Wertz,
Chief Financial Officer



FOR IMMEDIATE RELEASE

Diodes Incorporated Announces Plans to Consolidate Analog Manufacturing from Taiwan to China

Dallas, Texas - May 18, 2007 - Diodes Incorporated (Nasdaq: DIOD), a leading global manufacturer and supplier of high-quality application specific standard products within the broad discrete and analog semiconductor markets, today announced plans to consolidate its analog wafer probe and final test operations from Hsinchu, Taiwan to its manufacturing facilities in Shanghai, China. The transition is expected to be completed by July 31, 2007.

Dr. Keh-Shew Lu, President and CEO of Diodes Incorporated, said, "We continue to drive operational efficiencies, and this move will further capitalize on and leverage the infrastructure already in place at our high volume Shanghai manufacturing facilities."

Approximately 40 employees will be impacted, while the product design, research and development, sales, marketing, administration and support service employees will continue to operate in the Hsinchu Science Park facility in Taiwan.

Diodes Incorporated acquired Anachip Corporation, a Taiwanese fabless analog IC company, in January 2006. Headquartered in the Hsinchu Science Park in Taiwan, Anachip's main product focus is Power Management ICs. These analog products are widely used in LCD monitor/TV's, wireless 802.11 LAN access points, brushless DC motor fans, portable DVD players, datacom devices, ADSL modems, TV/satellite set-top boxes, and power supplies.

Diodes Incorporated expects to take a restructuring charge of approximately \$1.3 to \$1.7 million in the second quarter, and anticipates approximately \$1.0 million in cost savings per year related to the transition.

About Diodes Incorporated

Diodes Incorporated (NasdaqGS: DIOD) an S&P SmallCap 600 Index company, is a leading global manufacturer and supplier of high-quality application specific standard products within the broad discrete and analog semiconductor markets, serving the consumer electronics, computing, communications, industrial and automotive markets. Diodes products include diodes, rectifiers, transistors, MOSFETs, protection devices, functional specific arrays, power management devices including DC-DC switching and linear voltage regulators, amplifiers and comparators, and Hall-effect sensors. The Company has its corporate offices in Dallas, Texas, with a sales, marketing, engineering and logistics office in Southern California; design centers in Dallas, San Jose and Taipei; a wafer fabrication facility in Missouri; two manufacturing facilities in Shanghai; an analog design center in Hsinchu Science Park, Taiwan; engineering, sales, warehouse and logistics offices in Taipei and Hong Kong, and sales and support offices throughout the world. With its recent asset acquisition of APD Semiconductor, a privately held U.S.-based fabless semiconductor company, Diodes acquired proprietary SBR® technology. Diodes, Inc.'s product focus is on high-growth end-user equipment markets such as TV/Satellite set-top boxes, portable DVD players, datacom devices, ADSL modems, power supplies, medical devices, wireless notebooks, flat panel displays, digital cameras, mobile handsets, DC to DC conversion, Wireless 802.11 LAN access points, brushless DC motor fans, and automotive applications. For further information, including SEC filings, visit the Company's website at <http://www.diodes.com>.

Safe Harbor Statement Under the Private Securities Litigation Reform Act of 1995: Any statements set forth above that are not historical facts are forward-looking statements that involve risks and uncertainties that could cause actual results to differ materially from those in the forward-looking statements. Potential risks and uncertainties include, but are not limited to, such factors as the possibility that the analog manufacturing operations will not be integrated successfully into the Company's manufacturing facilities in Shanghai, China; the risk that the expected benefits of the consolidation may not be realized, including the realization of the benefits of leveraging the infrastructure already in place in the Company's Shanghai manufacturing facilities; the estimated number of employees to be affected; the estimated completion date; the estimated amount of restructuring charge and annual cost savings; and the impact of competition., the Company's ability to successfully make additional acquisitions, fluctuations in product demand, the introduction of new products, the Company's ability to maintain customer and vendor relationships, technological advancements, impact of competitive products and pricing, growth in targeted markets, successful integration of acquired companies and/or assets, risks of foreign operations, availability of tax credits, and other information detailed from time to time in the Company's filings with the United States Securities and Exchange Commission.

Source: *Diodes Incorporated*

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or

Crocker Coulson, President, CCG Investor Relations, (310) 231-8600, Ext. 103,

e-mail: crocker.coulson@ccgir.com

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.
