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

February 11, 2014
Date of Report (Date of earliest event reported)

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 February 11, 2014, Diodes Incorporated (the "Company") issued a press release announcing its fourth quarter and fiscal 2013 financial results. A copy of the press release is attached as Exhibit 99.1.

As announced in its press release dated January 14, 2014 providing the date, time and live webcast and telephone access information, on February 11, 2014, the Company hosted a conference call to discuss its fourth quarter and fiscal 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 February 11, 2014, 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. 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 for a description of the non-GAAP measures used.

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

Executive Bonuses

On February 12, 2014, the Compensation Committee of the Board of Directors of the Company authorized the payment of the remaining balance of the amounts awarded for the fiscal year 2013 to the below listed named executive officers of the Company for services rendered in fiscal 2013. The total amounts awarded to executive officers for the fiscal year 2013 were adjusted to reflect (i) the actual performance of the Company as reported on its audited financial statements for the fiscal year 2013 and (ii) the actual performance of the Company's served available market (SAM) (excluding Japan) for 2013 compared to 2012 as determined by World Semiconductor Trade Statistics.

Name	Position	Total Amount Awarded[1]	Amount Paid in 2013[1]	Amount Paid[2]
Keh-Shew Lu	President and Chief Executive Officer	$ 760,000	$ 600,000	$ 160,000
Richard D. White	Chief Financial Officer, Secretary and Treasurer	255,000	200,000	55,000
Mark A. King	Senior Vice President – Sales and Marketing	170,000	136,000	34,000
Edmund Tang	Vice President – Corporate Administration	165,000	129,000	35,400
Joseph Liu	Senior Vice President – Operations	195,000	156,000	39,000

Item 7.01 Regulation FD Disclosure.

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.

1 For further information concerning the initial determination of the "Amount Awarded" and the "Amount Paid in 2013," please see the Company's Current Report on Form 8-K filed on December 17, 2013.

2 The column "Amount Paid" lists actual amounts authorized by the Committee for payment in year 2014 of the remaining balance of the fiscal year 2013 outstanding awarded amounts listed in the column "Total Amount Awarded" in the table above.

Item 8.01. Other Events.

From time to time in fiscal 2014, the Company may give corporate presentations to its customers, suppliers and other interested parties. A copy of the Company's 2014 corporate presentation slides is furnished herewith as Exhibit 99.4 to this Report.

<u>Item 9.01</u> <u>Financial Statements and Exhibits.</u>

(d) Exhibits.

Exhibit Number	Description
99.1	Press release dated February 11, 2014
99.2	Conference call script dated February 11, 2014
99.3	Question and answer transcript dated February 11, 2014
99.4	Corporate presentation slides for fiscal 2014

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: February 18, 2014

DIODES INCORPORATED

By /s/ Richard D. White
RICHARD D. WHITE
Chief Financial Officer

EXHIBIT INDEX

Exhibit Number	Description
99.1	Press release dated February 11, 2014
99.2	Conference call script dated February 11, 2014
99.3	Question and answer transcript dated February 11, 2014
99.4	Corporate presentation slides for fiscal 2014

Exhibit 99.1

Diodes Incorporated Reports Fourth Quarter and Fiscal 2013 Financial Results

Achieves 30% Annual Revenue Growth with Solid Margin Improvement

Plano, Texas – February 11, 2014 – 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 fourth quarter and fiscal year ended December 31, 2013.

Year 2013 Highlights

- Revenue increased to a record $826.8 million, an increase of 30.5 percent over the $633.8 million in 2012;
- Gross profit was $237.8 million compared to $161.6 million in 2012;
- GAAP gross margin was 28.8 percent compared to 25.5 percent in 2012; and non-GAAP gross margin for 2013 was 29.3 percent, which excludes BCD purchase price adjustments;
- GAAP net income was $26.5 million, or $0.56 per diluted share, compared to $24.2 million, or $0.51 per diluted share in 2012;
- Non-GAAP adjusted net income was $50.1 million, or $1.05 per diluted share, compared to $26.1 million, or $0.56 per diluted share in 2012;
- Excluding $8.8 million, net of tax, share-based compensation expense, both GAAP net income and non-GAAP adjusted net income would have increased by $0.18 per diluted share;
- Reduced capital expenditure spending to $44.3 million, or 5.4 percent of revenue, compared to $60.1 million, or 9.5 percent of revenue in the prior year; and
- Achieved $109.9 million cash flow from operations, $39.5 million of net cash flow and $62.8 million free cash flow.

Fourth Quarter Highlights

- Achieved market share gains over third quarter 2013;
- Revenue was $211.0 million, a decrease of 6.0 percent from the $224.5 million in the third quarter 2013, and an increase of 29.2 percent from the $163.3 million in the fourth quarter 2012;
- Gross profit was $60.8 million, compared to $69.6 million in the third quarter of 2013 and $43.2 million in the fourth quarter of 2012;
- Gross profit margin was 28.8 percent, compared to 31.0 percent in the third quarter of 2013 and 26.5 percent in the fourth quarter of 2012;
- GAAP net income was $6.2 million, or $0.13 per diluted share, compared to third quarter 2013 of $13.6 million, or $0.28 per diluted share, and fourth quarter 2012 of $4.1 million, or $0.09 per diluted share;
- GAAP net income was impacted by a $5.3 million non-cash goodwill impairment charge related to the Eris Technology Corporation (Eris) acquisition;
- Non-GAAP adjusted net income was $11.3 million, or $0.24 per diluted share, compared to $15.8 million, or $0.33 per diluted share, in third quarter 2013 and $6.2 million, or $0.13 per diluted share, in fourth 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 $32.1 million cash flow from operations and free cash flow was $15.8 million, which consists of $16.3 million of capital expenditures and a reduction in inventory by approximately $13.9 million. Net cash flow was ($7.6) million, mainly due to the pay down of $20 million on our long-term debt.

Commenting on the results, Dr. Keh-Shew Lu, President and Chief Executive Officer, stated,
"Diodes ended 2013 achieving 31 percent revenue growth, a 390 basis point improvement in non-GAAP gross margin and a 92 percent increase in non-GAAP net income, which represents our 23rd consecutive year of profitability. During the year, we successfully closed on our acquisition of BCD Semiconductor in March, which was a strong contributor to our revenue growth and market share gains as a result of our expanded analog product portfolio. The integration has been progressing well, and we still have additional cost savings to realize in the coming year as well as increased cross-selling opportunities as design wins ramp throughout the year. BCD, including new Fab 2, negatively impacted our gross margin by approximately 120 basis points in 2013. Diodes' margin without BCD was 30 percent. Moving forward we expect to capture further synergies over time as we improve loading of the manufacturing facilities and transfer more products internally to maximize operational and cost efficiencies.

"For the fourth quarter, revenue reflected greater than normal seasonality due to weakness in the PC market as well as cautious inventory management at distributors. Despite the prolonged weakness in this market, we have been able to gain market share across our business due to our past design win momentum and new product initiatives. We have a solid pipeline of designs and expanded customer relationships across all regions and product lines. Also during the quarter, we improved our balance sheet by reducing our long-term debt by almost $20 million and inventory by $14 million. When combined with our reduced capital expenditure spending of 5.2 percent of revenue for the quarter, we generated approximately $16 million of free cash flow.

"Looking forward, we remain focused on achieving our goal of $1 billion in annual revenue with model profitability, and the BCD acquisition has brought us one step closer toward achieving this goal."

Fiscal 2013

For the fiscal year 2013, revenue increased to a record $826.8 million, an increase of 30.5 percent over the $633.8 million in 2012 due mainly to the acquisition of BCD Semiconductor. Gross profit was $237.8 million, or 28.8 percent of revenue, compared to $161.6 million, or 25.5 percent of revenue, in the prior year. Non-GAAP gross margin for 2013 was 29.4 percent, which excludes BCD purchase price adjustments.

GAAP net income was $26.5 million, or $0.56 per diluted share, compared to $24.2 million, or $0.51 per diluted share in 2012. Non-GAAP adjusted net income for 2013 was $50.1 million, or $1.05 per diluted share, which excluded, net of tax, $7.9 million of items related to the BCD acquisition, $1.1 million of restructuring costs, a $2.7 million (net of noncontrolling interest) non-cash goodwill impairment charge related to the acquisition of Eris, $6.4 million of non-cash acquisition related intangible asset amortization costs and $5.4 million due to a China tax audit adjustment, compared to non-GAAP adjusted net income of $26.1 million, or $0.56 per diluted share, in the prior year. 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):*

	Twelve Months Ended December 31, 2013 *unaudited*
GAAP net income	**$ 26,532**
GAAP diluted earnings per share	**$ 0.56**
Adjustments to reconcile GAAP net income to Non-GAAP adjusted net income:	
Inventory valuations	**4,661**
Acquisition costs	**710**
Retention costs	**2,568**
Restructuring costs	**1,127**
Impairment of goodwill	**2,712**
Amortization of acquisition related intangible assets	**6,374**
Tax expense related to tax audit	**5,447**
Non-GAAP adjusted net income	**$ 50,131**
Non-GAAP adjusted diluted earnings per share	**$ 1.05**

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

Included in fiscal 2013 GAAP and non-GAAP adjusted net income was approximately $8.8 million, net of tax, non-cash share-based compensation expense. Excluding this expense, both GAAP and non-GAAP adjusted diluted EPS would have increased by an additional $0.18 per diluted share. Included in fiscal 2012 GAAP and non-GAAP adjusted net income was approximately $9.4 million, net of tax, non-cash share-based compensation expense. Excluding this expense, both GAAP and non-GAAP adjusted diluted EPS would have increased by an additional $0.20 per diluted share.

EBITDA, which represents earnings before net interest expense, income tax provision, depreciation and amortization, for fiscal 2013 was $118.9 million, compared to $93.3 million for fiscal 2012. For a reconciliation of GAAP net income to EBITDA (non-GAAP), see the table near the end of the release for further details.

For the year ended December 31, 2013, net cash provided by operating activities was $109.9 million. Net cash flow was $39.5 million. Free cash flow was $62.8 million, which included $47.1 million of capital expenditures.

Fourth Quarter 2013

Revenue for the fourth quarter 2013 was $211.0 million, a decrease of 6.0 percent from the $224.5 million in the third quarter 2013, and an increase of 29.2 percent from the $163.3 million in the fourth quarter 2012. Revenue was down sequentially primarily due to greater than normal seasonality as a result of weakness in the PC market as well as cautious inventory management at distributors.

Gross profit for the fourth quarter 2013 was $60.8 million, or 28.8 percent of revenue, compared to the third quarter 2013 of $69.6 million, or 31.0 percent of revenue, and compared to the fourth quarter 2012 of $43.2 million, or 26.5 percent of revenue. Gross profit margin declined sequentially primarily attributed to lower wafer fab loadings due to the Company's efforts to reduce wafer inventory to align with expectations for the fourth and first quarter.

Operating expenses for the fourth quarter 2013 were $52.8 million, or 25.0 percent of revenue, compared to $49.3 million, or 22.0 percent of revenue in the third quarter 2013 and $39.7 million, or 24.3 percent of revenue in the fourth quarter 2012. Non-GAAP operating expenses, excluding non-cash acquisition related intangible asset amortization costs, retention costs associated with the BCD acquisition and impairment of goodwill associated with the acquisition of Eris, was $44.6 million, or 21.1 percent of revenue in the fourth quarter 2013.

Fourth quarter 2013 GAAP net income was $6.2 million, or $0.13 per diluted share, compared to third quarter 2013 GAAP net income of $13.6 million, or $0.28 per diluted share, and fourth quarter 2012 GAAP net income of $4.1 million, or $0.09 per diluted share.

Fourth quarter 2013 non-GAAP adjusted net income was $11.3 million, or $0.24 per diluted share, which excluded, net of tax, $0.8 million of retention costs related to the BCD acquisition, a $2.7 million (net of noncontrolling interest) non-cash goodwill impairment charge related to the acquisition of Eris and $1.6 million of non-cash acquisition related intangible asset amortization costs. This compares to non-GAAP adjusted net income of $15.8 million, or $0.33 per diluted share, in the third quarter 2013 and $6.2 million, or $0.13 per diluted share, in the fourth 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 December 31, 2013 *unaudited*
GAAP net income	**$ 6,204**
GAAP diluted earnings per share	**$ 0.13**
Adjustments to reconcile GAAP net income to Non-GAAP adjusted net income:	
Retention costs	**770**
Impairment of goodwill	**2,712**
Amortization of acquisition related intangible assets	**1,584**
Non-GAAP adjusted net income	**$ 11,270**
Non-GAAP adjusted diluted earnings per share	**$ 0.24**

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

Included in fourth 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 third quarter 2013 and the fourth quarter 2012.

EBITDA, which represents earnings before net interest expense, income tax, depreciation and amortization, for the fourth quarter 2013 was $28.8 million, compared to $36.7 million for the third quarter 2013 and $24.1 million for the fourth 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.

For the fourth quarter 2013, net cash provided by operating activities was $32.1 million. Net cash flow was ($7.6) million, mainly due to the pay down of $20 million on our long-term debt. Free cash flow was $15.8 million, which included $16.3 million of capital expenditures and a reduction in inventory by approximately $13.9 million.

Balance Sheet

As of December 31, 2013, the Company had approximately $197 million in cash and cash equivalents and approximately $23 million in short-term investments. Working capital was approximately $493 million.

Business Outlook

Dr. Lu concluded, "For the first quarter of 2014, we expect revenue to range between $205 million and $213 million, or plus 1 percent to minus 3 percent sequentially. We expect gross margin to be flat with fourth quarter at 28.8 percent, plus or minus 2 percent. Operating expenses are expected to be flat with the fourth quarter, excluding impairment of goodwill, at approximately 22.5 percent of revenue, plus or minus 1 percent. We expect our income tax rate to range between 19 and 25 percent, and shares used to calculate EPS for the first quarter are anticipated to be approximately 48.2 million."

Conference Call

Diodes will host a conference call on Tuesday, February 11, 2014 at 4:00 p.m. Central Time (5:00 p.m. Eastern Time) to discuss its fourth quarter and fiscal year financial results. Investors and analysts may join the conference call by dialing 1-855-232-8957 and providing the confirmation code 31466328. International callers may join the teleconference by dialing 1-315-625-6979 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, February 18, 2014 at midnight Central Time. The replay number is 1-855-859-2056 with a pass code of 31466328. International callers should dial 1-404-537-3406 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: the integration has been progressing well, and we still have additional cost savings to realize in the coming year as well as increased cross-selling opportunities as design wins ramp throughout the year; moving forward we expect to capture further synergies over time as we improve loading of the manufacturing facilities and transfer more products internally to maximize operational and cost efficiencies; despite the prolonged weakness in this market, we have been able to gain market share across our business due to our past design win momentum and new product initiatives; looking forward, we remain focused on achieving our goal of $1 billion in annual revenue with model profitability, and the BCD acquisition has brought us one step closer toward achieving this goal; for the first quarter of 2014, we expect revenue to range between $205 million and $213 million, or plus 1 percent to minus 3 percent sequentially; we expect gross margin to be flat with fourth quarter at 28.8 percent, plus or minus 2 percent; operating expenses are expected to be flat with *the fourth quarter, excluding impairment of goodwill, at approximately 22.5 percent of revenue, plus or minus 1 percent; and we expect our income tax rate to range between 19 and 25 percent, and shares used to calculate EPS for the first 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 December 31,		Twelve Months Ended December 31,	
	2013	2012	2013	2012
NET SALES	$ 210,993	$ 163,287	$ 826,846	$ 633,806
COST OF GOODS SOLD	150,192	120,040	589,010	472,220
Gross profit	60,801	43,247	237,836	161,586
OPERATING EXPENSES				
Selling, general and administrative	32,840	28,661	132,106	101,363
Research and development	12,466	9,295	48,302	33,761
Amortization of acquisition related intangible assets	2,003	1,721	8,078	5,122
Impairment of goodwill	5,318	—	5,318	—
Restructuring	—	—	1,535	—
Loss (gain) on sale of assets	169	—	216	(3,556)
Total operating expenses	52,796	39,677	195,555	136,690
Income from operations	8,005	3,570	42,281	24,896
OTHER INCOME (EXPENSES)				
Interest income	295	194	1,274	778
Interest expense	(1,430)	(307)	(5,580)	(876)
Gain (loss) on securities carried at fair value	(511)	3,724	601	7,100
Other	(80)	(561)	9	(1,091)
Total other income (expenses)	(1,726)	3,050	(3,696)	5,911
Income before income taxes and noncontrolling interest	6,279	6,620	38,585	30,807
INCOME TAX PROVISION	2,828	2,842	14,481	4,825
NET INCOME	3,451	3,778	24,104	25,982
Less: NET (INCOME) LOSS attributable to noncontrolling interest	2,753	297	2,428	(1,830)
NET INCOME attributable to common stockholders	$ 6,204	$ 4,075	$ 26,532	$ 24,152
EARNINGS PER SHARE attributable to common stockholders				
Basic	$ 0.13	$ 0.09	$ 0.57	$ 0.53
Diluted	$ 0.13	$ 0.09	$ 0.56	$ 0.51
Number of shares used in computation				
Basic	46,666	46,011	46,363	45,780
Diluted	47,909	46,900	47,658	46,899

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

DIODES INCORPORATED AND SUBSIDIARIES

RECONCILIATION OF NET INCOME TO ADJUSTED NET INCOME

(in thousands, except per share data)

(unaudited)

For the three months ended December 31, 2013:

	Cost of Goods Sold	Operating Expenses	Other Income (Expense)	Income Tax Provision	Noncontrolling Interest	Net Income
GAAP						**$ 6,204**
Earnings per share (GAAP)						
Diluted						**$ 0.13**
Adjustments to reconcile net income to adjusted net income:						
Retention costs	—	906	—	(136)	—	**770**
Impairment of goodwill	—	5,318	—	—	(2,606)	**2,712**
Amortization of acquisition related intangible assets	—	2,003	—	(419)	—	**1,584**
Adjusted (Non-GAAP)						**$ 11,270**
Diluted shares used in computing earnings per share						**47,909**
Adjusted earnings per share (Non-GAAP)						
Diluted						**$ 0.24**

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 December 31, 2012:

	Operating Expenses	Other Income (Expense)	Income Tax Provision	Net Income
GAAP				**$ 4,075**
Earnings per share (GAAP)				
Diluted				**$ 0.09**
Adjustments to reconcile net income to adjusted net income:				
Amortization of acquisition related intangible assets	1,721	—	(590)	**1,131**
Acquisition costs	1,475	—	(516)	**959**
Adjusted (Non-GAAP)				**$ 6,165**
Diluted shares used in computing earnings per share				**46,900**
Adjusted earnings per share (Non-GAAP)				
Diluted				**$ 0.13**

Note: Included in GAAP and non-GAAP adjusted net income was approximately $2.4 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 twelve months ended December 31, 2013:

	Cost of Goods Sold	Operating Expenses	Other Income (Expense)	Income Tax Provision	Noncontrolling Interest	Net Income
GAAP						**$ 26,532**
Earnings per share (GAAP)						
Diluted						**$ 0.56**
Adjustments to reconcile net income to adjusted net income:						
Inventory valuations	5,484	—	—	(823)	—	**4,661**
Acquisition costs	—	600	—	110	—	**710**
Retention costs	—	3,021	—	(453)	—	**2,568**
Restructuring costs	—	1,533	—	(406)	—	**1,127**
Impairment of goodwill	—	5,318	—	—	(2,606)	**2,712**
Amortization of acquisition related intangible assets	—	8,078	—	(1,704)	—	**6,374**
Tax expense related to tax audit	—	—	—	5,447	—	**5,447**
Adjusted (Non-GAAP)						**$ 50,131**
Diluted shares used in computing earnings per share						**47,658**
Adjusted earnings per share (Non-GAAP)						
Diluted						**$ 1.05**

Note: Included in GAAP and non-GAAP adjusted net income was approximately $8.8 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 $0.18 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 twelve months ended December 31, 2012:

	Operating Expenses	Other Income (Expense)	Income Tax Provision	Net Income
GAAP				**$ 24,152**
Earnings per share (GAAP)				
Diluted				**$ 0.51**
Adjustments to reconcile net income to adjusted net income:				
Amortization of acquisition related intangible assets	5,122	—	(1,440)	**3,682**
Gain on sale of assets	(3,452)	—	735	**(2,717)**
Acquisition costs	1,475	—	(516)	**959**
Adjusted (Non-GAAP)				**$ 26,076**
Diluted shares used in computing earnings per share				**46,899**
Adjusted earnings per share (Non-GAAP)				
Diluted				**$ 0.56**

Note: Included in GAAP and non-GAAP adjusted net income was approximately $9.4 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 $0.20 per share.

ADJUSTED NET INCOME (Non-GAAP)

This measure consists of generally accepted accounting principles ("GAAP") net income attributable to common stockholders ("net income"), which is then adjusted solely for the purpose of adjusting for inventory valuations, restructuring costs, acquisition costs, retention costs, impairment of goodwill, 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 except for one-time non-cash items outside the course of ordinary business, such as impairment of goodwill. 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, however it could be recurring to the extent there are additional acquisitions. 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 fourth quarter of 2012 and in the first quarter of 2013 as that was when the costs were incurred and services were received, and 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 expense occurring in the first 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 are 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.

Impairment of goodwill – The Company has recorded a non-cash goodwill impairment charge related to the Eris Technology Corporation (Eris) acquisition. This impairment charge is excluded from management's assessment of the Company's operating performance. The Company believes the exclusion of the impairment charge provides investors an enhanced view of certain non-cash charges the Company's may incur from time to time and facilitates comparisons with the results of other periods that may not reflect such charge. Since the Company owns approximately 51 percent of Eris, it took into account the noncontrolling interest of Eris and only excluded its portion of the impairment as it relates to net income.

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 recognized 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 among 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 2013 and determined there was an underpayment for the tax year 2013. The Company has been approved for the HNTE status for 2012 through 2014. Given that 2013 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 third 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 recognize 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, impairment of goodwill, 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 except for one-time non-cash items outside the course of ordinary business, such as impairment of goodwill . 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.

Gross Margin (Non-GAAP)

This measure consists of GAAP gross margin, which is then adjusted solely for the purpose of adjusting for inventory valuations (see above for definition). Excluding inventory valuations provides investors with a better depiction of the Company's gross margin and provides a more informed baseline for modeling future gross margin expectations. The Company excludes the inventory valuations to evaluate the Company's operating performance. 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. The Company recommends a review of gross margin on both a GAAP basis and non-GAAP basis to be performed to get a comprehensive view of the Company's gross margin results. The following is a reconciliation of GAAP gross margin to non-GAAP gross margin:

	Twelve Months Ended December 31, 2013 *unaudited*
GAAP gross profit	**$ 237,836**
GAAP gross margin	**28.8%**
Adjustments to reconcile GAAP gross profit to non-GAAP gross profit:	
Inventory valuations	**5,484**
Non-GAAP gross profit	**$ 243,320**
Non-GAAP gross margin	**29.4%**

Operating Expenses (Non-GAAP)

This measure consists of GAAP operating expenses, which is then adjusted solely for the purpose of adjusting for amortization of acquisition related intangible assets, retention costs and impairment of goodwill (see above for definitions). Excluding amortization of acquisition related intangible assets, retention costs and impairment of goodwill provides investors with a better depiction of the Company's operating expenses and provides a more informed baseline for modeling future operating expense expectations. The Company excludes amortization of acquisition related intangible assets, retention costs and impairment of goodwill to evaluate the Company's operating performance. 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. The Company recommends a review of operating expenses on both a GAAP basis and non-GAAP basis to be performed to get a comprehensive view of the Company's operating expense results. The following is a reconciliation of GAAP operating expenses to non-GAAP operating expenses:

	Three Months Ended December 31, 2013 *unaudited*
GAAP operating expenses	**$ 52,796**
Operating expenses as a percentage of revenue	**25.0%**
Adjustments to reconcile GAAP operating expenses to non-GAAP adjusted operating expenses:	
Amortization of acquisition related intangible assets	**(2,003)**
Retention costs	**(906)**
Impairment of goodwill	**(5,318)**
Non-GAAP adjusted operating expenses	**$ 44,569**
Non-GAAP adjusted operating expenses as a percentage of revenue	**21.1%**

CASH FLOW ITEMS

Free cash flow (FCF) (Non-GAAP)

FCF for the fiscal and fourth quarter of 2013 is a non-GAAP financial measure, which is calculated by taking cash flow from operations less capital expenditures. For fiscal 2013, the amount was $62.8 million ($109.9 million less (-) ($47.1 million). For the fourth quarter of 2013, the amount was $15.8 million ($32.1 million less (-) ($16.3 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 December 31,	
	2013	**2012**
Net income (GAAP)	$ 6,204	$ 4,075
Plus:		
Interest expense, net	1,135	113
Income tax provision	2,828	2,842
Depreciation and amortization	18,713	17,072
EBITDA (Non-GAAP)	$ 28,880	$ 24,102

	Twelve Months Ended December 31,	
	2013	**2012**
Net income (GAAP)	$ 26,532	$ 24,152
Plus:		
Interest expense, net	4,306	98
Income tax provision	14,481	4,825
Depreciation and amortization	73,607	64,193
EBITDA (Non-GAAP)	$118,926	$93,268

DIODES INCORPORATED AND SUBSIDIARIES
CONSOLIDATED CONDENSED BALANCE SHEETS

ASSETS
(in thousands)

	December 31, 2013	December 31, 2012
CURRENT ASSETS	*unaudited*	
Cash and cash equivalents	$ 196,635	$ 157,121
Short-term investments	22,922	—
Accounts receivable, net	192,267	152,073
Inventories	180,396	153,293
Deferred income taxes, current	10,513	9,995
Prepaid expenses and other	42,290	18,928
Total current assets	645,023	491,410
DEFERRED INCOME TAXES, non current	28,237	36,819
PROPERTY, PLANT AND EQUIPMENT, net	322,013	243,296
OTHER ASSETS		
Goodwill	84,714	87,359
Intangible assets, net	53,571	44,337
Other	23,638	16,842
Total assets	$1,157,196	$ 920,063

DIODES INCORPORATED AND SUBSIDIARIES
CONSOLIDATED CONDENSED BALANCE SHEETS

LIABILITIES AND EQUITY
(in thousands, except share data)

	December 31, 2013	December 31, 2012
CURRENT LIABILITIES	*unaudited*	
Lines of credit and short-term debt	$ 5,814	$ 7,629
Accounts payable	89,212	64,072
Accrued liabilities and other current liabilities	55,622	41,139
Income tax payable	1,206	678
Total current liabilities	151,854	113,518
LONG-TERM DEBT, net of current portion		
Long-term borrowings	182,799	44,131
CAPITAL LEASE OBLIGATIONS, net of current portion	384	789
OTHER LONG-TERM LIABILITIES	78,482	41,185
Total liabilities	413,519	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; 46,680,973 and 46,010,815 issued and outstanding at December 31, 2013 and December 31, 2012, respectively	31,120	30,674
Additional paid-in capital	289,668	280,571
Retained earnings	426,328	399,796
Accumulated other comprehensive loss	(44,374)	(33,856)
Total Diodes Incorporated stockholders' equity	702,742	677,185
Noncontrolling interest	40,935	43,255
Total equity	743,677	720,440
Total liabilities and equity	$1,157,196	$ 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 fourth quarter and fiscal 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, February 11, 2014. 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' fourth quarter and fiscal 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, February 11, 2014.** 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 solid year of growth and profitability for Diodes. We ended the year achieving 31 percent revenue growth, a 390 basis point improvement in non-GAAP gross margin and a 92 percent increase in non-GAAP net income, which represents our 23 rd consecutive year of profitability. During the year, we successfully closed on our acquisition of BCD Semiconductor in March, which was a strong contributor to our revenue growth and market share gains as a result of our expanded analog product portfolio. The integration has been progressing well, and we still have additional cost savings to realize in the coming year as well as increased cross-selling opportunities as design wins ramp throughout the year. BCD, including new Fab 2, negatively impacted our gross margin by approximately 120 basis points in 2013. Diodes' margin without BCD was 30 percent. Moving forward, we expect to capture further synergies over time as we improve loading of the manufacturing facilities and transfer more products internally to maximize operational and cost efficiencies.

For the fourth quarter, revenue reflected greater than normal seasonality due to weakness in the PC market as well as cautious inventory management at distributors. Despite the prolonged weakness in this market, we have been able to gain market share across our business due to our past design win momentum and new product initiatives. We have a solid pipeline of designs and expanded customer relationships across all regions and product lines. Also during the quarter, we improved our balance sheet by reducing our long-term debt by almost $20 million and inventory by $14 million. When combined with our reduced capital expenditure spending of 5 percent of revenue for the quarter, we generated approximately $16 million of free cash flow.

Looking forward, we remain focused on achieving our goal of $1 billion in annual revenue with model profitability, and the BCD acquisition has brought us one step closer toward achieving this goal.

With that, I will now turn the call over to Rick to discuss our fourth quarter and fiscal 2013 financial results as well as first quarter 2014 guidance in more detail.

Rick White, CFO

Thanks, Dr. Lu, and good afternoon everyone.

Revenue for the full year 2013 increased 30.5 percent to $826.8 million from $633.8 million in 2012 due mainly to the acquisition of BCD Semiconductor. For the fourth quarter of 2013, revenue was $211.0 million, a decrease of 6.0 percent from the $224.5 million in the third quarter 2013, and an increase of 29.2 percent from the $163.3 million in the fourth quarter 2012. The sequential decline in revenue was primarily due to greater than normal seasonality as a result of continued weakness in the PC market as well as cautious inventory management at distributors.

Gross profit for the full year 2013 was $237.8 million, or 28.8 percent of revenue, compared to $161.6 million, or 25.5 percent of revenue, in the prior year. Non-GAAP gross margin for 2013 was 29.4 percent, which excludes BCD purchase price adjustments.

For the fourth quarter of 2013, gross profit was $60.8 million, or 28.8 percent of revenue, compared to the third quarter 2013 of $69.6 million, or 31.0 percent of revenue, and fourth quarter 2012 of $43.2 million, or 26.5 percent of revenue. Gross profit margin declined sequentially due to lower wafer fab loadings as the Company reduced wafer inventory to align with expectations for the fourth and first quarter.

GAAP operating expenses for the fourth quarter were $52.8 million, or 25.0 percent of revenue, compared to $49.3 million, or 22.0 percent of revenue, last quarter and $39.7 million, or 24.3 percent of revenue, in the fourth quarter of 2012. Operating expenses in the fourth quarter included a $5.3 million non-cash goodwill impairment charge related to the acquisition of Eris and $900,000 of retention costs related to the BCD acquisition. Excluding these charges, non-GAAP adjusted operating expenses were $44.6 million, or 21.1 percent of revenue.

Looking specifically at **Selling, General and Administrative** expenses, SG&A was approximately $32.8 million for the fourth quarter, or 15.6 percent of revenue, compared to last quarter of $33.8 million, or 15.1 percent of revenue, and $28.7 million, or 17.6 percent of revenue, in the fourth quarter of 2012.

Investment in Research and Development for the fourth quarter was approximately $12.5 million, or 5.9 percent of revenue, compared to $13.6 million, or 6.1 percent of revenue last quarter and $9.3 million, or 5.7 percent of revenue, in the fourth quarter of 2012.

SG&A plus R&D combined equaled 21.5 percent of revenue which was slightly up from last quarter, but down 170 basis points from fourth quarter of 2012 at 23.2 percent.

Total Other Expense amounted to $1.7 million for the fourth quarter. We had approximately $1.4 million of interest expense and approximately $300,000 of interest income.

Income Before Income Taxes and Noncontrolling Interest in the fourth quarter of 2013 amounted to $6.3 million, compared to the income of $17.5 million in the third quarter of 2013, and $6.6 million in the fourth quarter of 2012.

Turning to **income taxes**, our effective income tax rate for fourth quarter and full year 2013 was approximately 45.0 percent and 37.5 percent, respectively. Our full year effective tax rate was impacted by non-taxable goodwill impairment charge in fourth quarter and the discrete China tax audit adjustment of $5.4 million as discussed in the first quarter 2013 results. Excluding these two items, the effective tax rate was 24.4 percent and 20.6 percent respectively.

GAAP net income for the full year of 2013 was $26.5 million, or $0.56 per diluted share, compared to $24.2 million, or $0.51 per diluted share last year. 2013 represented our 23rd consecutive year of profitability. The share count used to compute GAAP diluted EPS for 2013 was 47.7 million shares.

Non-GAAP adjusted net income for the year was $50.1 million, or $1.05 per diluted share, which excluded, net of tax, $7.9 million of items related to the BCD acquisition, $1.1 of restructuring costs, a $2.7 million (net of non-controlling interest) non-cash goodwill impairment charge related to the acquisition of Eris, $6.4 million of non-cash acquisition related intangible asset amortization costs and $5.4 million due to a China tax audit adjustment, compared to non-GAAP adjusted net income of $26.1 million, or $0.56 per diluted share in 2012.

For the fourth quarter, **GAAP net income** was $6.2 million, or $0.13 per diluted share, compared to third quarter 2013 GAAP net income of $13.6 million, or $0.28 per diluted share, and fourth quarter 2012 GAAP net income of $4.1 million, or $0.09 per diluted share. The share count used to compute GAAP diluted EPS for the fourth quarter 2013 was 47.9 million shares.

Fourth quarter **non-GAAP adjusted net income** was $11.3 million, or $0.24 per diluted share, which excluded, net of tax, $800,000 of retention costs related to the BCD acquisition, a $2.7 million (net of noncontrolling interest) non-cash goodwill impairment charge related to the acquisition of Eris and $1.6 million of non-cash acquisition related intangible asset amortization costs.

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 the fourth quarter and full year 2013 GAAP and non-GAAP adjusted net income was approximately $2.3 million and $8.8 million, respectively, 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 in the fourth quarter and $0.18 for the full year.

Cash flow generated from operations for 2013 was $109.9 million and $32.1 million for the fourth quarter.

Net cash flow for the year was a positive $39.5 million, and a negative ($7.6) million for the fourth quarter, primarily due to the pay-down of $20 million on our long-term debt.

Free cash flow for 2013 was $62.8 million, which included approximately $47.1 million of capital expenditures. Free cash flow was $15.8 million for the fourth quarter, which included $16.3 million of capital expenditures and a reduction in inventory by approximately $13.9 million.

Turning to the **balance sheet**, at the end of the fourth quarter, we had approximately $197 million in cash and cash equivalents and $23 million in short-term cash investments. Working capital was approximately $493 million.

At the end of the fourth quarter, **inventory** decreased by $14 million to approximately $180 million, compared to approximately $194 million at the end of the third quarter of 2013. Inventory days were 115 in the fourth quarter, compared to 113 days last quarter. Inventory in the quarter reflects an $8.4 million decrease in raw materials, a $3.6 million decrease in work-in-process and a $1.9 million decrease in finished goods.

At the end of the fourth quarter**, Accounts receivable** was approximately $192 million and A/R days were 84, compared to 77 last quarter.

Capital expenditures on an accrual basis for 2013 totaled $44.3 million, or 5.4 percent of revenue. Fourth quarter capital expenditures were $10.9 million, or 5.2 percent of revenue, which is at the low end of our reduced CapEx spending target range of 5 to 8 percent of revenue.

Depreciation and amortization expense for the fourth quarter was $18.7 million.

Now, turning to our Outlook…

For the first quarter of 2014, we expect revenue to range between $205 million and $213 million, or plus 1 percent to minus 3 percent sequentially. We expect gross margin to be flat with fourth quarter at 28.8 percent, plus or minus 2 percent. Operating expenses are expected to be flat with the fourth quarter, excluding the goodwill write-off, at approximately 22.5 percent of revenue, plus or minus 1 percent. We expect our income tax rate to range between 19 and 25 percent, and shares used to calculate EPS for the first quarter are anticipated to be approximately 48.2 million.

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.

Revenue in the quarter was down 6 percent sequentially primarily due to a global reduction in distributor POP, which was down 7.3 percent, with North America and Europe being impacted at a higher percentage. Distributors in all regions focused on inventory management as inventory declined another 6.5 percent sequentially. OEM sales were down one percent and distributor POS was up 1.7 percent. Global channel inventory remained in line and under three months.

In terms of our end markets, consumer represented 34 percent of revenue, communications 23, computing 22 percent, industrial 18, and automotive 3 percent. All segments were down with the industrial segment being down the greatest percentage due to the declines in North America and Europe followed by computing. The consumer and communications segments were the strongest performers in the quarter relative to the third quarter.

Design activity continued to be strong across all regions, product lines and end equipment. The cross-selling opportunities with BCD are increasing, contributing to a solid pipeline of designs and expanded customer engagements. In particular, we are seeing a significant increase in global activity on LED drivers for bulb replacement with the new BCD products. We also achieved a record quarter for our logic products, growing more than 50 percent sequentially due to key wins in smartphones. It was also a record quarter for SBR ® products from broad applications and end equipment, and we also had a very strong quarter on load switches and DBS products.

Turning to **Global Sales**, Asia represented 83 percent of revenue, North America 9 percent and Europe 8 percent.

In terms of **new products**, Diodes further expanded its broad–based product offering for a wide range of markets and applications.

Discrete product introductions totaled 98 new products across 21 product families. We continued to target high-volume consumer portable devices, including smartphones, tablets and energy–efficient power adapters, while also offering products targeted at industrial markets for applications such as LED lighting, solar, touch-screens and power supplies. We also increased our focus on the high-growth automotive electronics market by launching a broad range of MOSFETs and rectifiers designed to meet the requirements for ruggedness, reliability, quality and performance.

During the quarter, we launched new products from our industry leading Trench SBR ® platform with expanded devices which enable quick–charger designers to meet efficiency and operating temperature requirements without the need for expensive re-designs.

Conventional SBR devices were also developed for thermally demanding small form-factor portable smartphone adapter applications for leading manufacturers. In addition, Diodes launched a miniature bridge device for a wireless charger application, and further enhanced the reach of our technology by launching automotive versions of our SBR® rectifiers.

Diodes reached a milestone in the quarter with the launch of the first 60V MOSFET from its new state-of-the-art split–gate process. This new platform reduces both on-resistance and gate charge by almost 50 percent. These split-gate MOSFET's also provide further penetration into charger, adaptor and power supply applications.

Also during the quarter, we expanded our new performance TVS portfolio with the release of a wide range of products, including devices in ultra- miniature chip–scale–packaging and DFN packages for the portable market. To further increase our content in the automotive market, Diodes launched the first in a range of new protection devices designed specifically for automotive applications. These TVS products replace conventional automotive protection with significantly improved performance and small form factors designed specifically to meet automotive inspection and reliability requirements. The first product has already achieved a significant automotive design win for a major vehicle manufacturer.

Turning to **analog** new product introductions, we released 78 new analog products across 8 product families. New product highlights include the release of three new high-efficiency, Class-D audio amplifiers for a range of speaker applications from portable consumer electronics to high-power, small enclosure speakers for computing and docking stations. These devices offer high signal-to-noise ratio and differential inputs to help eliminate noise, and use a filter-less output architecture to provide high performance at a lower system cost.

We also expanded our portfolio of AC-DC power devices with over ten new offerings of primary side switches and controllers for applications such as power adapters for consumer products and home appliances, as well as chargers and adapters for smartphones and tablets. The new products include a green-mode PWM controller that offers power saving operation in applications such as set-top boxes and appliances, high frequency switches for chargers and adapters, and low power primary side switches for cell phone chargers.

In addition, we released a new high performance LED driver for dimmable retrofit lamp applications. It provides a wide range of dimmer compatibility and can achieve ultra-low dimming down to 1 percent. Other noteworthy product releases include: a self-protected resettable electronic fuse designed for applications such as disk drives; a fully-featured single chip reversible DC motor driver; and a family of low dropout regulators for use in cell phones, smartphones, and tablets.

From a design win perspective, we continued to see strong market acceptance for our AC-DC and LED driver product lines. We secured major LED wins across multiple retrofit applications and consumer product backlighting, as well as AC-DC wins for mobile chargers and adapters, including adapters for large consumer products like set-top boxes. Our LDOs were also very active with multiple design wins in flat panel TV, desktop and notebook computing, as well as a high profile gaming platform that also included our USB power switches. Also during the quarter, our audio amplifiers gained further traction in several TV platforms, and we expanded our standard linear and standard logic business with market gains across several China-based communication and consumer product applications. Our Hall sensor devices also continued to see solid acceptance in tablet applications, driven by smart covers and tablet accessories market growth.

In summary, we are pleased with our continued advances and market share gains across our business with the addition of the BCD product portfolio. We are expanding our content at existing customers and gaining multiple entry points with new customers. We have a growing pipeline of design wins and have gained significant momentum in applications such as LED lighting, including retrofit and backlighting, portable consumer devices, chargers and adaptors, as well as AC-DC power devices. We also continue to gain traction in smartphones, tablets and LED TVs, which have been great markets for Diodes products. We are confident that as global markets improve, our past design win momentum, new products and expanded customer relationships positions Diodes well for future success.

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

Upon Completion of the Q&A…

Dr. Lu: Thank you for your participation today. Operator, you may now disconnect.

Exhibit 99.3

DIODES 4Q 2013 EARNINGS CALL
QUESTION AND ANSWER

Operator

(OPERATOR INSTRUCTIONS)

IT LOOKS LIKE OUR FIRST PHONE QUESTION WILL COME FROM STEVE SMIGIE WITH RAYMOND JAMES.

Steve Smigie—*Raymond James & Associates—Analyst*

DR. LU, I JUST WANT TO SAY CONGRATULATIONS ON A PRETTY SOLID YEAR THERE, AND SOME NICE MARGIN PERFORMANCE AS WE STARTED THIS YEAR. I WAS HOPING YOU COULD TALK ABOUT GROWTH FOLLOWING UP ON THIS PAST YEAR. GIVEN THE NEW PRODUCTS THAT YOU'VE BEEN RELEASING AND DESIGN WINS, WOULD IT BE FAIR TO SAY THAT YOU WOULD ANTICIPATE 2014 TO BE ANOTHER YEAR WHERE YOU COULD LIKELY OUTGROW THE MARKET?

Keh-Shew Lu—*Diodes, Inc.—President and CEO*

STEVE, FIRST, THANK YOU FOR YOUR COMMENT. SECOND, THAT IS OUR GOAL.

WE ALWAYSSAID THAT OUR GOAL TO GROWTH 2X FASTER OF OUR COMPETITORS. SO THAT IS OUR GOAL AND I THINK WE ARE ON THE TRACK TO DOING THAT. ANYWAY, YES.

Steve Smigie—*Raymond James & Associates—Analyst*

GREAT. THANKS. AS WE THINK ABOUT BRINGING IN OR FILLING UP THE CAPACITY AT BCD PLUS UTILIZATION, HOW SHOULD WE THINK ABOUT GROSS MARGIN THROUGHOUT THE YEAR? I KNOW YOU ONLY GUIDE ONE QUARTER, BUT IT WOULD BE FAIR TO ARGUE THAT IT'S LIKELY THAT, GIVEN THOSE FACTORS, WE SHOULD SEE GENERALLY IMPROVING GROSS MARGINS THROUGHOUT THE YEAR?

Keh-Shew Lu—*Diodes, Inc.—President and CEO*

WELL, YES. IT IS DEFINITELY YES. AND IT IS EXPECTED WHEN WE BUY BCD, WE KNOW THEY JUST START TO RAMP THEIR FAB 2 IN FEBRUARY LAST YEAR. SO WHEN YOU HAVE A NEW FAB, START FROM ZERO OUTPUT AND YOU RAMP IT UP, YOU ALWAYS GOING TO HAVE A GROSS MARGIN — GPM PERCENT PROBLEM.

AND WHAT WE DO OR WHAT THEY HAVE BEEN DOING IS TRY TO MOVE SOME OF THE FAB 1 LOAD INTO THE FAB 2 AND DIODES CAN LOAD IN FAB 1. AND THIS PROCESS HAS BEEN VERY SMOOTHLY EXECUTED, AND EVEN WE SAY, IN OUR SPEECH, WE ACTUALLY NEGATIVE IMPACT BY THE BCD, AND THE MAJORITY IS REALLY COMING FROM THE FAB LOADING.

BUT THESE SITUATIONS CAN BE IMPROVED QUITE A BIT, AND FAB 2 CONTINUES RAMPING UP, AND WHILE NOW WE ARE NOT REALLY ABLE TO TRANSFER OUR LOAD INTO FAB 1 YET, DUE TO THE CUSTOMER QUALIFICATION. BUT I EXPECT THIS YEAR WE WILL START TO MOVE THAT, AND AT THE SAME TIME, THE CROSS-SELLING BY DIODES TEAM TO SELL BCD PRODUCT GOING PRETTY SMOOTHLY, AND IF WE — WHEN WE CONTINUE RAMP AND GAIN THE MARKET SHARE WITH BCD PRODUCT, THEN OBVIOUSLY IT WILL BE HELP THE LOAD IN FAB 1.

Steve Smigie—*Raymond James & Associates—Analyst*

GREAT. THANK YOU. AND THEN JUST A COUPLE END MARKET OR PRODUCT QUESTIONS. ON THE END MARKET SIDE, AUTO IS A FEW PERCENT OF REVENUE NOW, BUT IT SOUNDS LIKE THERE'S SOME NICE WINS.

ANY CHANCE AUTO COULD GET TO SOMETHING, 5% OR MORE OF REVENUE THIS YEAR? AND THEN ON THE LOGIC SIDE IT SOUNDS LIKE SOME GOOD SUCCESS THERE. WHEN DOES LOGIC BECOME 5% OF REVENUE AS WELL?

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

I'LL TAKE THAT ONE. ON THE AUTOMOTIVE SIDE, I DON'T THINK WE ARE GOING TO BE ABLE TO GET TO 5% THIS YEAR.

But we have a very detailed and long-term plan to grow our automotive business over the next two to four years, significantly. So we put a team together that focuses on automotive and drive that business area in very specific product areas, so we have a lot of emphasis in that area. So we think that will be a growth driver going forward.

Regarding logic, I think we continue to make progress. We continue to design products. We have some of the newest and state-of-the-art products out there.

I think it's just a matter of time. It's a very mature market, so mature markets take longer to make a big impact in.

But I would say that will be a major player in the logic market over the next few years. I think the progress will continue to add value and impact our revenue over time.

Steve Smigie—*Raymond James & Associates—Analyst*

Great. Thank you.

Operator

Our next question will come from Gary Mobley with Benchmark.

Gary Mobley—*The Benchmark Company—Analyst*

Congrats on some good OpEx management in the fourth quarter. I'm assuming that is what helped drive much of the EPS upside.

I know you were forecasting OpEx to be about 22.7% of revenue, with the midpoint of revenue guide higher than what you hit. So it looks like you might have operating expenses about 5% or so below your forecast. What drove that negative variance?

Rick White—*Diodes, Inc.—CFO*

Well I don't know about 5%, but we were down a little bit, by just mainly controlling expenses. Travel, and we haven't replaced people that we don't really need, so we've had a real tight control on operating expenses from overhead, and from a people standpoint, from overhead standpoint.

Gary Mobley—*The Benchmark Company—Analyst*

Okay. I know you've been in disclosing BCD revenue in your SEC filings. Do we have to wait for the 10-K to come out to get the number for the fourth quarter, or can you share that with us on the call?

Rick White—*Diodes, Inc.—CFO*

You will need to wait until the 10-K comes out.

Gary Mobley—*The Benchmark Company—Analyst*

Okay. But me ask it this way. Was a down a like amount for the rest of the business?

Rick White—*Diodes, Inc.—CFO*

BCD. Hang on just a second.

Keh-Shew Lu—*Diodes, Inc.—President and CEO*

WE ARE NOT REALLY TRACKING THAT CAREFULLY BETWEEN DIODES AND BCD, BECAUSE WHAT WE REALLY WANT TO DO IS ONE COMPANY, SO WHEN I TALKED TO THE SALES GUY, WHEN WE'RE TALKING ABOUT THE DESIGN WIN, WE TRY TO NOT SEPARATE BCD VERSUS DIODES. WE ENCOURAGE OUR PEOPLE, ESPECIALLY ACROSS OUR US AND EUROPE SALES TEAM, TO TRY TO SELL BCD PRODUCT. BUT RICK CAN GIVE YOU THE NUMBER.

Gary Mobley—*The Benchmark Company—Analyst*

I HAVE A COUPLE FOLLOW-UP QUESTIONS IF YOU DON'T MIND.

Rick White—*Diodes, Inc.—CFO*

IT WAS DOWN ABOUT 4%.

Gary Mobley—*The Benchmark Company—Analyst*

OKAY VERY GOOD. THANK YOU FOR THAT.

Rick White—*Diodes, Inc.—CFO*

SIMILAR AS THE WHOLE BUSINESS.

Gary Mobley—*The Benchmark Company—Analyst*

AND THINKING ABOUT YOUR GROSS MARGIN, IT'S UNDERSTANDABLE WHY YOUR GROSS MARGIN DECREASED 220 BASIS POINTS SEQUENTIALLY IN THE FOURTH QUARTER. I KNOW YOU HAD LOWER LOADING, BECAUSE YOU ARE TRYING TO BURN OFF SOME INVENTORY, AND ON TOP OF THAT, YOU HAD LOWER SALES. BUT I'M ASSUMING THAT YOU WILL BE OPERATING WITH A HIGHER LOAD IN THE FIRST QUARTER, IN ANTICIPATION OF A SEASONAL UPTICK IN Q2 REVENUE, SO WHY IS THE GROSS MARGIN FOR THE FIRST QUARTER NOT EXPECTED TO BE UP MORE THAN A SEQUENTIAL BASIS OR WILL THAT BENEFIT, AS I JUST MENTIONED, SHOW UP IN THE SECOND QUARTER?

Keh-Shew Lu—*Diodes, Inc.—President and CEO*

GARY, LET ME ANSWER THIS QUESTION. I THINK IF YOU REMEMBER, LAST QUARTER WHEN WE DO THE CONFERENCE CALL, WE MENTIONED 4Q REVENUE — I MEAN GP GOING TO BE DOWN BECAUSE WE DEDUCED THAT WAFER FAB LOADINGS WERE IN LINE TO 4Q AND 1Q OF MIX.

THEN AFTER THAT, WE SEE THAT 1Q IS NOT AS BAD AS WHAT WE EXPECTED, BECAUSE TYPICALLY, WE HAVE BEEN TALKING 1Q IS ZERO TO 5% AND NOW WE GET THE GUIDANCE OF MIDPOINT IS DOWN 1%, SO YOU CAN SEE, WE STARTED REALIZING 1Q REVENUE IS NOT AS BAD AS WE EXPECTED. THEREFORE WE TURNED ON MORE WAFER OUTPUT IN THE WAFER FAB, AND THAT IS THE REASON WE KEEP THE UPDATED GUIDANCE OF INCREASE OUR GPM PERCENT.

THEN YOU'RE TALKING ABOUT 1Q. 1Q IS MORE IN THE BACK-END BECAUSE OUR BACK-END IS ALL IN CHINA, AND THE CHINESE NEW YEAR IS A BIG FACTOR, CHINESE ARE DOWN, AND PEOPLE WENT DOWN, PEOPLE TAKE A LONG VACATION IS ALWAYS, EVERY YEAR, ALWAYS IMPACT OUR PERFORMANCE IN OUR OUTPUT IN THE BACK-END.

SO IT STILL IS GOING TO BE THE SAME, THIS YEAR — CHINESE NEW YEAR COME, AND WE HAVE PEOPLE TAKE A LONG VACATION, REDUCE PEOPLE, AND THE OUTPUT WILL BE LOWER THAN 4Q, AND THEREFORE YOU GET HIT BY THE OUTPUT, LOWER OUTPUT, AND THAT'S WHY THE GP WENT DOWN. SO WHEN YOU WAFER FAB LOADING WENT UP IN 1Q, YOUR BACK-END LOADING WENT DOWN, OR GO DOWN IN 1Q.

THAT IS WHY WE FORECAST THE GP PERCENT IS FLAT. IF WAFER FAB LOADING WILL GO UP, BUT BACK-END LOADING GO DOWN.

Gary Mobley—*The Benchmark Company—Analyst*

OKAY. I WAS JUST REVIEWING SOME NOTES AND I KNOW IT IS YOUR GOAL, AS YOU STATED IN THE PRESS RELEASE, TO ACHIEVE $1 BILLION IN ANNUAL REVENUE. IT'S MY UNDERSTANDING THAT YOUR GOAL IS TO ACHIEVE A 35% GROSS MARGIN, PERHAPS AT THAT REVENUE LEVEL.

But in order for that to happen, you need to have about 85% utilization at your BCD fabs 1 and 2. And I was hoping to get a gauge on where we stand now with the utilization rate of those two fabs and where you might expect to be by the end of the fiscal year.

Keh-Shew Lu—*Diodes, Inc.—President and CEO*

Okay. Yes, that is our goal. One season down in revenue was total GPM percent, which is at 35%. But if you look at the loading today, I think Rick can give you that number —

Rick White—*Diodes, Inc.—CFO*

in the fourth quarter the S fab 1, which is the older fab in Shanghai, was between 75% and 80%. It had a shutdown for maintenance, and we had planned that in, and that's part of the reduction that Keh-Shew talked about. In the first quarter, we think it's going to get back into the more normal range of 80% to 85%.

Keh-Shew Lu—*Diodes, Inc.—President and CEO*

That's fab 1, right?

Rick White—*Diodes, Inc.—CFO*

Yes, that's fab 1.

Keh-Shew Lu—*Diodes, Inc.—President and CEO*

Fab 2—

Rick White—*Diodes, Inc.—CFO*

Fab 2 is just continually going up, it doesn't have a utilization, because the output has just continued to go up from when it started in the first quarter of 2013, up until, through the fourth quarter.

Keh-Shew Lu—*Diodes, Inc.—President and CEO*

These are the ones I'm talking about, we transferred the loading from fab 1 to fab 2, and then backfill fab 1, we try to move sales, try to get more sales for fab 1. We are not really able to transfer any internal — any of subcon fab from externally to internal yet.

Because that needs customer approval. Now for the non-customer approval portion we start loading it but the customer approved portion cannot move in.

Gary Mobley—*The Benchmark Company—Analyst*

I've taken enough time up. I appreciate the answers. Thanks.

Operator

Our next question comes from Christopher Longiaru with Sidoti & Company.

Christopher Longiaru—*Sidoti & Company—Analyst*

What it sounds like here though, is your utilization at S fab 1 is gone up, your outputs continue to grow at fab 2. Part of the reason for I guess the marriage between BCD and Diodes made sense, was that your packaging facility was underutilized, and you talked about gross margin permits over the course of the year. Can you tell us a little bit how that move of BCD into Diodes manufacturing, sorry packaging facility, is going, and how you expect that progression over the course of the year to continue?

Keh-Shew Lu—*Diodes, Inc.—President and CEO*

OKAY. FROM THE PACKAGING MOVE FROM SUBCON OR BCD PRODUCTS TO DIODES INTERNALLY, I THINK BY END OF FOURTH QUARTER WE ALREADY QUALIFIED FOR WHATEVER WE WANT TO — WE WANT TO MOVE. MAYBE SAVE A COUPLE OF THE KEY CUSTOMERS, BUT YOU KNOW, IN BCD THEY HAVE MORE IN THE SMALL CUSTOMERS, THEY DON'T HAVE THAT MANY OF THE KEY CUSTOMERS.

SO I SHOULD SAY MOST OF THE ONES WE WANT TO TRANSFER WE ALREADY QUALIFIED. NOW WE START THE RAMP IN 4Q AND 1Q BECAUSE THE CAPACITY, PEOPLE CAPACITY, NOT EQUIPMENT CAPACITY LIMITATION.

WE CANNOT REALLY MOVE EVERYTHING, AND THE REASON LIKE I MENTIONED IS THE CHINESE NEW YEAR AND A LOT OF PEOPLE GO HOME, AND NOT COMING BACK YET. SO THE 1Q CAPACITY IS REALLY DRIVEN BY PEOPLE, NOT LIMITED BY EQUIPMENT.

Christopher Longiaru—*Sidoti & Company—Analyst*

IT SOUNDS LIKE TO ME THEN THAT YOU HAVE A SITUATION WHERE YOUR UTILIZATION IS IMPROVING SEQUENTIALLY, YOU ARE READY TO MOVE THINGS IN-HOUSE, BUT THE CHINESE NEW YEAR IS KIND OF INHIBITING THAT MOVE, AND AX THE CHINESE NEW YEAR, YOU PROBABLY WOULD HAVE GUIDED THAT GROSS MARGIN UP SLIGHTLY SEQUENTIALLY. DOES THAT MAKE SENSE?

Keh-Shew Lu—*Diodes, Inc.—President and CEO*

YES. IN 2Q, IT'S ALREADY — IT'S A PICTURE OF IF. WE DON'T KNOW YET. WE ARE NOT GUIDING IT.

BUT IF THE BUSINESS IS GOING UP, LOADING GO UP, OBVIOUSLY, YOU WILL, IF YOU LOOK AT OUR HISTORY, SECOND QUARTER ALWAYS STRONGER THAN 1Q. 1Q WAFER FAB IS STILL UNDERLOADED, IT'S NOT FULLY LOADED YET. BUT ASSEMBLY, EQUIPMENT-WISE IS STILL NOT FULLY LOADED.

BUT PEOPLE-WISE, IF FULLY UTILIZED. THEN GO TO 4Q, WE HAVE CAPACITY TO SUPPORT UPSIDE. EQUIPMENT CAPACITY TO SUPPORT UPSIDE.

Christopher Longiaru—*Sidoti & Company—Analyst*

AND JUST DID YOU GIVE A BOOK TO BILL AT THE END OF THE FOURTH QUARTER?

Rick White—*Diodes, Inc.—CFO*

NO, WE DIDN'T. BUT IT WAS ABOVE 1.

Christopher Longiaru—*Sidoti & Company—Analyst*

ABOVE 1. GREAT. I'LL JUMP BACK. THANK YOU.

Operator

OUR NEXT QUESTION WILL COME FROM VERNON ESSI WITH NEEDHAM & COMPANY.

Vernon Essi—*Needham & Company—Analyst*

CONGRATULATIONS ON THE QUARTER, DR. LU. WAS WONDERING, NOT TO I GUESS REHASH THIS GROSS MARGIN QUESTION OVER AND OVER, BUT I 'M MORE CONCERNED ABOUT THE LONGER-TERM PICTURE GROSS MARGIN, AND WANTED TO JUST ADDRESS — I SEE THE STORY OF COURSE IS BEING A UTILIZATION-BASED STORY. IN MY VIEW, THE HIGHER YOUR TOP LINE IS GOING TO BE, THE BETTER YOUR GROSS MARGIN IS GOING TO BE.

ONE THING I AM WONDERING, THOUGH, AND I GUESS IT'S JUST LISTENING TO MARK GO ON ABOUT ALL THE DIFFERENT PRODUCTS THAT YOU'RE INTRODUCING, A LOT OF THOSE WOULD BE SORT OF IN THE 40% GROSS MARGIN PLUS BUCKET. WONDERING HOW MUCH MIX COULD POSSIBLY IMPACT YOUR GROSS MARGIN IN 2014, OR IS THE REVENUE CONTRIBUTION FROM THESE PRODUCTS SO NOMINAL THAT THIS IS REALLY MORE AN 18 MONTHS A TWO-YEAR OUT SORT OF SITUATION, WHERE MIX MIGHT BE A BIGGER FACTOR?

Keh-Shew Lu—*Diodes, Inc.—President and CEO*

OKAY FIRST LET ME ANSWER THE CAPACITY ISSUE, AND YOU KNOW, IF OUR MARGIN IS SIGNIFICANT, AND AFFECTED BY WAFER FAB LOADING, BY ASSEMBLY LOADING. IF YOU REMEMBER BACK TO THIRD QUARTER, WE ACTUALLY — GPM UP TO 31% IN THIRD QUARTER, AND THAT REALLY STILL HAS THE BCD LOADING ISSUES. OKAY, SO IF YOU ARE THINKING THAT IN THIRD QUARTER, WE'RE UP TO 31%.

WE GO DOWN TO 28.8%, BECAUSE WAFER FAB LOADING, WE CUT IT DOWN INTENTIONALLY, AND THEN THIS QUARTER, WE GUIDE INTO 28.8%, AND IT'S BECAUSE THE CHINESE NEW YEAR AGAIN. SO MOVING FORWARD, THOSE FACTORS SHOULD BE IMPROVED BECAUSE OF CHINESE NEW YEAR IS GONE, LOADING SHOULD BE CONTINUED BECAUSE BUSINESS, "IF" THE MARKET COOPERATES AND THE BUSINESS GO UP, OUR LOADING WILL GO UP, AND AT THE SAME TIME BCD FAB LOADING WILL BE IMPROVED.

THEN THE GROSS MARGIN, IF WE GO BACK TO THIRD QUARTER, THEN THIRD QUARTER LAST YEAR, 31%. IT SHOULD BE ABLE TO — I'M NOT GIVING ANY GUIDANCE YET, BUT I'M JUST — TO LET YOU KNOW, IF OUR REVENUE GOES BACK TO THIRD-QUARTER REVENUE THEN GP SHOULD BE BETTER THAN THAT, BECAUSE THE LOADING FACTOR SHOULD BE IMPROVED. OKAY, FROM MIX, I'LL LET MARK TO ANSWER THAT, BUT —

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

SO WE HAVE A SIGNIFICANT AMOUNT OF NEW PRODUCT, WITH DEFINITELY A BETTER MARGIN PROFILE THAN SOME OF OUR HISTORIC PRODUCTS. SO WE OBVIOUSLY, BEYOND UTILIZATION, WE ARE WORKING ON OUR MARGINS THROUGH MIX IMPROVEMENT AND NEW PRODUCTS, AND JUST BETTER STUFF THAT WILL DRAW HIGHER ASP, WILL DRIVE A GREATER MARGIN.

SO WE FEEL LIKE WE HAVE A LOT OF DIFFERENT DRIVERS OF OUR MARGIN GOING FORWARD. BUT TIMING OF THOSE QUARTER-IN AND QUARTER-OUT IS NOT NECESSARILY CLEAR YET, BUT I THINK WE HAVE A LOT OF OPPORTUNITY AHEAD OF US.

Keh-Shew Lu—*Diodes, Inc.—President and CEO*

ADDITIONAL, DON'T FORGET, WE HAVE REDUCED OUR CAPEX, AND LAST YEAR WE DROPPED 4% OR 5% FROM OUR HISTORICAL 10% TO 12% OF THE REVENUE. LAST YEAR WE GO DOWN TO — AND WE STARTED GUIDING 5% TO 8% OR 9% OF OUR REVENUE.

SO WHEN YOU START TO REDUCE CAPEX, YOUR DEPRECIATION IS GOING TO BE RELATIVELY — AS A PERCENT OF REVENUE. GOING TO BE REDUCED, THEN AUTOMATICALLY YOU WILL IMPROVE YOUR GPM PERCENT.

SO IF WE STARTED CHANGING OUR BUSINESS MODEL FROM 10% TO 12% OF CAPEX TO 5% TO 8%, OR 5% TO 9% OF CAPEX, THAT CAPEX REDUCTION WILL AUTOMATICALLY IMPROVE THE DEPRECIATION AS A PERCENT OF REVENUE, AND THEN YOU WILL IMPROVE THE GPM PERCENT. SO THIS EFFECTS, AS WE ARE WORKING VERY HARD TO WORK OUR MODEL 35% AND I BELIEVE WE SHOULD BE ABLE TO GET THERE.

Vernon Essi—*Needham & Company—Analyst*

AND I APPRECIATE BY THE WAY THE ANSWER. I SEE THE MATH. I'M NOT DOUBTING THAT YOU CAN'T GET THERE, ESPECIALLY ON THE REVENUE TARGETS YOU'VE OUTLINED, AND I THINK THE MATH WORKS FOR YOUR GROSS MARGINS IN THE FIRST QUARTER.

THIS IS A DELICATE WAY OF PROVIDING FEEDBACK, IT MIGHT BE HELPFUL FOR US TO KNOW WHAT PROPORTION OF REVENUE IS SORT OF NEW PRODUCT RELATED. I DON'T KNOW HOW YOU WANT TO DEFINE THAT, HOWEVER, SO WE CAN TRACK THE PROGRESS OF THAT AND THE REVENUE MIX, TO SEE IF IT'S ACTUALLY IMPACTING THE GROSS MARGIN, OR IF IT STILL JUST BASICALLY A FUNCTION OF LOADINGS AND TOP LINE VERSUS OVERHEAD?

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

WE USED TO REPORT OUR NEW PRODUCT REVENUE BUT THEN WE DETERMINED THAT SOME — EACH ONE OF THE PRODUCTS HAD A DIFFERENT PERIOD TO RAMP, AND THEN SOME OF OUR PRODUCTS THAT WOULD LOOK LIKE THE REVENUES ARE RAMPING VERY HARD, TOOK THREE YEARS TO RAMP, THEN THEY RAMP AND ARE STILL RAMPING. OKAY SO WE THOUGHT THAT FIGURE BECAME A LITTLE BIT DISTORTED, SO WE STOPPED REPORTING THAT.

We had a significant new product, and the one other area that — with the reduced CapEx, reduced CapEx and reduced units drives mix. Okay, so we've been pretty free with units for a few years here now, and the units probably are going to start to get tighter and tighter as the year goes on, if the market grows at even a reasonable rate. So we're hoping that the change in the strength in our CapEx will help us drive a better mix, which will drive a better margin rate.

Keh-Shew Lu—*Diodes, Inc.—President and CEO*

in the past when you have excess capacity then you try to say I need to move the mix downward to capture those capacity, the yield levels at capacity. And since the last year, I make a decision I don't want to chase the volume anymore, because at the end, we are reaching our goal of one billion, so we don't need to — that change in the capacity. That is why we change our business model, and with that, then you don't have that much of capacity, and then you have no need to change the mix to loading the factory.

Vernon Essi—*Needham & Company—Analyst*

Okay, I appreciate, that's the longest first question I think I've ever had, I appreciate all the answers there. My quick follow-on, Dr. Lu, any outlook you have on the health of the electronics market in China.

You're probably one of the better crystal balls than anyone that we usually speak to. So what is your take on how the outlook is there going into the first half of 2014?

Keh-Shew Lu—*Diodes, Inc.—President and CEO*

Well if you see our guidance of midpoint minus 1% against a traditionally 1Q is down 0% to 5%. That is what I think every time when I talk to you guys, I alwayssay 1Q is down 0% to 5% or sometime even more. But with that, you can see I feel very good.

And so right now, I think the feel back I get from the Chinese, post Chinese New Year is quite positive. And that is what we guidance that. So I think that is my answer.

Vernon Essi—*Needham & Company—Analyst*

Okay. Great to hear. Thank you.

Operator

And next question is come from Harsh Kumar with Stephens.

Harsh Kumar—*Stephens Inc.—Analyst*

Congratulations. Very good quarter, very good guidance. I had a couple — first of all let me ask the easy one. Mark, could you repeat the breakdown of revenues by the end markets?

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

Yes it was I've got it right here — 34% consumer, 23% communication, computing 22%, and industrial 18% and automotive 3%.

Harsh Kumar—*Stephens Inc.—Analyst*

Thanks so much. Dr. Lu, I had a pretty simple question. In your press release you mentioned that basically was negative for you for the whole year.

Are you willing to talk about maybe exiting the fourth quarter, or maybe currently, if that starting to turn for you if it's positive. How much positive impact, any kind of color you want to give us.

Keh-Shew Lu—*Diodes, Inc.—President and CEO*

I DON'T THINK IT'S POSITIVE YET, IN 1Q, OKAY? BUT IT'S GETTING CLOSE TO HELPING US, AND THE REASON I THINK IS, FAB 2 IS RAMPING, AND FAB 1 BECAUSE THAT FAB 1 IS UNDERLOADED.

WE HAVE GRADUALLY FILLED FAB 1, BUT WHEN WE ARE ABLE TO GET FAB 1 TO THE ORIGINAL LOADING AND FAB 2 IS THERE, THEN I THINK WE WILL BE POSITIVE. TODAY, IT IS STILL NEGATIVE IMPACT US.

Rick White—*Diodes, Inc.—CFO*

IT'S NEGATIVE ON THE MARGIN. ON THE GROSS PROFIT PERCENT, NOT ON THE DOLLARS.

Keh-Shew Lu—*Diodes, Inc.—President and CEO*

YES.

Rick White—*Diodes, Inc.—CFO*

SO THEIR GROSS PROFIT MARGINS ARE LESS THAN DIODES'.

Harsh Kumar—*Stephens Inc.—Analyst*

UNDERSTOOD. TOTALLY UNDERSTOOD. THANKS FOR CLARIFYING THAT.

DR. LU, ANOTHER QUESTION FOR YOU. YOU BROUGHT ANACHIP A WHILE BACK, SIX OR SEVEN YEARS AGO. YOU BOUGHT BCD RECENTLY. IF I WAS TO ASK YOU OF YOUR TOTAL BUSINESS, HOW MUCH OF YOUR TOTAL BUSINESS IS ANALOG TODAY, WOULD YOU HAVE A BALLPARK NUMBER FOR US?

Keh-Shew Lu—*Diodes, Inc.—President and CEO*

WELL I PROBABLY — WE DON'T TALK ABOUT, I CAN GIVE YOU MAYBE 60/40. BECAUSE DISCRETE GROW AND PROBABLY SOMEWHERE ABOUT 60/40, RIGHT?

Harsh Kumar—*Stephens Inc.—Analyst*

SO 60% DISCRETE AND 40% ANALOG?

Keh-Shew Lu—*Diodes, Inc.—President and CEO*

SOMEWHERE AROUND THERE. I DON'T HAVE THE NUMBER, WHAT I GIVE YOU A BALLPARK. SO DON'T TAKE ME —

Harsh Kumar—*Stephens Inc.—Analyst*

UNDERSTOOD. AND THEN ANALOG TYPICALLY HAS BETTER MARGIN STRUCTURE, CORRECT?

TYPICALLY MY UNDERSTANDING IS ANALOG FOR YOU IS 30% TO 40% OR 45%. IS THAT ACCURATE?

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

I WOULD SAY THAT IT'S TOO MUCH TO GENERALIZE THAT. WE HAVE SOME REALLY STRONG DISCRETE PRODUCTS THAT RUN AS GOOD OR BETTER MARGINS.

We might have some products in the discrete side that might be more draining in margin that we will eventually mix out of. But I wouldn't say analog is alwaysbetter.

Harsh Kumar—*Stephens Inc.—Analyst*

Okay. And then one more for you, Dr. Lu. You talked about solid pipeline, both in your commentary and the press release.

Particularly design wins. I'm curious what other areas maybe you are the most excited about the next 12 months out of your end markets?

Keh-Shew Lu—*Diodes, Inc.—President and CEO*

Well, I think we have several areas. For example LED driver, AC to DC, and when we talk about AC to DC we are working on the first charger.

We are working on the wireless charger. Those are the analog portion.

But then when you are talking about digital portion, most fabs are still going quite well. SBR is still going quite well. And those, again from a discrete point of view, they are growing quite well.

So remember I just mentioned buy Anachip, buy BCD, those are analog product. But today we still have 60/40. It may be somewhere 30/70.

Around that range. 70/30, 60/40, somewhere in that range. So you can see discrete organically is still growing very fast.

Harsh Kumar—*Stephens Inc.—Analyst*

Got it. And then my last question for you was, why the decision to pay down debt? Just to bolster the balance sheet or was there any particular reason?

Rick White—*Diodes, Inc.—CFO*

Will the main reason is that interest expense impacts our earnings per share, and we like to have the best earnings per share we can have.

Keh-Shew Lu—*Diodes, Inc.—President and CEO*

So when you want money, and you have enough money, and bank put interest and the money we borrow generates interest costs. So it's better just pay it off.

Harsh Kumar—*Stephens Inc.—Analyst*

That's fair, thanks. I'll jump back in the queue. Congratulations again.

Operator

Our next question is from Vijay Rakesh with Sterne, Agee.

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

Good job on the gross margin. I had a question going back on one of the previous questions. Do you have an idea of what, particularly the last six months, what percent of revenues came from new products, and as you end of 2014 what percent of revenues come from new products, and design wins?

So a longer-term perspective on that. And also, you talked about handset design wins in your prepared remarks, if you could give more color on that?

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

What was the last thing? More color on the what?

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

On the handset design wins, that you were talking about in your prepared remarks.

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

Okay. From a smart phone and tablet perspective, I think we just continue to make progress at multiple players around the world, in a broad mix of devices.

Not too much more to say about that. So I didn't get your first question, either.

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

I was wondering, if you look at the new product ramps, if you look at — I'm wondering how much revenues came from new product ramps in the last six months, and how much do you think this new product ramps, let's say second half of 2014?

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

I really don't have this information — clearly some of our discrete new product ramps ramped faster than our analog new product ramps. But the figures started to become distorted, and ramp times, and times for products to actually develop from a revenue perspective, so we just stopped looking at that as a whole, a while back.

We do look at it individually as a percentage, on certain product lines. But we don't really look at it as a whole.

Keh-Shew Lu—*Diodes, Inc.—President and CEO*

Discrete, especially in discrete area, it's kind of a customer say I need you put this function, this style, or this SBR, or this MOSFET in this package. When a customer tells you that you put the old die in the old package, but it's different die, different package, it's consider a new product and you ramp that right away.

For the analog, it's very difficult, because analog, you don't do that. So you design the device and the die and then you put in the packaging you wanted and get it out as a standard product. Than the ramp is very slow.

And so for us, tracking new product revenue or new product ramps is very difficult, especially discrete. Every discrete — most of the discrete products are easier to be considered as a new product. What you say is different.

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

Okay. On the OpEx line, Rick you mentioned a $900,000 increase due to retention. If you look at the core OpEx, ex those retention bonuses, do you see that flat in dollars for 2014? And on the retention side, do you think this rolls off in 3Q this year, or annual, or how does that OpEx land?

Keh-Shew Lu—*Diodes, Inc.—President and CEO*

Let me give you the date, then he can give you the number. The date is due to BCD. BCD retention start with march last year, and 18 months, so it is somewhere around 3Q this year.

But some of the people, especially high-level people the retention bonus is for two years. Then you will be until 1Q next year. Then you can explain this.

Rick White—*Diodes, Inc.—CFO*

Go ahead and tell me — ask the number question again?

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

if ex the retention bonus, was the core OpEx dipping back to flat in dollars for 2014?

Rick White—*Diodes, Inc.—CFO*

No, I don't think so. Because what's going to happen is that the revenue is going to increase. We're going to try and grow faster than the market.

So yes is flat in the first quarter, but as the revenue goes up, we will spend more on R&D. We'll probably spend more on freight and SG&A. It won't stay flat in dollar terms.

Keh-Shew Lu—*Diodes, Inc.—President and CEO*

if you look — this is business model, always When revenue grow, our R&D will grow as a percent, similar to the revenue growth.

Our SG&A will only allow grow half of the revenue growth. So that's our rule of thumb, and we're going to insist on that, but the key thing is we want to get our R&D and SG&A as a percent of revenue go down to 20%. So it will quickly get into 20% but they will go to our business model.

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

Got it, thanks. One last question, here, and I'll get off the line.

When you look at the tax rate, it obviously jumped up. What are the — versus 2013, it came up a little bit, obviously you had guided to that, but what are the puts and takes to it?

What makes it go up, and what will bring it down, as you look at this year and next year? Thanks.

Rick White—*Diodes, Inc.—CFO*

We're not saying it's going to go down. It's going to go up, probably. It's just basically the split of profit in the various corporate entities.

And so, and you say, okay, well the Taiwanese, the Hong Kong people have lower tax rates, but there's also income over there called sub-part F income, which is taxed at the US rate. So all of that comes in — into play in the effective tax rate for the year.

So if you take out all the adjustments we had, the tax audit adjustment in the first quarter, and goodwill, and the reason you have to goodwill out is that goodwill is a non-tax-deductible expense in the US. So I think our tax rate was, for the year was 20.6%. So it was right where we said it was going to be, in the 18% to 24% for the year and next year we said it's going to go 19% to 25% so it's only up 1%.

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

Okay, great. Thanks.

Operator

Our next question is from Liwen Zhang with Blaylock Robert Van.

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

Congratulations on your overall quarterly results. I have a little bit concern about your computing business.

Given one Japanese player existing in the market, and some of your peers, and they're showing share gains, and you're down 10% quarter over quarter. Would you please explain to me some of the dynamics within your computing businesses?

Keh-Shew Lu—*Diodes, Inc.—President and CEO*

What is 10%?

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

She is measuring our revenue. We think we are tracking relative to everyone else.

We have some strategies long-term for our computing segment, that will completely change our mix within that segment. So we feel we are on track to improve our position in that marketplace, but we don't feel that we are suffering more than the marketplace over time.

i think we know the market pretty well. We're not as PC-based as we are notebook-based but we manage the units, and our share in that units. It may be possible we lost some share on the really low-end products in the second half of the year by choice, rather than by this, but we think we are tracking in our major areas.

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

Thank you. That's all I had.

Operator

At this time I'm showing no additional questions in the phone queue. I'd like to turn the program back over to Dr. Lu for any additional or closing remarks.

Keh-Shew Lu—*Diodes, Inc.—President and CEO*

Thank you for your participationtoday. Operator, you may now disconnect.

Operator

Thank you, sir. Thank you ladies and gentlemen again, this does conclude today's call. Thank you for your participation and have a wonderful day. Attendees you may now all disconnect.

Exhibit 99.4

Version 2.4

DIODES INCORPORATED

Company Profile

- Public company (NASDAQ: DIOD, website: www.diodes.com)
- Founded in 1959
- Headquarters in Plano, TX; 21 locations globally
- North American, Asian, and European Inventory Locations
- Manufacturing in U.S., UK, Germany, China and Taiwan
- ISO9001:2008 Certified / TS16949:2009 Certified
  ISO14001 Certified
- Acquired Anachip Corporation, Taiwan, 01/2006
- Acquired Advanced Power Devices, 11/2006
- Acquired Zetex, 06/2008
- Acquired Power Analog Microelectronics (PAM), 10/2012
- Acquired BCD Semiconductor, 03/2013
- Over 5,500 employees worldwide

DIODES INCORPORATED

www.diodes.com

About Diodes Incorporated

A leading global manufacturer and supplier of high-quality application specific, standard products within the broad discrete, logic and analog markets, serving the computing, consumer, communications, industrial and automotive segments.

Business Objective

To consistently achieve above-market **growth**, utilizing our innovative and cost-effective **internal packaging** technology, suited for **high volume, high growth** markets by leveraging process expertise and design excellence to deliver market-leading semiconductor products.

DIODES INCORPORATED

www.diodes.com

BCD Acquisition (March 2013)

Company Profile

- Founded: 2000
- HQ: Shanghai, China
- Employees: 1,200+
- Products: 300+
- End Customers: 2,000+
- Markets: Communications, Consumer and Computing
- IPO in January 2011, Nasdaq GM: BCDS
- Revenue 2012: $142.8M

Product Portfolio

- AC-DC Converters/Controllers
- DC-DC Converters
- Standard and High-Performance Linear
- Hall Sensors
- Motor Drivers
- LED Drivers
- Touch Screen Controllers
- TVS Protection

Immediate Benefit to Customers

- Expanded product offering to include rapidly growing AC/DC patent portfolio
- Extended distribution channels with buffer inventory to streamline delivery
- Increased manufacturing capacity
- Cost-effective: the addition of new low-cost wafer Fabs in close proximity to Diodes' assembly and test sites increases operational efficiency

Global Reach

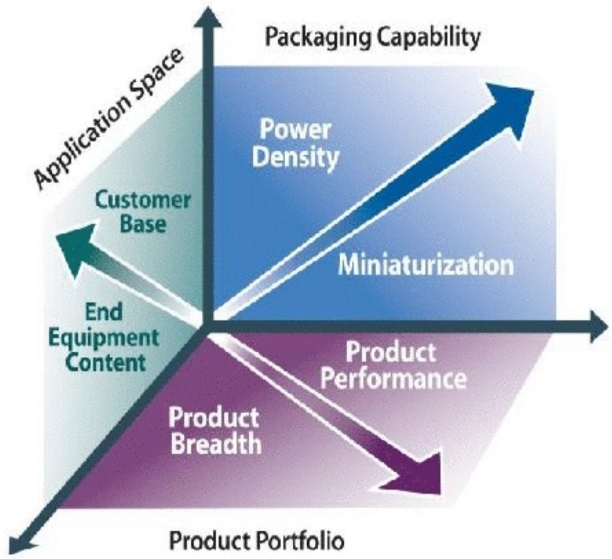
DIODES INCORPORATED

www.diodes.com

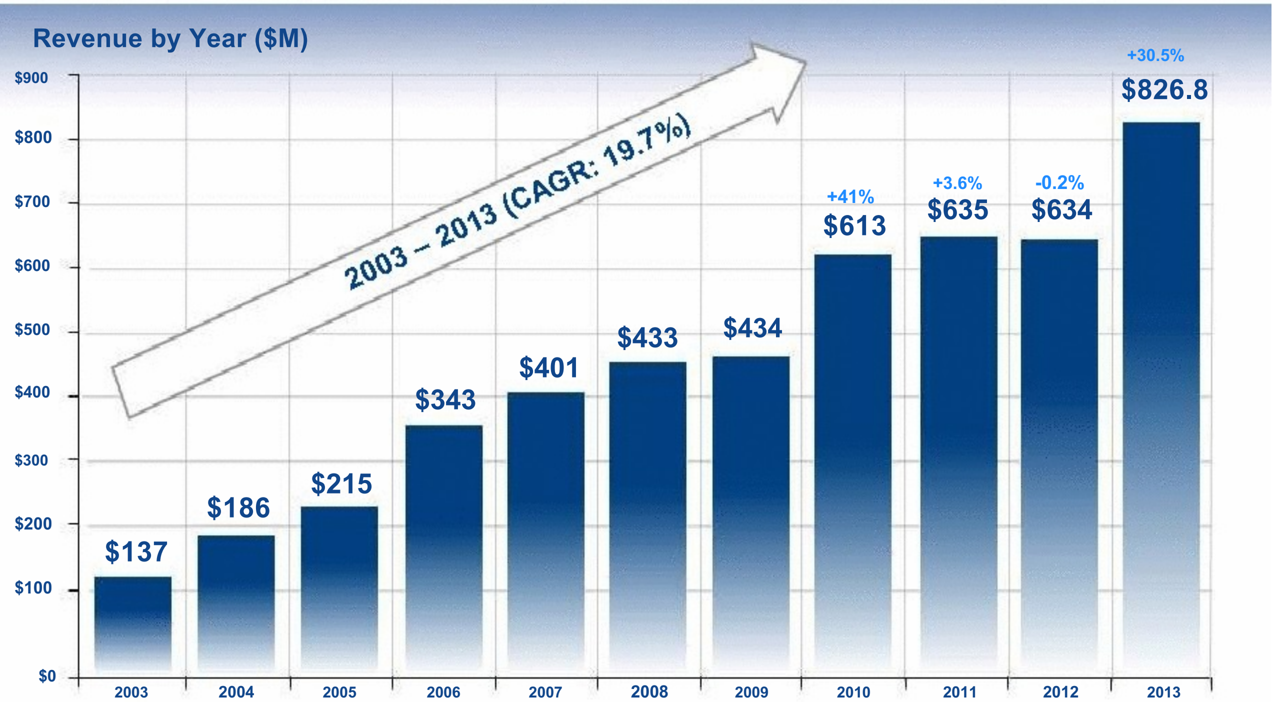
Diodes Strategy

Many Paths for Growth:

- Product portfolio
  - Product arena
  - Product line expansion
  - Performance enhancement
- Application space
  - Targeted end equipments
  - Broad customer base
  - Increased product coverage
- Packaging breadth
  - Broad packaging portfolio
  - Increased power density
  - Small form factor



Revenue Growth



DIODES INCORPORATED

www.diodes.com

Balance Sheet

In millions	Dec 31, 2011	Dec 31, 2012	Dec 31, 2013
Cash	$130	$157	$197
Short-term Investments			$23
Inventory	$140	$153	$180
Current Assets	$427	$491	$650
Total Assets	$793	$920	$1162
Long-term Debt	$ 3	$ 44	$183
Total Liabilities	$144	$200	$419
Total Equity	$649	$720	$744

Why Diodes Incorporated?

Products
Broad portfolio of high power efficiency, space-saving products.

Commitment
Unparalleled commitment to total customer satisfaction.

Flexibility
Rapid, flexible support of configured products to address customer system requirements.

Investment
Significant, ongoing investment in high-capacity, world-class manufacturing capability.


Packaging Focus: Miniaturization and Power Efficiency
DFN0603-2
DFN1006-2
0.3mm DFN
0.4mm DFN
QFN 3~16 pin
SOD123/323
SOD-323F
SOT23F
SOT23/523/SC59
SOT143/SC82
SOT25/353
SOT26/363
SOT666
SOT953/963
TSOT23-5/6
TSSOP8
SOIC8
MSOP8/10
QSOP16/20L
SOT89
SIP-3/4
SOT223
TO220/263/ITO220S
TO252
PD-123
PD-323
PM-III
PD-5
PowerDI-5060
SOIC14
SOLAR
PowerDI-5SP
TSOT23-3
WL-CSP
DFN0806-3
TSSOP14/16
DFN1114-3
Pyramid Stack
DFN5060-4
Bridge
SOIC-16
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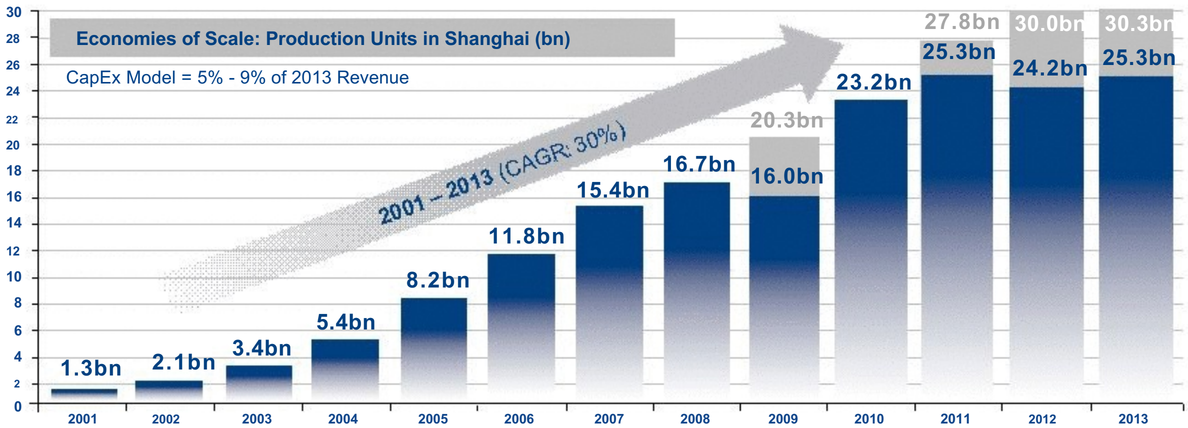
Efficient Manufacturing + Superior Processes

Packaging

- Shanghai-based packaging with capacity approximately 30 billion units
- Flexible and optimized manufacturing process = low packaging cost
- Additional packaging facilities in Neuhaus Germany and JV in Chengdu, China

Wafer Fabs

- Two discrete fabs, two analog fabs in Kansas City, Missouri (5"and 6"), Oldham, United Kingdom (6"), and Shanghai (6") respectively
- Bipolar, BiCMOS, CMOS and BCD process
- Strong engineering capabilities



DIODES INCORPORATED

www.diodes.com

Broad Product Offering

Discrete

Diodes
- Schottky Diodes
- Zener Diodes
- Switching Diodes
- SBR® Diodes
- Power Zener Diodes
- Power Rectifier Diodes

Rectifiers
- Schottky Rectifiers
- Super Barrier Rectifiers
- Standard Rectifiers
- Fast Recovery Rectifiers
- Bridge Rectifiers

MOSFETs
- Small Signal MOSFETs
- Power MOSFETs
- Protected MOSFETs
- High Voltage MOSFETS
- Complementary Pairs
- H-Bridges
- IntelliFET

Protection Devices
- Zener TVS
- Thyristor Surge Protection
- Data Line Protection

Bipolar Transistors
- Small Signal BJT
- Pre-biased BJT
- Medium Power BJT
- High Power BJT
- Darlington Transistors
- Gate-Drivers
- Low Saturation BJT
- H-Bridges

Function Specific Arrays
- Relay Drivers
- Discrete Load Switches
- Discrete Voltage Regulators
- MOSFET Gate-Drivers

Standard ICs

Standard Linear ICs

Linear Voltage Regulators
- Standard Linear Regulators
- Quasi Low Dropout Regulators
- Low Dropout Regulators

Voltage References
- Shunt References
- Micropower References

Current Monitors
- Current Output
- Voltage Output

Operational Amplifiers

Comparators

Special Functions
- Timer IC
- Reset Generators
- Current Mirror

Logic ICs

Single Gate
- AHC, AHCT, LVC, LVCE, AUP

Dual Gate
- LVC

Standard Logic
- LVC, HC, HCT, AHC, AHCT

ASSP

Power Management ICs

DC-DC Switching Regulators
- Buck
- Boost
- Buck/Boost/Inverter

AC-DC Solutions
- Primary-Side Regulators
- PWM
- BJT Switches
- Constant Current / Constant Voltage

Power Switches
- Load Switches
- USB Switches

LED Drivers
- Charge Pump
- Boost
- Buck

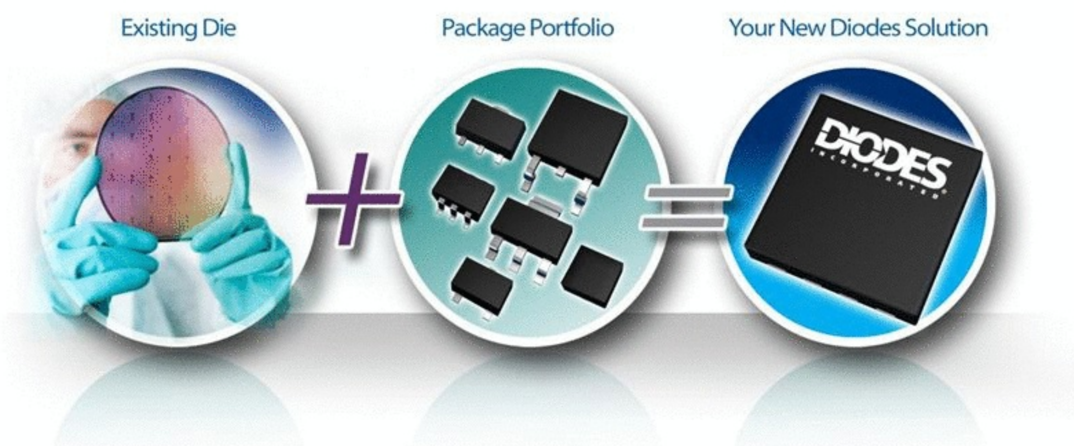
Power Supply
- MOSFET Controllers
- Active OR-ing Controllers
- Chargers

Class-D Audio Amplifiers

Sensors
- Unipolar Hall Switches
- Bipolar Hall Latches
- Omnipolar Hall Switches
- Smart Fan Drivers
- Temperature Sensors
- Magnetic Sensors
- Low Power Motor Control

Digital Broadcast by Satellite
- Fixed Bias Generators
- Switched Bias Generators
- Multiplex Controllers
- Integrated Switch Matrix
- DBS Interface

Diodes Key Capabilities



One of Diodes' key capabilities is its ability to listen and respond rapidly to customer requests for existing die to be repackaged or reconfigured.

Version 2.4