

DIALOG SEMICONDUCTOR EXPECTS HIGHER THAN ANTICIPATED PROFITABILITY IN Q2 2019

Ad-hoc announcement in accordance with Article 17 MAR

London, UK, 16 July 2019 - Dialog Semiconductor Plc (XETRA: DLG), expects higher than anticipated profitability in Q2 2019.

In Q2 2019 the Company expects operating profit of approximately US\$216 million and underlying¹ operating profit of approximately US\$82 million. Operating profit includes approximately US\$28 million of other operating income comprising a gain of approximately US\$16 million on the transfer of assets to Apple and income of approximately US\$12 million from specific non-recurring engineering contracts. Underlying¹ operating profit includes other operating income of approximately US\$12 million from specific non-recurring engineering contracts.

Operating profit and underlying operating profit were higher than anticipated mainly due to Q2 2019 revenue expected to be 1% over the high end of the guidance range communicated on 9 May 2019. In Q2 2019 the Company expects IFRS revenue of approximately US\$482 million and underlying revenue of approximately US\$336 million. The guidance communicated on 9 May 2019 was IFRS revenue range of US\$438 million to US\$478 million and underlying¹ revenue range of US\$293 million to US\$333 million.

At 28 June 2019, the Company had US\$1,141 million of cash and cash equivalents.

The Company will publish its results for the quarter ended 28 June 2019 on 30 July 2019.

1. Underlying measures of performance quoted in this announcement are non-IFRS measures. Our use of underlying measures is explained on pages 156 to 161 of our 2018 Annual Report and Accounts. Reconciliations of the underlying measures to the nearest equivalent IFRS measures will be presented in our Q2 2019 Interim Report.

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About Dialog Semiconductor

Dialog Semiconductor is a leading provider of integrated circuits (ICs) that power mobile devices and the Internet of Things. Dialog solutions are integral to some of today's leading mobile devices and the enabling element for increasing performance and productivity on the go. From making smartphones more power efficient and shortening charging times, enabling home appliances to be controlled from anywhere, to connecting the next generation of wearable devices, Dialog's decades of experience and world-class innovation help manufacturers get to what's next.

Dialog operates a fabless business model and is a socially responsible employer pursuing many programs to benefit the employees, community, other stakeholders and the environment in which we operate. Dialog Semiconductor Plc is headquartered in London with a global sales, R&D and marketing organization. In 2018, it had approximately \$1.44 billion in revenue. It currently has approximately 2,000 employees worldwide. The company is listed on the Frankfurt (FWB: DLG) stock exchange (Regulated Market, Prime Standard, ISIN GB0059822006) and is a member of the German TecDAX and MDAX indices. For more information, visit www.dialog-semiconductor.com.

Forward Looking Statements

This press release contains "forward-looking statements" that reflect management's current views with respect to future events. The words "anticipate," "believe," "estimate," "expect," "intend," "may," "plan," "project" and "should" and similar expressions identify forward-looking statements. Such statements are subject to risks and uncertainties, including, but not limited to: an economic downturn in the semiconductor and telecommunications markets; changes in currency exchange rates and interest rates, the timing of customer orders and manufacturing lead times, insufficient, excess or obsolete inventory, the impact of competing products and their pricing, political risks in the countries in which we operate or sale and supply constraints. If any of these or other risks and uncertainties occur (some of which are described under the heading "Managing risk and uncertainty" in Dialog Semiconductor's most recent Annual Report) or if the assumptions underlying any of these statements prove incorrect, then actual results may be materially different from those expressed or implied by such statements. We do not intend or assume any obligation to update any forward-looking statement which speaks only as of the date on which it is made, however, any subsequent statement will supersede any previous statement.