Press release – 9 May 2019

Dialog Semiconductor reports results for the first quarter ended 29 March 2019

Q1 2019 Revenue above the mid-point of the guidance range at US$295 million, record gross margin and strong free cash flow generation

London, UK, 9 May 2019 – Dialog Semiconductor Plc (XETRA: DLG), a provider of highly integrated power management, Configurable Mixed-signal IC, AC/DC, solid state lighting and Bluetooth® low energy wireless technology, today reports unaudited results for the first quarter ended 29 March 2019.

Q1 2019 Financial highlights

- Revenue of US$295 million, above the mid-point of the March guidance range and 11% below Q1 2018.
- Gross margin at 49.3% (Q1 2018: 46.3%) and underlying[1] gross margin at 49.6% (Q1 2018: 47.2%).
- Operating profit of US$25.3 million, 23% below Q1 2018. Underlying[1] operating profit of US$47.2 million, 10% below Q1 2018.
- All operating segments were profitable on an underlying basis.
- Diluted EPS of US$0.23 (Q1 2018: US$0.22) and underlying[1] diluted EPS of US$0.49 (Q1 2018: US$0.53).
- Q1 cash flow from operating activities of US$41.6 million (Q1 2018: US$49.6 million). US$28.0 million of free cash flow[1] generated in Q1 2019 (Q1 2018: US$31.9 million). US$690 million of cash and cash equivalents at 29 March 2019, US$189 million above 30 March 2018.
- On 7 March 2019, the Company signed a definitive agreement to acquire Silicon Motion's mobile communications product line ("FCI") including Ultra-Low-Power Wi-Fi, extending its position in IoT connectivity.
- Subsequent to quarter end, on 8 April 2019, the Company completed the transaction with Apple to license certain power management technologies, and transfer certain assets and over 300 employees.
- Dialog intends to initiate a new share buyback program on termination of the current tranche.

Q1 2019 Operational highlights

- Continued design win momentum at Apple for the development and supply of mixed-signal integrated circuits. Revenue from the new contracts is expected to be realized over the course of the next three years.
- Production start at Huawei to also include Audio processing and Configurable Mixed-signal ICs for Huawei Honor FlyPods.
- Expansion of our IoT SmartBond™ offering with the launch of the DA1469x family of Bluetooth® low energy (BLE) SoCs, industry's most advanced feature-rich range of BLE SoCs.
- Accelerating design win momentum in Computing and Asia market for our Configurable Mixed-signal IC, (CMIC).
- Maintained a commanding market share in the smartphone rapid charge segment. Expect market adoption of new charging technologies like USB-PD Type-C, to accelerate in H2 2019.

Commenting on the results, Dialog Chief Executive, Dr Jalal Bagherli, said:

"We delivered revenue above the mid-point of our guidance range, record gross margin and strong free cash flow generation despite the anticipated softness in demand across the industry. We continue to broaden our product portfolio through a combination of organic and inorganic initiatives. During the quarter, we made good progress in our IoT connectivity strategy with the expansion of our SmartBond™ offering. In early April, we signed an agreement to acquire FCI, which will provide solutions for combining Ultra-Low-Power Wi-Fi and Bluetooth® low-energy chips."

"Following the completion of the transaction with Apple, we are embarking on the transformation of our business, building on our deep mixed signal power-efficient expertise and a strategic focus on high growth segments of IoT, Mobile, Automotive and Computing & Storage end markets."

"We are entering a new chapter from a position of strength; a strong balance sheet and a highly cash generative business give us the financial flexibility to pursue a growth strategy and create long-term shareholder value."

1 Underlying measures and free cash flow quoted in this Press Release are non-IFRS measures (see page 5).

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Outlook

Our guidance is favourably impacted by the recently completed license and asset transfer transaction with Apple.

In Q2 2019, we anticipate IFRS revenue to be in the range of US$438 million to US$478 million, including one-off license revenue of approximately $145m. Underlying revenue is expected to be in the range of US$293 million to US$333 million, including approximately US$6 million of ongoing license revenue.

Q2 2019 IFRS gross margin will be favourably impacted by the license revenue. Q2 2019 underlying gross margin is expected to be flat to slightly above Q1 2019.

In Q2 2019, we expect approximately US$9 million of non-recurring engineering income relating to the Apple transaction within other operating income.

FY 2019 IFRS revenue and gross margin will be favourably impacted by the license revenue. FY 2019 underlying revenue is expected to decline from FY 2018 by single digit percentage points and to be second half weighted. FY 2019 underlying gross margin is expected to be above that achieved in FY 2018.

Financial overview

IFRS basis

US$ millions unless otherwise stated	Q1 2019	Q1 2018	Change
Revenue	**294.9**	332.2	-11%
Gross margin	**49.3%**	46.3%	+300bps
R&D % of revenue	**27.3%**	24.4%	+290bps
SG&A % of revenue	**15.0%**	12.1%	+290bps
Other operating income % of revenue	**1.6%**	0.0%	+160bps
Operating profit	**25.3**	32.9	-23%
Operating margin	**8.6%**	9.9%	-130bps
Net income	**18.4**	17.4	+5%
Basic EPS $	**0.25**	0.24	+4%
Diluted EPS $	**0.23**	0.22	+5%
Cash flow from operating activities	**41.6**	49.6	-16%

Underlying[1]

US$ millions unless otherwise stated	Q1 2019	Q1 2018	Change
Revenue	**294.9**	332.2	-11%
Gross margin	**49.6%**	47.2%	+240bps
R&D % of revenue	**24.5%**	22.1%	+240bps
SG&A % of revenue	**10.6%**	9.4%	+120bps
EBITDA	**63.4**	66.5	-5%
EBITDA margin	**21.5%**	20.0%	+150bps
Operating profit	**47.2**	52.5	-10%
Operating margin	**16.0%**	15.8%	+20bps
Net income	**38.3**	40.9	-6%
Basic EPS $	**0.52**	0.56	-7%
Diluted EPS $	**0.49**	0.53	-8%

1 Underlying measures and free cash flow quoted in this Press Release are non-IFRS measures (see page 5).

Revenue in Q1 2019 was 11% below Q1 2018 at US$295 million. The main driver was Mobile Systems, which was 12% below Q1 2018 due to the reduced share of volume from Apple for the main PMIC for the 2018 smartphone platform announced in May 2018. This was partially offset by higher volumes and content per device in other platforms. Revenue in Mobile Systems from products not covered by the licensing agreement with Apple almost doubled year-on-year to US$46 million (Q1 2018: US$24 million). In Q1 2019, Advanced Mixed Signal revenue was 6% below Q1 2018. The decline was due to lower volumes of our rapid charge products as a result of demand softness in China, partially offset by higher volumes of our CMIC and LED backlighting products. Connectivity was 4% below Q1 2018 driven by lower volumes of Bluetooth® low energy, mostly due to softness in the BLE market in anticipation of new product launches, partially offset by the solid performance of our new audio products. Automotive & Industrial was down 46% year-on-year, driven by lower demand for our automotive and industrial products.

In Q1 2019 we adopted IFRS 16 Leases and applied the modified retrospective approach (see note 15 to the interim financial statements).

Q1 2019 gross margin was 49.3%, 300bps above Q1 2018 and the highest on record. This includes 80bps positive movement from non-recurring items. The remaining movement was mostly due to product mix and lower manufacturing costs. Q1 2019 underlying[1] gross margin was 49.6%, 240bps above Q1 2018 for the same reasons.

Operating expenses (OPEX) comprising SG&A and R&D expenses, in Q1 2019 were up 3% year-on-year to US$124.9 million, or 42.3% of revenue (Q1 2018: 36.4%). The increase in OPEX was mainly due to US$4.0 million of costs relating to the licensing agreement with Apple and the acquisition of FCI. Underlying[1] OPEX in Q1 2019 was down 1% year-on-year to US$103.7 million, or 35.1% of revenue (Q1 2018: 31.5%). The year-on-year decrease in underlying[1] OPEX was mostly due to lower R&D expense.

R&D expense in Q1 2019 was broadly in line with Q1 2018 at US$80.6 million. As a percentage of revenue, R&D in Q1 2019 was 290bps above Q1 2018 at 27.3% (Q1 2018: 24.4%) due to the lower revenue. On an underlying[1] basis, R&D expense was down 1% year-on-year to US$72.3 million. This includes approximately US$2.4 million adverse impact from higher amortisation and lower capitalised development costs. As a percentage of revenue, underlying[1] R&D in Q1 2019 was 240bps above Q1 2018 at 24.5%, mostly as a result of the lower revenue.

SG&A expense in Q1 2019 was up 10.2% from Q1 2018 to US$44.2 million. This increase was mainly due to US$4.0 million of costs relating to the licensing agreement with Apple and the acquisition of FCI. As a percentage of revenue, SG&A in Q1 2019 was 290bps above Q1 2018 at 15.0% (Q1 2018: 12.1%) due to the transaction related costs and the lower revenue. Underlying[1] SG&A in Q1 2019 was in line with Q1 2018 at US$31.4 million (Q1 2018: US$31.4 million). As a percentage of revenue, underlying SG&A was 120bps above Q1 2018 at 10.6% (Q1 2018: 9.4%) due to the lower revenue.

Other operating income and underlying[1] other operating income in Q1 2019 was US$4.7 million, comprising US$4.4 million income from non-recurring engineering contracts (Q1 2018: US$0.1 million; underlying Q1 2018: US$0.3 million).

Operating profit in Q1 2019 was US$25.3 million, 23% below Q1 2018, reflecting the lower revenue and the impact from the transaction related costs partially offset by other operating income. Operating profit margin in the quarter was 8.6%, 130bps below Q1 2018, mainly due to the lower revenue. Underlying[1] operating profit was US$47.2 million, 10% below Q1 2018 mainly due to the lower revenue and partially offset by slightly lower OPEX. Underlying[1] operating margin in the quarter was 16.0%, 20bps above Q1 2018.

The effective tax rate in Q1 2019 was 30.2% (Q1 2018: 37.4%). Our high effective tax rate for both Q1 2019 and Q1 2018 is principally due to the distorting effect on our income tax expense of the tax and accounting treatments of share-based compensation, business combinations and certain of our strategic investments. The underlying effective tax rate in Q1 2019 was 20.5%, down 50bps on the Q1 2018 underlying effective tax rate of 21.0%.

In Q1 2019, net income was 5% above Q1 2018. This increase was mostly due to the favourable impact of higher interest income (Q1 2019: US$3.9 million; Q1 2018: US$1.6 million) reflecting the higher average cash balance and higher US dollar interest rates, and a lower fair value loss on the Energous warrants (Q1 2019: loss of US$0.1 million; Q1 2018: loss of US$3.9 million), partially offset by the operating profit movement. Underlying[1] net income was down 6% year-on-year. The year-on-year decrease in underlying[1] net income was mainly driven by the operating profit movement. Diluted EPS in Q1 2019 was up 5% year-on-year. Underlying[1] diluted EPS in Q1 2019 was down 8% year-on-year.

At the end of Q1 2019, our total inventory level was US$155 million, 4% above the previous quarter (or ~94 days), representing a 33-day increase in our days of inventory from the previous quarter, mostly due to the lower revenue. During Q2 2019, we expect inventory value to increase from Q1 2019 due to seasonality and days of inventory to remain broadly in line with Q1 2019.

At the end of Q1 2019, we had a cash and cash equivalents balance of US$690 million. Cash flow from operating activities in Q1 2019 was US$42 million, 16% below Q1 2018 (Q1 2018: US$50 million) mainly as a result of working capital movements and the timing of income tax payments. Free cash flow in Q1 2019 was US$28 million, 12% below year-on-year (Q1 2018: US$32 million) mostly due to the lower cash flow from operating activities. Free cash flow margin (as a percentage of revenue) in Q1 2019 was broadly in line with Q1 2018 at 9.5% (Q1 2018: 9.6%).

In support of our IoT connectivity strategy, on 7 March 2019, the Company signed a definitive agreement to acquire Silicon Motion's mobile communications business. The acquisition provides Dialog with a rich portfolio of complementary Connectivity-based products that includes Ultra-Low-Power Wi-Fi System-on-Chip (SoCs) and modules which FCI began ramping production in Q4 2018. Their product range is designed specifically to meet the demands of battery powered IoT devices enabling direct connectivity to internet Access Points (APs), while providing banking grade security. Dialog will fund the US$45 million purchase price in an all-cash transaction from its balance sheet. The transaction is expected to close in 2019.

1 Underlying measures and free cash flow quoted in this Press Release are non-IFRS measures (see page 5).

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Operational overview

Dialog is a fabless semiconductor company primarily focused on the development of highly-integrated mixed-signal products for consumer electronics and other high-growth markets. Our highly-skilled engineers, partnership approach, operational flexibility and the quality of our products are sources of competitive advantage. Our primary end markets are consumer markets such as the Internet of Things (IoT) and Mobile. The increasing adoption of standard technologies, such as Bluetooth® low energy or LED lighting, and the expansion of high-performance processors into infotainment systems, has contributed to the expansion of our presence in the automotive segment. In line with our strategic goals, we intend to continue with the expansion of our product portfolio through a combination of organic and inorganic initiatives.

Mobile Systems

During Q1 2019, revenue from Mobile Systems business segment was 12% below Q1 2018 due to the reduced share of volume from Apple for the main PMIC for the 2018 smartphone platform announced on 31 May 2018, partially offset by higher content per device in other platforms.

Mobile Systems is gradually expanding its product portfolio of Application Specific Standard Products (ASSP) with next generation Charger ICs and nanopower PMICs. During the quarter, a top Asian OEM selected our Charger IC for its next generation smartphone with foldable display. The ultra-compact nanopower PMICs provide high efficiency and flexibility for wearables, smart home applications and many other connected devices.

Subsequent to the end of the quarter, the Company closed the transaction with Apple to license certain power management technologies and transfer certain assets to Apple. Additionally, more than 300 Dialog professionals became Apple employees. According to the agreement signed in October 2018, Dialog has received $600 million in total, consisting of a payment from Apple of $300 million in cash for the transaction and a prepayment of $300 million for Dialog products to be delivered over the next three years. Dialog has also been awarded a broad range of new contracts from Apple for the development and supply of other mixed-signal integrated circuits. Revenue from the new contracts is expected to be realized over the course of the next three years.

In parallel, we continue to leverage our power management technology into new markets and geographies through the expansion of our platform reference designs. The collaborations with Renesas and Xilinx strengthen Dialog’s presence in the automotive segment.

Advanced Mixed Signal

During Q1 2019, Advanced Mixed Signal revenue was 6% below Q1 2018, mainly as a result of lower demand for charging products due to softness in the Chinese smartphone market, partially offset by increased revenue from Configurable Mixed-signal ICs and LED backlighting products.

We expect market adoption of new charging technologies, like USB PD Type-C, to accelerate in H2 2019. Dialog has successfully maintained a commanding market share in the rapid charge market through a combination of differentiated technology, speed of execution and wide support of rapid charge protocols. Our RapidCharge™ solutions for power adapters had approximately 60% share[4] of the rapid charge adapter market for smartphones at the end of 2018.

Our broad product portfolio, which includes LED backlighting and Solid-State Lighting (SSL) LED driver ICs, and proprietary digital control technology for power conversion, enable high quality solutions at a low cost. LED backlighting performed well during Q1 2019, contributing to the expansion of our customer base in the high-end TV market, as well as targeting the mobile and automotive display markets over the medium term.

With over 4.0 billion CMICs having been shipped since launch, Dialog’s configurable technology, including the highly successful GreenPAK™ product family, has become established as the leading choice for the market. Low power consumption and in-system programming enables customers to rapidly customise and integrate multiple analog, logic and discrete components into a single chip.

This technology will contribute to the expansion of our customer base and strengthen our presence in IoT, mobile computing and automotive.

Connectivity

During Q1 2019, the Connectivity Segment was 4% below Q1 2018.

Revenue from our SmartBond™ System-on-Chip (SoC) was 11% below Q1 2018, mostly due to softness in the BLE market in anticipation of new product launches. The Bluetooth® low energy market is estimated to grow at 19% CAGR over the 2018-2022 period[5] , a reflection of the continuing adoption of the technology across a wide range of applications. In Q1 2019, Dialog unveiled the SmartBond™ DA1469x family of Bluetooth® low energy SoCs, its most advanced, feature-rich range of multi-core microcontroller units (MCUs) for wireless connectivity. The new product family which includes four variants, builds on the successes of Dialog’s SmartBond™ products adding greater processing power, resources, range and battery life for a wide variety of IoT connected consumer applications. Our strategy remains focused on targeted verticals, like wearables, proximity tags, smart home, gaming accessories and connected health. In Q1 2019, we engaged with a number of Tier-1 pharmaceutical companies, which are developing applications such as insulin pens using our optimised SmartBond™ products. We expect these engagements to result into multiple products going to volume production in 2021.

Audio technology performed well during Q1 2019, delivering more than twice as much revenue as in Q1 2018. The Connectivity Segment is targeting the consumer headset market with our SmartBeat™ wireless Audio IC. This technology enables a new immersive headset experience and supports both wired USB 3.0 Type-C™ and Bluetooth® based consumer headsets. In Q1 2019, our audio technology and CMICs were adopted by Huawei for their HONOR FlyPods, the company’s latest True Wireless Stereo (TWS) earbuds. The DA14195 is currently being evaluated by a number of leading consumer brands for gaming and USB Type-C™ headsets.

4 Company estimates.
5 Source: IHS Technology Q4 2018 Tracker and Company estimates.

Automotive and Industrial

Automotive & Industrial revenue in Q1 2019 was 46% below Q1 2018. This decline was the result of lower volumes in both automotive and industrial products.

Other business initiatives

Our strategic partnership with Energous Corporation continues to develop, aiming to drive market adoption of true over the air wireless charging by combining Energous' uncoupled wireless charging technology and Dialog's power saving technologies.

Non-IFRS measures

Underlying measures of performance and free cash flow quoted in this press release are non-IFRS measures. Our use of underlying measures and reconciliations of the underlying measures to the nearest equivalent IFRS measures are presented in Section 3 of the Q1 2019 Interim report. For ease of reference, we present below reconciliations for the non-IFRS measures quoted in this press release:

Q1 2019

US$000	**IFRS basis**	**Share-based compensation and related payroll taxes**	**Accounting for business combinations**	**Corporate transaction costs**	**Strategic investments**	**Underlying basis**
Revenue	**294,886**	**–**	**–**	**–**	**–**	**294,886**
Gross profit	**145,478**	**668**	**–**	**–**	**–**	**146,146**
SG&A expenses	**(44,219)**	**5,179**	**3,633**	**4,031**	**–**	**(31,376)**
R&D expenses	**(80,633)**	**6,039**	**2,268**	**–**	**–**	**(72,326)**
Other operating income	**4,715**	**–**	**(8)**	**–**	**–**	**4,707**
Operating profit	**25,341**	**11,886**	**5,893**	**4,031**	**–**	**47,151**
Net finance income	**959**	**–**	**315**	**–**	**(268)**	**1,006**
Profit before income taxes	**26,300**	**11,886**	**6,208**	**4,031**	**(268)**	**48,157**
Income tax expense	**(7,942)**	**(853)**	**(684)**	**(450)**	**51**	**(9,878)**
Net income	**18,358**	**11,033**	**5,524**	**3,581**	**(217)**	**38,279**

Q1 2018

US$000	IFRS basis	Share-based compensation and related payroll taxes	Accounting for business combinations	Integration costs	Effective interest	Strategic investments	Underlying basis
Revenue	332,155	–	–	–	–	–	332,155
Gross profit	153,768	642	2,388	13	–	–	156,811
SG&A expenses	(40,115)	4,638	3,671	448	–	–	(31,358)
R&D expenses	(80,905)	5,068	2,313	228	–	–	(73,296)
Other operating income	135	–	158	–	–	–	293
Operating profit	32,883	10,348	8,530	689	–	–	52,450
Net finance income	(4,438)	–	711	–	33	3,536	(158)
Profit before income taxes	28,445	10,348	9,241	689	33	3,536	52,292
Income tax expense	(10,637)	761	(1,202)	(145)	(6)	233	(10,996)
Profit after income taxes	17,808	11,109	8,039	544	27	3,769	41,296
Share of loss of associate	(372)	–	–	–	–	–	(372)
Net income	17,436	11,109	8,039	544	27	3,769	40,924

Accounting for business combinations

US$000	**Q1 2019**	Q1 2018
Amortisation of acquired intangible assets	**5,657**	5,657
Consumption of the fair value uplift of acquired inventory	**–**	2,388
Consideration accounted for as compensation expense	**319**	454
Forfeiture of deferred consideration	**(83)**	(127)
Remeasurement of contingent consideration	**–**	158
Increase in operating profit	**5,893**	8,530
Unwinding of discount on contingent consideration	**315**	711
Increase in profit before income taxes	**6,208**	9,241
Income tax credit	**(684)**	(1,202)
Increase in net income	**5,524**	8,039

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EBITDA

US$000	Q1 2019	Q1 2018
Net income	**18,358**	17,436
Net finance (income)/expense	**(959)**	4,438
Income tax expense	**7,942**	10,637
Depreciation expense	**10,166**	7,893
Amortisation expense	**11,716**	11,786
EBITDA	**47,223**	52,190
Share-based compensation and related payroll taxes	**11,886**	10,348
Consumption of the fair value uplift of acquired inventory	**–**	2,388
Consideration accounted for as compensation expense	**319**	454
Forfeiture of deferred consideration	**(83)**	(127)
Remeasurement of contingent consideration	**–**	158
Corporate transaction costs	**4,031**	–
Integration costs	**–**	689
Share of loss of associate	**–**	372
Underlying EBITDA	**63,376**	66,472

Free cash flow

US$000	Q1 2019	Q1 2018
Cash flow from operating activities	**41,572**	49,649
Purchase of property, plant and equipment	**(4,961)**	(9,054)
Purchase of intangible assets	**(1,124)**	(1,776)
Payments for capitalised development costs	**(4,557)**	(6,119)
Capital element of lease payments	**(2,922)**	(818)
Free cash flow	**28,008**	31,882

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Dialog Semiconductor invites you today at 07.30 am (London) / 08.30 am (Frankfurt) to take part in a live conference call and to listen to management's discussion of the Company's Q1 2019 performance, as well as guidance for Q2 2019. Participants will need to register using the link below. A full list of dial in numbers will also be available. To register for the webcast and receive dial in numbers, the conference PIN and a unique User ID please click on the link below:

https://www.incommglobalevents.com/registration/client/1734/dialog-semiconductor-2019-q1-results/

In parallel to the call, the presentation will be available at:

http://webcast.openbriefing.com/DS09052019/

The presentation will also be available under the investor relations section of the Company's website at:

https://www.dialog-semiconductor.com/investor-relations/results-center

A replay will be posted on the Dialog website four hours after the conclusion of the presentation and will be available at:

https://www.dialog-semiconductor.com/investor-relations/results-center

The full release including the Company's condensed consolidated income statement, consolidated balance sheet, consolidated statements of cash flows and financial notes for the quarter ended 29 March 2019 is available under the investor relations section of the Company's website at:

https://www.dialog-semiconductor.com/investor-relations/results-center

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Note to editors

Dialog Semiconductor provides highly integrated standard (ASSP) and custom (ASIC) mixed-signal integrated circuits (ICs), optimised for smartphone, tablet, IoT, LED Solid-State Lighting (SSL), and Smart Home applications. Dialog brings decades of experience to the rapid development of ICs while providing flexible and dynamic support, world-class innovation and the assurance of dealing with an established business partner. With world-class manufacturing partners, 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 we operate in.

Dialog's power saving technologies including DC-DC configurable system power management deliver high efficiency and enhance the consumer's user experience by extending battery lifetime and enabling faster charging of their portable devices. Its technology portfolio also includes audio, Bluetooth® Low Energy, Rapid Charge™ AC/DC power conversion and multi-touch.

Dialog Semiconductor Plc is headquartered in London with a global sales, R&D and marketing organisation.It currently has approximately 1,850 employees worldwide. In 2018, it had approximately US$ 1.44 billion in revenue. The company is listed on the Frankfurt (XETRA: DLG) stock exchange (Regulated Market, Prime Standard, ISIN GB0059822006) and is a member of the German TecDax and MDAX indices.

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.