

# Press release – 4 March 2020

## Dialog Semiconductor reports results for the fourth quarter ended 31 December 2019

### Q4 2019 Revenue above the mid-point of the guidance range at US\$381 million, record gross margin at 50.0% and stable underlying operating margin at 24.0%.

London, UK, 4 March 2020 – Dialog Semiconductor Plc (XETRA: DLG) today reports unaudited results for the fourth quarter ended 31 December 2019.

US\$ millions unless stated otherwise	IFRS basis (unaudited)		Underlying <sup>1</sup> (unaudited)		
	Q4 2019	Q4 2018	Q4 2019	Q4 2018	Change
Revenue	<b>380.6</b>	430.7	<b>380.6</b>	430.7	(12)%
Gross margin	<b>50.0%</b>	48.6%	<b>50.2%</b>	48.7%	+150bps
Operating expenses <sup>2</sup>	<b>137.0</b>	131.8	<b>100.5</b>	106.4	(6)%
Operating profit	<b>53.7</b>	77.1	<b>91.3</b>	103.4	(12)%
Operating margin	<b>14.1%</b>	17.9%	<b>24.0%</b>	24.0%	0bps
Diluted EPS	<b>0.61</b>	0.74	<b>1.02</b>	1.06	(4)%
Free cash flow			<b>44.4</b>	82.4	(46)%

<sup>1</sup> Underlying measures and free cash flow quoted in this Press Release are non-IFRS measures (see page 4).

<sup>2</sup> Comprising SG&A and R&D expenses.

#### Q4 2019 Financial highlights

- Revenue of US\$381 million slightly above the mid-point of the guidance range and 12% below Q4 2018.
- Gross margin at 50.0% (Q4 2018: 48.6%) and underlying gross margin at 50.2% (Q4 2018: 48.7%) slightly above the November guidance.
- Operating profit of US\$53.7 million, 30% below Q4 2018. Underlying operating profit of US\$91.3 million, 12% below Q4 2018.
- Diluted EPS of US\$0.61 (Q4 2018: US\$0.74) and underlying diluted EPS of US\$1.02 (Q4 2018: US\$1.06).
- US\$103 million returned to shareholders in Q4 2019 through the 2019 Buyback Programme.
- At the end of Q4 2019, we held cash and cash equivalents of US\$1,025 million.
- On 31 October 2019, the Company closed the acquisition of Creative Chips GmbH, a supplier of Integrated Circuits (ICs) to the Industrial Internet of Things (IIoT) market.
- On 12 November 2019, Dialog upgraded its long-term financial targets, expecting to see meaningful improvement in both underlying gross margin and underlying operating margin.
- Subsequent to quarter end, on 20 February 2020, Dialog announced a definitive agreement to acquire Adesto Technologies Corporation (“Adesto”) accelerating our expansion into growth segments of the IIoT market.

#### Q4 2019 Operational highlights

- Continued design-in momentum at our largest customer for the development and supply of a number of mixed-signal integrated circuits.
- Revenue from our largest customer in Custom Mixed Signal not covered by the license agreement almost doubled year-on-year.
- Q4 2019 revenue from our AC/DC charging products was up 16% year-on-year, led by growth in rapid charge products.
- In support of the expansion of our product portfolio we signed an agreement with Flex Logix Technologies Inc., increasing the configurability of our products to meet a growing opportunity in our target end markets.
- Increased our footprint in IoT with our Bluetooth<sup>®</sup> low energy (BLE) products, which delivered 57% year-on-year revenue growth.
- Launched SmartBond TINY™, the latest member of our BLE family of products, designed to power the next billion IoT devices.

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

*“We closed 2019 in a strong financial position and made real advances in our strategy to better balance the end-market exposure of our business while remaining focused on high-growth segments of our target markets, such as IoT, mobile and automotive. We have continued to invest in both, the development of new products and the expansion of our business through select strategic acquisitions. These investments will create new growth opportunities and long-term shareholder value.”*

*“Our strong product pipeline will allow us to grow faster than the market over the medium term, as well as continue to generate cash and deliver consistent capital returns to shareholders. In 2019, we have made good progress on our strategic objectives and toward achieving our long-term financial targets. This gives us the confidence to look forward to another exciting year of progress, innovation and business diversification.”*

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### Outlook

We anticipate revenue for Q1 2020 to be in the range of US\$220 million to US\$250 million and underlying gross margin to be slightly above Q1 2019. This reflects typical seasonal trends as well as the disruption caused by the COVID-19 outbreak on our customers' contract manufacturers and on demand across China.

For FY 2020, revenue excluding licensed main PMICs is expected to grow approximately mid teens percentage in line with our long-term financial targets. Total Group revenue is expected to be second half weighted with declining revenue from legacy licensed main PMICs. Excluding any revenue from the announced acquisition of Adesto Technologies Corporation, we expect total Group revenue for FY 2020 to decline from FY 2019 US\$1,420 million by approximately mid teens percentage points. This assumes a return to normal for supply chain and contract manufacturers by Q2 2020. Based on this revenue in FY 2020 we anticipate underlying gross margin to continue on a gradual upward trend.

### Q4 2019 Financial overview

Revenue was 12% below Q4 2018 at US\$381 million driven by the lower revenue from licensed main PMIC products partially offset by year-on-year growth in our key growth vectors, such as other custom PMIC products, Bluetooth® low energy, AC/DC charging and lighting products. License revenue of US\$6 million related to the Apple agreement was reported in Corporate.

Gross margin was a record 50.0%, 140bps above Q4 2018 due to the positive contribution from the license revenue (Q4 2019: US\$6 million; Q4 2018: nil) and lower manufacturing costs.

Q4 2019 underlying<sup>1</sup> gross margin was also a record 50.2%, 150bps above Q4 2018, due to the same reasons.

Operating expenses (OPEX) comprising SG&A and R&D expenses, in Q4 2019 were 4% above Q4 2018, mainly due to higher costs from the acquisitions of FCI and Creative Chips partially offset by lower R&D expenses, representing 36.0% of revenue (Q4 2018: 30.6%). Underlying OPEX was down 6% year-on-year representing 26.4% of revenue (Q4 2018: 24.7%) due to lower R&D expenses partially offsetting the increase from the acquisitions of FCI and Creative Chips.

R&D expenses in Q4 2019 were 8% below Q4 2018 representing 20.6% of revenue (Q4 2018: 19.7%). Underlying R&D expenses were down 14% year-on-year representing 16.9% of revenue (Q4 2018: 17.5%). The decrease in R&D expenses was mainly due to the transfer of over 300 employees to Apple on 8 April 2019 and other cost savings.

SG&A expenses in Q4 2019 were up 25% from Q4 2018, representing 15.4% of revenue (Q4 2018: 10.9%). Underlying SG&A in Q4 2019 was 15% above Q4 2018 representing 9.5% of revenue (Q4 2018: 7.2%). The increase in SG&A expenses was mainly due to the acquisitions of FCI and Creative Chips.

Other operating income in Q4 2019 was US\$0.6 million (Other operating expense Q4 2018: US\$0.6 million), which comprised income from engineering contracts. Underlying other operating income in Q4 2019 was also US\$0.6 million, above Q4 2018 (Q4 2018: nil) due to higher income from engineering development work contracts for specific customers.

Operating profit in Q4 2019 was US\$53.7 million, 30% below Q4 2018, mainly reflecting the lower revenue, together with higher operating expenses. Operating margin was below Q4 2018 at 14.1% due to the lower revenue and higher operating expenses partially offset by higher gross margin. Underlying<sup>1</sup> operating profit was US\$91.3 million, 12% below Q4 2018. Underlying operating margin was in line with Q4 2018 at 24.0% (Q4 2018: 24.0%).

The effective tax rate in 2019 was 21.7% (2018: 28.2%). The relatively high effective tax rate for 2018 was 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 2019 was 19.8%, down 200bps on the 2018 underlying effective tax rate of 21.8%.

Net income was 23% below Q4 2018 at US\$44.8 million (Q4 2018: US\$57.9 million). This decrease was mostly due to the decrease in operating profit.

Underlying net income was 10% below Q4 2018 at US\$74.8 million (Q4 2018: US\$82.8 million). The year-on-year decrease in underlying net income was mainly driven by the underlying operating profit movement.

Diluted EPS in Q4 2019 was 18% below Q4 2018 at US\$0.61 (Q4 2018: US\$0.74). Underlying diluted EPS in Q4 2019 was US\$1.02 (Q4 2018: US\$1.06).

At the end of Q4 2019, our total inventory level was US\$123 million (or ~58 days), which is 2% below the previous quarter, representing a 4-day increase in our days of inventory from Q3 2019. During Q1 2020, we expect inventory value to be broadly in line with Q4 2019 and days of inventory to be above Q4 2019.

In Q4 2019, the second, third and final settlements of the first tranche of the 2019 Buyback Programme took place. In the second interim settlement the Company purchased 865,000 ordinary shares for €37.1 million at an initial average price of €42.87. In the third and final settlement the Company purchased 1,469,895 shares for €54.8 million at an average price of €37.27.

At the end of Q4 2019, we held cash and cash equivalents of US\$1,025 million. Cash inflow from operating activities in Q4 2019 was US\$57.4 million, 40% below Q4 2018 (Q4 2018: US\$96.5 million) mainly as a result of lower cash generated from operations, working capital movements, and higher income tax paid. Free cash flow in Q4 2019 was US\$44.4 million, 46% below Q4 2018 (Q4 2018: US\$82.4 million) mostly due to the lower cash flow from operating activities which includes US\$50 million recoupment of the prepayment in relation to the licensing arrangement. Free cash flow margin (as a percentage of revenue) in Q4 2019 was below Q4 2018 at 11.7% (Q4 2018: 19.1%).

In support of our growth strategy and the expansion of our product portfolio, on 31 October 2019, the Company closed the acquisition of Creative Chips GmbH, a Germany based fabless semiconductor company supplying a broad portfolio of industrial Ethernet and other mixed-signal products to top-tier, blue-chip manufacturers of industrial automation systems. Creative Chips is expected to generate revenue growth of over 25% per annum over the next few years. We purchased Creative Chips for consideration of US\$80 million on a cash and debt-free basis. Additional contingent consideration of up to US\$23 million in cash, may be payable based on future revenue targets in 2020 and 2021.

Subsequent to quarter end, on 20 February 2020, we announced the definitive agreement to acquire of Adesto, accelerating Dialog's expansion into growing segments of the industrial IoT market. Dialog will acquire Adesto for \$12.55 per share in cash, or for approximately \$500 million enterprise value. The deal will be funded from Dialog's balance sheet. The transaction is expected to be EPS accretive for Dialog within the first calendar year following close. Dialog expects annual cost synergies of approximately \$20 million within the first calendar year of close across the combined company. We also anticipate considerable additional revenue synergies given the complementary nature of the product portfolios and technology. Adesto expects to report FY 2019 revenue of approximately \$118 million and continued revenue growth is anticipated over the next few years. The transaction is subject to certain regulatory approvals and customary closing conditions and is expected to close in the third quarter of 2020.

### Update of long-term financial targets

In November 2019, we upgraded our long-term financial targets, expecting to see meaningful improvement in both underlying gross margin and underlying operating margin. This improvement was the result of extending our power-efficient mixed-signal product portfolio in IoT, computing, automotive and industrial, alongside further savings in manufacturing and operational costs. Our growth strategy is focused on fast-growing segments of our target end markets; IoT, mobile, computing, automotive and industrial, where Dialog continues to see significant opportunities to drive its high-performance mixed-signal IC leadership.

The Company maintains its commitment to disciplined capital allocation. Dialog has significant financial flexibility to pursue its growth strategy, including value enhancing M&A, while maintaining a healthy balance sheet and a consistent return of capital to shareholders through share buybacks.

### Q4 2019 Segmental 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, have contributed to our growing presence in the automotive segment. In line with our strategic goals, we intend to continue to broaden our product portfolio through a combination of organic and inorganic initiatives. Our ambition is to build a vibrant mixed-signal business, with a balanced end market exposure, on innovative power efficient products which enable our customers to get fast to market.

### Underlying results by segment

US\$ millions - unless stated otherwise	Revenue			Operating profit/(loss)		Operating margin	
	Q4 2019	Restated <sup>3</sup> Q4 2018	Change	Q4 2019	Restated <sup>3</sup> Q4 2018	Q4 2019	Restated <sup>3</sup> Q4 2018
Custom Mixed Signal	<b>255.7</b>	327.8	(22)%	<b>81.7</b>	97.5	<b>32.0%</b>	29.7%
Advanced Mixed Signal	<b>68.4</b>	60.7	13%	<b>2.7</b>	6.5	<b>4.0%</b>	10.7%
Connectivity & Audio	<b>50.2</b>	41.0	22%	<b>4.4</b>	4.6	<b>8.7%</b>	11.2%
Total Segments	<b>374.3</b>	429.5	(13)%	<b>88.8</b>	108.6	<b>23.7%</b>	25.3%
Corporate and other unallocated items	<b>6.3</b>	1.2	nm	<b>2.5</b>	(5.2)	<b>39.1%</b>	nm
Total Group	<b>380.6</b>	430.7	(12)%	<b>91.3</b>	103.4	<b>24.0%</b>	24.0%

### Custom Mixed Signal (CMS)

In Q4 2019 revenue was US\$256 million, 22% below Q4 2018 due to lower revenue from licensed main PMIC products partially offset by higher volumes and content per device across multiple platforms. Revenue in CMS from our largest customer's products not covered by the licensing agreement was up 94% year-on-year to US\$113 million (Q4 2018: US\$58 million). Underlying operating profit for CMS was US\$81.7 million, 16% below Q4 2018 (Q4 2018: US\$97.5 million). This decrease was mainly due to the lower revenue partially offset by lower operating expenses.

We continue to receive requests for quotations for new custom designs for 2021 and beyond, in diverse areas of power, charging, display and audio technologies, from a number of customers in mobile, solid state drives, and AR/VR applications.

In line with our strategic objectives, we are leveraging our power management technology into new markets and geographies through the expansion of our platform reference designs. The collaborations with Renesas, Xilinx, and Telechips, strengthen Dialog's presence in the IVI<sup>4</sup> and ADAS<sup>4</sup> applications automotive segment. There are currently over 80 automotive customer engagements in place, most of which are expected to go into production over the next three years.

<sup>3</sup> Restated to reflect the segment reorganisation and measurement changes.

<sup>4</sup> Intelligent In-Vehicle Infotainment and Advanced Driver-Assistance Systems.

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### Advanced Mixed Signal (AMS)

During Q4 2019, AMS revenue was 13% above Q4 2018. This was mostly the result of strong growth in all three main product groups. Revenue from AC/DC charging products was up 16% above Q4 2018, led by growth in rapid charge. Revenue from CMICs was up 9% sequentially and year-on-year, and lighting products delivered another quarter of strong year-on-year revenue growth. During the quarter we continued to invest in the growth of our AMS business, resulting in lower underlying operating profit year-on-year.

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 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 strongly during Q4 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 in 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. A number of CMIC GreenPAK™ new products are under development, and we are targeting their release during the first half of 2020.

In Q4 2019, we announced a strategic agreement with Flex Logix Technologies Inc. for Dialog to license Flex Logix's EFLX Embedded Field-Programmable Gate Array (eFPGA) technology and the EFLX Compiler to program these embedded FPGAs. Adding eFPGA functionality to our products will give our customers the flexibility to keep pace with rapidly changing market needs. Increasing the configurability of our products enables us to meet an increasing opportunity for configurable and programmable products in our target end markets. The CMIC, along with other members of the GreenPAK family, replace dozens of components in automotive applications to optimize flexibility, footprint and a reduction of the bill of materials. During the quarter, our CMIC incorporating Dialog's industry-leading LDO regulator was adopted by three tier 1 mobile customers and is being evaluated by various other customers.

### Connectivity and Audio (C&A)

During Q4 2019, revenue was 22% above Q4 2018 as a result of the strong performance of Bluetooth® low energy and the new audio products, alongside the revenue contribution from the acquisition of FCI. Underlying operating profit in C&A was slightly below Q4 2018 at US\$4.4million mainly due to the acquisition of FCI.

Revenue from our SmartBond™ System-on-Chip (SoC) was 57% above Q4 2018, due to the ramp of new products from customers in Korea and China. The DA1469x family, the latest addition to Dialog's SmartBond™ line, was adopted by Samsung's Galaxy Fit fitness tracker. Our most advanced SmartBond™ product enables the Galaxy Fit seamless smartphone connectivity while conserving energy to extend battery life. The Bluetooth® low energy market is estimated to grow over 20% CAGR over the 2019-2023 period<sup>5</sup>, a reflection of the continuing adoption of the technology across a wide range of applications. Our strategy remains focused on targeted verticals, like wearables, proximity tags, smart home, gaming accessories and connected health. In Q4 2019, we launched SmartBond TINY™, the latest addition to our Bluetooth® low energy offering. SmartBond TINY™ has been designed to power the next billion IoT devices, lowering the cost of adding Bluetooth® low energy functionality to a system without compromising performance or size. New audio technology performed strongly during Q4 2019, up 12% over Q4 2018. The C&A Segment is targeting the rapidly-growing consumer wireless 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. Our product portfolio targeting the headset market also includes a family of highly-integrated audio codec chips that deliver best-in-class active noise cancellation (ANC), providing optimal audio performance in any environment.

<sup>5</sup> Source: IHS Technology October 2019 and Company estimates (including BLE for automotive market).

**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 full announcement of our results for Q4 and FY 2019. For ease of reference, we present below reconciliations for the non-IFRS measures quoted in this press release:

**Q4 2019**

US\$000	IFRS basis	Share-based compensation and related expenses	Accounting for business combinations	Integration costs	Corporate transaction costs	Strategic investments	Underlying basis
Revenue	380,582	–	–	–	–	–	380,582
Gross profit	190,142	178	863	–	–	–	191,183
SG&A expenses	(58,532)	9,681	6,091	1,583	5,170	–	(36,007)
R&D expenses	(78,515)	10,694	2,967	348	–	–	(64,506)
Other operating income	598	–	–	–	–	–	598
Operating profit	53,693	20,553	9,921	1,931	5,170	–	91,268
Net finance income	372	–	149	–	–	(395)	126
Profit before income taxes	54,065	20,553	10,070	1,931	5,170	(395)	91,394
Income tax expense	(9,271)	(2,709)	(3,660)	(80)	(954)	75	(16,599)
Net income	44,794	17,844	6,410	1,851	4,216	(320)	74,795

**Q4 2018**

US\$000	IFRS basis	Share-based compensation and related expenses	Accounting for business combinations	Integration costs	Corporate transaction costs	Strategic investments	Underlying basis
Revenue	430,745	–	–	–	–	–	430,745
Gross profit	209,469	359	–	–	–	–	209,828
SG&A expenses	(46,809)	4,507	3,731	662	6,693	–	(31,216)
R&D expenses	(84,951)	7,488	2,275	–	–	–	(75,188)
Other operating income	(600)	–	600	–	–	–	–
Operating profit	77,109	12,354	6,606	662	6,693	–	103,424
Net finance (expense)/income	223	–	590	–	–	1,814	2,627
Profit before income taxes	77,332	12,354	7,196	662	6,693	1,814	106,051
Income tax expense	(19,449)	(2,237)	(701)	(113)	(370)	(345)	(23,215)
Profit after income taxes	57,883	10,117	6,495	549	6,323	1,469	82,836
Share of loss of associate	3	–	–	–	–	–	3
Net income	57,886	10,117	6,495	549	6,323	1,469	82,839

**Accounting for business combinations**

US\$000	Q4 2019	Q4 2018
Acquisition-related costs	1,344	–
Amortisation of acquired intangible assets	7,386	5,657
Consumption of the fair value uplift of acquired inventory	863	–
Consideration accounted for as compensation expense	298	336
Forfeiture of deferred consideration	30	(27)
Remeasurement of contingent consideration	–	640
<b>Increase in operating profit</b>	<b>9,921</b>	6,606
Unwinding of discount on contingent consideration	149	590
<b>Increase in profit before income taxes</b>	<b>10,070</b>	7,196
Income tax credit	(3,660)	(701)
<b>Increase in net income</b>	<b>6,410</b>	6,495

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### EBITDA

US\$000	Q4 2019	Q4 2018
Net income	44,794	57,886
Net finance (income)/expense	(372)	(223)
Income tax expense	9,271	19,449
Depreciation expense	8,939	7,381
Amortisation expense	14,106	12,567
<b>EBITDA</b>	<b>76,738</b>	<b>97,060</b>
Share-based compensation and related costs	20,553	12,354
Acquisition-related costs	1,344	–
Consumption of the fair value uplift of acquired inventory	863	–
Consideration accounted for as compensation expense	298	336
Forfeiture of deferred consideration	30	(27)
Remeasurement of contingent consideration	–	640
Corporate transaction costs	5,170	6,693
Integration costs	1,931	662
Share of loss of associate	–	(3)
<b>Underlying EBITDA</b>	<b>106,927</b>	<b>117,715</b>

### Free cash flow

US\$000	Q4 2019	Q4 2018
Cash flow from operating activities	57,448	96,466
Purchase of property, plant and equipment	(1,987)	(5,900)
Purchase of intangible assets	(4,480)	(2,306)
Payments for capitalised development costs	(4,195)	(5,821)
Capital element of lease payments	(2,424)	–
<b>Free cash flow</b>	<b>44,362</b>	<b>82,439</b>

Dialog Semiconductor invites you today at 09.30 am (London) / 10.30 am (Frankfurt) to take part in a live conference call and to listen to management's discussion of the Company's Q4 2019 performance, as well as guidance for Q1 2020. 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/2860/dialog-semiconductor-q4-earnings-call/>

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

<https://webcast.openbriefing.com/dialogQ42019/>

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 unaudited consolidated financial statements for the quarter ended 31 December 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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**About Dialog Semiconductor**

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 employees, the 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 2,000 employees worldwide. In 2019, it had approximately US\$ 1.42 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.