



Dialog Semiconductor

Acquisition of FCI - Silicon Motion Mobile Communication Business

7 MARCH 2019

Forward looking statement

This document 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. Examples include statements regarding financial metrics, operational matters, and closing conditions and regulatory approvals required under the new contract with Apple. Forward-looking 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 “Risks and their management” 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.

Extending Our Product Portfolio in Connectivity IoT With Ultra-Low Power Wi-Fi

Dialog to Acquire FCI

- FCI – Mobile Communications product line, including Ultra-Low Power Wi-Fi, owned by Silicon Motion
- Over 100-person strong engineering team based in South Korea, focused on Low-Power Wi-Fi battery operated IoT applications
- FCI is the global leader in Mobile TV SoCs



- All cash transaction of \$45 million
- FY 2018 Revenue of approximately \$30 million
- Expected to complete during 2019

Strategic Fit

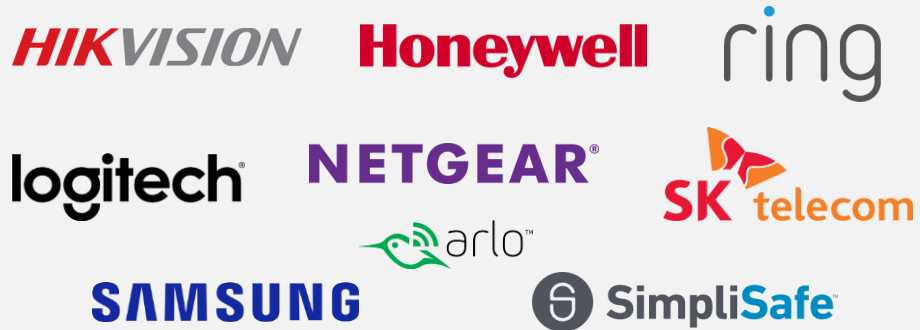
- Extends our Connectivity product portfolio
 - Complementary technology with strong focus on ultra-low power implementation
 - Medium term objective ultra-low power BLE-Wi-Fi combination module
- Addressing high-growth segments of consumer IoT – smart home (over 0.5Bn units by 2022; 22% 2018-2022 CAGR⁽¹⁾)
- Broadens and deepens our customer base in our target end-markets

(1) ABI Research Q4'17: "Internet of Everything Market Tracker"

Targeting High-Growth Segments of Consumer IoT

Strong Focus on Ultra-Low Power Implementation

Complementary Customer Base & Applications



Cross-selling opportunity with Bluetooth low energy and CMICs

Product Differentiation

- The Ultra-Low power Wi-Fi SoC is built from the ground up for battery powered IoT devices
- Enabling direct connection of IoT devices to the internet access point (e.g. router)
- Strong patent portfolio of over 200 patents in RF/Analog and Digital/MODEM



Smart door locks



Smart door bells



IP security cameras



Smart speakers



POS terminals



Wearables



Powering the Smart Connected Future

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