



Dialog Semiconductor to Outline Long-Term Strategy at Capital Markets Day

London, United Kingdom – November 1, 2018 – Dialog Semiconductor plc (XETRA:DLG) today will host its Capital Markets Day for financial analysts and institutional investors in London. At the event, Dialog executives will present the Company’s long-term business strategy and financial targets as it enters its next phase of market leadership in custom and configurable mixed-signal integrated circuits (ICs).

Dialog plans to create shareholder value over the long term by:

- **Building on a Strong Foundation:** Dialog has over 30 years of expertise in providing differentiated, power-efficient mixed-signal ICs to customers globally, with proven execution of rapid design and production cycles.
- **Sharpening its Market Focus:** Dialog is increasing its focus on fast-growing segments of the IoT, Mobile, Automotive and Computing & Storage markets, where the Company sees significant opportunities to drive mixed-signal IC leadership.
- **Extending its Long-standing Partnership with Top Customer:** Dialog’s recently announced licensing agreement with Apple strengthens the long-standing partnership between the two companies, while generating \$600 million in proceeds at closing.
- **Maintaining 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 consistent return of capital to shareholders through share buybacks.

“Dialog is building on its leadership position in power-efficient mixed-signal ICs to capitalize on new growth opportunities. Our custom, configurable and programmable design expertise, coupled with our ability to quickly and reliably ramp to high-volume production, enables us to serve an increasingly broad customer base,” said Jalal Bagherli, CEO. “Our deep expertise and track record provide us with a strong foundation to drive the next phase of growth and create value for Dialog shareholders.”

The Company is building on its leadership position in power-efficient mixed-signal ICs, including its:

- #1 market share in rapid charging and configurable mixed-signal (CMIC) technologies;
- #2 market share in Bluetooth® low energy; and
- ~15% market share in power management for mobile applications.

For the full year 2019, Dialog expects revenue to be broadly in line with the full year 2018. The Company outlines the following long-term underlying financial targets:

- Revenue growth in the mid-teens percentage for the unaffected¹ business;
- Total Group Underlying Gross Margin of 47-48%;
- Total Group Underlying SG&A at 8-10% of revenue;
- Total Group Underlying R&D at 17-19% of revenue;
- Total Group Underlying Operating Margin at 18-23%; and
- Total Group Underlying Effective Tax Rate at 19%-20%.

¹ Excluding revenue from main PMIC products included in the Apple license agreement.

“Dialog has a clear strategy to create shareholder value. With focused R&D investment and continued operational excellence, we expect to deliver strong cash flow generation. Further, we are committed to maintaining a healthy balance sheet while investing in growth opportunities and consistently returning capital to shareholders.” said Wissam Jabre, CFO.

The event will feature presentations and Q&A sessions with Jalal Bagherli, Chief Executive Officer; Wissam Jabre, Chief Financial Officer; Tom Sandoval, SVP of Worldwide Sales; Sean McGrath, SVP and General Manager of Connectivity, Automotive & Industrials Business Group; Udo Kratz, SVP and General Manager of Mobile Systems Business Group; Davin Lee, SVP and General Manager of Advanced Mixed Signal Business Group; and John Teegen, VP and General Manager of Configurable Mixed-Signal Business Group.

Attendance at the event is by invitation only. Media and investors may access presentation materials under the Investor Relations section of the Company’s website at: <https://www.dialog-semiconductor.com/investor-relations/events-presentations>.

A recording of the event will be available by the end of day today on November 1, 2018, accessible at the same link.

For further information please contact:



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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 it operates in. Dialog Semiconductor plc is headquartered in London with a global sales, R&D and marketing organization. In 2017, it had approximately \$1.35 billion in revenue and was one of the fastest growing European public semiconductor companies. It currently has approximately 2,100 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 index.

For more information, visit www.dialog-semiconductor.com.

Forward Looking Statements

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.