HSBC SRI Conference

Frankfurt, 4 February 2014
Our history so far...

1981: Dialog originates from IMP
1986: IMP Europe founded
1990: Dialog Semiconductor formed
1992: Becomes part of Temic-Telefunken
1998: LBO from Temic-Telefunken
1999: IPO Frankfurt
2005: New management team; focus on consumer markets
2006: Launch of new products optimised for portable devices
2008: Return to full year profitability
2011: Acquisition of SiTel
2012: Dialog pioneers integration of ARM processor in power management ICs for next generation smartphones
2013: Dialog acquires iWatt
Business model aligned to key target markets
What makes us different from other mixed signal companies?

- Deep investment in R&D and IP

One of the biggest R&D engineering team focused on Power Management and Mixed Signal know-how for Mobile and Connected consumer applications – “deep moat” vs. competitors

- Flexibility and speed of design

Engaged with largest clients as “extended R&D team” delivering exceptional differentiation through custom solutions, with the speed of execution of a start up company

- “High Touch” fabless model

Outsourcing production process provides exceptional operational flexibility and low CAPEX while maintaining deep expertise on advanced process, test and packaging development through own teams

- High Tier 1 client penetration Biz model

Allowing high volume with lower OPEX resulting in strong cash generative model
A quick look back

Strong track record of revenue and EBIT growth

- 7 years of robust revenue growth underpinned by volume and ASP growth
- Uninterrupted period of continuing profitability every quarter since Q4 07
- Stronger foot print in North America and Asia vs. 3 years ago
- Engaged with leading brands in growth mobile market segments and Solid State Lighting worldwide

Full year IFRS revenue
($ million)

<table>
<thead>
<tr>
<th>Year</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>87</td>
<td>162</td>
<td>218</td>
<td>296</td>
<td>527</td>
<td>774</td>
<td>903</td>
</tr>
</tbody>
</table>

48% CAGR 2007-2013

Full year IFRS EBIT
($ million)

<table>
<thead>
<tr>
<th>Year</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBIT</td>
<td>-17</td>
<td>6</td>
<td>29</td>
<td>45</td>
<td>62</td>
<td>60</td>
<td>91</td>
</tr>
</tbody>
</table>

98% CAGR 2008-2012
Dialog views sustainability as a three-prong strategy that supports the economic long-term sustainability of the Company.

In October 2013 we published our inaugural annual Sustainability Report.

We are committed to taking measures to better understand the impact of the business:
- Corporate Governance
- Supply Chain Management
- Employee engagement
- Environmental impact
- Local Community Investment
Corporate Governance
Investor Relations and Transparency

Investor Relations

- Quarterly Investor Roadshows
- Quarterly Earnings Call Including Q&A
- Attendance at Key Conferences
- Media and Press Relations
- Quarterly all hands communication meetings with Employees
- Regulators

Transparency

- Audited quarterly financial statements
- Quarterly disclosure of financial statements
- Remuneration structure is transparent to all employees and clearly communicated
- Full and timely disclosure of any directors dealings

United Nations Global Compact

Committed in February 2012

Human and Labour Rights
Employees
*A growing and diverse global workforce*

- **Diversity and equal opportunity**
  - 1,100 employees
  - 75% engineers
  - 15% female
  - 21 locations
  - 14 countries
  - 51 nationalities

- **Committed to the training and development of all employees at all levels of the organisation; 2013 targets:**
  - 47,440 training days
  - Supporting 5 STEM education programmes
Environmental impact
A responsible approach - $R^3$

- **Redesign**
  Our products allow our clients to reduce the number of electronic components required and reduce waste
  Enabling efficient energy monitoring in our homes and the transition to energy efficient LED Solid State Lighting

- **Reduce**
  34% reduction of CO2 emissions in our main design centres in 2012

- **Recycle**
  - 92% of packing and waste recycled in our main design centres in 2012
  - 21% increase in quantity of recovered gold
  - 61% increase in quantity of recovered silver
  - 47% increase in collection rate of copper from scrap devices
  - 16% reduction of hazardous materials
  - 46% increase in the recycling of scrap devices
“High touch” fabless business model

**Environmental Benefits**
- Use shared capacity
- Scalability
- Higher throughput
- Dialog uses only Best-in-class fabrication partners (i.e. TSMC)

**Economic Benefits**
- CAPEX light model
- Capacity flexibility
- Design flexibility
- Business continuity
Redesign - Energy efficiency of our products
Beyond Power Management

Higher ASP

Increasing complexity and functional integration

Accelerate time to market for our customers

Ability to integrate digital control

Typically 40% board saving – material savings *

> 30% power saving *

> 30% cost saving *

* Compared to discreet solutions
Continuous investment in R&D

- Bluetooth Smart SoC
- Designed for the wearable computer, wireless keyboard and mouse, smartphone peripherals (medical, fitness, sporting)
- Lowest power consumption
- Smallest package on the market

- LED Solid State Lighting IC
- IData defined bulb for smart lighting
- On/Off digital switch dimming
- Wide dimming range 1-100%
- Auxiliary Power Supply for wireless or sensor connectivity

- Highly integrated Multi-Touch IC
- Supporting FlatFrog Planar Scatter Detection Touch
- Designed to be Microsoft Windows 8 touch compliant
- Bring cost effective, premium multi-touch to mainstream Ultrabooks™, laptops, All-In-One PCs and monitors
Community investment
Target of 1% of pre-tax profit by 2015

- Annual “Corporate Giving Programme” encourages employees to volunteering and fundraising
  - 6% of employees participated in charitable activities
  - 9 locations
  - 6 countries

- University partnerships to attract the brightest students into the electronics industry and our Company
  - 47 students sponsored
  - 6 countries
  - 8 scholarships for electronic engineers
  - 3 access bursaries for low income students
Dialog’s Sustainability Journey
Where are we heading?

October 2013
First Annual Sustainability Report

30% employee volunteerism rate
CDP - ‘Scope-2-Indirect CO2 Emission Reduction’ 30%
Reduce the use of hazardous materials in labs by 25%

2013
Design centres to recycle 95% of packaging and waste
100% of suppliers have their own documented CSR policy
100% on-site audits of suppliers

2014

2015
Corporate giving to be 1% pre-tax profit
Reduce travel emissions by 25%

October 2013
First Annual Sustainability Report

The power to be... sustainable

HSBC SRI Conference 4 February 2014, Frankfurt
The power to be...