

Ad-hoc announcement in accordance with § 15 WpHG: Dialog Semiconductor announces share buyback programme and commencement of the process for the first tranche of shares to be bought back pursuant to the programme

London, UK, 3 May 2016 - Today the board of directors of Dialog Semiconductor Plc (XETRA: DLG) (the **Company**), a provider of highly integrated power management, AC/DC power conversion, solid state lighting and Bluetooth® Smart wireless technology, has resolved to commence a share buyback programme in accordance with the shareholder approvals granted at the Company's Annual General Meeting (**AGM**) on 28 April 2016. It has further resolved to commence the process to buyback the first tranche of shares pursuant to that programme.

The Company will give notice in writing to each of Barclays Bank PLC, HSBC Bank plc and Merrill Lynch International (together the **Brokers**) that it wishes to exercise its rights to purchase shares pursuant to the contingent forward share purchase contracts entered into with each of the Brokers on or around the date of the AGM, specifying the terms on which the Company is willing to purchase shares from the Broker that provides the most favourable pricing terms to the Company (the **Preferred Broker**).

These terms include:

- the maximum total cost of the shares to be purchased by the Company from the Preferred Broker under the first tranche of the Company's buyback programme shall be €50 million and the minimum total cost shall be €37.5 million; and
- the maximum maturity date for the first tranche of the Company's buyback programme shall be 15 September 2016 and the minimum maturity date shall be 15 July 2016.

Based on the assumption that the average price at which ordinary shares will be acquired by the Company is €30 per share, this would enable the Company to acquire up to approximately 1.66 million ordinary shares pursuant to the first tranche of its buyback programme.

Once appointed, the Preferred Broker shall, acting independently as principal (without influence from the Company), purchase Certified Interests (**CIs**) in the Company on the Frankfurt Stock Exchange and, after acquiring the corresponding number of ordinary shares in the Company from Clearstream Banking AG, which is the registered shareholder for the shares underlying the CIs, shall sell these ordinary shares to the Company on certain settlement dates in accordance with the terms above and the contingent forward share purchase agreement with the Preferred Broker.

Further details relating to the share buyback programme, including details of the Preferred Broker, shall be announced separately before the share buyback programme and the purchase of the first tranche of shares under it commences. The Company will regularly provide information on the progress of the buyback, including the number of ordinary shares purchased by the Company, on its website at <http://www.dialog-semiconductor.com/financial-news/share-buybacks>.

No more than one tranche of shares will be bought back at any one time by the Company and there can be no certainty that any further ordinary shares will be acquired by the Company following the conclusion of the first tranche of its buyback programme.

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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® Smart, 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. In 2015, it had \$1.35 billion in revenue and was one of the fastest growing European public semiconductor companies. It currently has approximately 1,660 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.

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 "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.