

DIODES INCORPORATED AUDIT COMMITTEE

The Audit Committee makes recommendations to the Board of Directors regarding the engagement of the Company's independent auditors, reviews the plan, scope and results of the audit, reviews with management the Company's policies and procedures with respect to internal accounting and financial controls and reviews changes in accounting policy and the scope of the non-audit services which may be performed by the Company's independent auditors. The Audit Committee also monitors policies to prohibit unethical, questionable or illegal activities by the Company's employees.

The Board of Directors has determined that each member of the Audit Committee is "independent" as that term is defined under the rules of Nasdaq and the SEC, and that Mr. Giordano qualifies as an "audit committee financial expert" as defined under the rules of the SEC.

On April 8, 2004, the Audit Committee recommended, and the Board of Directors adopted, a revised charter for the committee, a copy of which is attached to the Proxy Statement as Exhibit A.