UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended MARCH 31, 2001

Or

[ ] Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the transition period from _______ to ________.

COMMISSION FILE NUMBER: 1-5740

DIODES INCORPORATED
(Exact name of registrant as specified in its charter)

DELAWARE	95-2039518
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)

3050 EAST HILLCREST DRIVE WESTLAKE VILLAGE, CALIFORNIA	91362
(Address of principal executive offices)	(Zip code)

(805) 446-4800
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No [ ]

The number of shares of the registrant's Common Stock, $0.66 2/3 par value, outstanding as of May 4, 2001 was 9,222,205, including 1,075,672 shares of treasury stock.

INDEPENDENT ACCOUNTANT'S REPORT

Board of Directors and Shareholders
Diodes Incorporated and Subsidiaries

We have reviewed the accompanying consolidated condensed balance sheet of Diodes Incorporated and subsidiaries as of March 31, 2001, and the related consolidated condensed statements of income and cash flows for the three months ended March 31, 2001. These financial statements are the responsibility of the management of Diodes Incorporated and Subsidiaries.

We conducted our review in accordance with standards established by the American Institute of Certified Public Accountants. A review of interim financial information consists principally of applying analytical procedures to financial data and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the consolidated condensed financial statements referred to above for them to be in conformity with generally accepted accounting principles.

We have previously audited, in accordance with generally accepted auditing standards, the consolidated balance sheet of Diodes Incorporated and Subsidiaries as of December 31, 2000, and the related consolidated statements of income, stockholders' equity and cash flows for the year then ended not presented herein; and in our report dated January 30, 2001, we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying consolidated condensed balance sheet as of December 31, 2000, is fairly presented, in all material respects, in relation to the consolidated balance sheet from which it has been derived.

/s/ Moss Adams LLP

Los Angeles, CA
April 26, 2001

PART I - FINANCIAL INFORMATION

ITEM 1 - CONSOLIDATED FINANCIAL STATEMENTS

DIODES INCORPORATED AND SUBSIDIARIES
CONSOLIDATED CONDENSED BALANCE SHEET

ASSETS

	DECEMBER 31, 2000	MARCH 31, 2001 (UNAUDITED)
CURRENT ASSETS		
Cash	$ 4,476,000	$ 3,593,000
Accounts receivable		
Customers	19,723,000	20,880,000
Related parties	615,000	1,850,000
Other	26,000	8,000
	20,364,000	22,738,000
Less allowance for doubtful receivables	311,000	255,000
	20,053,000	22,483,000
Inventories	31,788,000	26,775,000
Deferred income taxes, current	4,387,000	4,388,000
Prepaid expenses and other current assets	686,000	684,000
Total current assets	61,390,000	57,923,000
PROPERTY, PLANT AND EQUIPMENT, at cost, net of accumulated depreciation and amortization	45,129,000	45,847,000
DEFERRED INCOME TAXES, non-current	616,000	1,641,000
OTHER ASSETS		
Goodwill, net	5,318,000	5,518,000
Other	497,000	461,000
TOTAL ASSETS	$112,950,000	$111,390,000

The accompanying notes are an integral part of these financial statements.

DIODES INCORPORATED AND SUBSIDIARIES
CONSOLIDATED CONDENSED BALANCE SHEET

LIABILITIES AND STOCKHOLDERS' EQUITY

	DECEMBER 31, 2000	MARCH 31, 2001 (UNAUDITED)
CURRENT LIABILITIES		
Line of credit	$ 7,750,000	$ 8,416,000
Accounts payable		
Trade	10,710,000	6,212,000
Related parties	1,008,000	2,705,000
Accrued liabilities	8,401,000	5,884,000
Income taxes payable	1,370,000	1,777,000
Current portion of long-term debt		
Related party	11,049,000	11,049,000
Other	3,811,000	4,138,000
Total current liabilities	44,099,000	40,181,000
LONG-TERM DEBT, net of current portion		
Related party	2,500,000	2,500,000
Other	13,497,000	14,975,000
MINORITY INTEREST IN JOINT VENTURE	1,601,000	1,676,000
STOCKHOLDERS' EQUITY		
Class A convertible preferred stock par value $1.00 per share; 1,000,000 shares authorized; no shares issued and outstanding	--	--
Common stock - par value $0.66 2/3 per share; 30,000,000 shares authorized; 9,201,704 and 9,214,705 shares issued and outstanding at December 31, 2000 and March 31, 2001, respectively	6,134,000	6,143,000
Additional paid-in capital	7,143,000	7,192,000
Retained earnings	39,758,000	40,505,000
	53,035,000	53,840,000
Less:		
Treasury stock - 1,075,672 shares of common stock, at cost	1,782,000	1,782,000
Total stockholders' equity	51,253,000	52,058,000
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$112,950,000	$111,390,000

The accompanying notes are an integral part of these financial statements.

DIODES INCORPORATED AND SUBSIDIARIES
CONSOLIDATED CONDENSED STATEMENTS OF INCOME

(Unaudited)

	THREE MONTHS ENDED MARCH 31, 2000	THREE MONTHS ENDED MARCH 31, 2001
NET SALES	$ 27,437,000	$ 25,748,000
COST OF GOODS SOLD	19,000,000	21,627,000
Gross profit	8,437,000	4,121,000
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	4,542,000	3,184,000
Income from operations	3,895,000	937,000
OTHER INCOME (EXPENSE)		
Interest income	52,000	66,000
Interest expense	(216,000)	(740,000)
Other	6,000	(96,000)
	(158,000)	(770,000)
Income before income taxes and minority interest	3,737,000	167,000
INCOME TAX BENEFIT (PROVISION)	(492,000)	429,000
Income before minority interest	3,245,000	596,000
MINORITY INTEREST IN JOINT VENTURE EARNINGS	(105,000)	(75,000)
NET INCOME	$ 3,140,000	$ 521,000
EARNINGS PER SHARE		
Basic	$ 0.39	$ 0.06
Diluted	$ 0.34	$ 0.06
WEIGHTED AVERAGE SHARES OUTSTANDING		
Basic	7,985,945	8,132,559
Diluted	9,204,491	9,029,628

The accompanying notes are an integral part of these financial statements.

DIODES INCORPORATED AND SUBSIDIARIES
CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS

(Unaudited)

	THREE MONTHS ENDED MARCH 31, 2000	2001
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	$ 3,140,000	$ 521,000
Adjustments to reconcile net income to net cash provided (used) by operating activities:		
Depreciation and amortization	998,000	2,083,000
Minority interest earnings	105,000	75,000
Interest income accrued on advances to vendor	(47,000)	--
Changes in operating assets:		
Accounts receivable	(2,650,000)	(2,430,000)
Inventories	(2,340,000)	5,013,000
Prepaid expenses and other assets	(161,000)	(988,000)
Changes in operating liabilities:		
Accounts payable	1,099,000	(2,801,000)
Accrued liabilities	(1,043,000)	(2,517,000)
Income taxes payable	(535,000)	407,000
Net cash used by operating activities	(1,434,000)	(637,000)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(3,042,000)	(2,801,000)
Net cash used by investing activities	(3,042,000)	(2,801,000)
CASH FLOWS FROM FINANCING ACTIVITIES		
Advances on line of credit, net	4,488,000	2,966,000
Net proceeds from the issuance of capital stock	305,000	58,000
Repayments of long-term obligations	(747,000)	(495,000)
Other	--	26,000
Net cash provided by financing activities	4,046,000	2,555,000
DECREASE IN CASH	(430,000)	(883,000)
CASH AT BEGINNING OF PERIOD	3,557,000	4,476,000
CASH AT END OF PERIOD	$ 3,127,000	$ 3,593,000
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid during the period for:		
Interest	$ 216,000	$ 677,000
Income taxes	$ 1,030,000	$ 190,000

The accompanying notes are an integral part of these financial statements.

DIODES INCORPORATED AND SUBSIDIARIES
NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS

(Unaudited)

NOTE A - BASIS OF PRESENTATION

The accompanying unaudited consolidated financial statements have been prepared in accordance with the instructions to Form 10-Q. They do not include all information and footnotes necessary for a fair presentation of financial position and results of operations and cash flows in conformity with generally accepted accounting principles. These consolidated financial statements should be read in conjunction with the consolidated financial statements and related notes contained in the Company's Annual Report on Form 10-K for the year ended December 31, 2000. In the opinion of Management, all adjustments (consisting of normal recurring adjustments and accruals) considered necessary for a fair presentation have been included in the interim period. Operating results for the three months ended March 31, 2001 are not necessarily indicative of the results that may be expected for the year ending December 31, 2001.

The consolidated financial statements include the accounts of the Company and its wholly-owned foreign subsidiary, Diodes Taiwan Co., Ltd. ("Diodes-Taiwan"), the accounts of Shanghai KaiHong Electronics Co., Ltd. ("Diodes-China") in which the Company has a 95% interest, and the accounts of FabTech Incorporated ("FabTech" or "Diodes-FabTech"), which the Company acquired in December 2000. All significant intercompany balances and transactions have been eliminated.

NOTE B - INVENTORIES

Inventories are stated at the lower of cost or market value. Cost is determined principally by the first-in, first-out method.

	12/31/00	3/31/01
Finished goods	$18,603,000	$14,954,000
Work-in-progress	2,683,000	2,122,000
Raw materials	10,502,000	9,699,000
	$31,788,000	$26,775,000

NOTE C - INCOME TAXES

The Company accounts for income taxes using an asset and liability method. Under this method, deferred tax assets and liabilities are recognized for the tax effect of differences between the financial statement and tax basis of assets and liabilities. Accordingly, the Company has recorded a net deferred tax asset of $6.0 million resulting from temporary differences in bases of assets and liabilities. This deferred tax asset results primarily from inventory reserves and certain expense accruals, which are not currently deductible for income tax purposes.

The reported income tax rate as a percentage of pretax income differs from the statutory combined federal and state tax rates of approximately 40%. The primary reasons for this difference are; (i) earnings of Diodes-China are currently taxed at 13.5%, and as discussed below, deferred U.S. federal and state income taxes are not provided on these earnings, and (ii) deferred income tax benefits at a rate of 37.5% have been recognized on losses incurred at FabTech.

As of March 31, 2001, accumulated and undistributed earnings of Diodes-China are approximately $19.3 million. The Company has not recorded a deferred tax liability (estimated to be $7.8 million) on these earnings since the Company considers this investment to be permanent, and has no plans, intentions or obligation to distribute all or part of that amount from China to the United States. The Company will consider the need to provide deferred taxes on future earnings of Diodes-China as further investment strategies with respect to Diodes-China are determined.

NOTE D - STOCK SPLIT

On July 14, 2000, the Company effected a three-for-two stock split for shareholders of record as of June 28, 2000. All share and per share amounts in the accompanying financial statements reflect the effect of this stock split.

NOTE E - SEGMENT INFORMATION

Information about the Company's operations in the United States and the Far East are presented below. Items transferred among the Company and its subsidiaries are transferred at prices to recover costs plus an appropriate mark up for profit. Inter-company revenues, profits and assets have been eliminated to arrive at the consolidated amounts.

Operating segments are defined as components of an enterprise about which separate financial information is available that is evaluated regularly by the chief decision maker, or decision making group, in deciding how to allocate resources and in assessing performance. The Company's chief decision-making group consists of the President and Chief Executive Officer, Vice President of Sales and Marketing, Chief Financial Officer and Vice President of Far East Operations. The operating segments are managed separately because each operating segment represents a strategic business unit whose function and purpose differs from the other segments.

The Company's reportable operating segments include the domestic operations (Diodes and FabTech) located in the United States and the Far East operations (Diodes-Taiwan located in Taipei, Taiwan; and Diodes-China located in Shanghai, China). Diodes-North America procures and distributes products primarily throughout North America and provides management, warehousing, engineering and logistics support. FabTech, Inc. manufactures and distributes 5-inch silicon wafers for use in the Company's internal manufacturing processes at Diodes-China, as well as to trade customers. Diodes-Taiwan markets and sells discrete semiconductor devices throughout the Far East and to Diodes Incorporated. Diodes-China manufactures discrete semiconductor devices for sale to Diodes Incorporated, Diodes-Taiwan and third-party customers in the Far East.

THREE MONTHS ENDED MARCH 31, 2000	Far East	North America	Consolidated Segments
Total sales	$ 22,313,000	$ 15,691,000	$ 38,004,000
Inter-segment sales	(9,898,000)	(669,000)	(10,567,000)
Net sales	$ 12,415,000	$ 15,022,000	$ 27,437,000
Depreciation and amortization	$ 903,000	$ 95,000	$ 998,000
Operating income	$ 4,055,000	$ (160,000)	$ 3,895,000
Assets	$ 47,075,000	$ 22,144,000	$ 69,219,000
Capital expenditures	$ 2,599,000	$ 443,000	$ 3,042,000

THREE MONTHS ENDED MARCH 31, 2000	Far East	North America	Consolidated Segments
Total sales	$ 16,726,000	$ 16,128,000	$ 32,854,000
Inter-segment sales	(6,773,000)	(332,000)	(7,105,000)
Net sales	$ 9,953,000	$ 15,796,000	$ 25,749,000
Depreciation and amortization	$ 1,491,000	$ 592,000	$ 2,083,000
Operating income	$ 2,451,000	$ (1,514,000)	$ 937,000
Assets	$ 63,054,000	$ 48,336,000	$111,390,000
Capital expenditures	$ 2,385,000	$ 416,000	$ 2,801,000

ITEM 2 - MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Except for the historical information contained herein, the matters addressed in this Item 2 constitute "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Such forward-looking statements are subject to a variety of risks and uncertainties, including those discussed below under the heading "Factors That May Affect Future Results" and elsewhere in this Quarterly Report on Form 10-Q, that could cause actual results to differ materially from those anticipated by the Company's management. The Private Securities Litigation Reform Act of 1995 (the "Act") provides certain "safe harbor" provisions for forward-looking statements. All forward-looking statements made on this Quarterly Report on Form 10-Q are made pursuant to the Act.

GENERAL

Diodes Incorporated (the "Company") is a manufacturer and distributor of high-quality discrete semiconductor devices to leading manufacturers in the communications, computer, electronics, and automotive industries, and to distributors of electronic components. The Company's products include small signal transistors and MOSFETs, transient voltage suppressors (TVSs), zeners, diodes, rectifiers and bridges, as well as silicon wafers used in manufacturing these products.

For financial reporting purposes, the Company is deemed to engage in two industry segments: North America and the Far East. Both segments focus on discrete semiconductor devices. The North American segment includes the corporate offices in California ("Diodes-North America") as well as FabTech, Inc. ("FabTech" or "Diodes-FabTech"), the newly acquired 5-inch wafer foundry located in Missouri. Diodes-North America procures and distributes products primarily throughout North America and provides management, warehousing, engineering and logistics support. Diodes-FabTech manufactures silicon wafers for use by Diodes-China as well as for sale to its customer base. The Far East segment includes the operations of Diodes-China (QS-9000 and ISO-14001 certified) in Shanghai, and Diodes-Taiwan (ISO-9000 certified) in Taipei. Diodes-China manufactures product for, and distributes product to, both Diodes-North America and Diodes-Taiwan, as well as to trade customers. Diodes-Taiwan is the Company's Asia-Pacific sales, logistics and distribution center, and procures product from, and distributes product primarily to, customers in Taiwan, Korea, Singapore and Hong Kong, and to Diodes-North America.

The discrete semiconductor industry, in which the Company competes, has historically been subject to severe pricing pressures. Although manufacturing costs have been falling, excess manufacturing capacity and over-inventory has caused selling prices to fall to a greater extent than manufacturing cost. To compete in this highly competitive industry, in recent years, the Company has committed substantial resources to the development and implementation of two areas of operation: (i) sales and marketing, and (ii) manufacturing. Emphasizing the Company's focus on customer service, additional personnel and programs have been added. In order to meet customers' needs at the design stage of end-product development, the Company has employed additional applications engineers. These applications engineers work directly with customers to assist them in "designing in" the correct products to produce optimum results. Regional sales managers, working closely with manufacturers' representatives and distributors, have also been added in North America and the Far East to help satisfy customers' requirements. In addition, the Company has continued to develop relationships with major distributors who inventory and sell the Company's products. For a description of the Company's manufacturing capacity, see "Manufacturing and Vendors."

SALES

The Company's products are sold primarily in North America and the Far East, both directly to end users and through electronic component distributors. Beginning in 1998, the Company has increased the amount of product shipped to larger distributors. Although these sales are significant in terms of total sales dollars and gross margin dollars, they generally are under agreements that resulted in lower gross profit margins for the Company when compared to sales to smaller distributors and OEM customers. As the consolidation of electronic component distributors continues, the Company anticipates that a greater portion of its distributor sales will be to the larger distributors, and thus may result in lower gross profit margins for this sales channel.

In 1999, Diodes-Taiwan began purchasing silicon wafers, a new product line, from FabTech for resale to customers in the Far East. The gross margin percentage on sales of silicon wafers is currently far below that of the Company's standard product line. Initially a complementary service for some customers rather than a focused product line, silicon wafers will now be a focused product line supplied by FabTech to its current customer base, as well as to Diodes-China for use in its manufacturing process. Silicon wafer sales were $4.8 million and $2.2 million, for the three months ended March 31, 2001 and 2000, respectively.

The Company has recently expanded its Far East sales force to be able to expand sales and more effectively service accounts in Taiwan, Hong Kong, Mainland China and other areas that are positioned for rapid growth. In addition, the Company has initiated a sales organization in Europe to serve the UK, France, Germany, Italy and Israel, among others, and is actively sampling customers and taking orders.

MANUFACTURING AND VENDORS

The Company's Far East manufacturing subsidiary, Diodes-China, manufactures product for sale primarily to customers in North America and the Far East. Diodes-China's manufacturing focuses on SOT-23 and SOD-123 products, as well as sub-miniature packages such as SOT-363, SOT-563, and SC-75. These surface-mount devices ("SMD") are much smaller in size and are used primarily in the computer and communication industries, destined for wireless devices, notebook computers, pagers, PCMCIA cards and modems, as well as in consumer products such as garage door transmitters, among others. Diodes-China's state-of-the-art facilities have been designed to develop even smaller, higher-density products as electronic industry trends to portable and hand-held devices continue. Although Diodes-China purchases processed silicon wafers from FabTech for use in its manufacturing process, the majority currently are purchased from other wafer vendors. The Company intends to increase the use of FabTech's wafers in Diodes-China's manufacturing processes.

Since 1997, the Company's manufacturing focus has primarily been in the development and expansion of Diodes-China. To date, the Company and its 5% minority partner have increased property, plant and equipment at the facility to approximately $41.2 million. The equipment expansion allows for the manufacture of additional SOT-23 packaged components as well as other surface-mount packaging, including the smaller SOD packages. As the industry requires manufacturing of smaller and more efficient products that meet the technical requirements of customers seeking to integrate multiple technologies within one package, the Company will continue to increase manufacturing capacity as worldwide demand warrants.

In addition, the Company will continue its strategic plan of locating alternate sources of its products and raw materials, including those provided by its major suppliers. Alternate sources include, but are not limited to, Diodes-China and other sourcing agreements in place, as well as those in negotiation. The Company anticipates that the effect of the loss of any one of its major suppliers will not have a material adverse effect on the Company's operations, provided that alternate sources remain available. The Company continually evaluates alternative sources of its products to assure its ability to deliver high-quality, cost-effective products.

FABTECH

Acquired on December 1, 2000 from Lite-On Semiconductor Corporation ("LSC"), FabTech's wafer foundry is located in Lee's Summit, Missouri. FabTech manufactures primarily 5-inch silicon wafers that are the building blocks for semiconductors. FabTech has full foundry capabilities including processes such as silicon epitaxy, silicon oxidation, photolithography and etching, ion implantation and diffusion, low pressure and plasma enhanced chemical vapor deposition, sputtered and evaporated metal deposition, wafer backgrinding, and wafer probe and ink. LSC owns approximately 37.7% of the outstanding common stock of the Company.

The FabTech purchase price consisted of approximately $6 million in cash and an earnout of up to $30 million if FabTech meets specified earnings targets over a four-year period. In addition, FabTech is obligated to repay an aggregate of approximately $19 million, consisting of (i) approximately $13.6 million payable, together with interest at LIBOR plus 1%, to LSC through March 31, 2002, (ii) approximately $2.6 million payable, together with interest at LIBOR plus 1.1%, to the Company through February 28, 2001 and (iii) approximately $3.0 million payable to a financial institution, which amount was repaid on December 4, 2000 with the proceeds of a capital contribution by the Company. The acquisition was financed internally and through bank credit facilities.

FabTech purchases polished silicon wafers, and then by using the various technologies listed above, in conjunction with many chemicals and gases, fabricates several layers on the wafers, including epitaxial silicon, ion implants, dielectrics, and metals, with various patterns. Depending upon these layers and the die size (which is determined during the photolithography process and completed at the customer's packaging site where the wafer is sawed into square or rectangular die), different types of wafers with various currents, voltages, and switching speeds are produced.

RECENT RESULTS

Starting in the second half of 1999, and continuing through the first three quarters of 2000, industry demand exceeded industry capacity. In addition, OEM customers and distributors increased their inventory levels. As a result, the Company's gross profit margins reached a peak of 34.4% in the third quarter of 2000.

As semiconductor manufacturers, including the Company, rapidly invested in plant and equipment to increase their capacity, the semiconductor industry experienced a sharp inventory correction primarily in two key markets, communications and computers. Compounding this inventory correction, economies (primarily the U.S. and the Far East) slowed, causing a sharp decline in sales in the fourth quarter of 2000.

The excess capacity, combined with the decreased demand and higher customer inventory levels, has continued into 2001. Although the Company's market share has remained stable, market conditions have not improved. Because of this, the Company expects lower gross profit margins until such a time as demand increases and the Company utilizes more of its available manufacturing capacity.

The impact to earnings is largely attributable to reduced capacity utilization of the Company's manufacturing assets and demand-induced product mix changes, both of which have had a negative impact on gross margins. Due to market conditions, capacity utilization at Diodes-FabTech has decreased 45% as compared to the previous year, while Diodes-China's utilization has decreased 15%.

The risks of becoming a fully integrated manufacturer are amplified in an industry-wide slowdown because of the fixed costs associated with manufacturing facilities. The Company has responded to this cyclical downturn by implementing programs to cut operating costs, including reducing its worldwide workforce by 26%, primarily at the FabTech and Diodes-China manufacturing facilities. The Company will continue to actively adjust its cost structure as dictated by market conditions.

Although no clear short-term change in market conditions exist, the Company believes that long term it will continue to generate value for shareholders and customers, not just from its expanded Diodes-China manufacturing and FabTech's foundry assets, but also by the addition of a true technology component to the Company. Although market conditions changed just as the new initiative started, the Company will continue to pursue its goal of becoming a total solution provider. This is a multi-year initiative that will increase the Company's ability to serve its customers' needs, while establishing the Company at the forefront of the next generation of discrete technologies.

TAXES

The reported income tax rate as a percentage of pretax income differs from the statutory combined federal and state tax rates of approximately 40%. The primary reasons for this difference are; 1) earnings of Diodes-China are currently taxed at 13.5%, and as discussed below, deferred U.S. federal and state income taxes are not provided on these earnings, and 2) deferred income tax benefits at a rate of 37.5% have been recognized on losses incurred at FabTech.

From 2001 through 2003, the tax rate at Diodes-China is expected to be 13.5% (one-half of the normal tax rate of 27%). The Company, however, has received indications from the local taxing authority in Shanghai that the 0% tax holiday may be extended beyond 2000, but currently, no assurances can be made regarding the preferential tax treatment extension. In addition, it is currently not known whether the taxing authority for the central government of the People's Republic of China ("PRC") will participate in this extended tax holiday arrangement. Based upon expected tax rates in the U.S., Taiwan and China, and the expected profitability of each of the Company's operating entities during the balance of the year, it is anticipated that for 2001 the consolidated provision for income taxes should be in the range of 10% to 20% of pre-tax income.

In accordance with tax treaty arrangements, the Company receives full credit against its U.S. federal tax liability for corporate taxes paid in Taiwan and China. The repatriation of funds from Taiwan and China to the Company may be subject to state income taxes. In the years ending December 31, 1999 and 2000, Diodes-Taiwan distributed dividends of approximately $1.5 million and $2.6 million, respectively, which is included in federal and state taxable income. Deferred taxes have been provided for all remaining undistributed earnings of Diodes-Taiwan. As of March 31, 2001, accumulated and undistributed earnings of Diodes-China is approximately $19.3 million. The Company has not recorded deferred federal or state tax liabilities (estimated to be $7.8 million) on these earnings since the Company considers its investment in Diodes-China to be permanent.

Each quarter the Company assesses its position with respect to its investment plans and monetary policies as they relate to the recognition of deferred tax liabilities on the earnings at Diodes-China. At such time the Company plans to cease reinvesting its earnings in Diodes-China, deferred income taxes would be provided on incremental earnings of Diodes-China thereafter.

RESULTS OF OPERATIONS FOR THE THREE MONTHS ENDED MARCH 31, 2000 AND 2001

The following table sets forth, for the periods indicated, the percentage that certain items in the statement of income bear to net sales and the percentage dollar increase (decrease) of such items from period to period.

	PERCENT OF NET SALES THREE MONTHS ENDED MARCH 31,		PERCENTAGE DOLLAR INCREASE (DECREASE)
	2000	2001	`00 TO `01
Net sales	100.0%	100.0%	(6.2)%
Cost of goods sold	(69.2)	(84.0)	13.8
Gross profit	30.8	16.0	(51.2)
Selling, general & administrative expenses ("SG&A")	(16.6)	(12.4)	(29.9)
Income from operations	14.2	3.6	(75.9)
Interest expense, net	(0.6)	(2.6)	311.0
Other income	0.0	(0.4)	(1,700.0)
Income before taxes and minority	13.6	0.6	(95.5)
Income taxes	(1.8)	1.7	(187.2)
Minority interest	(0.4)	(0.3)	(28.6)
Net income	11.4	2.0	(83.4)

The following discussion explains in greater detail the consolidated operating results and financial condition of the Company for the three months ended March 31, 2001 compared to the three months ended March 31, 2000. This discussion should be read in conjunction with the consolidated financial statements and notes thereto appearing elsewhere in this quarterly report.

	2000	2001
NET SALES	$27,437,000	$25,748,000

Net sales decreased approximately $1.7 million, or 6.2%, for the three months ended March 31, 2001, compared to the same period last year, due primarily to a 6.1% decrease in units sold as a result of excess inventory and decreased demand. Acquired in December 2000, Diodes-FabTech contributed trade sales of $4.7 million in the first quarter of 2001. As the operations of Diodes-FabTech are integrated, the Company plans to increase the use of FabTech wafers in the Company's products, thus decreasing the sales of silicon wafers to trade customers. The Company's average selling price decreased approximately 15%, primarily in the Far East.

	2000	2001
COST OF GOODS SOLD	$19,000,000	$21,627,000
GROSS PROFIT	$ 8,437,000	$ 4,121,000
GROSS PROFIT MARGIN PERCENTAGE	30.8%	16.0%

Gross profit decreased approximately $4.3 million, or 51.2%, for the three months ended March 31, 2001 compared to the year ago period. Of the $4.3 million decrease, approximately $500,000 was due to the 6.2% decrease in net sales, while $3.8 million was due to the decrease in gross margin percentage from 30.8% to 16.0%. Excess capacity, primarily at Diodes-FabTech, contributed to the decrease in gross margin percentage. The excess capacity, coupled with the decreased demand and higher customer inventory levels, has continued. Although the Company's market share has remained stable, market conditions have not improved. Because of this, the Company expects lower gross profit margins until such a time as demand increases and the Company utilizes more of its available manufacturing capacity.

	2000	2001
SG&A	$ 4,542,000	$ 3,184,000

SG&A for the three months ended March 31, 2001 decreased approximately $1.4 million, or 29.9%, compared to the same period last year, due primarily to lower wage and benefits expenses resulting from a 26% work-force reduction which began in the fourth quarter of 2000. SG&A also decreased due to lower marketing expenses and lower sales commissions associated with decreased sales. Lower corporate and administrative expenses, including legal expenses, were partly offset by an increase in goodwill amortization associated with the December 2000 FabTech acquisition. SG&A as a percentage of sales decreased to 12.4% from 16.6% in the comparable period last year.

	2000	2001
INTEREST INCOME	$ 52,000	$ 66,000
INTEREST EXPENSE	$ 216,000	$ 740,000
NET INTEREST EXPENSE	$ 164,000	$ 674,000

Net interest expense for the three months ended March 31, 2001 increased $510,000 versus the same period last year, due primarily to an increased use of the Company's credit facility at higher interest rates. The Company's interest expense is primarily the result of the Company's financing of the FabTech acquisition, as well as the investment in the Diodes-China manufacturing facility. The Company expects interest expense to increase significantly in 2001, compared to 2000, as a result of additional debt, primarily associated with its acquisition of FabTech.

	2000	2001
OTHER INCOME (EXPENSE)	$ 6,000	$ (96,000)

Other expense for the three months ended March 31, 2001 increased approximately $102,000 compared to the same period last year, due primarily to the management incentive associated with the FabTech acquisition. As per the terms of the stock purchase agreement, the Company has entered into several management incentive agreements with members of FabTech's management. The agreements provide members of management guaranteed annual compensation as well as contingent compensation based on the annual profitability of FabTech, subject to a maximum annual amount. For the year 2001, the guaranteed commitment is $375,000.

	2000	2001
INCOME TAX BENEFIT (PROVISION)	$ (492,000)	$ 429,000

The reported income tax rate as a percentage of pretax income differs from the statutory combined federal and state tax rates of approximately 40%. The primary reasons for this difference are; 1) earnings of Diodes-China are currently taxed at 13.5%, and deferred U.S. federal and state income taxes are not provided on these earnings, and 2) deferred income tax benefits at a rate of 37.5% have been recognized on losses incurred at FabTech.

	2000	2001
MINORITY INTEREST IN JOINT VENTURE	$ (105,000)	$ (75,000)

Minority interest in joint venture represents the minority investor's share of the Diodes-China joint venture's income for the period. The decrease in the joint venture earnings for the three months ended March 31, 2001 is primarily the result of decreased gross margins due to excess capacity and demand-induced product mix changes, both internally and to external customers. The joint venture investment is eliminated in consolidation of the Company's financial statements, and the activities of Diodes-China are included therein. As of March 31, 2001, the Company had a 95% controlling interest in the joint venture.

FINANCIAL CONDITION

LIQUIDITY AND CAPITAL RESOURCES

Cash used by operating activities for the three months ended March 31, 2001 was $637,000 compared to cash used of $1.4 million for the same period in 2000. The primary sources of cash flows from operating activities in 2001 were a decrease in inventories of $5.0 million and depreciation and amortization of $2.1 million. The primary use of cash flows from operating activities in 2001 was a decrease in accounts payable of $2.8 million and a decrease in accrued liabilities of $2.5 million. The primary sources of cash flows from operating activities for the three months ended March 31, 2000 were net income of $3.1 million and an increase in accounts payable of $1.1 million, while the primary uses were a $2.7 million increase in accounts receivable and a $2.3 million increase in inventories. Inventory turns at March 31, 2001 were 3.5 times compared to 2.5 times at December 31, 2000. Accounts receivable days at March 31, 2001 were 73 days compared to 72 days at December 31, 2000. The ratio of the Company's current assets to current liabilities on March 31, 2001 was 1.4 to 1, equal to that as of December 31, 2000.

Cash used by investing activities for the three months ended March 31, 2001 was $2.8 million, compared to $3.0 million during the same period in 2000. The primary investment in both years was for additional manufacturing equipment at the Diodes-China manufacturing facility.

Cash provided by financing activities was $2.6 million for the three months ended March 31, 2001, compared to $4.0 million for the same period in 2000. The Company has a $26.5 million credit facility with a major bank consisting of: a working capital line of credit up to $9 million and term commitment notes providing up to $10.0 million for plant expansion and financing the acquisition of FabTech, and $7.6 million for Diodes-China operations. Interest on outstanding borrowings under the credit agreement is payable monthly at LIBOR plus a negotiated margin. Fixed borrowings require fixed principal plus interest payments for sixty months thereafter. The agreement has certain covenants and restrictions, which, among other matters, require the maintenance of certain financial ratios and operating results, as defined in the agreement. The Company was in compliance as of March 31, 2001. The Company has extended its working capital line of credit through June 30, 2002, and has obtained an additional $10 million in term commitment notes. As of March 31, 2001, approximately $14.0 million is outstanding under the term note commitment, and the average interest rate on outstanding borrowings was approximately 7.4%.

Diodes-China operates with two unsecured working capital credit facilities. One credit facility provides for advances of up to $3.0 million while the second credit facility provides for advances of approximately $1.0 million, both with variable interest rates between 5% and 7%.

The Company, as part of the FabTech acquisition from LSC (its majority shareholder), also has a note payable to LSC for approximately $13.5 million. The unsecured note bears interest at LIBOR plus 1% and is subordinated to the interest of the Company's primary lender.

The Company has used its credit facility primarily to fund the plant and equipment expansion at Diodes-China, as well as the acquisition of FabTech, and to support its operations. The Company believes that the continued availability of this credit facility, together with internally generated funds, will be sufficient to meet the Company's currently foreseeable operating cash requirements.

Total working capital increased approximately 2.3% to $17.7 million as of March 31, 2001 from $17.3 million as of December 31, 2000. The Company believes that its working capital position will be sufficient for growth opportunities.

The Company's long-term debt to equity ratio increased to 0.37 at March 31, 2001, from 0.34 at December 31, 2000. The Company's total debt to equity ratio decreased to 0.53 at March 31, 2001, from 0.55 at December 31, 2000. It is anticipated that these ratios may increase as the Company continues to use its credit facilities to fund additional sourcing and manufacturing opportunities.

As of March 31, 2001, the Company has no material plans or commitments for capital expenditures other than in connection with the expansion at Diodes-China and the Company's implementation of an Oracle Enterprise Resource Planning software package, planned for late 2001. However, to ensure that the Company can secure reliable and cost effective inventory sourcing to support and better position itself for growth, the Company is continuously evaluating additional internal manufacturing expansion, as well as additional outside sources of products. The Company believes its financial position will provide sufficient funds should an appropriate investment opportunity arise and, thereby, assist the Company in improving customer satisfaction and in maintaining or increasing market share.

CAUTIONARY STATEMENT FOR PURPOSES OF THE "SAFE HARBOR" PROVISION OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

Except for the historical information contained herein, the matters addressed in this Quarterly Report on Form 10-Q constitute "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Such forward-looking statements are subject to a variety of risks and uncertainties, including those discussed below and elsewhere in this Quarterly Report on Form 10-Q that could cause actual results to differ materially from those anticipated by the Company's management. The Private Securities Litigation Reform Act of 1995 (the "Act") provides certain "safe harbor" provisions for forward-looking statements. All forward-looking statements made on this Quarterly Report on Form 10-Q are made pursuant to the Act.

FACTORS THAT MAY AFFECT FUTURE RESULTS

All forward-looking statements contained in this Quarterly Report on Form 10-Q are subject to, in addition to the other matters described in this Quarterly Report on Form 10-Q, a variety of significant risks and uncertainties. The following discussion highlights some of these risks and uncertainties. Further, from time to time, information provided by the Company or statements made by its employees may contain forward-looking information. There can be no assurance that actual results or business conditions will not differ materially from those set forth or suggested in such forward-looking statements as a result of various factors, including those discussed below.

RISK FACTORS

VERTICAL INTEGRATION

We are in the process of vertically integrating our business. Key elements of this strategy include (i) expanding our manufacturing capacity, (ii) establishing wafer foundry and research and development capability through the acquisition of FabTech and (iii) establishing sales, marketing, product development, package development and assembly/testing operations in company-owned facilities or through the acquisition of established contractors. We have a limited history upon which an evaluation of the prospects of our vertical integration strategy can be based. There are certain risks associated with our vertical integration strategy, including:

- difficulties associated with owning a manufacturing business, including, but not limited to, the maintenance and management of manufacturing facilities, equipment, employees and inventories and limitations on the flexibility of controlling overhead;

- difficulties implementing our Oracle Enterprise Resource Planning system;

- difficulties expanding our operations in the Far East and developing new operations in Europe;

- difficulties developing and implementing a successful research and development team; and

- difficulties developing proprietary technology.

ECONOMIC CONDITIONS

The discrete segment of the semiconductor industry is highly cyclical, and the value of our business may decline during the "down" portion of these cycles. During recent years, we, as well as many others in our industry, experienced significant declines in the pricing of, as well as demand for, our products and lower facilities utilization. The market for discrete semiconductors may experience renewed, possibly more severe and prolonged, downturns in the future. The markets for our products depend on continued demand in the communications, computer, electronic and automotive markets, and these end-markets may experience changes in demand that could adversely affect our operating results and financial condition.

COMPETITION

The discrete semiconductor industry is highly competitive. We expect intensified competition from existing competitors and new entrants. Competition is based on price, product performance, product availability, quality, reliability and customer service. We compete in various markets with companies of various sizes, many of which are larger and have greater financial, marketing, distribution, brand names and other resources than we have, and thus may be better able to pursue acquisition candidates and to withstand adverse economic or market conditions. In addition, companies not currently in direct competition with us may introduce competing products in the future. Some of our current major competitors are On Semiconductor, General Semiconductor, Inc., Fairchild Semiconductor Corporation, International Rectifier Corporation, Rohm, and Phillips. We may not be able to compete successfully in the future, or competitive pressures may harm our financial condition or our operating results.

FOREIGN OPERATIONS

We expect revenues from foreign markets to continue to represent a significant portion of our total revenues. In addition, we maintain facilities or contract with entities in the Philippines, Taiwan, Germany, Japan, England, India, and China, among others. There are risks inherent in doing business internationally, including:

- changes in, or impositions of, legislative or regulatory requirements, including tax laws in the United States and in the countries in which we manufacture or sell our products;

- trade restrictions; transportation delays; work stoppages; economic and political instability;

- changes in import/export regulations, tariffs and freight rates;

- difficulties in collecting receivables and enforcing contracts generally; and

- currency exchange rate fluctuations.

VARIABILITY OF QUARTERLY RESULTS

We have experienced, and expect to continue to experience, a substantial variation in net sales and operating results from quarter to quarter. We believe that the factors which influence this variability of quarterly results include:

- general economic conditions in the countries where we sell our products;

- seasonality and variability in the computer market and our other end markets;

- the timing of our and our competitors' new product introductions;

- product obsolescence;

- the scheduling, rescheduling and cancellation of large orders by our customers;

- the cyclical nature of demand for our customers' products;

- our ability to develop new process technologies and achieve volume production at our fabrication facilities;

- changes in manufacturing yields;

- adverse movements in exchange rates, interest rates or tax rates; and

- the availability of adequate supply commitments from our outside suppliers or subcontractors.

Accordingly, a comparison of the Company's results of operations from period to period is not necessarily meaningful and the Company's results of operations for any period are not necessarily indicative of future performance.

NEW TECHNOLOGIES

We cannot assure you that we will successfully identify new product opportunities and develop and bring products to market in a timely and cost-effective manner, or that products or technologies developed by others will not render our products or technologies obsolete or noncompetitive. In addition, to remain competitive, we must continue to reduce package sizes, improve manufacturing yields and expand our sales. We may not be able to accomplish these goals.

PRODUCTION

Our manufacturing efficiency will be an important factor in our future profitability, and we cannot assure you that we will be able to maintain or increase our manufacturing efficiency. Our manufacturing processes require advanced and costly equipment and are continually being modified in an effort to improve yields and product performance. We may experience manufacturing problems in achieving acceptable yields or experience product delivery delays in the future as a result of, among other things, capacity constraints, construction delays, upgrading or expanding existing facilities or changing our process technologies, any of which could result in a loss of future revenues. Our operating results also could be adversely affected by the increase in fixed costs and operating expenses related to increases in production capacity if revenues do not increase proportionately.

FUTURE ACQUISITIONS

As part of our business strategy, we expect to review acquisition prospects that would implement our vertical integration strategy or offer other growth opportunities. While we have no current agreements and no active negotiations underway with respect to any acquisitions, we may acquire businesses, products or technologies in the future. In the event of future acquisitions, we could:

- use a significant portion of our available cash;

- issue equity securities, which would dilute current stockholders' percentage ownership;

- incur substantial debt;

- incur or assume contingent liabilities, known or unknown; o incur amortization expenses related to goodwill or other intangibles; and

- incur large, immediate accounting write-offs.

Such actions by us could harm our operating results and/or adversely influence the price of our common stock.

INTEGRATION OF ACQUISITIONS

During fiscal year 2000, we acquired FabTech. We may continue to expand and diversify our operations with additional acquisitions. If we are unsuccessful in integrating these companies or product lines with our operations, or if integration is more difficult than anticipated, we may experience disruptions that could have a material adverse effect on our business, financial condition and results of operations. Some of the risks that may affect our ability to integrate or realize any anticipated benefits from companies we acquire include those associated with:

- unexpected losses of key employees or customers of the acquired company;

- conforming the acquired company's standards, processes, procedures and controls with our operations;

- coordinating our new product and process development;

- hiring additional management and other critical personnel;

- increasing the scope, geographic diversity and complexity of our operations;

- difficulties in consolidating facilities and transferring processes and know-how;

- diversion of management's attention from other business concerns; and

- adverse effects on existing business relationships with customers.

BACKLOG

The amount of backlog to be shipped during any period is dependent upon various factors and all orders are subject to cancellation or modification, usually without penalty to the customer. Orders are generally booked from one to twelve months in advance of delivery. The rate of booking new orders can vary significantly from month to month. The Company and the industry as a whole are experiencing a trend towards shorter lead-times (the amount of time between the date a customer places an order and the date the customer requires shipment). The amount of backlog at any date depends upon various factors, including the timing of the receipt of orders, fluctuations in orders of existing product lines, and the introduction of any new lines. Accordingly, the Company believes that the amount of backlog at any date is not meaningful and is not necessarily indicative of actual future shipments. The Company strives to maintain proper inventory levels to support customers' just-in-time order expectations.

PRODUCT RESOURCES

We sell products primarily pursuant to purchase orders for current delivery, rather than pursuant to long-term supply contracts. Many of these purchase orders may be revised or canceled without penalty. As a result, we must commit resources to the production of products without any advance purchase commitments from customers. Our inability to sell, or delays in selling, products after we devote significant resources to them could have a material adverse effect on our business, financial condition and results of operations.

QUALIFIED PERSONNEL

Our future success depends, in part, upon our ability to attract and retain highly qualified technical, sales, marketing and managerial personnel. Personnel with the necessary expertise are scarce and competition for personnel with these skills is intense. We may not be able to retain existing key technical, sales, marketing and managerial employees or be successful in attracting, assimilating or retaining other highly qualified technical, sales, marketing and managerial personnel in the future. If we are unable to retain existing key employees or are unsuccessful in attracting new highly qualified employees, our business, financial condition and results of operations could be materially and adversely affected.

EXPANSION

Our ability to successfully offer our products in the discrete semiconductor market requires effective planning and management processes. Our past growth, and our targeted future growth, may place a significant strain on our management systems and resources, including our financial and managerial controls, reporting systems and procedures. In addition, we will need to continue to train and manage our workforce worldwide.

SUPPLIERS

Our manufacturing operations depend upon obtaining adequate supplies of materials, parts and equipment on a timely basis from third parties. Our results of operations could be adversely affected if we are unable to obtain adequate supplies of materials, parts and equipment in a timely manner or if the costs of materials, parts or equipment increase significantly. In addition, a significant portion of our total sales is from parts manufactured by outside vendors. From time to time, suppliers may extend lead times, limit supplies or increase prices due to capacity constraints or other factors. Although we generally use products, materials, parts and equipment available from multiple suppliers, we have a limited number of suppliers for some products, materials, parts and equipment. While we believe that alternate suppliers for these products, materials, parts and equipment are available, an interruption could materially impair our operations.

ENVIRONMENTAL REGULATIONS

We are subject to a variety of United States federal, foreign, state and local governmental laws, rules and regulations related to the use, storage, handling, discharge or disposal of certain toxic, volatile or otherwise hazardous chemicals used in our manufacturing process. Any of these regulations could require us to acquire equipment or to incur substantial other expenses to comply with environmental regulations. If we were to incur substantial additional expenses, product costs could significantly increase, thus materially and adversely affecting our business, financial condition and results of operations. Any failure to comply with present or future environmental laws, rules and regulations could result in fines, suspension of production or cessation of operations, any of which could have a material adverse effect on our business, financial condition and results of operations.

PRODUCT LIABILITY

One or more of our products may be found to be defective after we have already shipped such products in volume, requiring a product replacement or recall. We may also be subject to product returns which could impose substantial costs and have a material and adverse effect on our business, financial condition and results of operations. Product liability claims may be asserted with respect to our technology or products. Although we currently have product liability insurance, there can be no assurance that we have obtained sufficient insurance coverage, or that we will have sufficient resources, to satisfy all possible product liability claims.

SYSTEM OUTAGES

Risks are presented by electrical or telecommunications outages, computer hacking or other general system failure. To try to manage our operations efficiently and effectively, we rely heavily on our internal information and communications systems and on systems or support services from third parties. Any of these are subject to failure. System-wide or local failures that affect our information processing could have material adverse effects on our business, financial condition, results of operations and cash flows. In addition, insurance coverage for the risks described above may be unavailable.

DOWNWARD PRICE TRENDS

Our industry is intensely competitive and prices for existing products tend to decrease steadily over their life cycle. There is substantial and continuing pressure from customers to reduce the total cost of using our parts. To remain competitive, we must achieve continuous cost reductions through process and product improvements. We must also be in a position to minimize our customers' shipping and inventory financing costs and to meet their other goals for rationalization of supply and production. Our growth and the profit margins of our products will suffer if our competitors are more successful in reducing the total cost to customers of their products than we are.

OBSOLETE INVENTORIES

The life cycles of some of our products depend heavily upon the life cycles of the end products into which our products are designed. Products with short life cycles require us to manage closely our production and inventory levels. Inventory may also become obsolete because of adverse changes in end market demand. We may in the future be adversely affected by obsolete or excess inventories which may result from unanticipated changes in the estimated total demand for our products or the estimated life cycles of the end products into which our products are designed.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

There are no matters to be reported under this heading.

ITEM 2. CHANGES IN SECURITIES

There are no matters to be reported under this heading.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

There are no matters to be reported under this heading.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

There are no matters to be reported under this heading.

ITEM 5. OTHER INFORMATION

There are no matters to be reported under this heading.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits

Exhibit 11	Computation of Earnings Per Share
Exhibit 99.22	Press release; Diodes, Inc. Introduces Low Barrier Schottky Rectifier

Exhibit 99.23	Press release; Diodes, Inc. Announces Conference Call To Discuss First Quarter FY 2001 Financial Results
Exhibit 99.24	Press release; Diodes, Inc. Reports First Quarter 2001 Results

(b) Reports on Form 8-K

None

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

DIODES INCORPORATED (Registrant)

By: /s/ Carl Wertz May 11, 2001

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CARL WERTZ
Chief Financial Officer,
Treasurer and Secretary
(Duly Authorized Officer and
Principal Financial and
Chief Accounting Officer)

INDEX TO EXHIBITS

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EXHIBIT - 11

DIODES INCORPORATED AND SUBSIDIARIES

COMPUTATION OF EARNINGS PER SHARE
(Unaudited)

	THREE MONTHS ENDED MARCH 31, 2000	THREE MONTHS ENDED MARCH 31, 2001
BASIC		
Weighted average number of common shares outstanding used in computing basic earnings per share	7,985,945	8,132,559
Net income	$3,140,000	$ 521,000
Basic earnings per share	$ 0.39	$ 0.06
DILUTED		
Weighted average number of common shares outstanding used in computing basic earnings per share	7,985,945	8,132,559
Assumed exercise of stock options	1,218,546	897,069
	9,204,491	9,029,628
Net income	$3,140,000	$ 521,000
Diluted earnings per share	$ 0.34	$ 0.06

Earnings per share and weighted average shares outstanding are after the effects of a three-for-two stock split in July 2000.

EXHIBIT 99.22

FOR IMMEDIATE RELEASE

Diodes, Inc. Introduces Low Barrier Schottky Rectifier

- --Development with FabTech, Inc. extends battery life for hand-held devices--

Westlake Village, California, April 5, 2001 - Diodes Incorporated (Nasdaq: DIOD), a leading manufacturer and supplier of high quality discrete semiconductors, primarily to the telecommunications, computing, electronics and automotive industries, today announced it has introduced a highly efficient, low barrier Schottky rectifier, the BAT750. This innovative surface mount Schottky device, suited for use in LCD modules, PCMCIA cards, portable applications, and hand-held devices, is the result of a successful development between Diodes and its recently acquired FabTech subsidiary.

Designed for battery-powered end products such as PDA's, cell phones, and laptop computers, the BAT750 provides extended battery life by reducing power consumption and enables efficient operation with its low forward voltage drop.

"This new low barrier Schottky represents a significant reduction in power consumption and heat generation, both of which are critical in the hand-held market," said Mark King, Vice President of Sales and Marketing for Diodes, Inc. "After recently announcing our first design win for this technology, we anticipate that the enhanced version will meet with a strong reception in a variety of battery powered applications."

"More importantly, this product introduction represents the initial fruits of our productive working relationship with FabTech's engineering team. In the coming months, we look forward to announcing additional new products that will position Diodes at the forefront of Schottky technologies and provide even more advanced solutions to our customers."

From an engineering standpoint, the BAT750 offers a very low forward voltage drop of typically less than 300mV at 300mA and an extended operating range up to 750mA, whereas the typical forward voltage drop is less than 400mV. The device has a guaranteed Vf Less Than 490mV max @ If=0.75A, and has a very high average rectified current rating for a SOT-23 device of (Io): 750mA. This enables excellent power efficiency in high-density applications.

With its small footprint, high current rating and low Vf, the BAT750 remains cooler than standard devices when passing current under equivalent heat sinking schemes or with equivalent PCB layouts, thus providing a larger safe-operating area for forward operation.

Maximizing efficiency for longer battery lifetimes, the BAT750 is well suited for the 5V-to-12V Boost Converter and Positive-to-Negative Converter with Direct Feedback. Other applications include the Dual Output Fly back Converter with Over-voltage Protection; Low Ripple 5V to -3V "Cuk" Converter; High Efficiency CCFL Supply; 2 Li-Ion Cell to 5V SEPIC Converter; and Low Noise Step-up DC-DC Converter.

For pricing, packaging and availability visit http://www.diodes.com or contact Diodes' customer service at 800-446-4874 or email at info@diodes.com.

About Diodes Incorporated

Diodes, Inc. (Nasdaq: DIOD) is a leading manufacturer and supplier of high-quality discrete semiconductor products, serving the communications, computer, electronics and automotive markets. The Company operates two Far East subsidiaries, Diodes-China (QS-9000 & ISO-14001 certified) in Shanghai and Diodes-Taiwan (ISO-9000 certified) in Taipei. Diodes-China's manufacturing focus is on surface-mount devices destined for wireless devices, notebook computers, pagers, PCMCIA cards and modems, among others. Diodes-Taiwan is our Asia-Pacific sales, logistics and distribution center. The Company's newly acquired 5" wafer foundry, Diodes-FabTech (QS-9000 certified), specializes in Schottky products and is located just outside Kansas City, Missouri. The Company's ISO-9000 corporate sales, marketing, engineering and logistics headquarters is located in Southern California. For further information, visit the Company's website at http://www.diodes.com.

Safe Harbor Statement Under the Private Securities Litigation Reform Act of 1995: Any statements set forth above that are not historical facts are forward-looking statements that involve risks and uncertainties that could cause actual results to differ materially from those in the forward-looking statements. Potential risks and uncertainties include, but are not limited to, such factors as fluctuations in product demand and product mix, the introduction of new products, the Company's ability to maintain customer and vendor relationships and market share, technological advancements, impact of competitive products and pricing, growth in targeted markets, risks associated with the acquisition and integration of FabTech, the risk of a protracted global economic slowdown, risks of foreign operations, and other information detailed from time to time in the Company's filings with the United States Securities and Exchange Commission.

Source: Diodes Incorporated

CONTACT: Crocker Coulson, Partner, Coffin Communications Group;

(818) 789-0100 e-mail: crocker.coulson@coffincg.com or Mark King, Vice President-Sales and Marketing, Diodes, Inc.; (805) 446-4800

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Recent news releases, annual reports, and SEC filings are available at the Company's website: http://www.diodes.com. Written requests may be sent directly to the Company, or they may be e-mailed to: diodes-fin@diodes.com.

EXHIBIT 99.23

FOR IMMEDIATE RELEASE

Diodes, Inc. Announces Conference Call To Discuss First Quarter FY 2001 Financial Results

Westlake Village, California - April 17, 2001 - Diodes Incorporated (Nasdaq: DIOD), a leading manufacturer and supplier of high quality discrete semiconductors, primarily to the communications, computing, electronics and automotive industries, will host a conference call at 9 a.m. PDT (12 noon EDT) on Tuesday, May 1st to discuss results for the first quarter of FY 2001.

Joining C.H. Chen, President and CEO of Diodes, Inc., will be Mark King, Vice President of Sales and Marketing, and Carl Wertz, Chief Financial Officer. The Company plans to distribute its earnings announcement on Business Wire that same day at 6 a.m. PDT (9 a.m. EDT).

This conference call will be broadcast live over the Internet and can be accessed by all interested parties on Diodes' website at www.diodes.com. To listen to the live call, please go to the Investor section of Diodes website and click on the Conference Call link at least fifteen minutes prior to the start of the call to register, download, and install any necessary audio software. For those unable to participate during the live broadcast, a replay will be available shortly after the call on the Diodes website for 90 days.

About Diodes Incorporated

Diodes, Inc. (Nasdaq: DIOD) is a leading manufacturer and supplier of high-quality discrete semiconductor products, serving the communications, computer, electronics and automotive markets. The Company operates two Far East subsidiaries, Diodes-China (QS-9000 & ISO-14001 certified) in Shanghai and Diodes-Taiwan (ISO-9000 certified) in Taipei. Diodes-China's manufacturing focus is on surface-mount devices destined for wireless devices, notebook computers, pagers, PCMCIA cards and modems, among others. Diodes-Taiwan is our Asia-Pacific sales, logistics and distribution center. The Company's newly acquired 5" wafer foundry, Diodes-FabTech (QS-9000 certified), specializes in Schottky products and is located just outside Kansas City, Missouri. The Company's ISO-9000 corporate sales, marketing, engineering and logistics headquarters is located in Southern California. For further information, visit the Company's website at http://www.diodes.com.

Source: Diodes Incorporated

CONTACT: Crocker Coulson, Partner, Coffin Communications Group;

(818) 789-0100 e-mail: crocker.coulson@coffincg.com or Carl Wertz, Chief Financial Officer, Diodes Incorporated; (805) 446-4800

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Recent news releases, annual reports, and SEC filings are available at the Company's website: http://www.diodes.com. Written requests may be sent to Investor Relations, Diodes Incorporated, 3050 E. Hillcrest Drive, Westlake Village, CA 91362, or they may be e-mailed to: diodes-fin@diodes.com.

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EXHIBIT 99.24

FOR IMMEDIATE RELEASE

Diodes, Inc. Reports First Quarter 2001 Results

Westlake Village, California, May 1, 2001 - Diodes Incorporated (Nasdaq: DIOD), a leading manufacturer and supplier of high quality discrete semiconductors, primarily to the telecommunications, computing, electronics and automotive industries, today reported financial results for the first quarter of fiscal year 2001 ended March 31, 2001.

Revenues for the first quarter were $25.7 million, a decrease of 6.2% as compared to $27.4 million for the comparable quarter in 2000. Net income for the same period was $521,000, as compared to $3.1 million for the three months ended March 31, 2000. Diluted earnings per share were $0.06 for the first quarter of 2001, as compared to $0.34 for the same period last year.

"During the first quarter of 2001, Diodes faced challenges caused by a severe inventory correction and soft underlying demand, primarily in the communications and computer sectors, which have beset so many of our customers and our competitors in the semiconductor industry," said C.H. Chen, President and Chief Executive Officer of Diodes, Inc. "While integral to our growth strategy, the acquisition of the FabTech wafer foundry has compounded the near-term volatility of our financial performance by increasing our fixed costs during a period of decreasing demand and corresponding lower capacity utilization. We are cautiously optimistic that we will see gradual improvement as 2001 progresses, however pricing pressures are likely to pose a challenge in the second quarter.

Chen continued, "We are pleased with the recent progress we've made in integrating FabTech with our product development strategy and validating the technology and design innovation that is key to Diodes' future. In the past quarter, we have introduced several new products, the majority of which are focused on handheld, battery-powered devices, and initial customer reception has been very strong. In addition, we have used the pause in our industry's growth to enhance our internal systems, improve our cost structure and build our marketing presence in Europe and Asia. We remain confident that Diodes is positioned to capitalize on major emerging opportunities for advanced surface-mount devices when end-use demand picks up in sectors such as mobile computing and wireless communications."

Q1 of FY 2001 Highlights:

- Successful integration of FabTech wafer foundry with Diodes' product development strategy

- Joint development efforts result in increase in new product introductions

- New Asian sales team focused on expanding markets

- Established European sales organization

- Improved inventory management lead to 16% reduction in inventory

Commenting further on the results, Chen went on to say, "The first quarter was our 44th consecutive quarter of profitability, a record that we have achieved through a combination prudent expansion of our production capacity and strict fiscal discipline. We maintained profitable operations despite a reduction of our gross profit margin to 16.0% in the first quarter of 2001, as compared to 30.8% in the comparable quarter last year. The impact to our margins is largely attributable to reduced capacity utilization of the Company's manufacturing assets as well as to demand-induced fluctuations in product mix. Due to market conditions, capacity utilization at Diodes' FabTech subsidiary has decreased 45% as compared to the previous year, while Diodes-China's utilization has decreased 15%. In the last several months, Diodes implemented programs to cut operating costs, including a workforce reduction of approximately 26%, which has resulted in SG&A decreasing to 12.4% of revenues in the first quarter, as compared to 16.6% in the first quarter of 2000. And we will continue to actively adjust our cost structure as appropriate to the evolving economic climate."

"While the immediate outlook for the discrete semiconductor market continues to be uncertain, discrete component inventories at the OEM level appear to have begun to level off and distributor inventory is slowly decreasing, suggesting that a new base level of demand may emerge in the next few quarters. At Diodes, we will continue to increase our investment in R&D in 2001, so as to develop proprietary products that deliver greater value to our customers and support sustainable, higher margin programs. We also see an opportunity to continue to win market share from competitors who are less committed to the market for discrete devices. In the first quarter we added a new team to our Asia sales force who are focused on accounts in Taiwan, Hong Kong and Mainland China, which we see as a geographic focus of future growth. We also have successfully initiated our European sales network, and are actively sampling customers and taking orders. Over the course of 2001 we intend to continue to expand our marketing efforts on a global basis, while we begin to build a pipeline of new applications that incorporate next-generation discrete technologies," Chen concluded.

Join us for our conference call to be broadcast live at 9:00 am PDT (12 noon EDT) today, available via webcast at the investor section of Diodes' website at: www.diodes.com.

About Diodes Incorporated

Diodes, Inc. (Nasdaq: DIOD) is a leading manufacturer and supplier of high-quality discrete semiconductor products, serving the communications, computer, electronics and automotive markets. The Company operates two Far East subsidiaries, Diodes-China (QS-9000 & ISO-14001 certified) in Shanghai and Diodes-Taiwan (ISO-9000 certified) in Taipei. Diodes-China's manufacturing focus is on surface-mount devices destined for wireless devices, notebook computers, pagers, PCMCIA cards and modems, among others. Diodes-Taiwan is our Asia-Pacific sales, logistics and distribution center. The Company's newly acquired 5" wafer foundry, Diodes-FabTech (QS-9000 certified), specializes in Schottky products and is located just outside Kansas City, Missouri. The Company's ISO-9000 corporate sales, marketing, engineering and logistics headquarters is located in Southern California. For further information, visit the Company's website at http://www.diodes.com.

Safe Harbor Statement Under the Private Securities Litigation Reform Act of 1995: Any statements set forth above that are not historical facts are forward-looking statements that involve risks and uncertainties that could cause actual results to differ materially from those in the forward-looking statements. Potential risks and uncertainties include, but are not limited to, such factors as fluctuations in product demand, the introduction of new products, the Company's ability to maintain customer and vendor relationships, technological advancements, impact of competitive products and pricing, growth in targeted markets, risks of foreign operations, and other information detailed from time to time in the Company's filings with the United States Securities and Exchange Commission.

Source: Diodes Incorporated

CONTACT: Crocker Coulson, Partner, Coffin Communications Group;

(818) 789-0100 e-mail: crocker.coulson@coffincg.com or Carl Wertz, Chief Financial Officer, Diodes, Inc.; (805) 446-4800

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Recent news releases, annual reports, and SEC filings are available at the Company's website: http://www.diodes.com. Written requests may be sent directly to the Company, or they may be e-mailed to: diodes-fin@diodes.com.

CONSOLIDATED CONDENSED INCOME STATEMENT FOLLOWS

DIODES INCORPORATED AND SUBSIDIARIES
CONSOLIDATED CONDENSED STATEMENTS OF INCOME
(Unaudited)

	Three Months Ended March 31, 2000	Three Months Ended March 31, 2001
Net sales	$ 27,437,000	$ 25,748,000
Cost of goods sold	19,000,000	21,627,000
Gross profit	8,437,000	4,121,000
Selling, general and administrative expenses	4,542,000	3,184,000
Income from operations	3,895,000	937,000
Other income (expense)		
Interest income	52,000	66,000
Interest expense	(216,000)	(740,000)
Other	6,000	(96,000)
	(158,000)	(770,000)
Income before income taxes and minority interest	3,737,000	167,000
Income tax benefit (provision)	(492,000)	429,000
Income before minority interest	3,245,000	596,000
Minority interest in joint venture earnings	(105,000)	(75,000)
Net income	$ 3,140,000	$ 521,000
Earnings per share		
Basic	$ 0.39	$ 0.06
Diluted	$ 0.34	$ 0.06
Weighted average shares outstanding		
Basic	7,985,945	8,132,559
Diluted	9,204,491	9,029,628

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