

Introduction

This Code of Ethics (“**Code**”) has been adopted by our Board of Directors and summarizes the principles that guide our actions. This Code is a guide for each of our employees, officers and directors to follow in meeting these principles. We expect every employee, officer and director to read and understand the Code and its application to the performance of his or her business responsibilities. References in the Code to employees are intended to cover officers and, as applicable, directors. Nothing in the Code alters the at-will employment policy of **IXYS CORPORATION** and its subsidiaries (“**IXYS**”) applicable to all U.S. employees.

While covering a wide range of business practices and procedures, these standards cannot and do not cover every issue that may arise, or every situation where ethical decisions must be made, but rather set forth key guiding principles that represent **IXYS** policies and establish conditions for employment at **IXYS**.

We strive to foster a culture of honesty and accountability. We strive to apply ethical, moral and legal principles in our business. Our commitment to a high level of ethical conduct should be reflected in all of our business activities including, but not limited to, relationships with employees, customers, suppliers, creditors, insurers, auditors, competitors, the government and the public, including our shareholders.

One of **IXYS**’s most valuable assets is our reputation for integrity, professionalism and fairness. Our actions are the foundation of our reputation and adhering to this Code and applicable law is imperative.

The Code addresses conduct that is particularly important to proper dealings with the people and entities with which we interact, but reflects only a part of our commitment. From time to time we may adopt additional policies and procedures with which our employees are expected to comply, if applicable. However, it is the responsibility of each employee to apply common sense, in an honest and ethical manner, in making business decisions where there is no stated guideline in the Code.

Action by members of your immediate family, significant others or other persons who live in your household (referred to in the Code as “family members”) also may potentially result in ethical issues to the extent that they involve **IXYS** business. For example, a family member’s acceptance of inappropriate gifts from one of our suppliers could create a conflict of interest and result in a Code violation attributable to you. Consequently, in complying with the Code, you should consider not only your own conduct, but also that of your immediate family members, significant others and other persons who live in your household.

YOU SHOULD NOT HESITATE TO ASK QUESTIONS ABOUT WHETHER ANY CONDUCT MAY VIOLATE THE CODE, VOICE CONCERNS OR CLARIFY GRAY AREAS. SECTION 10 BELOW DETAILS THE COMPLIANCE RESOURCES AVAILABLE TO YOU. IN ADDITION, YOU SHOULD BE ALERT TO POSSIBLE VIOLATIONS OF THE CODE BY OTHERS AND REPORT SUSPECTED VIOLATIONS, WITHOUT FEAR OF ANY FORM OF RETALIATION, AS FURTHER DESCRIBED IN SECTION 10.

All of our employees shall conduct themselves according to the language of this Code and avoid improper behavior. Even well intentioned actions that violate the law or this Code may result in negative consequences for IXYS and for the individuals involved. Any employee who violates the standards in the Code may be subject to disciplinary action, which, depending on the nature of the violation and the history of the employee, may range from a warning or reprimand to and including termination of employment and, in appropriate cases, civil legal action or referral for regulatory or criminal prosecution.

1. Honest and Ethical Conduct

It is the policy of IXYS to conduct our affairs in an honest and ethical manner. The integrity and reputation of IXYS depends on the honesty, fairness and integrity brought to the job by each person associated with us. Personal integrity is the foundation of corporate integrity.

2. Legal Compliance

All employees must respect and obey the laws, rules and regulations of the cities, states and countries in which IXYS operates. No employee of IXYS shall suggest to another to do otherwise. If you have a question in the area of legal compliance, it is important that you not hesitate to seek answers from your supervisor or the Compliance Administrator (as further described in Section 10).

Disregard of the law will not be tolerated. Violation of domestic or foreign laws, rules and regulations may subject an individual, as well as IXYS, to civil and/or criminal penalties. You should be aware that conduct and records, including e-mails, are subject to internal and external audits and to discovery by third parties in the event of a government investigation or civil litigation. It is in everyone's best interest to know and comply with our legal obligations.

3. Protection of Confidential Proprietary Information

Confidential proprietary information generated and gathered in our business is a valuable IXYS asset. Protecting this information plays a vital role in our continued growth and ability to compete, and all proprietary information should be maintained in strict confidence, except when disclosure is authorized by IXYS or required by law.

4. Conflicts of Interest

We respect the rights of our employees to manage their personal affairs and investments and do not wish to infringe on their personal lives. At the same time, employees should avoid conflicts of interest that occur when their personal interests may interfere with the performance of their duties or the best interests of IXYS. A conflict of interest can arise when an employee acts or has interests that make it difficult for him or her to objectively and effectively perform his or her work for IXYS. Even the appearance of a conflict of interest where none actually exists can be damaging and should be avoided.

If you become aware of a personal interest that is, or may be viewed as, in conflict with IXYS, and you are not an executive officer or director of IXYS, you should promptly present the situation and the nature of the possible conflict to your supervisor or the Compliance Administrator. Supervisors may not make determinations about conflicts of interest without

first seeking the approval of the Compliance Administrator and providing the Compliance Administrator with a description of the activity. If the supervisor is involved in the potential or actual conflict, you should discuss the matter directly with the Compliance Administrator. Executive officers and directors shall seek determinations from the Audit Committee. You should refrain from further action, unless and until the situation has been consented to by the Compliance Administrator or the Audit Committee, as the case may be.

5. Maintenance of Corporate Books, Records, Documents and Accounts; Financial Integrity; Public Reporting/Disclosures

The integrity of our records and public disclosure depends upon the validity and accuracy of the information supporting the entries to our books of account. Therefore, our corporate and business records should be prepared accurately and honestly. The making of false entries, whether they relate to financial results or test results, is strictly prohibited. Our records serve as a basis for managing our business and are important in meeting our obligations to customers, suppliers, creditors, employees and others with whom we do business. As a result, our books, records, accounts and financial statements must be maintained in reasonable detail, must appropriately reflect our transactions and must conform both to applicable legal requirements and to IXYS's system of internal accounting controls. Unrecorded or "off the books" funds or assets cannot be maintained, unless permitted by applicable laws or regulations.

Our accounting records are also relied upon to produce reports for our management, stockholders and creditors, as well as for governmental agencies. In particular, we rely upon our accounting and other business and corporate records in preparing the periodic and current reports that we file with the SEC. It is our policy that these reports shall provide full, fair, accurate, timely and understandable disclosure and fairly present our financial condition and results of operations. Employees who collect, provide or analyze information for or otherwise contribute in any way in preparing or verifying these reports should strive to meet these standards.

6. Gifts and Entertainment

Business gifts and entertainment are meant to create goodwill and sound working relationships and not to gain improper advantage with customers or facilitate approvals from government officials. The exchange, as a normal business courtesy, of meals or entertainment (such as tickets to a game or the theatre or a round of golf) is a common and acceptable practice as long as it is not extravagant. Unless express permission is received from a supervisor, the Compliance Administrator or the Audit Committee, gifts and entertainment cannot be offered, provided or accepted by any employee unless consistent with customary business practices and not (a) excessive in value, which would be one or more items in a calendar year from one person (whether an individual or an entity) valued in the aggregate over \$1,000, (b) in cash, (c) susceptible of being construed as a bribe or kickback, (d) made or received on a regular or frequent basis or (e) in violation of any laws. This principle applies to our transactions everywhere in the world, even where the practice is widely considered "a way of doing business." Employees should not accept gifts or entertainment that may reasonably be deemed to affect their judgment or actions in the performance of their duties. Our customers, suppliers and the public at large should know that our employees' judgment is not for sale.

Practices that are acceptable in commercial business environments may be against the law or the policies governing federal, state or local government employees. Therefore, no gifts or business entertainment of any kind may be given to any government employee without the prior approval of the Compliance Administrator. Under some statutes, such as the U.S. Foreign Corrupt Practices Act, giving anything of value to a government official to obtain or retain business or favorable treatment is a criminal act subject to prosecution and conviction. Discuss with your supervisor or the Compliance Administrator any proposed entertainment or gifts if you are uncertain about their appropriateness.

7. Protection and Proper Use of Company Assets

All employees are expected to protect our assets and use them appropriately. Our property, such as office supplies, telephones, computer equipment and buildings, is expected to be used for legitimate business purposes, although incidental personal use is permitted. You may not, however, use our corporate name, any brand name or trademark owned or associated with IXYS or any letterhead stationery for any personal purpose.

Protecting IXYS's assets against theft or other misuse is the responsibility of every employee. Theft and misuse of IXYS assets directly impact our profitability. Any suspected misuse or theft should be reported to your supervisor or the Compliance Administrator.

8. Fair Dealing

Each employee of IXYS should endeavor to deal with customers, suppliers, competitors, the public and one another at all times and in accordance with ethical business practices. No one should take unfair advantage of anyone through manipulation, concealment or misrepresentation of material facts.

9. Waivers and Amendments

Any waiver of this Code for executive officers (including, where required by applicable laws, our principal executive officer, principal financial officer, principal accounting officer or controller (or persons performing similar functions)) or directors may be authorized only by our Board of Directors or, to the extent permitted by the rules of Nasdaq, a committee of the Board and will be disclosed to stockholders as required by applicable laws, rules and regulations.

Amendments to this Code shall be approved by the Board of Directors and amendments of the provisions in this Code applicable to the Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO") shall be promptly disclosed to IXYS stockholders.

10. Compliance Standards and Procedures

We have established the position of Compliance Administrator to oversee this program. The Compliance Administrator is a person to whom you can address any questions or concerns. In addition to fielding questions or concerns with respect to potential violations of this Code, the Compliance Administrator is responsible for interpreting the Code and for overseeing compliance with the Code. The Compliance Administrator reports periodically, to the Audit Committee regarding administering and enforcing the Code.

Your most immediate resource for any matter related to the Code is your supervisor. He or she may have the information you need or may be able to refer the question to another appropriate source. There may, however, be times when you prefer not to go to your supervisor. In these instances, you should feel free to discuss your concern with the Compliance Administrator. Of course, if your concern involves potential misconduct by another person and relates to accounting, internal accounting controls, or auditing matters, you may report that violation directly to the Chairman of the Audit Committee of the Board of Directors. Executive officers and members of the Board of Directors should discuss matters with the Board or the Chairman of the Audit Committee.

Clarifying Questions and Concerns; Reporting Possible Violations

If you encounter a situation or are considering a course of action and its appropriateness is unclear, discuss the matter promptly with your supervisor or the Compliance Administrator; even the appearance of impropriety can be damaging and should be avoided.

You can also submit your concern, in writing, to the Company's Compliance Administrator at 1590 Buckeye Drive, Milpitas, California 95035.

If you are aware of a suspected or actual violation of Code standards by others, you have a responsibility to report it. You are expected to promptly provide a compliance resource with a specific description of the violation that you believe has occurred, including any information you have about the persons involved and the time of the violation. Whether you choose to speak with your supervisor or the Compliance Administrator, you should do so without fear of any form of retaliation. We will take prompt disciplinary action against any employee who retaliates against you, including termination of employment.

Supervisors must promptly report any complaints or observations of Code violations to the Compliance Administrator. If you believe your supervisor has not taken appropriate action, you should contact the Compliance Administrator directly. The Compliance Administrator will investigate all reported possible Code violations and with the highest degree of confidentiality that is possible under the specific circumstances. Neither you nor your supervisor may conduct any preliminary investigation, unless authorized to do so by the Compliance Administrator.

Your cooperation in the investigation will be expected. As needed, the Compliance Administrator will consult with the Audit Committee of the Board of Directors. It is our policy to employ a fair process by which to determine violations of the Code. With respect to any complaints or observations of Code violations that may involve accounting, internal accounting controls and auditing concerns, the Compliance Administrator shall (i) immediately report the complaint/observation to the Chairman of the Audit Committee, (ii) present the complaint/observation to the Audit Committee at its next scheduled meeting (at least quarterly) or (iii) investigate the complaint/observation and report as indicated in either (i) or (ii) above. The Audit Committee or such other persons as the Audit Committee determines to be appropriate under the circumstances shall thereafter be responsible for supervising and overseeing any inquiry or investigation that is undertaken.

If any investigation indicates that a violation of the Code has probably occurred, we will take such action as we believe to be appropriate under the circumstances. If we determine that an employee is responsible for a Code violation, he or she will be subject to disciplinary action up to, and including, termination of employment and, in appropriate cases, civil action or referral for criminal prosecution. Appropriate action may also be taken to deter any future Code violations.