

Fourth Quarter FY 2012

Roadshow and Webcast

hosted by Bank of America Merrill Lynch
London, 20 – 21 November 2012



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Corporate Vice President

Finance, Treasury & Investor Relations



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■ Infineon at a Glance

■ Growth Outlook

■ Results and Outlook

Disclaimer:

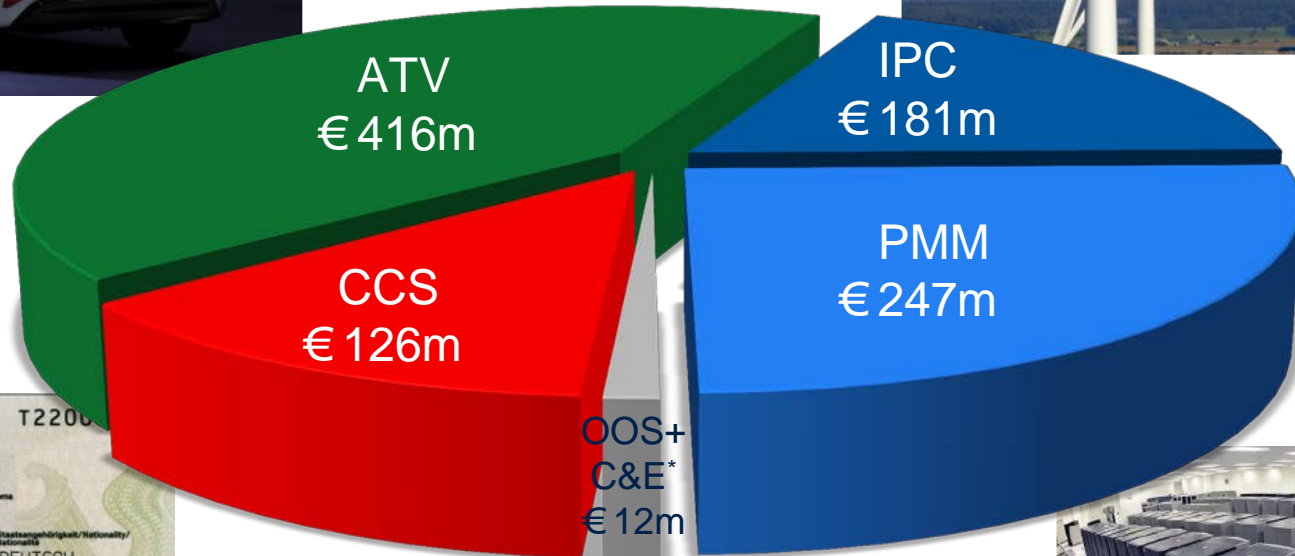
This presentation contains forward-looking statements about the business, financial condition and earnings performance of the Infineon Group.

These statements are based on assumptions and projections resting upon currently available information and present estimates. They are subject to a multitude of uncertainties and risks. Actual business development may therefore differ materially from what has been expected.

Beyond disclosure requirements stipulated by law, Infineon does not undertake any obligation to update forward-looking statements.

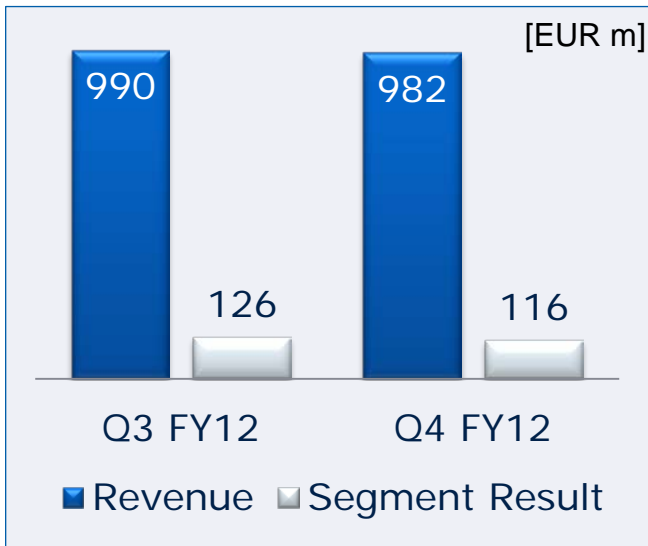
Revenue Split by Division

Q4 FY 2012 revenue: EUR 982m



* Other Operating Segments; Corporate and Eliminations.

Decreasing Segment Result Margin due to High Investments



[EUR m]	Q3 FY12	Q4 FY12	FY 2012
Revenue	990	982	3,904
Segment Result	126	116	527
SR Margin	12.7%	11.8%	13.5%
Net Income*	82	138	427
Investment	158	246	890
FCF from cont. operations	-22	47	-219
Gross Cash	2,150	2,235	2,235
Net Cash	1,907	1,940	1,940

* Net Income includes „income from discontinued operations, net of income taxes“ in Q3 FY12 EUR -8m, in Q4 FY12 EUR 9m and in FY 2012 EUR-5m. Net Income in Q4 FY12 includes income tax benefits of EUR 52m.

Tight Customer Relationships are Based on System Know-how and App Understanding



ATV



IPC



PMM



CCS



Distributors

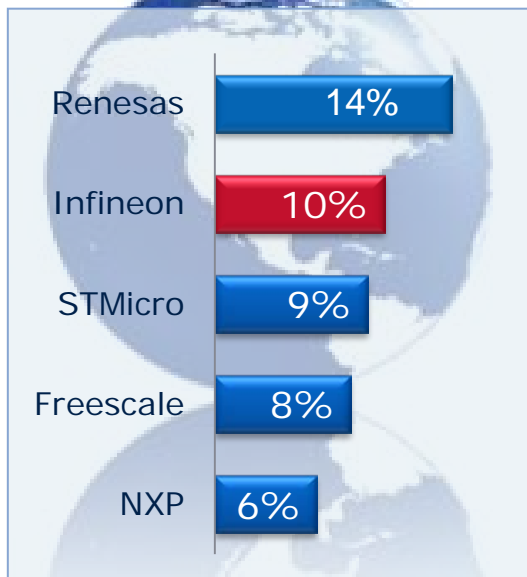


Infineon Holds Top Positions in All Target Markets



Automotive

#2

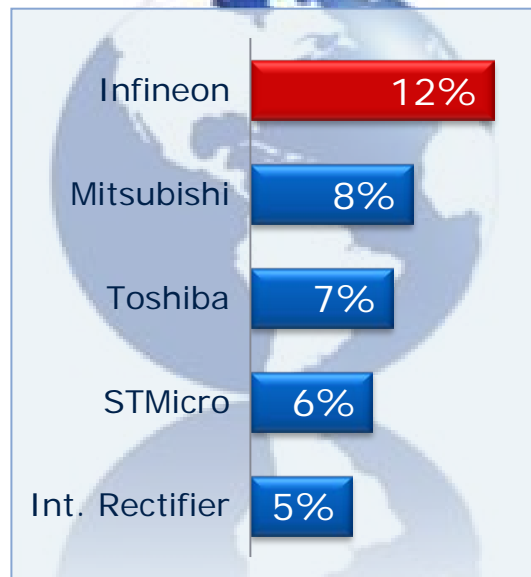


Calendar year 2011.

Source: Strategy Analytics, April 2012.

Power

#1

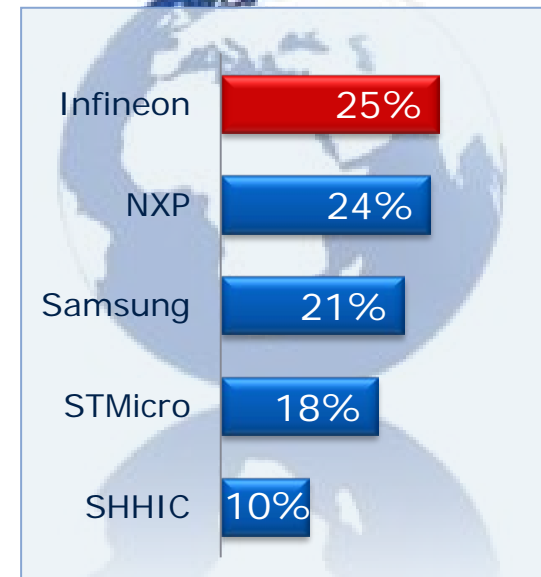


Calendar year 2011.

Source: IMS Research (an IHS company), July 2012.

Chip Card

#1



Calendar year 2011.

Source: IMS Research (an IHS company), August 2012.

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New Era: Multiple Factors Driving Demand for Power Semiconductors

'90 – '10



'10 – '30



Changes

- Electrification of powertrain fuels demand for high-power semis in cars and doubles silicon content.



- Shift towards renewable energies requires orders of magnitude more high-power semis per MW of power generated.



- Higher efficiency in power conversion lowers CO₂, material and electricity costs.



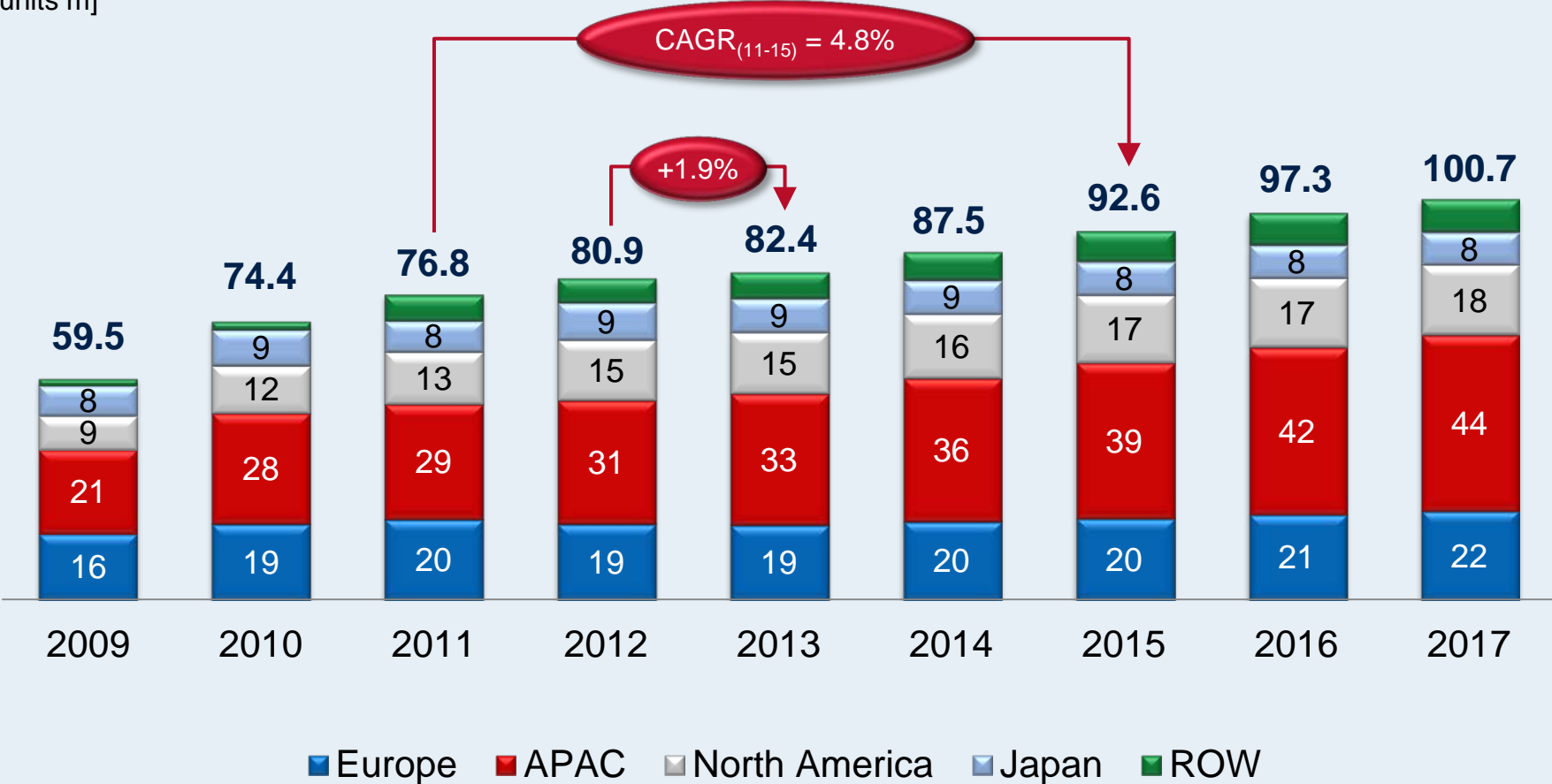
- Stronger demand for goods containing power semis due to faster increase in standard of living in BRIC countries.

Despite Near-Term Outlook Cuts, Long-Term Prospect Still Healthy



Global car production (cars ≤ 6t)

[units m]



Source: IHS, October 2012.

Rising Semiconductor Value Per Car Drives Market

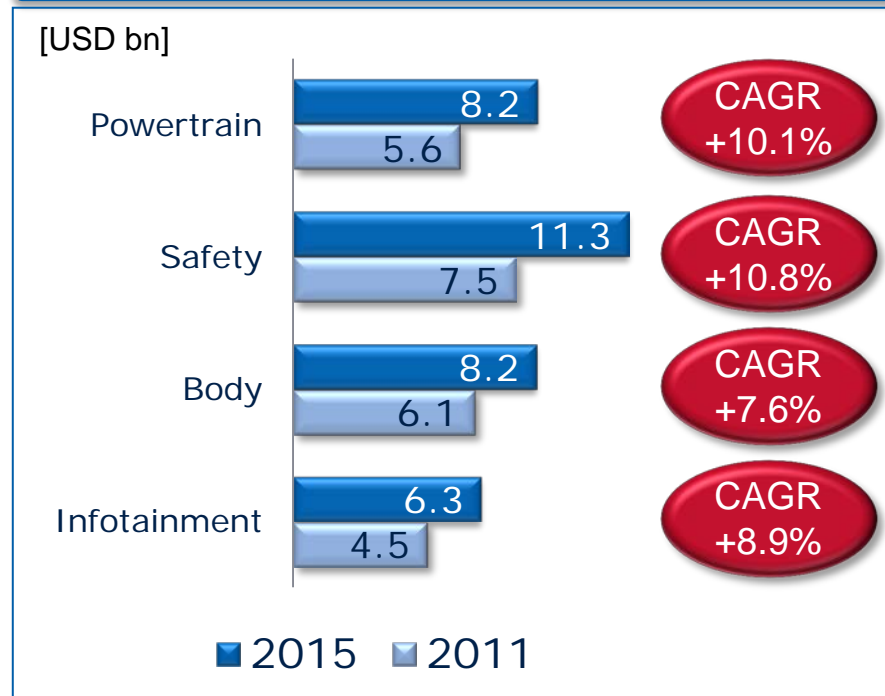
Semiconductor value per car by region



Semiconductor value per car



Semiconductor market by segment



Source: Strategy Analytics, October 2012; including semiconductor sensors.

Every Electricity Conversion Step Requires Infineon Components

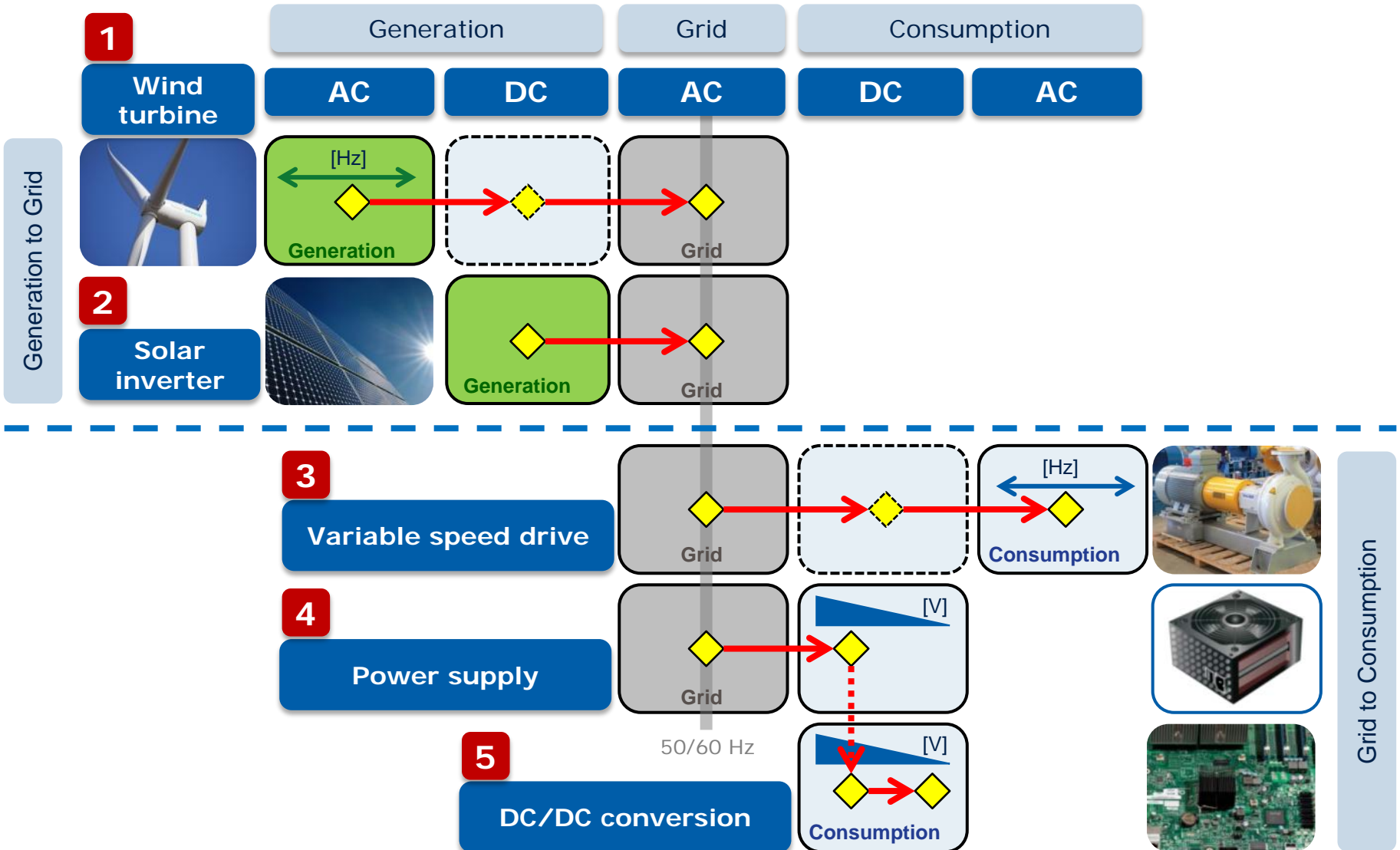


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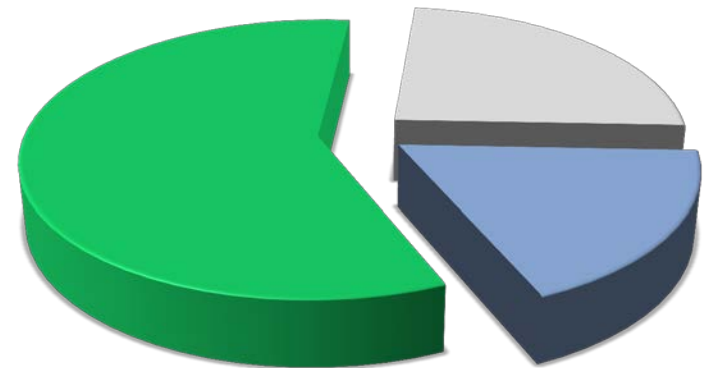
After Record Revenues in 2011 Sales during 2012 Stay Almost Flat

Revenue and Segment Result

[EUR m]



FY 2012 revenue split by product category



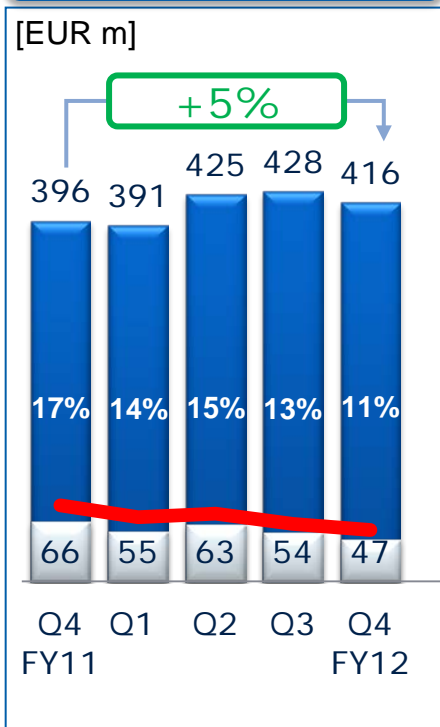
■ Power ■ eControl ■ others

■ Revenue ■ Segment Result — Segment Result margin

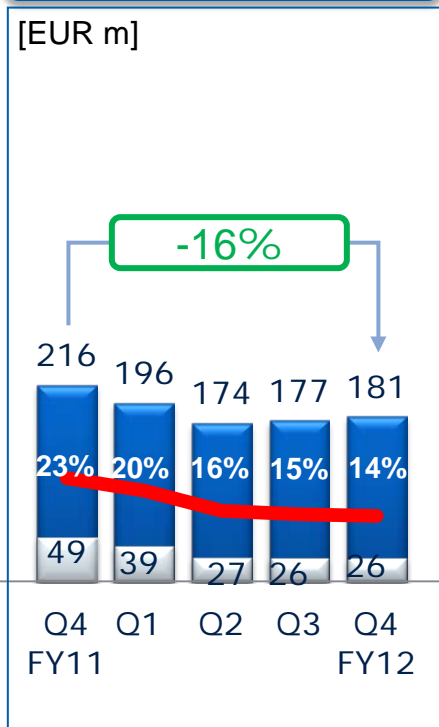
ATV Remains on High Level Steady Recovery in PMM



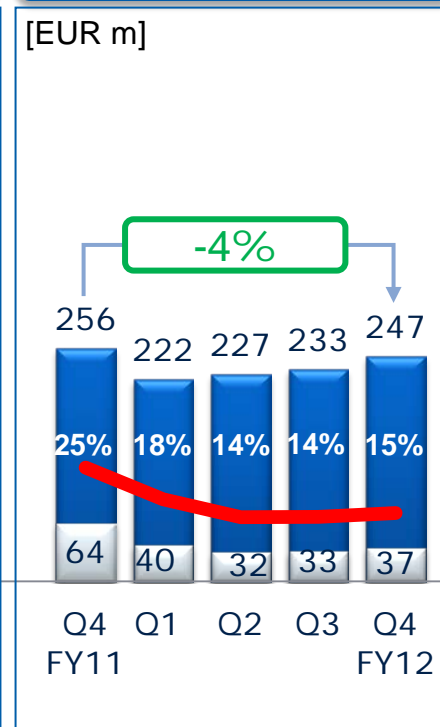
ATV



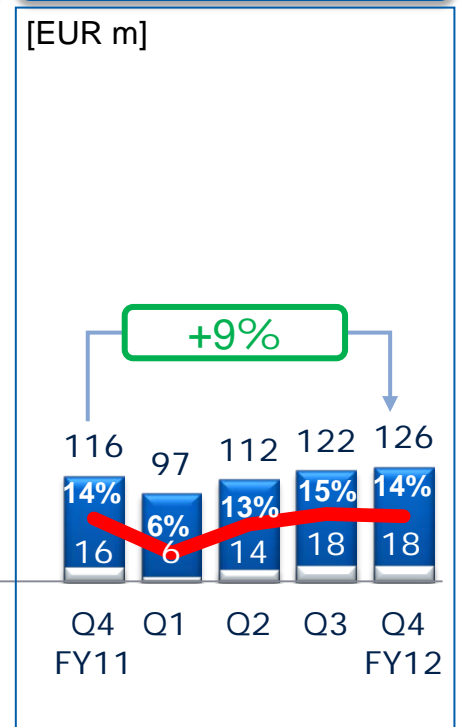
IPC



PMM



CCS



Revenue

Segment Result

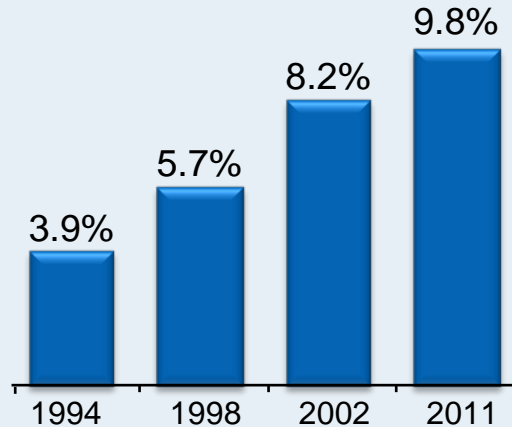
Segment Result margin

Automotive: Infineon Biggest Market Share Gainer Amongst All Players in 2011



Worldwide Automotive Semiconductor Ranking for 2011

1. Renesas	13.8%	↓	-0.3%-pt
2. Infineon	9.8%	↑	+1.0%-pt
3. STM	8.7%	↑	+0.4%-pt
4. Freescale	7.9%	↓	-0.5%-pt
5. NXP	6.4%	↓	-0.4%-pt
6. Bosch	5.8%	↑	+0.2%-pt
7. TI (incl. NSM)	4.7%	→	0%-pt



Infineon
■ strengthened world's #2 position;
■ rose from #8 to #4 position in Japan.

Europe

1. Infineon	14.7%
2. STM	11.3%
3. Bosch	9.4%
4. Freescale	8.7%
5. NXP	8.2%
6. Renesas	8.0%
7. TI	6.8%
8. ON Semi	3.0%

APAC & others*

1. STM	10.1%
2. Infineon	9.0%
3. Renesas	7.5%
4. Freescale	7.4%
5. NXP	7.3%
6. Bosch	5.7%
7. Toshiba	2.9%
8. TI	2.6%

North America

1. Freescale	13.8%
2. Infineon	8.5%
3. STM	8.0%
4. Renesas	7.5%
5. NXP	6.7%
6. TI	6.0%
7. Bosch	3.7%
8. ON	3.3%

Japan

1. Renesas	35.1%
2. Toshiba	13.0%
3. Fujitsu	3.9%
4. Infineon	3.8%
5. Rohm	3.6%
6. STM	3.6%
7. ON	3.1%
8. Sanken	2.9%

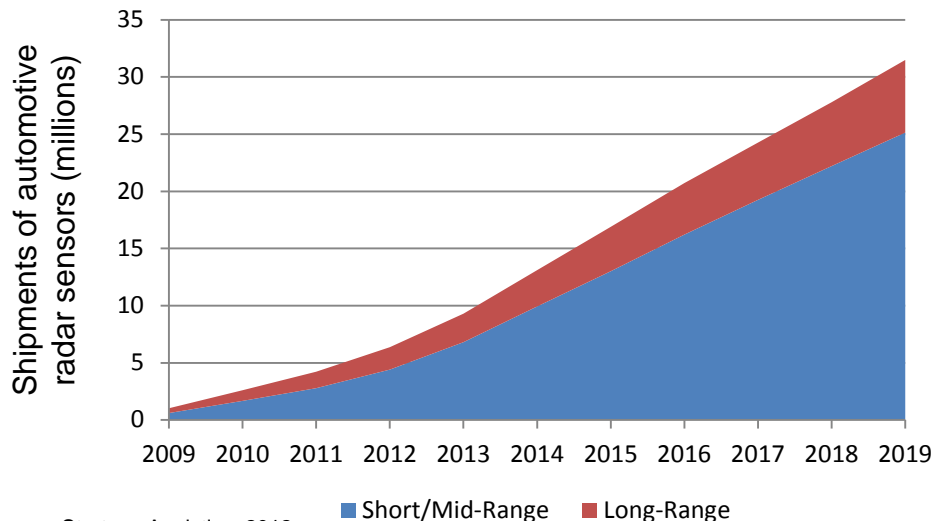
Source: Strategy Analytics, April 2012 * According to Strategy Analytics this ranking also includes Russia, South America, Australia and further countries.

Increasing Adoption of Infineon's 77 GHz SiGe Technology for Radar Applications

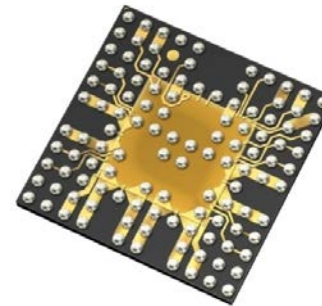


RASIC serves rapid growth in advanced driver assistance systems

- Infineon's Radar System IC (RASIC™) series consists of a group of highly-integrated functions for 77 GHz automotive radar sensors.
- With more than 1m devices shipped since 2009, Infineon is a market leader today and strengthens its future position with the recent release of a "77 GHz radar-in-package".
- Multiple design-wins have been recorded at major automotive suppliers in the USA, Europe and Asia.



Source: Strategy Analytics, 2012



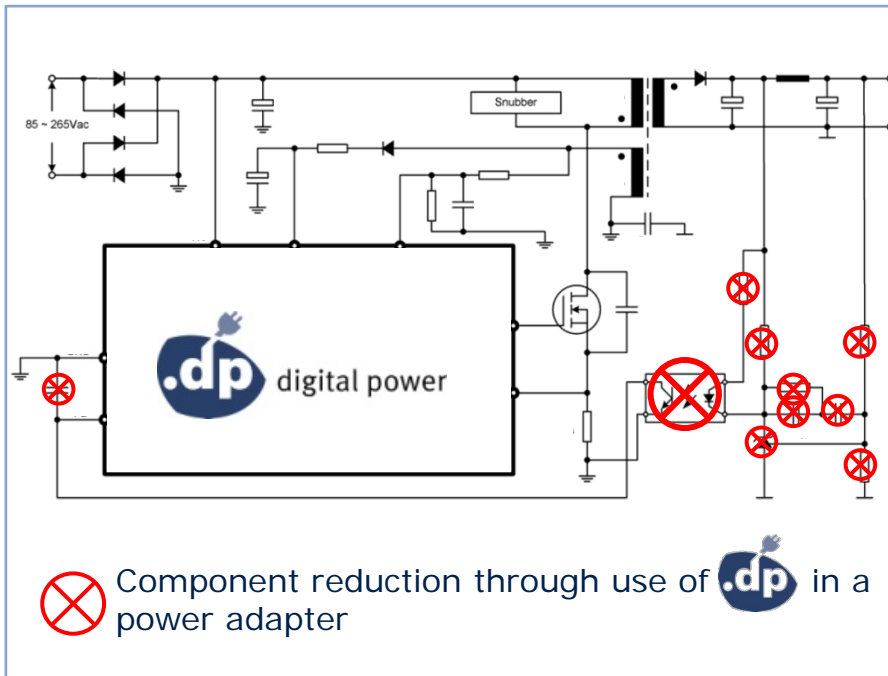
First 77 GHz radar solution in eWLB SMD package.

- Bringing 77 GHz performance to the short- and mid-range market.

Infineon's Digital Power Management ICs Now Ramping for AC/DC Applications



Enabling high-efficiency AC/DC conversion while reducing system costs



- **.dp** uses digital control algorithms allowing system complexity reduction and flexibility to adapt to rapidly-changing market requirements.
- **.dp** is tailored to offer our customers best in both system cost and efficiency over all load conditions.

Target applications

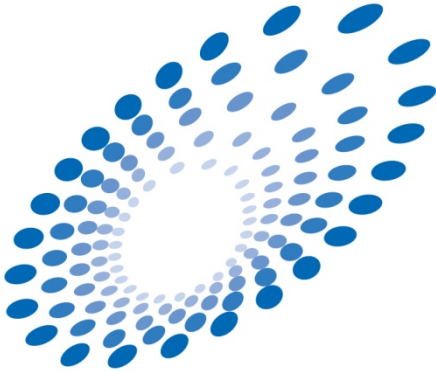


- **.dp** started volume shipments for power adapters.
- Design-in activities now ramping for LED lighting.

Integrity Guard has been nominated for the "German Future Prize 2012"



Integrity Guard – Security for the connected world



DEUTSCHER ZUKUNFTSPREIS
Preis des Bundespräsidenten
für Technik und Innovation

Nominated 2012

**Integrity Guard –
Security for the connected world**

- Infineon's innovative Integrity Guard digital security technology has been nominated for the "German Future Prize 2012 - The Federal President's Award for Innovation and Technology".
- This award recognizes outstanding technical and scientific innovations from Germany. Nomination alone is regarded as the highest commendation for technology and innovation in Germany.
- Integrity Guard is based on digital security and displays two revolutionary innovations:
 - The completely encrypted storage and processing of on-chip data combined with
 - two CPUs – constantly checking each other; and a full digital error-detection system.

Guidance for Q1 FY13 and FY 2013

Outlook Q1 FY13*
(compared to Q4 FY12)



Outlook FY 2013*
(compared to FY 2012)



Revenue

Revenue to decline
by low teens percentage.

Mid- to high-single digit
percentage decline.

**Segment
Result
Margin**

Between
4 and 6 percent.

In the mid- to high-
single digits.

Investments in FY 2013

About EUR 400m.

D&A in FY 2013

About EUR 470m.

* This outlook is based on an assumed Euro/US Dollar exchange rate of 1.25.



ENERGY EFFICIENCY MOBILITY SECURITY

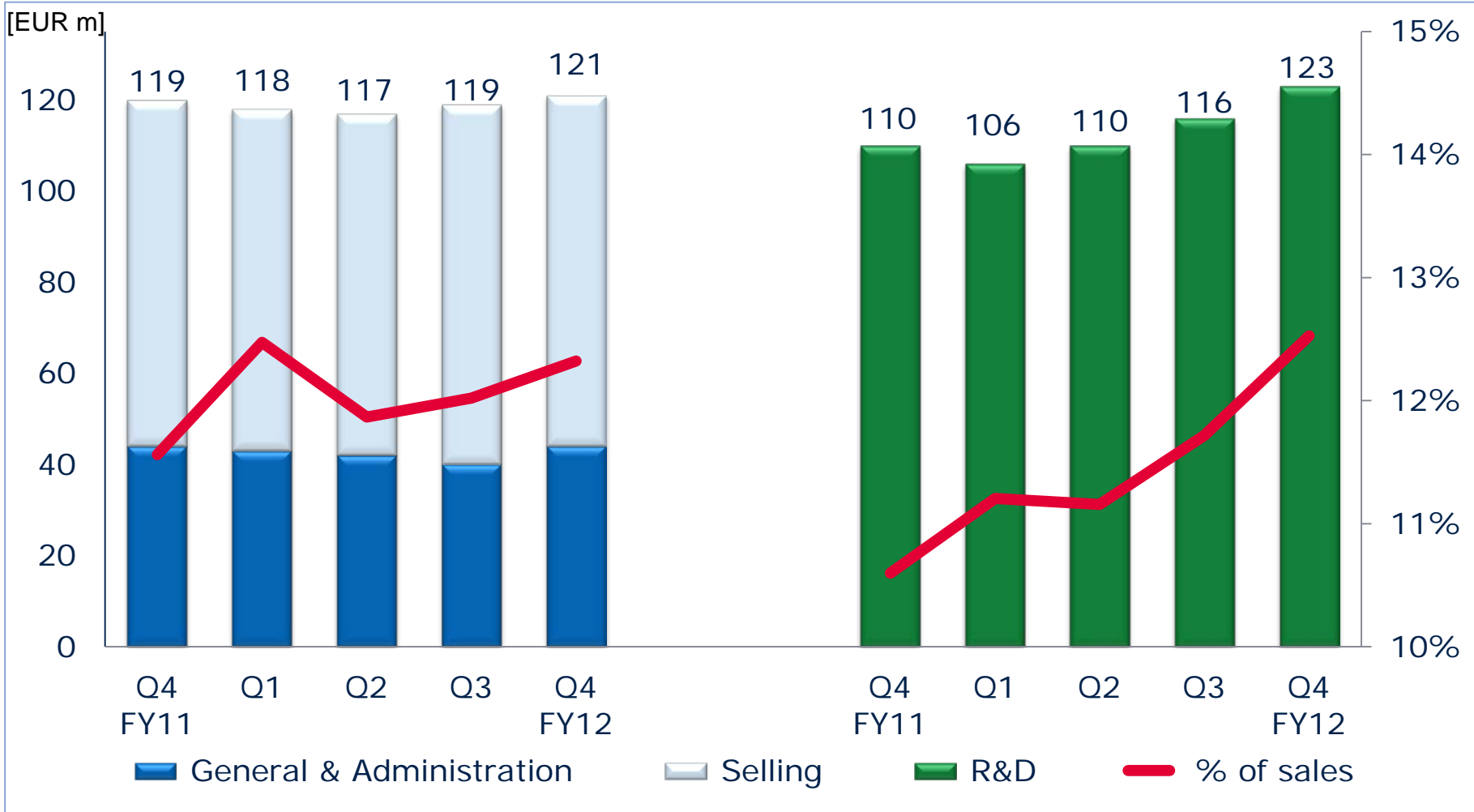
Innovative semiconductor solutions for energy efficiency, mobility and security.



OpEx Development

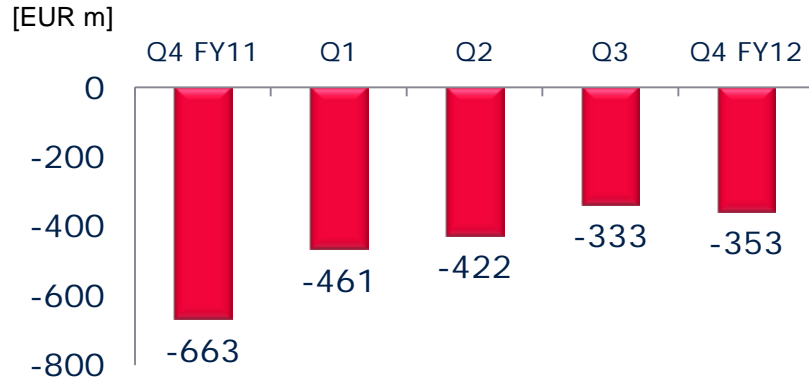
S and G&A

R&D

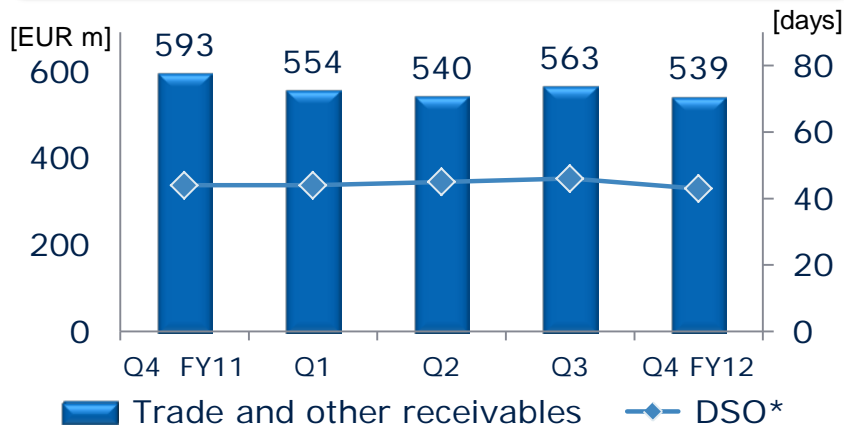


Working Capital

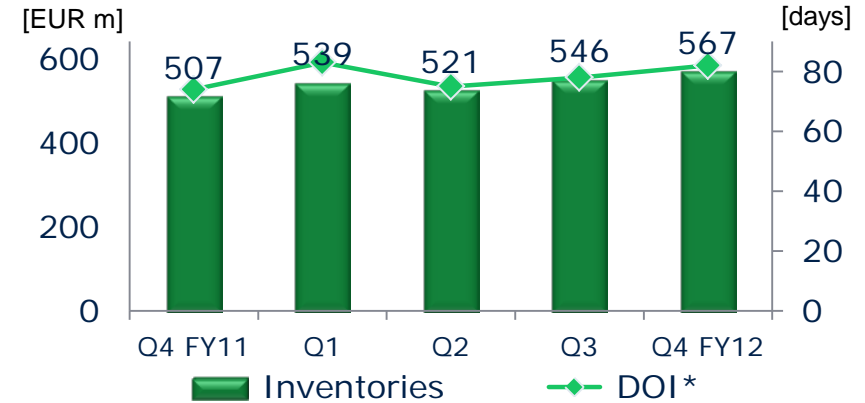
Working capital*



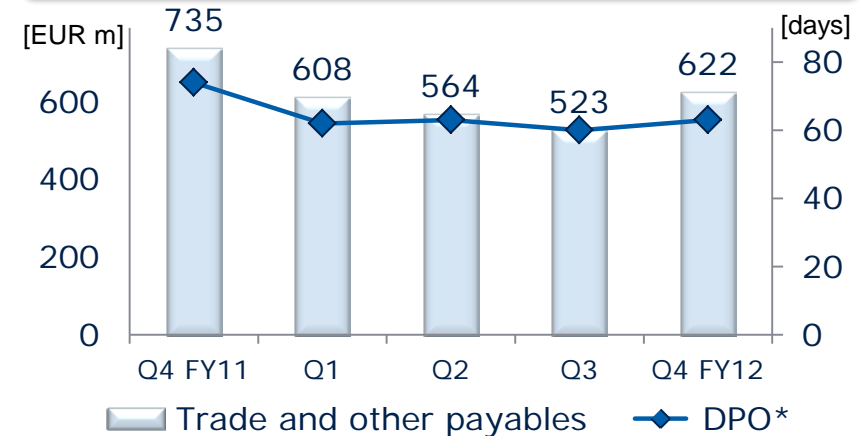
Trade and other receivables



Inventories



Trade and other payables

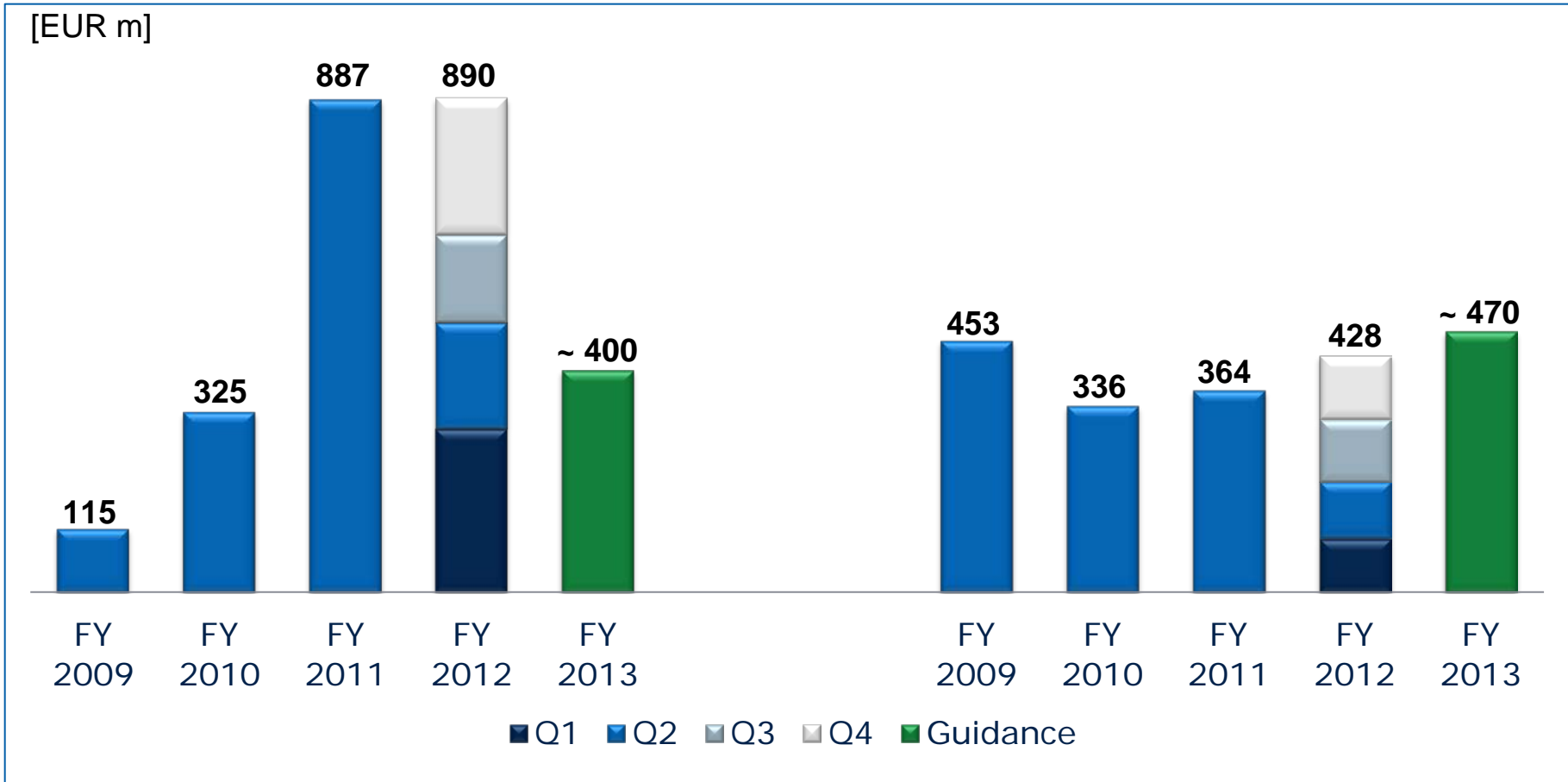


* For definition please see page 28 in appendix.

Investments in FY 2013 to Be Reduced Significantly

Investments*

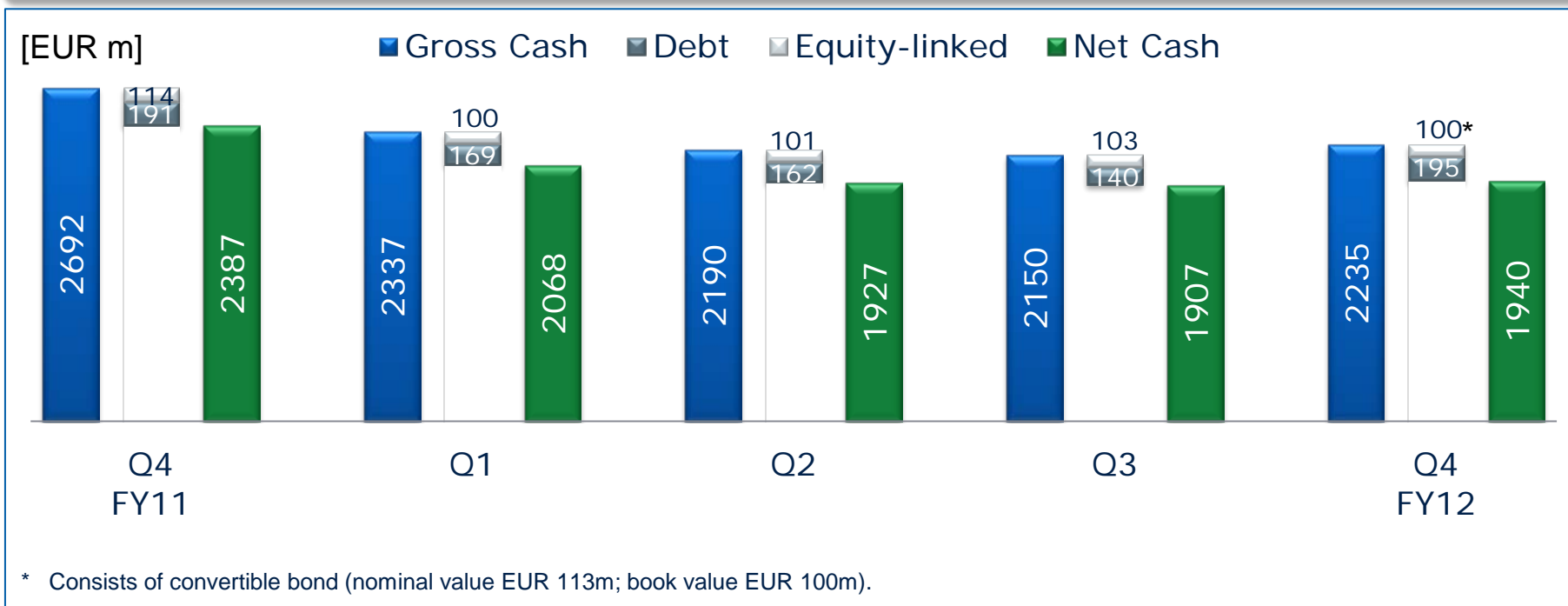
D&A



* For definition please see page 28 in appendix.

Gross Cash and Net Cash Position Slightly Increased

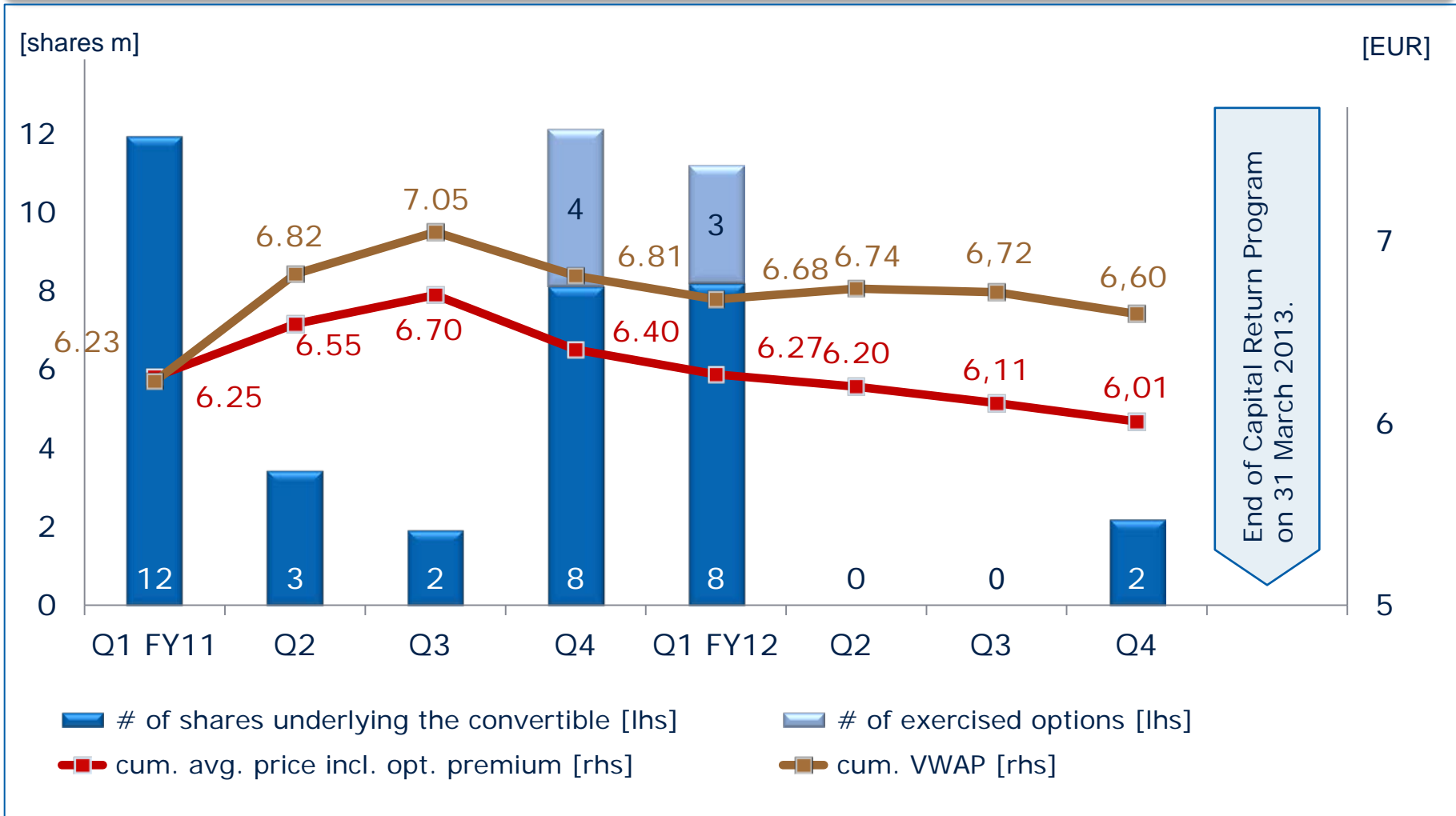
Liquidity Development



- Gross cash increased due to Free Cash Flow and an increase of debt of EUR 52m. Net cash impact correspondingly lower.
- Bought back EUR 5m nominal of convertible bond for EUR 12m.
- No buyback of shares during the quarter. But put options for 5m shares lapsed with EUR 2.2m premium received.

Average Price Per Underlying Share Below Volume Weighted Average Share Price

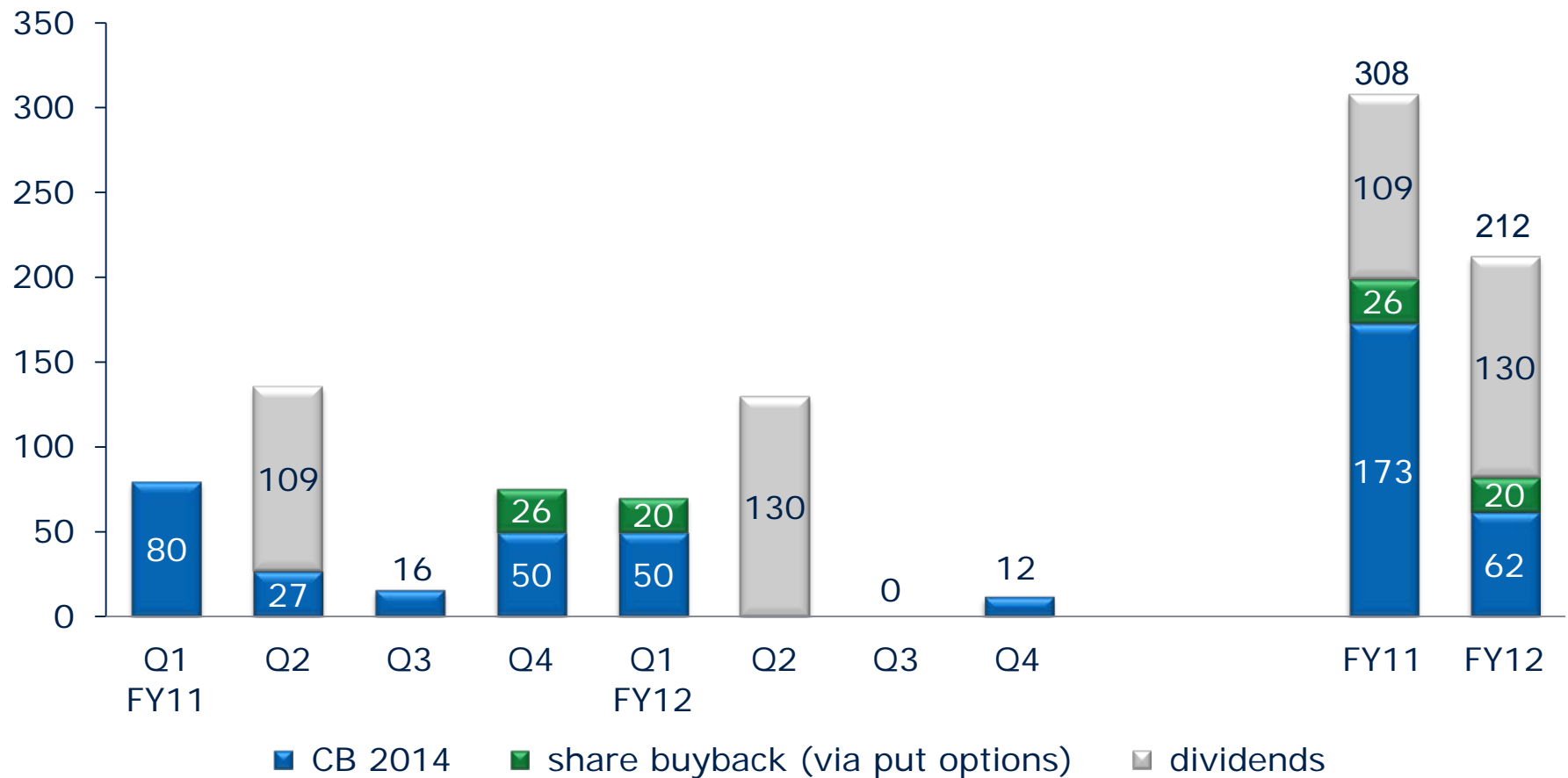
Total share buyback history via convertible bond and put options



Total Gross Capital Returns

Total gross capital returns history

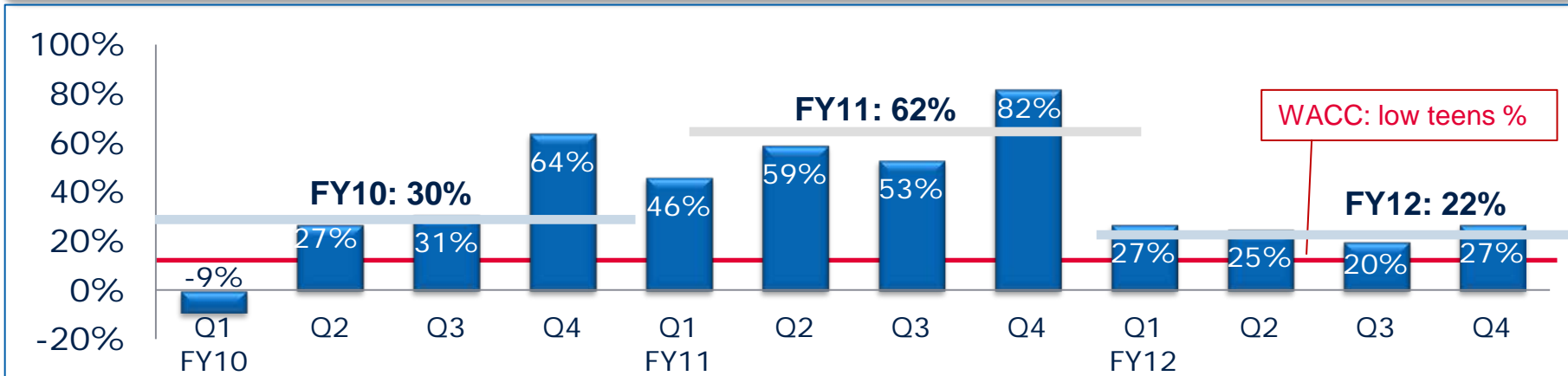
[EUR m]



Value Creation of Infineon by Sustainably High RoCE Above WACC



RoCE* history



Capital Employed* history



* For definition please see page 28 in appendix.

Notes

Investments =

'Purchase of property, plant and equipment'
 + 'Purchase of intangible assets and other assets' *incl. capitalization of R&D expenses*

Capital Employed =

'Total assets'
 – 'Cash and cash equivalents'
 – 'Financial investments'
 – 'Assets classified as held for sale'
 – ['Total Current liabilities'
 – 'Short-term debt and current maturities of long-term debt'
 – 'Liabilities classified as held for sale']

RoCE =

NOPAT / Capital Employed =
 ('Income from continuing operations'
 – 'financial income'
 – 'financial expense')
 / Capital Employed

Working Capital =

('Total current assets'
 – 'Cash and cash equivalents'
 – 'Financial investment'
 – 'Assets classified as held for sale')
 – ('Total current liabilities'
 – 'Short term debt and current maturities of long-term debt'
 – 'Liabilities classified as held for sale')

DOI (inventory days; quarter-to-date) =
 ('Net Inventories' / 'Cost of goods sold') * 90

DSO (days sales outstanding; quarter-to-date) =
 ('Trade accounts receivables (net)' / 'revenue') * 90

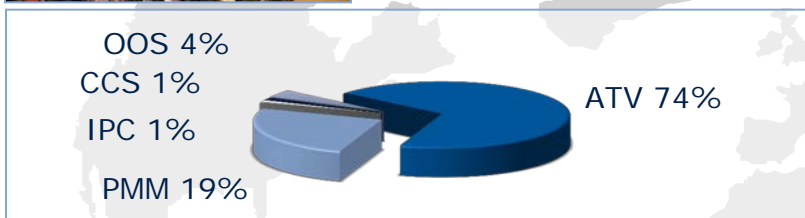
DPO (days payables outstanding; quarter-to-date) =
 ('Trade payables' / ['Cost of goods sold' + 'Purchase of property, plant and equipment']) * 90

Worldwide Frontend Production Sites

Regensburg



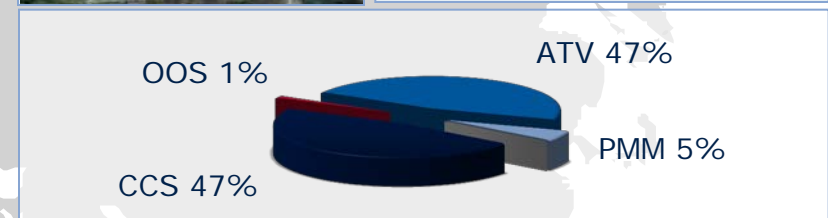
Employees:	1,081
Temps:	202
Capacity:	48k WSPM
Technology:	≥200nm
Complexity:	16 mask layers
Products:	Power



Dresden



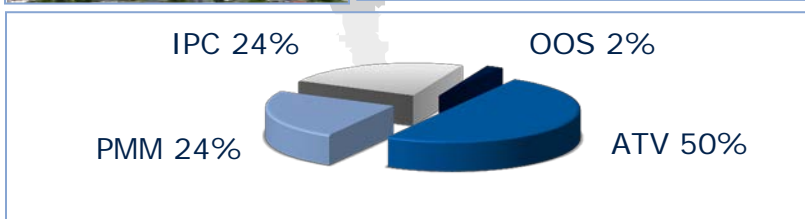
Employees:	1,767
Temps:	168
Capacity:	45k WSPM
Technology:	≥90nm
Complexity:	30 mask layers
Products:	CMOS



Villach



Employees:	1,669
Temps:	331
Capacity:	120k WSPM
Technology:	≥200nm
Complexity:	11 mask layers
Products:	Power



Kulim



Employees:	1161
Temps:	172
Capacity:	85k WSPM
Technology:	≥200nm
Complexity:	12 mask layers
Products:	Power, CMOS



Note : As of September 2012.

WSPM = Wafer Starts Per Month (200mm equivalent), typical technology.

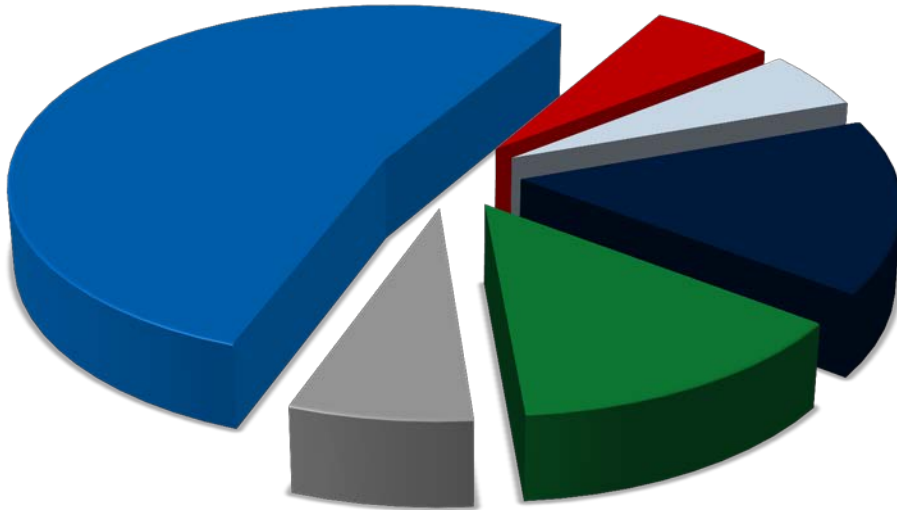
Worldwide Backend Production Sites



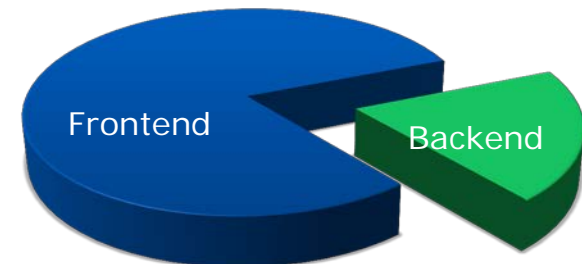
Note : As of September 2012.

Investments Driven by Capacity Additions and Maintenance

Breakdown of total investments in FY12 of EUR 890m



- Capacity
- Innovation
- Quality
- Maintenance / facility
- Intangible assets, capitalized R&D
- Others



Infineon Has a Long Track Record in Responsibility and Sustainability



UN Global Compact Initiative

- As one of the first semiconductor companies worldwide, Infineon joined the Global Compact Initiative of the United Nations in 2004.

Dow Jones Sustainability Index



- Infineon is currently Europe's one and only semiconductor company member in the Dow Jones Sustainability Indexes.

Certifications



- Based on our efforts for resources management, safety and health standards, Infineon received the EN ISO 14001 and OHSAS 18001 multi-site certification.

Financial Calendar

Date	Location	Event
27-28 Nov 2012	Scottsdale, AZ	Credit Suisse Technology Conference
06 Dec 2012	London	Natixis Payment Revolution Conference
31 Jan 2013*		Q1 FY13 Results
28 Feb 2013	Munich	Annual General Meeting
02 May 2013*		Q2 FY13 Results
30 Jul 2013*		Q3 FY13 Results
12 Nov 2013*		Q4 FY13 and FY 2013 Results

* provisional

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