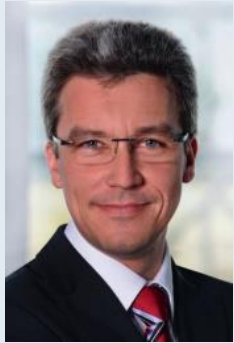


# Investor and Analyst Call

28 May 2015



Dr. Stefan Hofschen  
President, Chip Card & Security (CCS)  
Infineon Technologies AG



# Agenda

- Infineon CCS Division Overview
- Growth Drivers
- Summary

## **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.

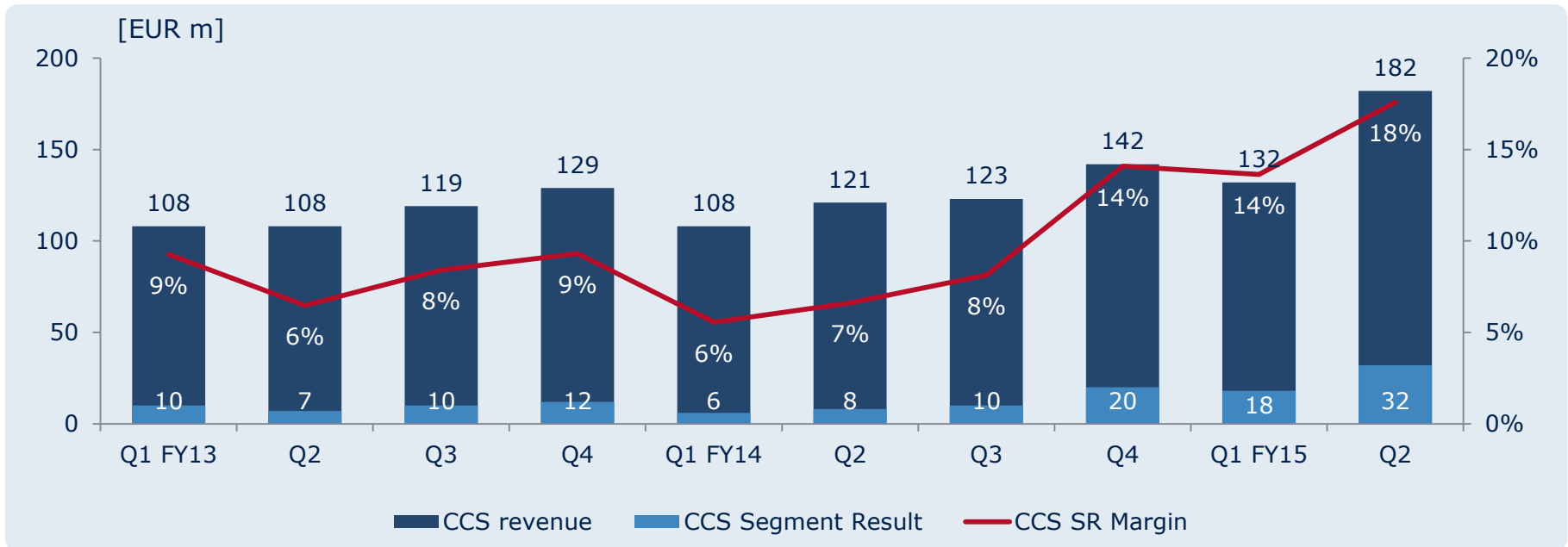
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# Infineon CCS is Delivering Consistent Improvement in Revenue and Profitability



## CCS revenue and Segment Result development



## Select customers of CCS



# Infineon has Industry's Broadest Security Portfolio



## Smart Cards, Electronic Documents

## Embedded Security



Smart Card Payment



Mobile Payment



National eID



Trusted Computing (TPM)



embedded Secure Element (NFC)



Mobile Communication



Transport, Ticketing



ePassport



Machine-to-Machine



Smart Metering



Access Control



Pay TV



eDriver License



Object ID / Tags



USB Token



eHealth / eSocial



Authentication



Digital Tachograph

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# Mobile Payment and Transition to Chip-based, Contactless Cards are Key Trends



Mobile payment gaining momentum



Ongoing migration from magnetic stripe to chip-based payment cards in the US and China



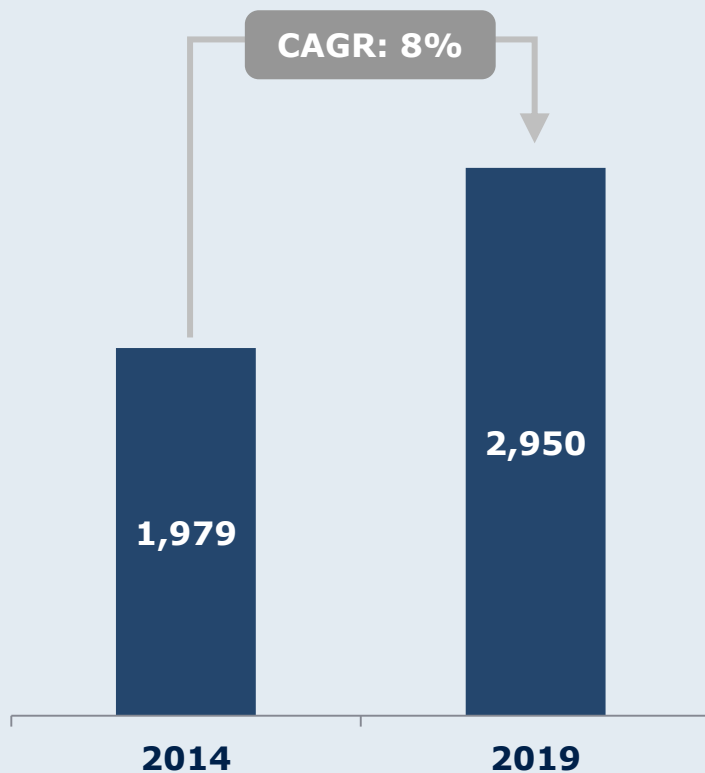
Increasing share of dual interface and contactless cards

# Infineon is Well-placed to Benefit From the Payment Market Trends



## Payment card market development

[units m]



Source: IHS, March 2015

## Infineon's success

**4 in every 10 card**

Infineon is world's leader in EMVCo certified chip-based payment cards: four in every ten new payment cards in 2014 is with an Infineon chip

**Expanding Position**

Over the past quarters, Infineon has gained greater footprint at global and regional customers - especially in the US and China

**Dual Interface and Contactless**

Currently, more than 50% of payment card IC revenues come from dual interface and contactless segment



# In addition, Infineon has Strong Momentum in Mobile Payment in Various Form Factors



## Embedded Secure Element Chip in Samsung Galaxy S6 and S6 edge



Courtesy: Samsung

- Infineon's embedded Secure Element (eSE) can safeguard the functionalities of the mobile device as well as transactions with sensitive user data

## Boosted NFC Secure Element Chip in Watchdata's Smart Watch and Wristband



Courtesy: Watchdata

- Watchdata's smart watch and wristband are not just personal sport management devices but also can also serve as contactless tickets when taking public transportation

# Electronic IDs Market is Growing Consistently



Increasing number of government identity applications are using chips for sensitive, high-security data and applications



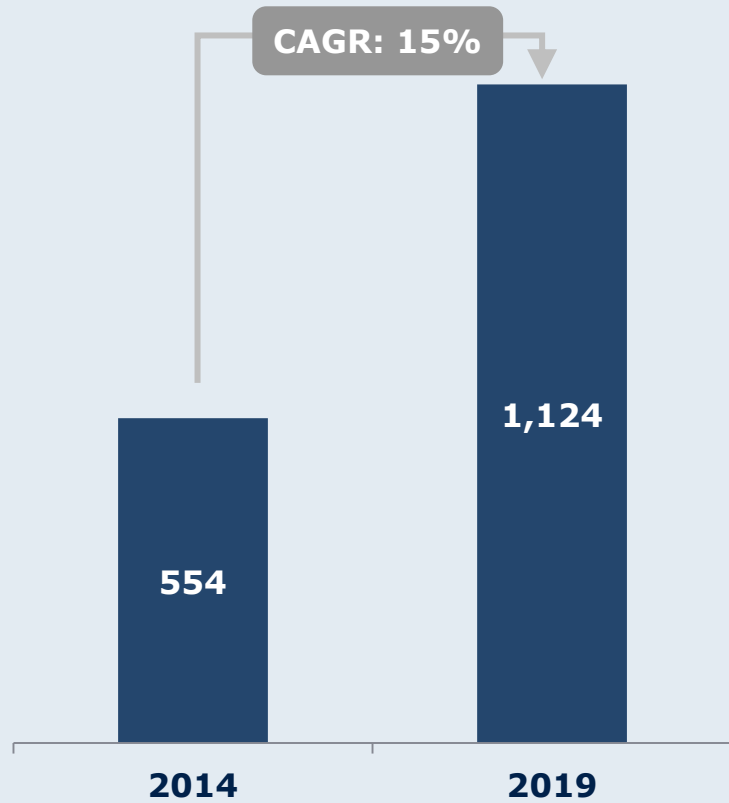
More and more countries are adopting electronic documents

# Infineon's Electronic ID Business is Growing Successfully



## Electronic ID market development

[units m]



Source: IHS, March 2015

## Infineon's success

**More than 70%**

From the beginning of 2015, Infineon chip secures more than 70% of ePassports issued in 20 largest EU countries

**Steady Growth**

Infineon has a strong project win momentum in electronic document markets

**Leading Innovation**

Infineon supports key trends via innovations like larger memory sizes and faster interface

# Security is Essential for the Growth of Internet of Things



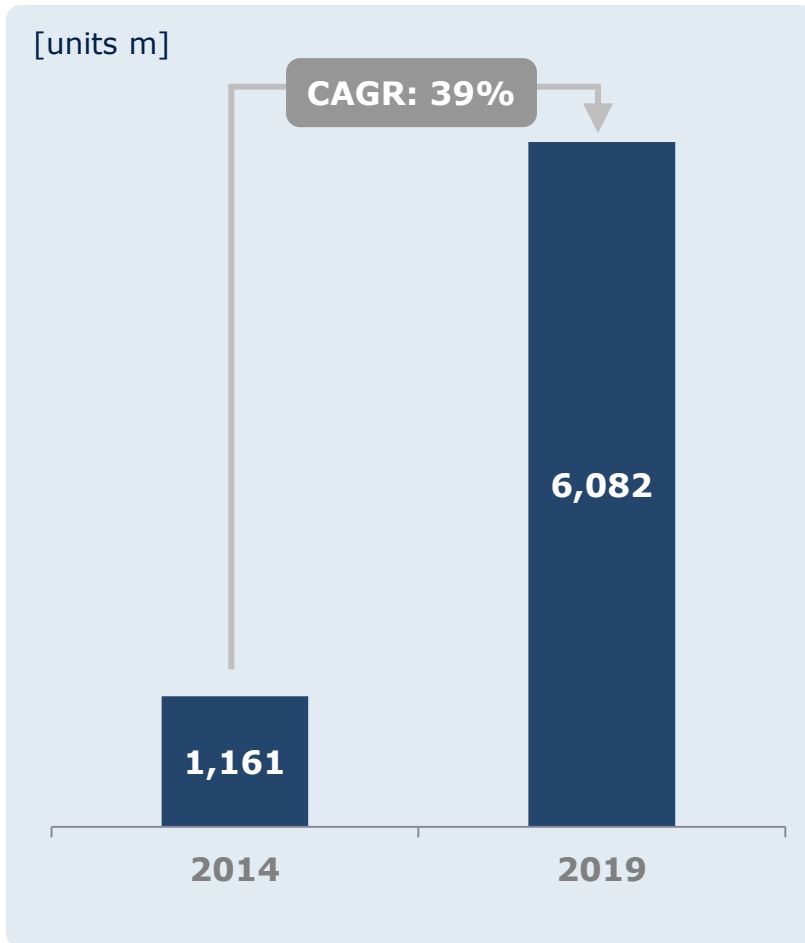
The Internet of Things devices and infrastructures require device and IP protection, data privacy and secure communication

There is a growing need for protecting smart cars, smart homes, connected industrial systems etc. from getting hacked and related loss of valuable identity and data

# Infineon is Very Well Positioned to Provide Security for IoT



## IoT market development



Source: Gartner, 2014

## Infineon's success

### Broad Portfolio

Infineon offers a broad portfolio of security solutions for IoT: smart cars, smart homes, connected industrial control systems etc.

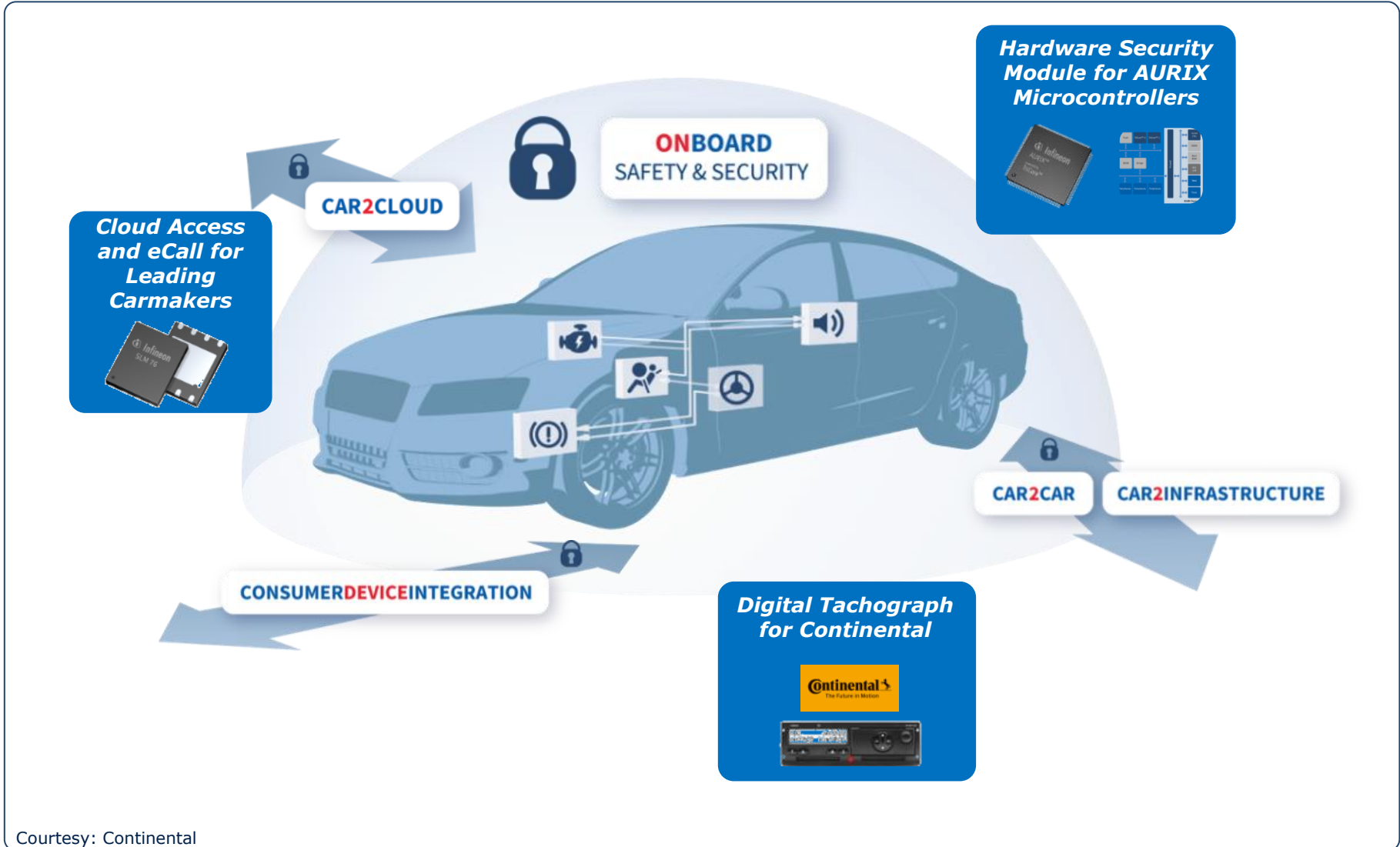
### Incumbent Position

CCS is the leader in securing IoT applications like connected cars; leveraging on coverage of other Infineon divisions

### Ecosystem Reach

With leading ecosystem players like Deutsche Telekom, Cisco, Infineon is developing security in various IoT applications

# Infineon Secures the Connected Car



Courtesy: Continental

# Infineon is on Course to Deliver Solid Growth in the Next Years

## Payment



## Electronic Identification



## IoT Security



**CCS revenue growth projection: 6 - 9% per annum**

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# Infineon: Leading Provider of Security Solutions for the Connected World



## Favorable market trends

- Security continues to gain greater importance as people and things are getting connected

## Strong business performance

- Infineon CCS is delivering strong top line and bottom line performance
- Strong business performance coming from all key applications

## Business outlook

- Infineon is ready for continued growth in future: via high customer orientation, eco-system partnerships, global reach, market-shaping innovations, and broad portfolio



# ENERGY EFFICIENCY MOBILITY SECURITY

Innovative semiconductor solutions for energy efficiency, mobility and security.

