Fourth Quarter FY 2024 Quarterly Update

Infineon Technologies AG
Investor Relations

Infineon at a glance

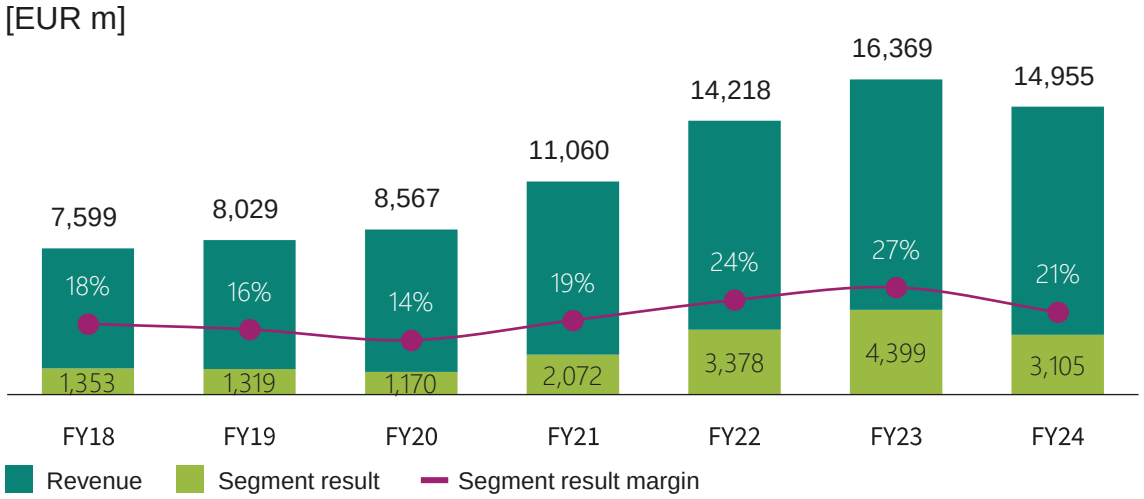
Addressing long-term high-growth trends

Energy
green and efficient

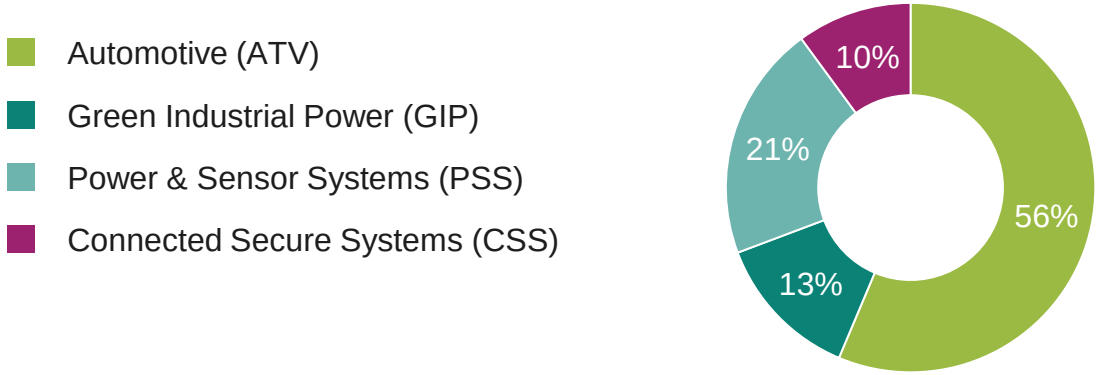
Mobility
clean and safe

IoT
smart and secure

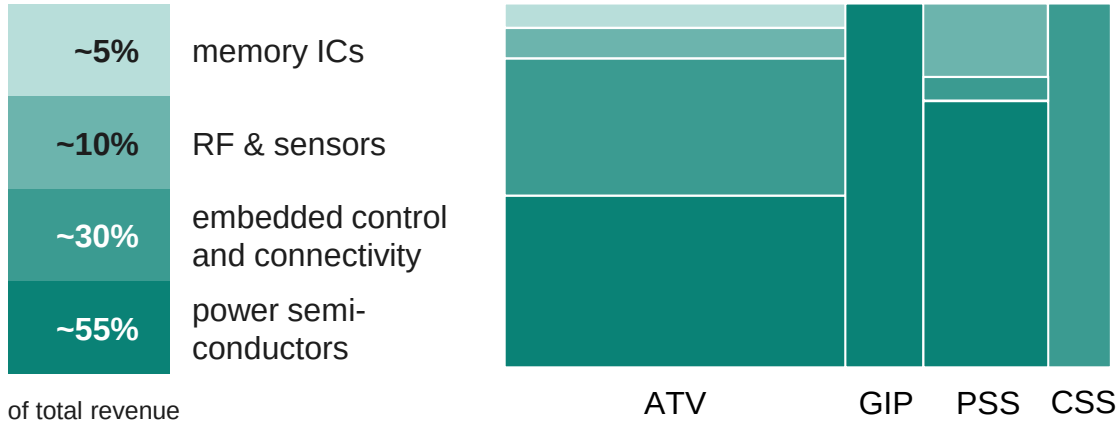
Financials



FY24 revenue by segment

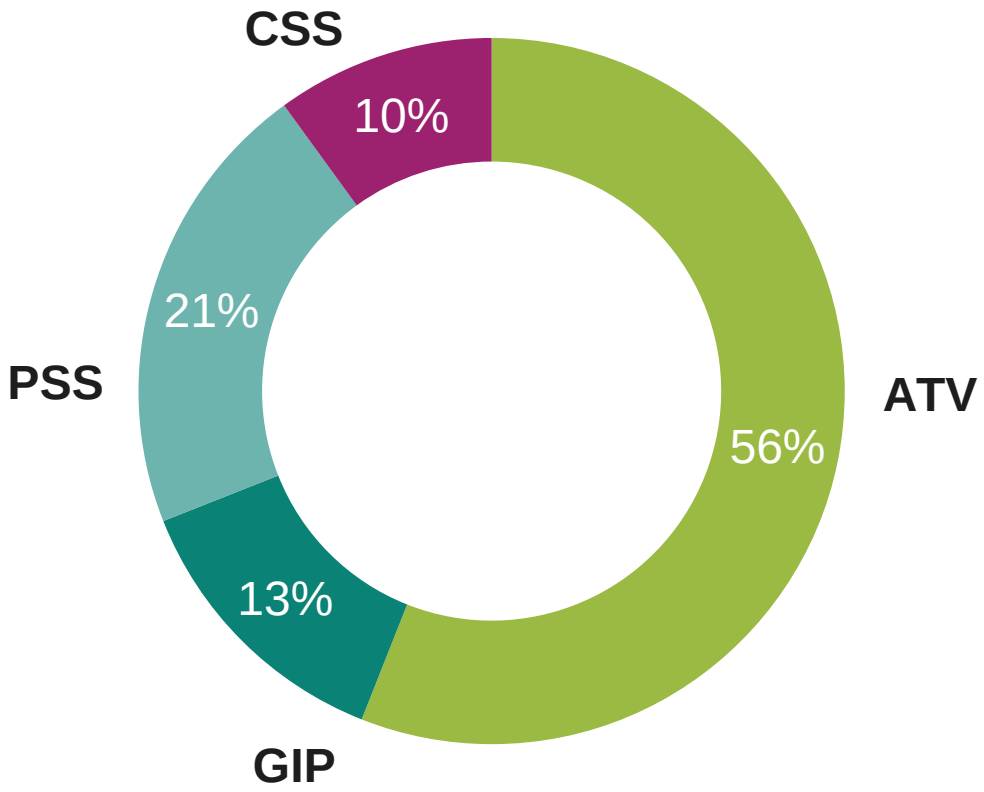


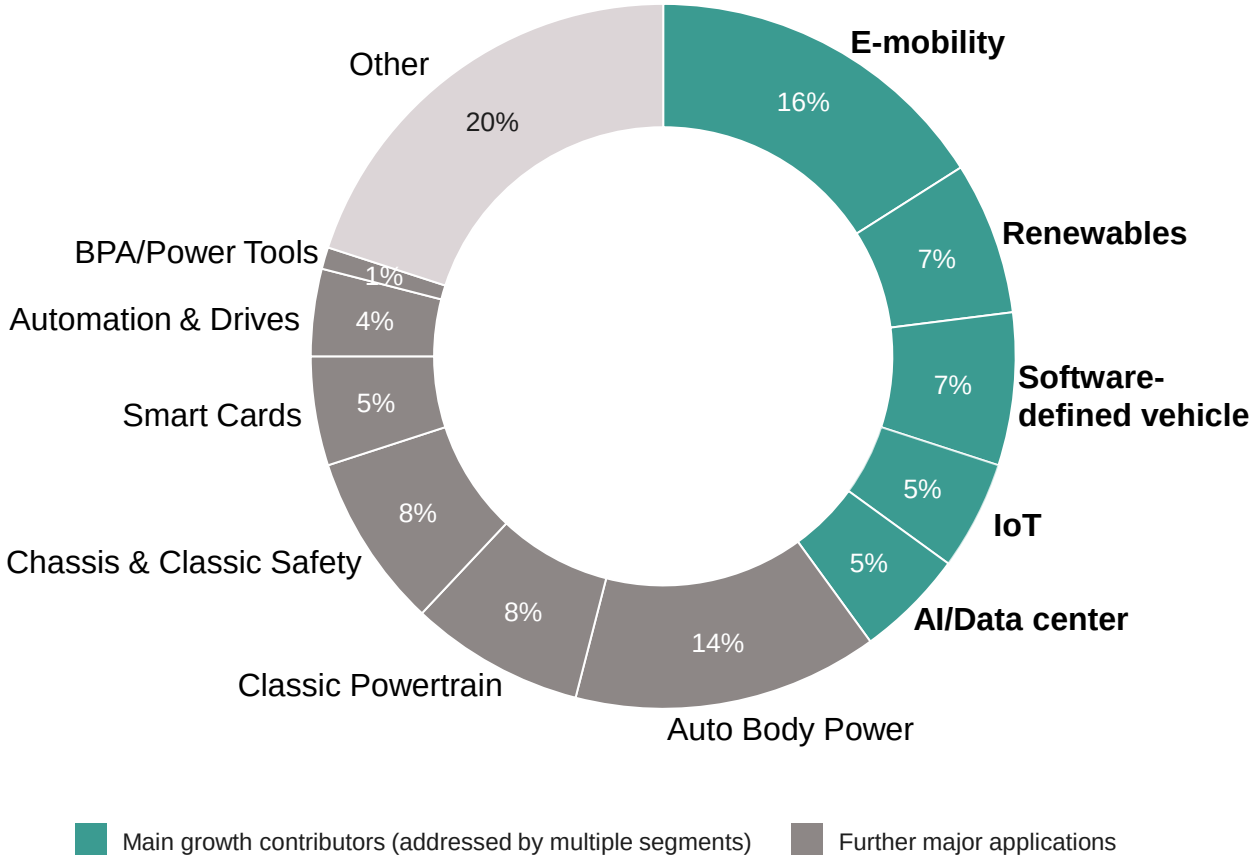
FY24 revenue by product category



Well-balanced portfolio among segments and key applications, highest growth coming from Decarbonization and Digitalization

FY24 revenue of €14,955m by segment and key application





Our Target Operating Model: committing to ambitious financial goals and being the sustainability leader

Target Operating Model
through cycle

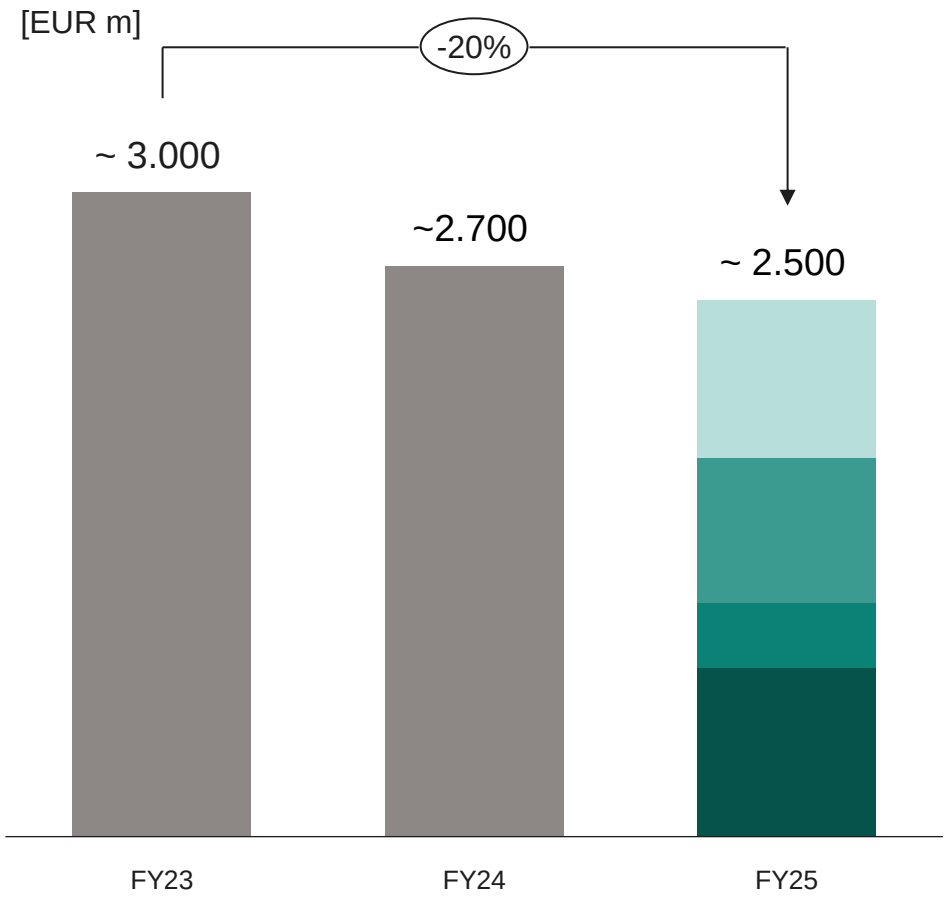
Revenue growth	**>10%**
Segment Result Margin	**25%**
Adj. Free Cash Flow Margin[1]	**10-15%**

Sustainability leader
CO_2 neutrality 2030

[1] Excluding major frontend buildings

Modular investment approach allows ramp-up in line with market demand to ensure long-term value creation

Infineon investments[1] FY 23-25



Strategic investments – shell construction

- Dresden M4

Capacity investments – key growth areas

- SiC/GaN: transition to 200mm/300mm
- Smart power and logic: enabling further growth for ”powering AI” and analog/mixed-signal products

Research and development

- IFRS capitalization of development cost

Basic investments

- Maintenance, process optimization, quality, IT

[1] Investments are defined as the total amount invested in property, plant and equipment and in other intangible assets, including capitalized development costs

Outlook for Q1 FY25 and FY25

	Outlook Q1 FY25[1]	Outlook FY25[1]
Revenue	~€3.2bn	slightly down versus prior year
Adj. Gross Margin		~40%
Segment Result Margin	mid-teens	mid-to-high-teens
FCF/adj. FCF		~€900m/~€1.7bn
Investments		~€2.5bn
D&A		~€2.0bn[2]

[1] Based on an assumed average exchange rate of $1.10 for €1.00
[2] Including the amortization of approximately 370 million Euros from purchase price allocations

Undisputed power systems leadership mastering all three key materials

- Reliable multi sourcing of raw materials
- World-scale fabs

Controller → **Driver IC** → **Power switch** (Si/SiC/GaN)

Software + Algorithms

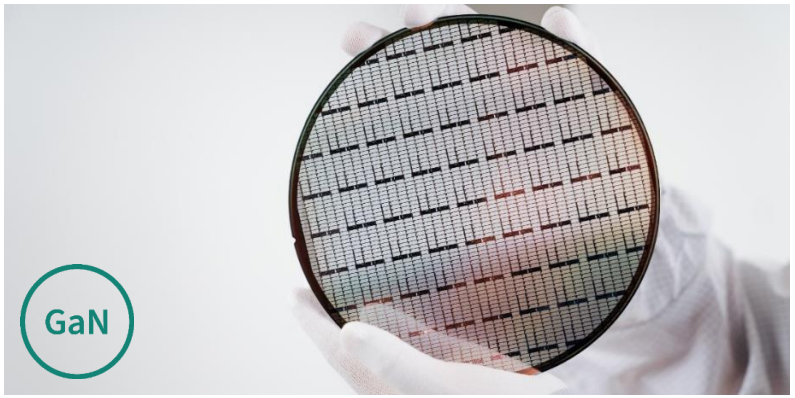
- Application understanding
- Packaging know-how and hybridization competence

Leadership in Power Systems across all materials and technologies

Silicon
Diode – MOSFET – IGBT – Driver – Controller

Silicon carbide
Diode – MOSFET

Gallium nitride
HEMT – Driver



Infineon is the leader across all power semiconductor technologies – unparalleled portfolio and know-how

Si

World's thinnest silicon power wafer with **20µm** on **300mm**

- Broadest Si-power portfolio in the market
- Unmatched quality and leading in all figures of merit (FOM)
- Best price/performance ratio

CoolMOS™ OptiMOS™

SiC

World's most competitive 200mm silicon carbide power fab

- Broadest portfolio covering auto and industrial applications
- Leading trench performance
- High reliability and robustness in extreme conditions
- Smaller system size

CoolSiC™

GaN

World's first 300mm gallium nitride power wafer

- Enabling cost parity with silicon
- Highest efficiency at the highest frequency enabling smallest system size
- Allow functional integration

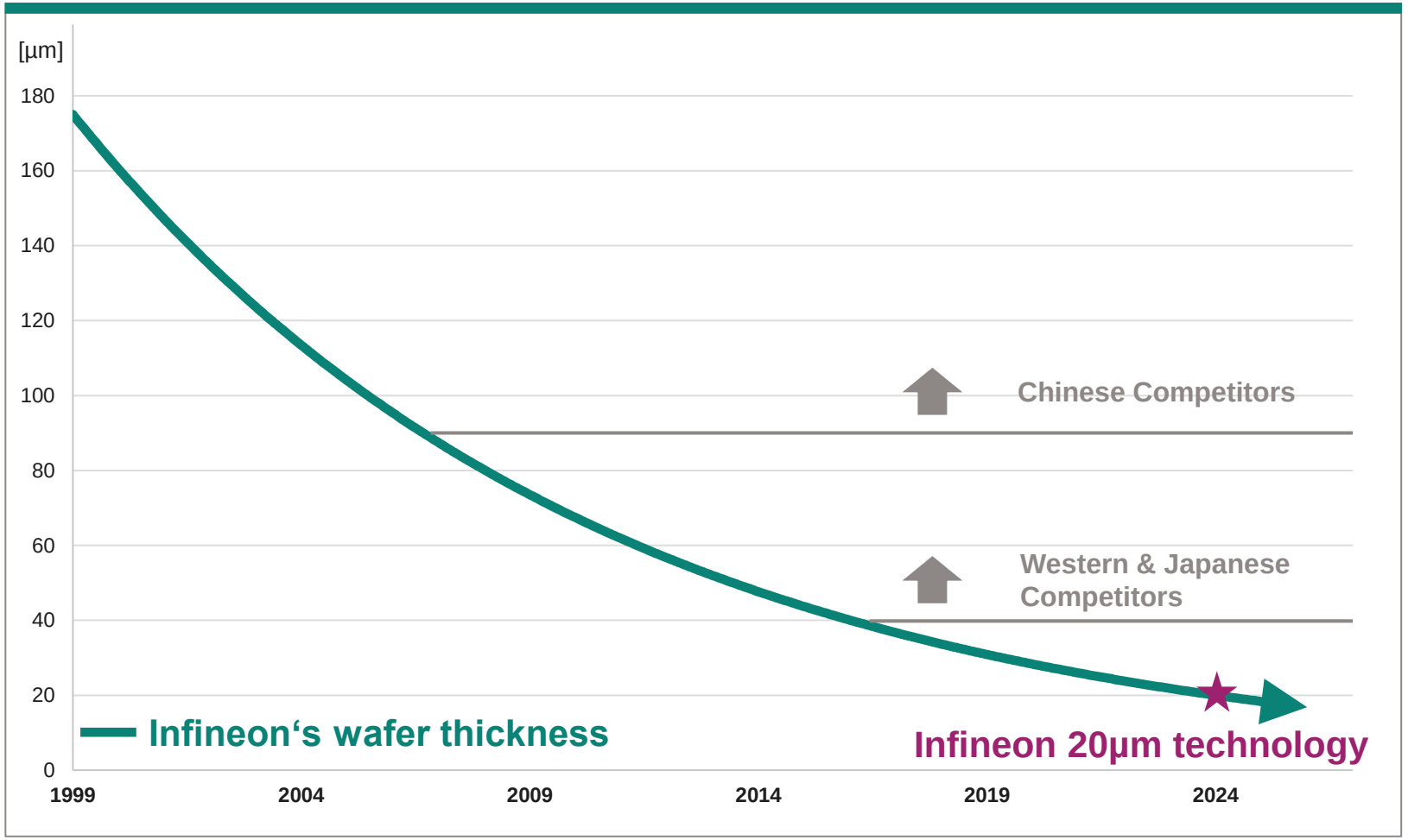
CoolGaN™

Infineon is strengthening its position as the industry's innovation leader leading the way in all three power semiconductor materials

Infineon presents the world's thinnest silicon power wafer paving the way for more energy efficient power systems

Si

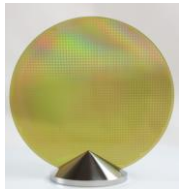
Infineon reduces wafer thickness from 40µm to 20µm



- Infineon pioneers 20µm process at high-scale production
- Halving thickness also halves resistance, reducing power loss by >15%
- Enables easy and robust signal routing from front to backside
- Technology qualified by customers and applied in Infineon's Integrated Smart Power Stages for DC-DC converter in AI servers

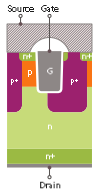
With opening Kulim 3, Infineon is on track to becoming the industry's most competitive provider of SiC technology

SiC



SiC raw material supplier network

- More than 6 qualified SiC wafer and boule suppliers
- Globally diversified and resilient



Superior trench technology

- 30% more chips per wafer than planar
- Unmatched reliability with zero field returns

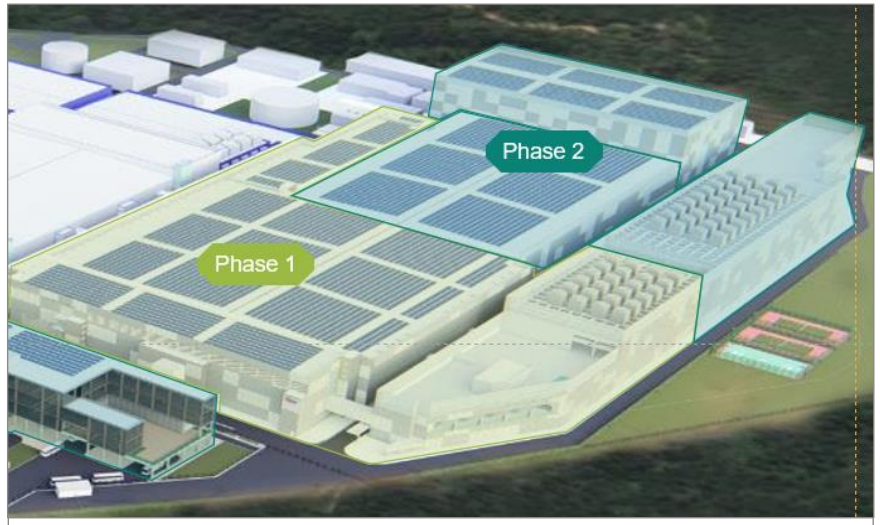
Packaging portfolio

- Best-in-class in-house packaging solutions
- .XT technology for highest power density

P2S

Deep system understanding

- Decades of experience
- Broadest portfolio: off-the-shelf plus customized solutions



Most competitive 200mm fab with industry-leading cost position.
Resilient setup together with Villach plant

Smart phase-over and ramp-up of 200mm volume production to enable next level of innovation for customer value with SiC

Villach **Kulim**

Pilot projects on track

- Qualification on selected high-volume technologies nearly finished
- SiC multi-sourcing strategy for raw materials in place
- Wafer yield equal or better to 150mm

Smart 200mm phase-over

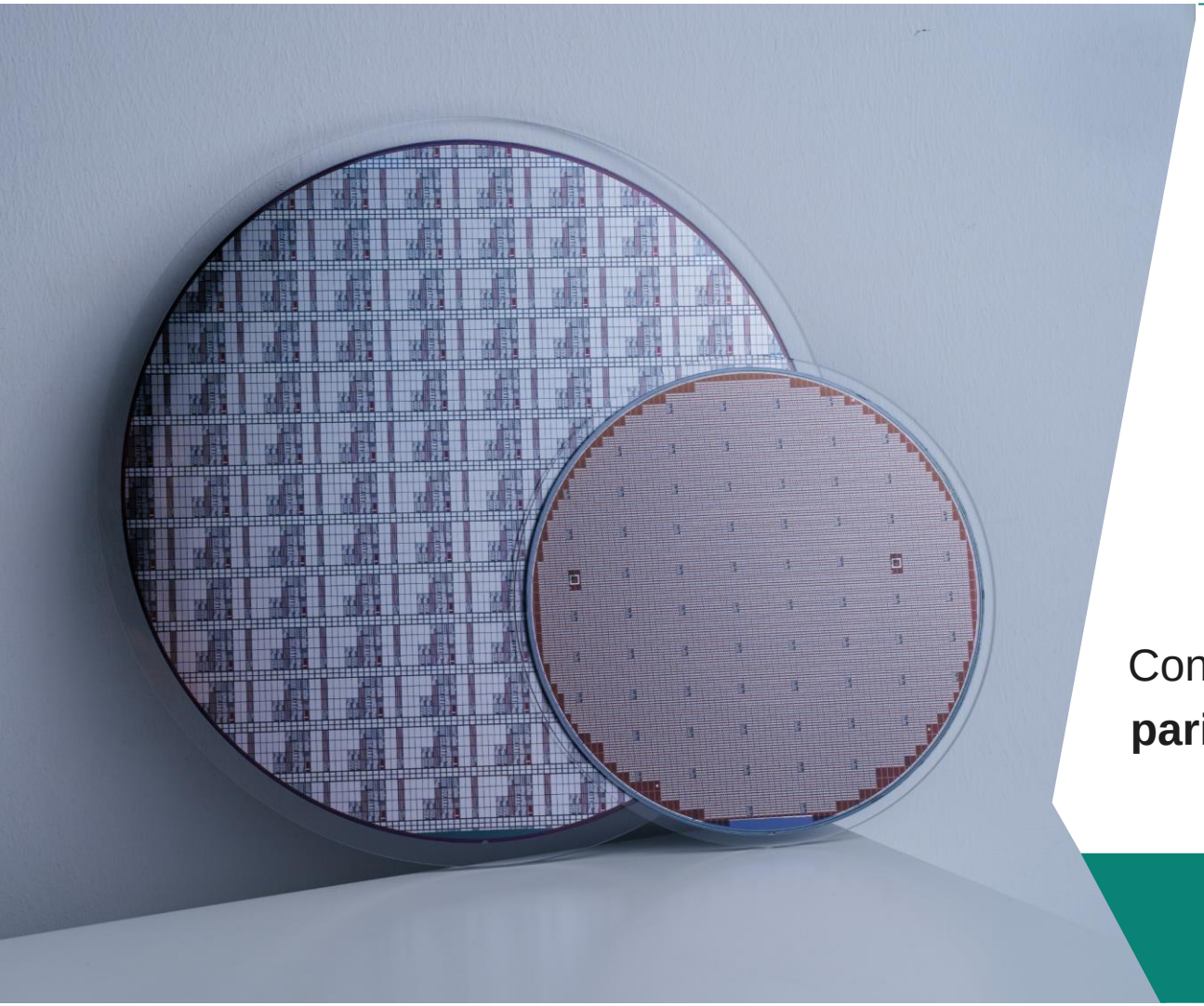
- Volume production in Villach and Kulim
- Cleanroom and tools already available
- Full transition to 200mm planned within 3 years after qualification

Timeline

- Product roll-out based on 200mm starting Q1 CY25
- Major new chip developments on 200mm

Infineon pioneers world's first 300mm power gallium nitride (GaN) technology – an industry game-changer

GaN



Higher system performance &
increased cost-effectiveness
through GaN technology

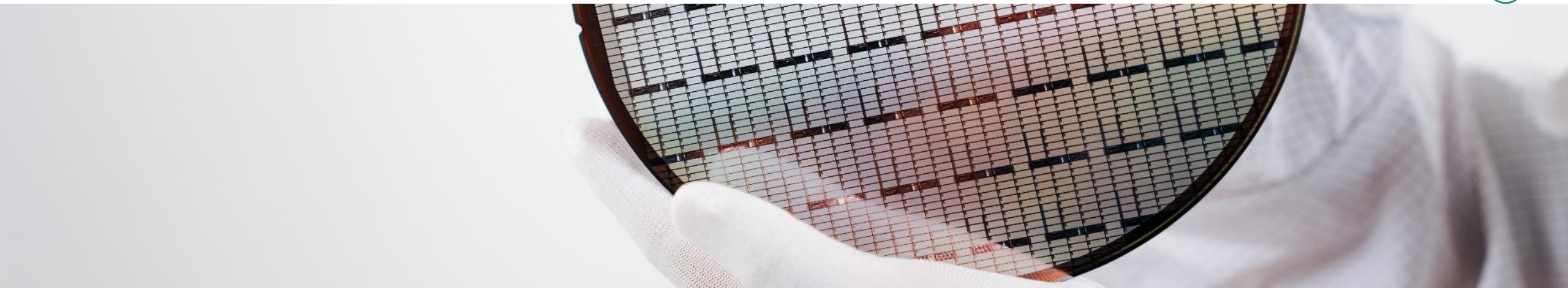
Contribute to **achieving cost parity with silicon** over time

Supply stability
for business continuity

Superior Value Proposition

Continuing our leadership in Power Systems with the most comprehensive GaN portfolio

GaN



Key differentiators

Broadest IP portfolio in the market
for GaN – >350 patent families

Proven application expertise
with >400 GaN experts and system know-how

Highest quality and reliability

Superior customer supply stability
through scalability

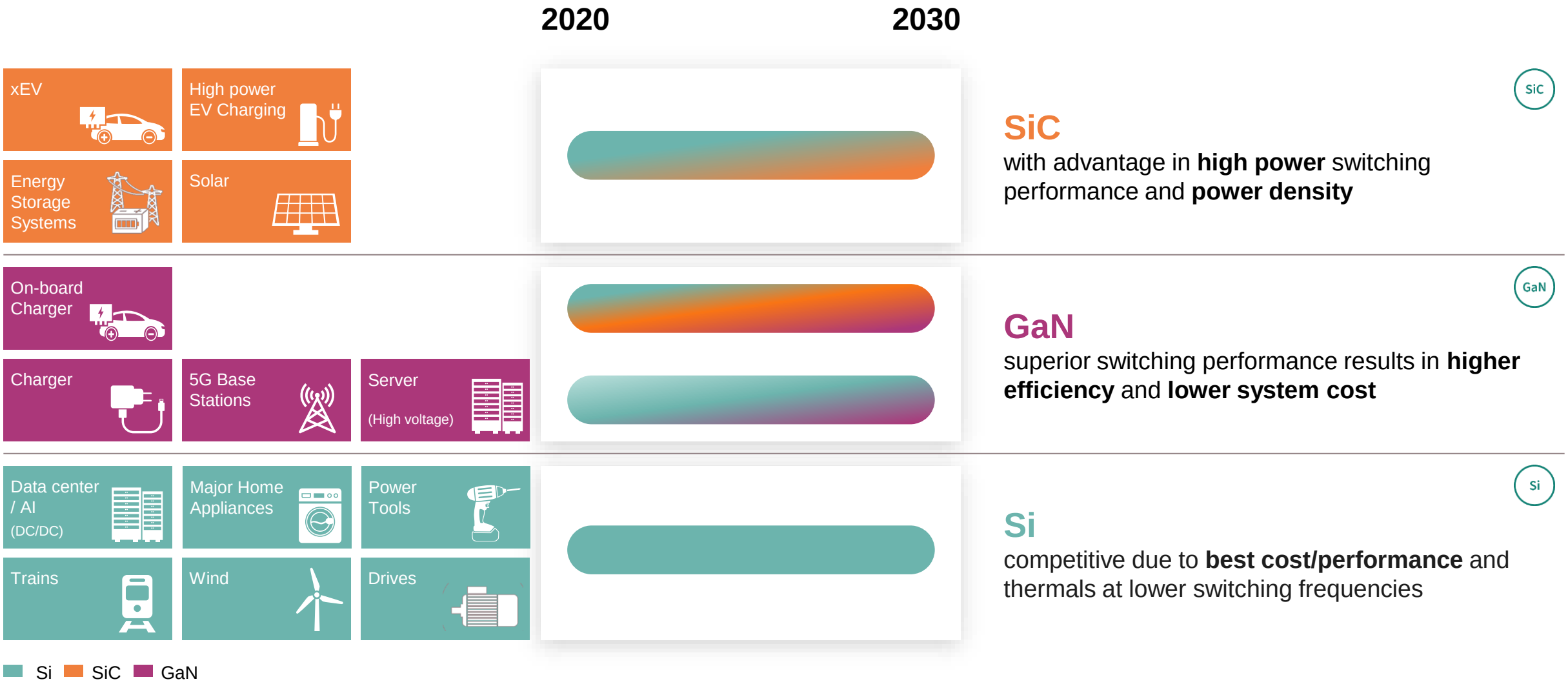
Capability to invest
in leading edge GaN technology and system solutions

Leading GaN product portfolio
for MV and HV applications

Pioneering world's first 300mm power GAN

Infineon's design opportunity pipeline for GaN power in focus applications amounts to more than €3bn

Transition to WBG vastly differs by application with Si expected to remain technology of choice for many of them



SiC

SiC

with advantage in **high power** switching performance and **power density**

GaN

GaN

superior switching performance results in **higher efficiency** and **lower system cost**

Si

Si

competitive due to **best cost/performance** and thermals at lower switching frequencies

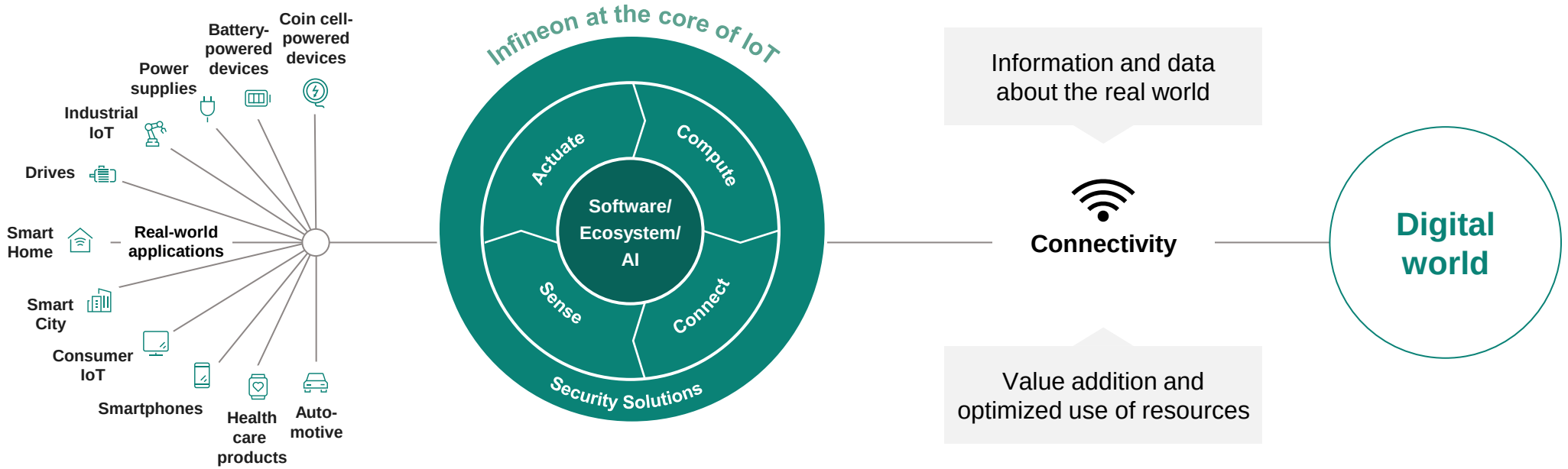
Infineon at the core of IoT – driving digitalization by serving strongly growing multi-application markets

Consumer IoT

Industrial IoT

Automotive IoT

Products: MCU – Connectivity (Wi-Fi, BLE, NFC) – Sensors – Security – Power supply & switches



ESG:
Targets and achievements

Our 2030 carbon neutrality goal is aligned with the Paris Climate Agreement's 1.5°C target

CO_2 burden[1]

2.9 million tons of CO_2 equivalents

Ratio

~1:45

CO_2 savings[2]

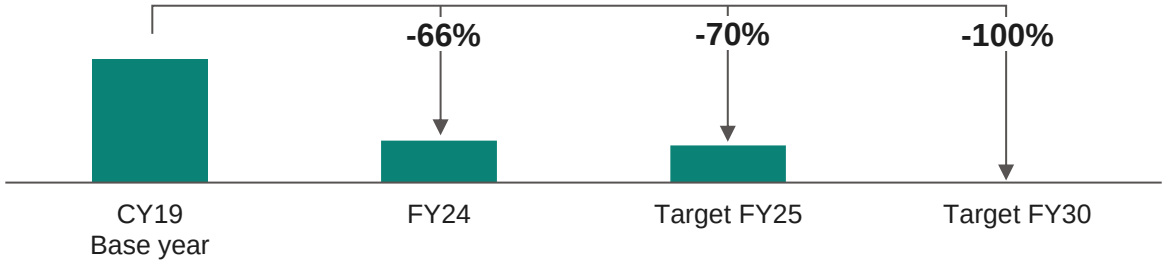
130 million tons of CO_2 equivalents

On the road to carbon neutrality[3] we achieved significant milestones by

- Using green electricity in Europe and North America and our main sites Kulim and Melaka in Malaysia
- Installation start of PFC abatement system in Austin

Infineon's CO_2 target[3] by 2025 and 2030

Net CO_2 emissions in million tons of CO_2 equivalents



Net ecological benefit: **CO_2 emissions reduction of more than 127 million tons**

[1, 2, 3] For further explanation see "ESG footnotes" in the appendix

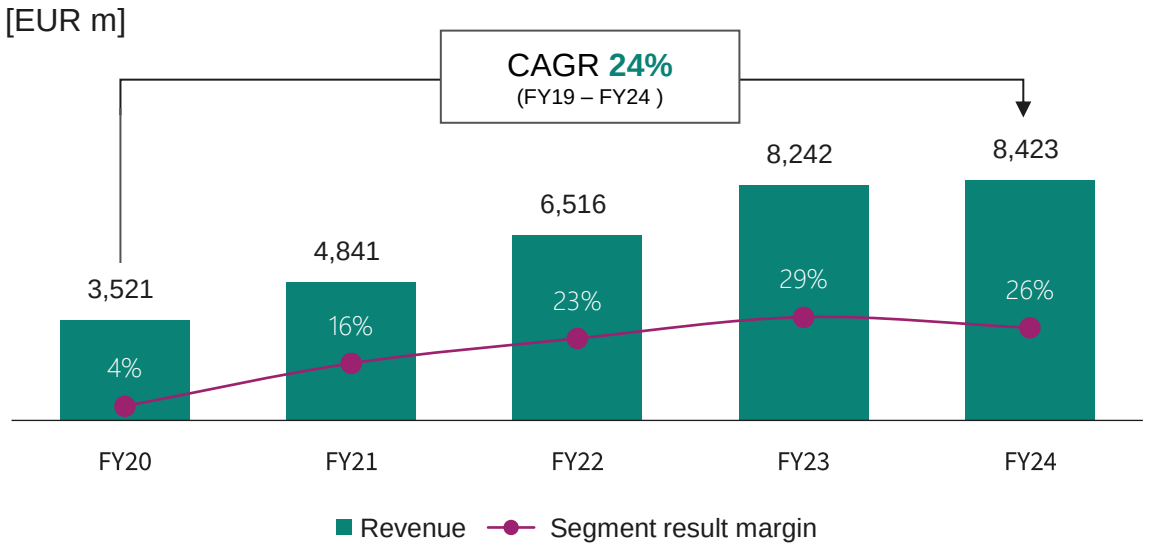
External recognitions confirm our engagement in contributing to a sustainable society

	Rating/Score	Scale	Date
MSCI ESG	AAA	CCC to AAA	05/2024
CDP	B climate scoring B water scoring	F to A	02/2024
Ecovadis	99th percentile “Platinum” award	0 to 100	06/2024
Dow Jones Sustainability™ Index	77 Dow Jones Sustainability™ World Index listing	0 to 100	12/2023
ISS ESG Corporate Rating	Prime Status	D- to A+	03/2023
FTSE4Good Index	Index member	–	06/2024
Sustainalytics	ESG industry top performer	–	01/2024

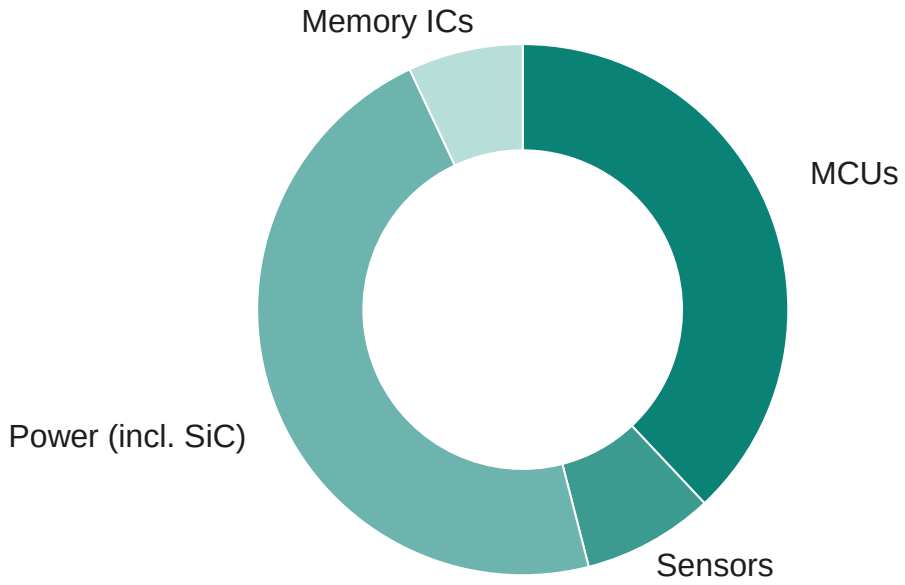
Automotive

ATV at a glance

ATV revenue and Segment Result Margin



FY24 revenue split by product group



Key customers

APTIV · Astemo · BorgWarner · BOSCH · BYD · Continental · DENSO · FORVIA
HYUNDAI MOTOR GROUP · KEBODA · Mando · MAGNA · Valeo · veoneer · vitesco TECHNOLOGIES · ZF

Shift of EV growth and lower momentum of car production

Applications	Market outlook for CY25
Automotive	– Car demand to gradually improve supported by macroeconomic changes. However, further dealer inventory adjustments and hesitant consumer demand to be expected – EU light vehicle production to remain weak across many OEMs – US sales under pressure, significantly higher rebates only partially stimulate sales; high inventories for US OEMs affect production output – Japanese OEMs have reduced production forecast – Shift in China to local OEMs
E-mobility	– Weaker consumer demand and platform delays are assumed to also impact CY25 – NEV growth in China will further continue – Broader availability of more affordable BEVs – Potential for growth upside due to -15% CO2 reduction target for 2025
Software-defined vehicle	– Further growth of higher ADAS/AD levels supported by xEV growth and more advanced E/E architecture platforms especially in China

Several strong content growth drivers for Infineon, even at flat LV production

Several structural trends fueling our growth

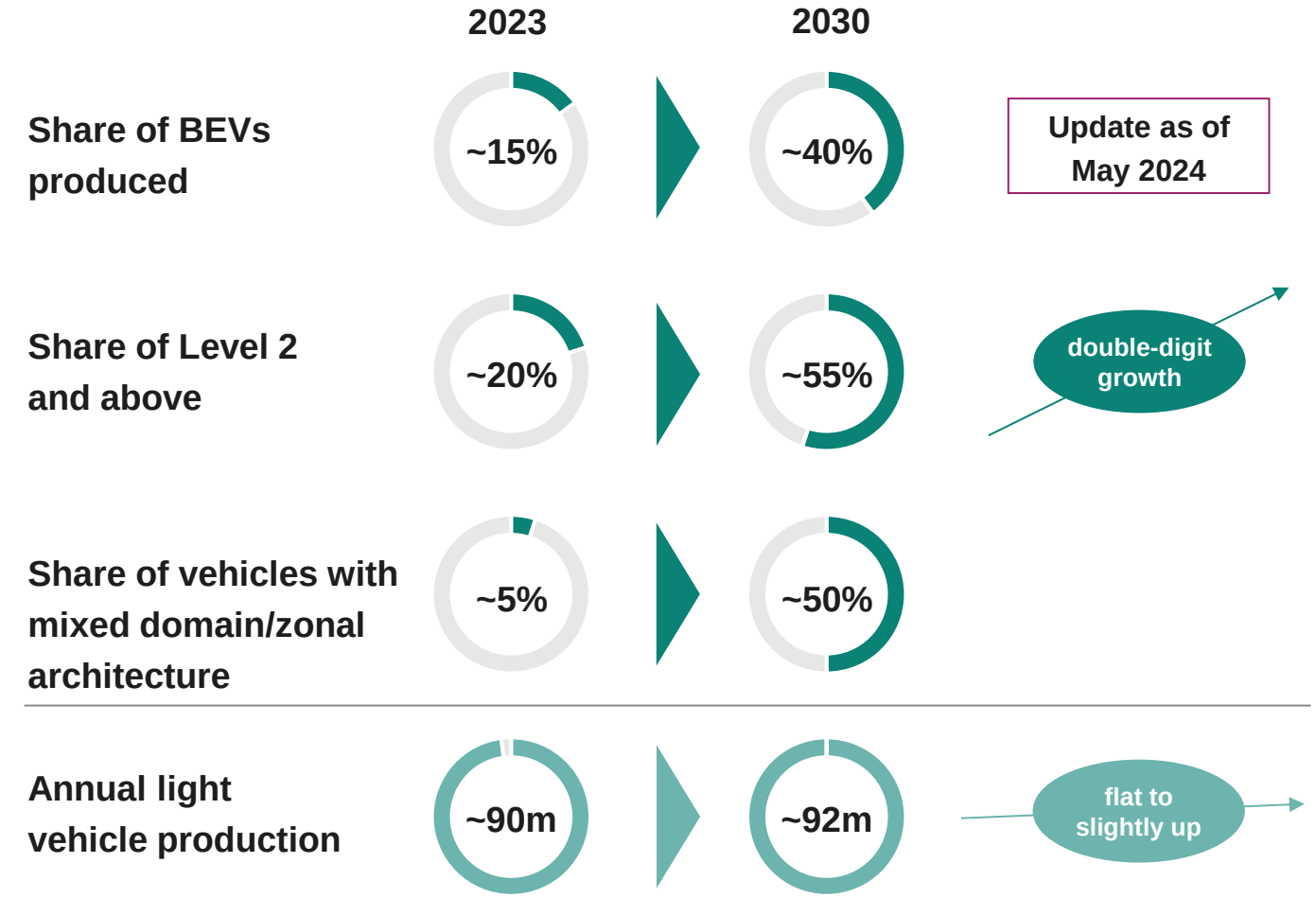
xEV
- Strong volume growth of BEVs and PHEVs
- Increasing share of SiC in traction inverters
- Larger batteries lead to higher BoM in BMS

ADAS/AD
- Need for functional safety, redundancy
- More sensors, more computing performance

E/E architecture
- SW-defined cars with higher need for connectivity
- Centralized signal processing by zone computers
- Smart switches for decentralized power distribution

Comfort and premium features
- More loads (motors, heating, cooling etc.)
- Elaborate interior and exterior lighting

Overview of growth vectors until 2030

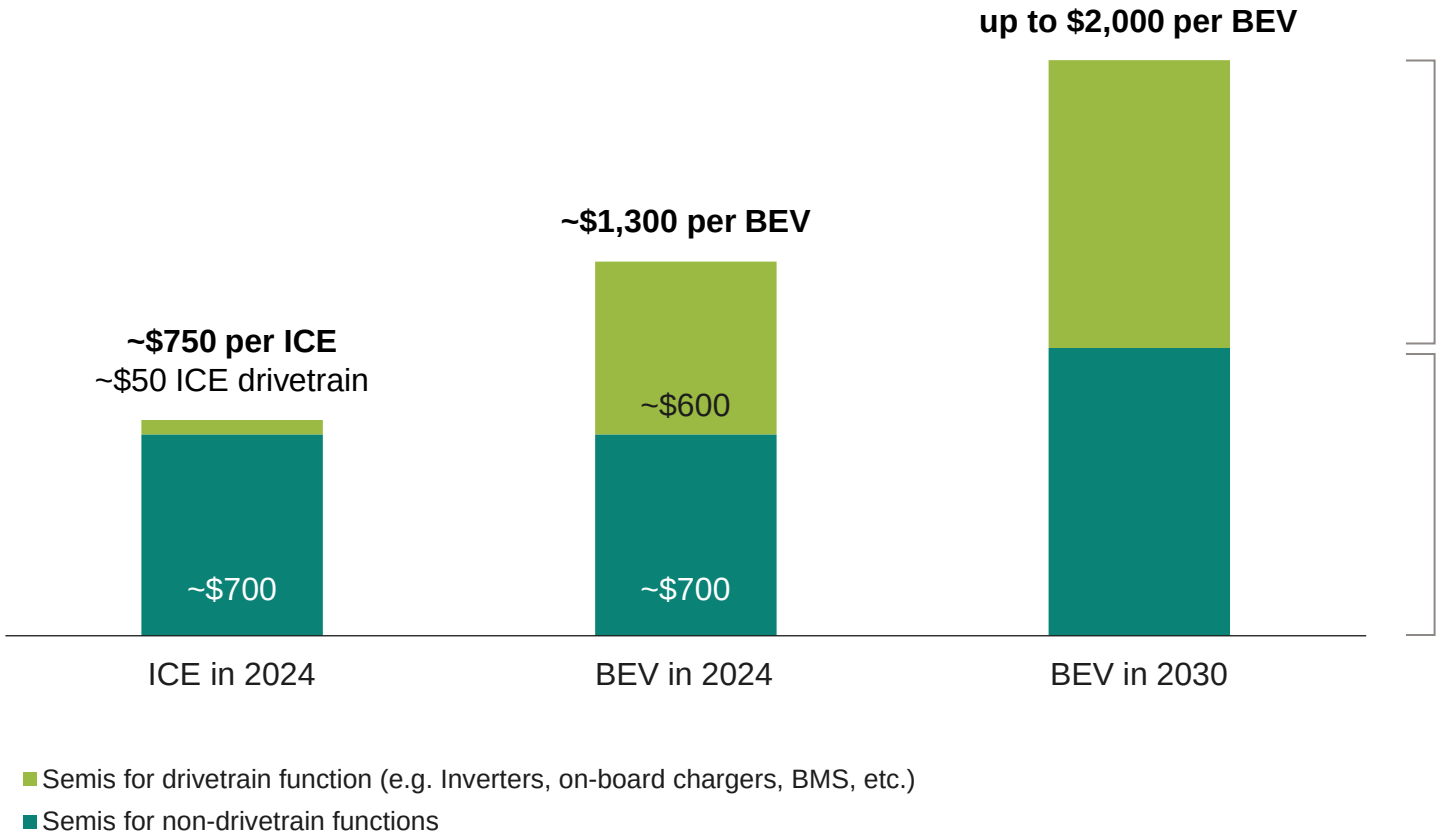


Infineon estimates

Infineon is the world leader in automotive semis, serving all key applications and benefiting strongly from content growth

Semiconductor bill-of-material in a car in 2024 and 2030

[USD]



Key applications for drivetrain semis:

- Inverter
- On-board charger (OBC)
- DC-DC converter
- Battery management system (BMS)
- Auxiliaries

Key applications for non-drivetrain semis:

- Autonomous and automated driving (ADAS/AD)
- Safety and advanced security
- Comfort and premium
- Connectivity
- Infotainment

Based on TechInsights: *Global xEV System Semiconductor and Sensor Demand Forecast 2022-2031*. May 2024; Infineon

A very broad portfolio with >300 product families is backing the market leadership of Infineon in Automotive

Infineon ATV division revenue by product families:

Major categories[1]: AURIX™ families, CoolSiC™, IGBT 750V, IGBT 1200V, MOSFETs, PROFET™, Radar, TRAVEO™ – none more than ~10%

Unmatched customer value creation and portfolio resilience

Leading technologies	System competence (P2S)	Broadest portfolio

1 In alphabetical order

Number of power MOSFETs per car continues to increase, and drives accelerated growth for the leading portfolio

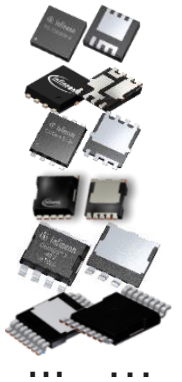
Examples of MOSFET applications

Power door
Power lift gate
Brake booster
Electric power steering
HV-LV DC-DC conversion
BMS
Transmission control
Windshield wiper
Electric parking brake
HVAC blower
Sunroof
Side mirror
Seat adjustment
Thermal management
12 V battery switch
Power supply protection

Latest portfolio with constant innovation

Technologies, packages and voltages

OptiMOS™ 7
OptiMOS™ 6
OptiMOS™ 5
OptiMOS™ T, T2, Gen 12.7

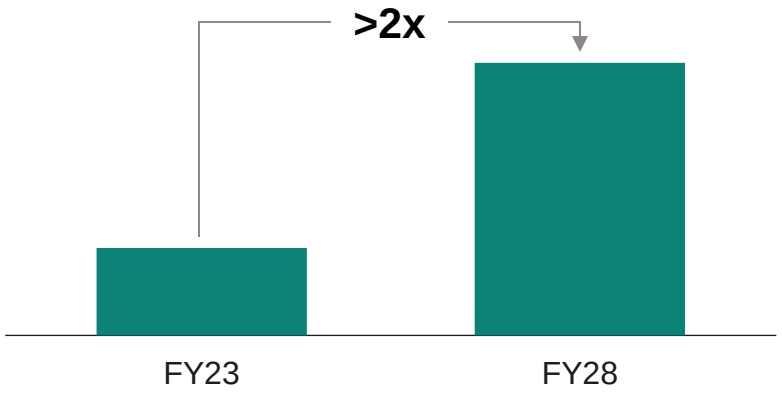


40V
60V
80V
100V
120V

New **OptiMOS™ 7** family with outstanding technical performance

- 100 to 180 MOSFETs are used per vehicle in ~90 different applications in all segments: body, chassis, safety, ADAS/AD, powertrain
- Infineon offers broadest portfolio (>600 products) and eco-system to address specific and high-margin applications:
  - embedded control, gate driver, MOSFETs, software, P2S
  - entire eco-system with digital twins
  - simulation environment (esp. for motor control)

Infineon's revenue growth



Electromobility

Stellantis and Infineon are teaming up to advance innovation in power conversion/distribution for next-gen vehicle architectures

The two companies have signed major supply and capacity agreements as the foundation to develop the next-generation of power architecture, including:

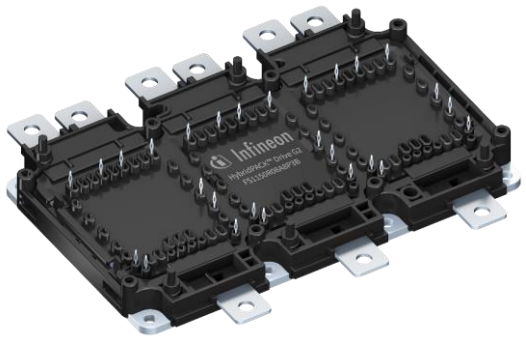
(1) CoolSiC™ power devices for high-efficient drivetrain solutions

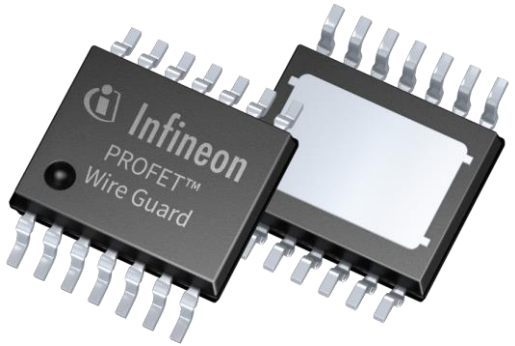
(2) AURIX™ MCUs targeting the 1st gen of the “STLA Brain” zonal architecture

(3) PROFET™ smart power switches with sensing and diagnosis functionality

Stellantis and Infineon are also implementing a Joint Power Lab to define the next-generation scalable power architecture enabling Stellantis’ software-defined vehicle

CoolSiC™ power devices	AURIX™ MCUs	PROFET™ smart power switches

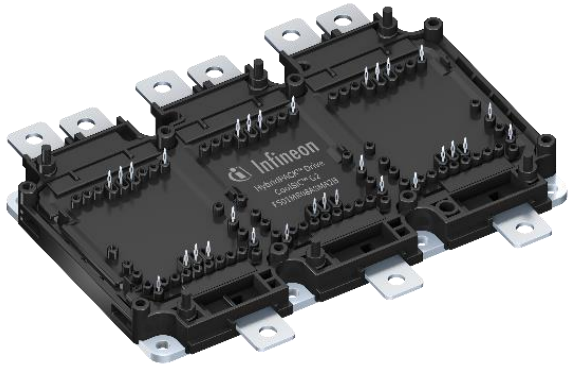




Xiaomi SU7 Max: Infineon contributes > 60 different components, incl. 2x HybridPACK™ Drive G2 CoolSiC™ 1200V power modules

Infineon provides system solutions with > 60 different components for more than 10 applications

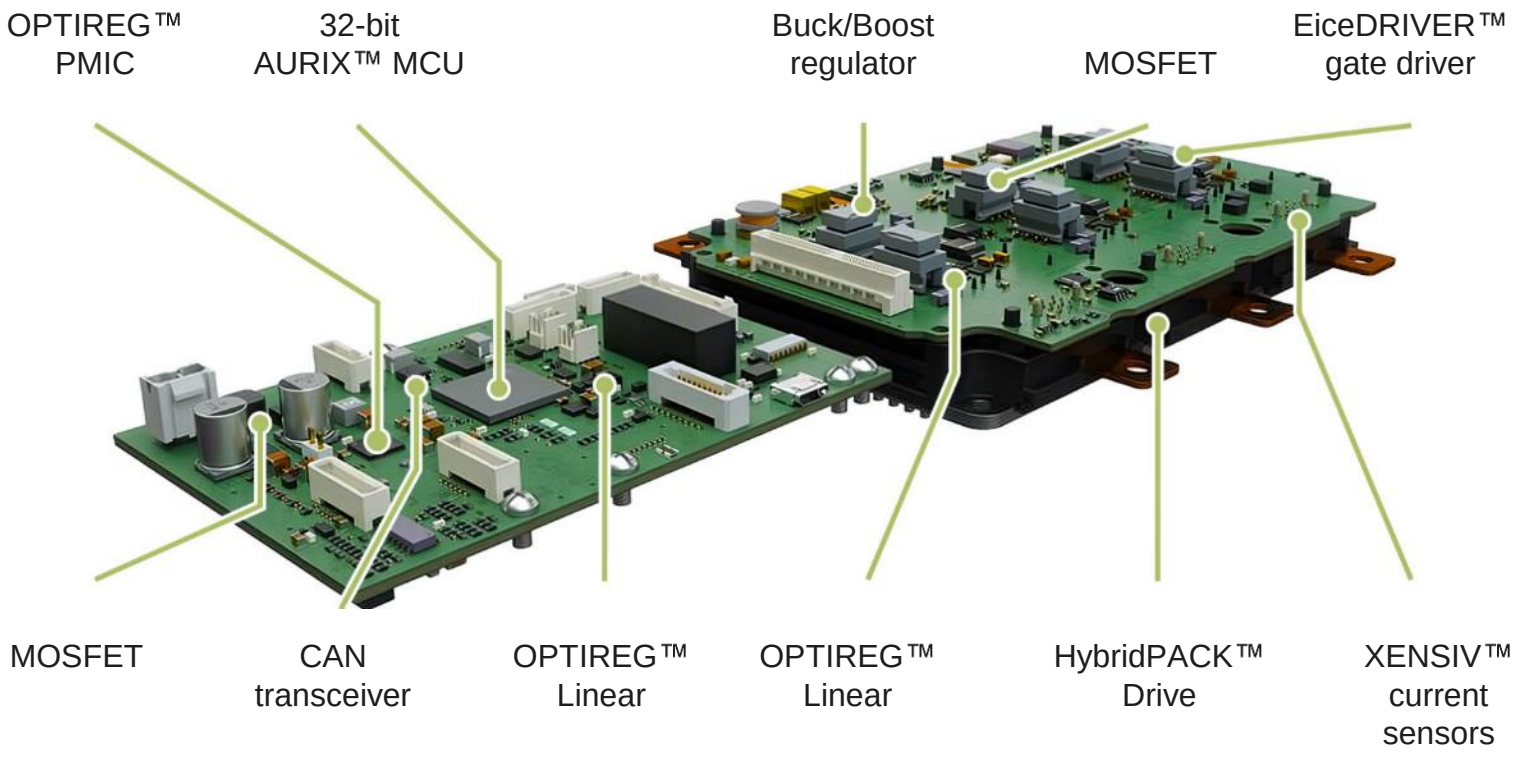
- **MCUs, PMICs:** AURIX™ TC3, TRAVEO™ T2G, and PSoC™ for zone controller, ADAS, xEV drivetrain, and suspension
- **2x HybridPACK™ Drive G2 CoolSiC™ 1200V** power modules or bare dies and gate drivers for traction inverter in Xiaomi SU7 Max
- **PROFET™** for E/E architecture
- **MOSFET**s, system basis chips, others



Courtesy of Xiaomi

Infineon’s broad product portfolio and system understanding enable higher BoM and allows for compact designs and fast T2M

Infineon inverter reference design, covering up to 95% of value



P2S (product-to-system approach)

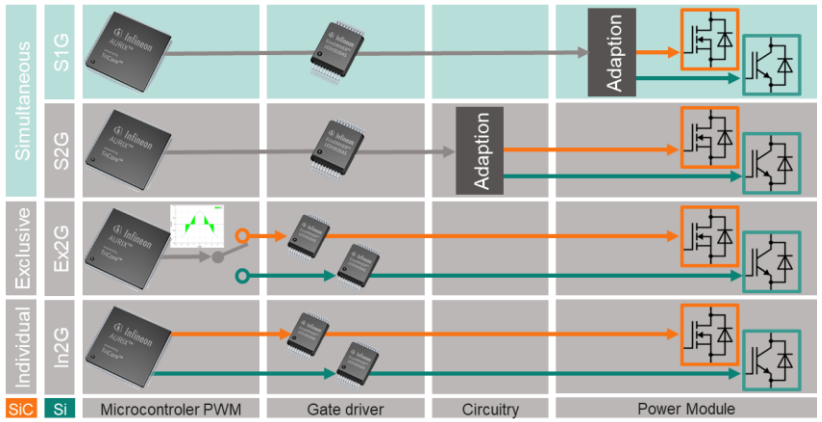
- Reference design for up to 300kW, further customization possible
- System solution for easy implementation
- Fast time-to-market (T2M)

Freedom of choice

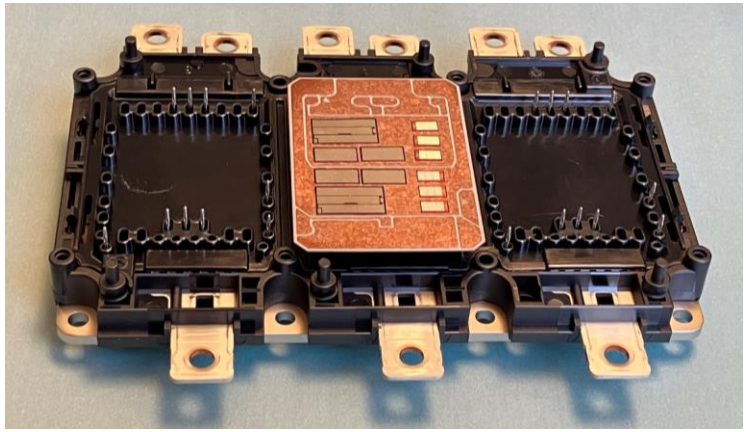
- IGBT and SiC in 750/1,200V scale up to preferred power class
- HybridPACK™ Drive CoolSiC™ Gen2 continuous operation at 175°C
- EiceDRIVER™ gate driver Gen3 optimized for CoolSiC™
- Optimized 32-bit AURIX™ MCU

First Si/SiC fusion module concept (Si^2C) significantly exceeding performance expectations without adding system complexity

Example: 400 V BEV 175 kW 2WD



Infineon solution offers compelling cost-performance ratio without adding system complexity for customers



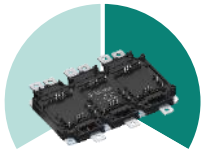
Competitive setup, unmatched portfolio breadth and our worldwide customer base lead to accelerated growth in SiC

Leading SiC technology and production efficiency

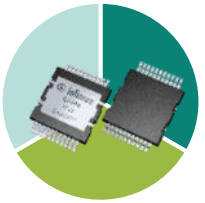
- Unrivaled productivity with most competitive fab and most diversified supplier network
- Superior trench technology and highest reliability
- Extensive packaging portfolio and complete system competence

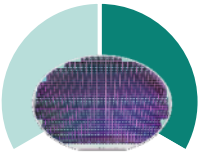
Most scalable SiC auto portfolio

650 V | 750 V | 1,200 V


Module


DSC/SSC module


Discrete


Bare die

Continued strong SiC design-win momentum

BMW, BOSCH, 长安汽车 CHANGAN, CHERY, CHRYSLER, DELTA, FIAT, Ford, GENESIS, HOZON 合众汽车, HYUNDAI, INOVANCE Automotive, JOHN DEERE, KIA, LEAPMOTOR, LI, RAM, RIVIAN, SAIC, smart, STELLANTIS, US BEV OEM, TOYOTA, TOYOTA, Valeo, vitesco TECHNOLOGIES, VMAX, VW, XPENG, ZF

Infineon AURIX™ TC4x with integrated PPU brings AI-on-the-edge to the battery

- **Battery cost**
- **Battery health**
- **Charging speed**
- **Safety concerns**
- **Range anxiety**
- **Resale value, residual value**
- **Cloud dependencies (latency, cost, stability)**

AURIX™ TC4x

PPU
(parallel processing unit)

High computing performance with complex and accurate BMS algorithms

- AI-based battery diagnostic on-the-edge
- temperature model, electro-chemical model
- lithium plating detection
- remaining useful life prediction
- with and without cloud-based updates
- Product-to-System!

Efficient battery cell utilization
- Higher capacity
- Less cells
- Lower battery cost

Faster charging
- Higher user experience

Assure longevity, extended guarantee
- Longer lifetime (in years, in km)
- More charging cycles

Detect and prevent thermal runaway

Accurate battery, health prediction

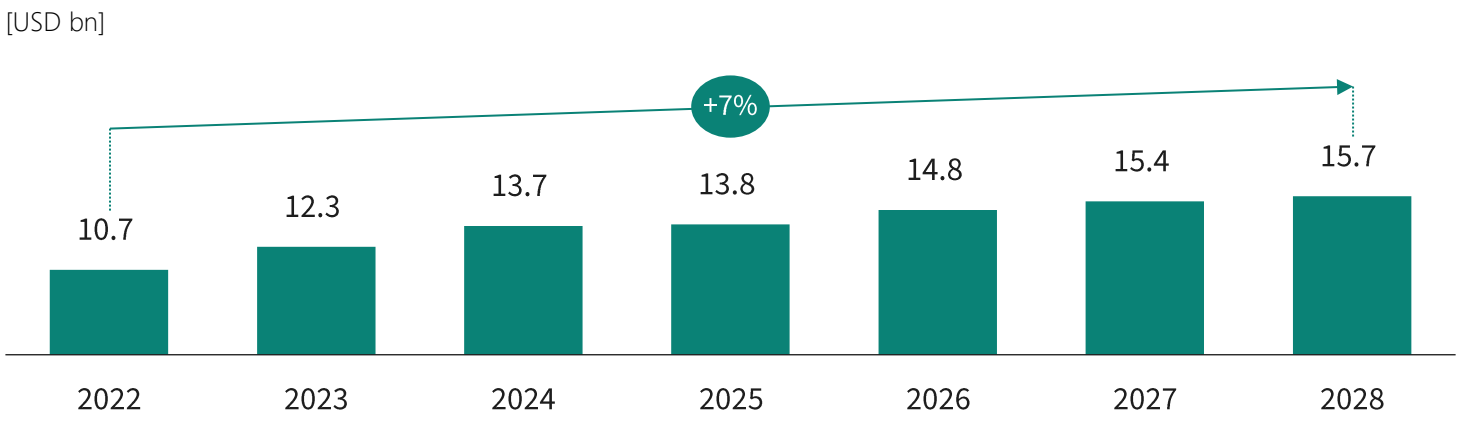
Trust in resale market
- Higher economic value (impacting insurances, fleets, OEMs, Tier1s, 2nd life market)

Open to partner up with further OEMs, Tier1s, insurance companies

Software-defined vehicle

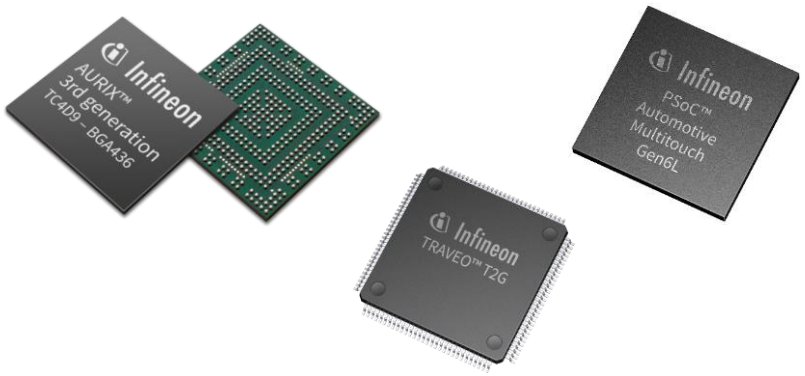
AURIX™ MCU is the gold standard for ADAS/AD, control, safety, and high-speed in-vehicle network

Total automotive MCU market development, excl. MPUs and SoCs



TechInsights: *Automotive Semiconductor Demand Forecast*. October 2023

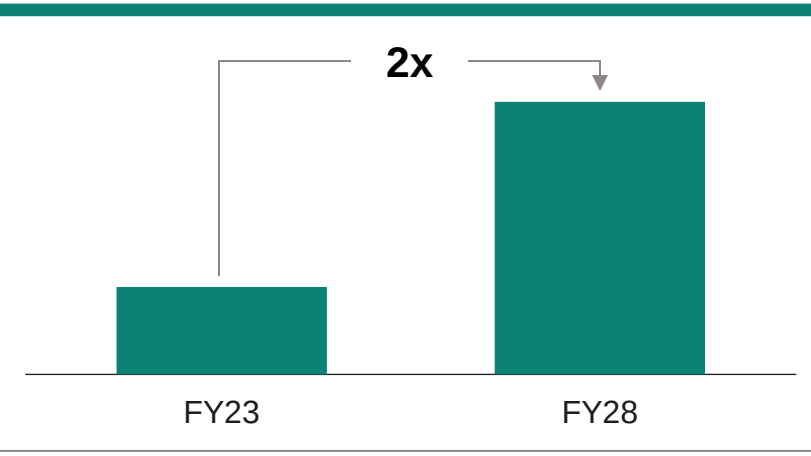
AURIX™, TRAVEO™, and PSoC™ families



€19bn MCU design-win volume secured

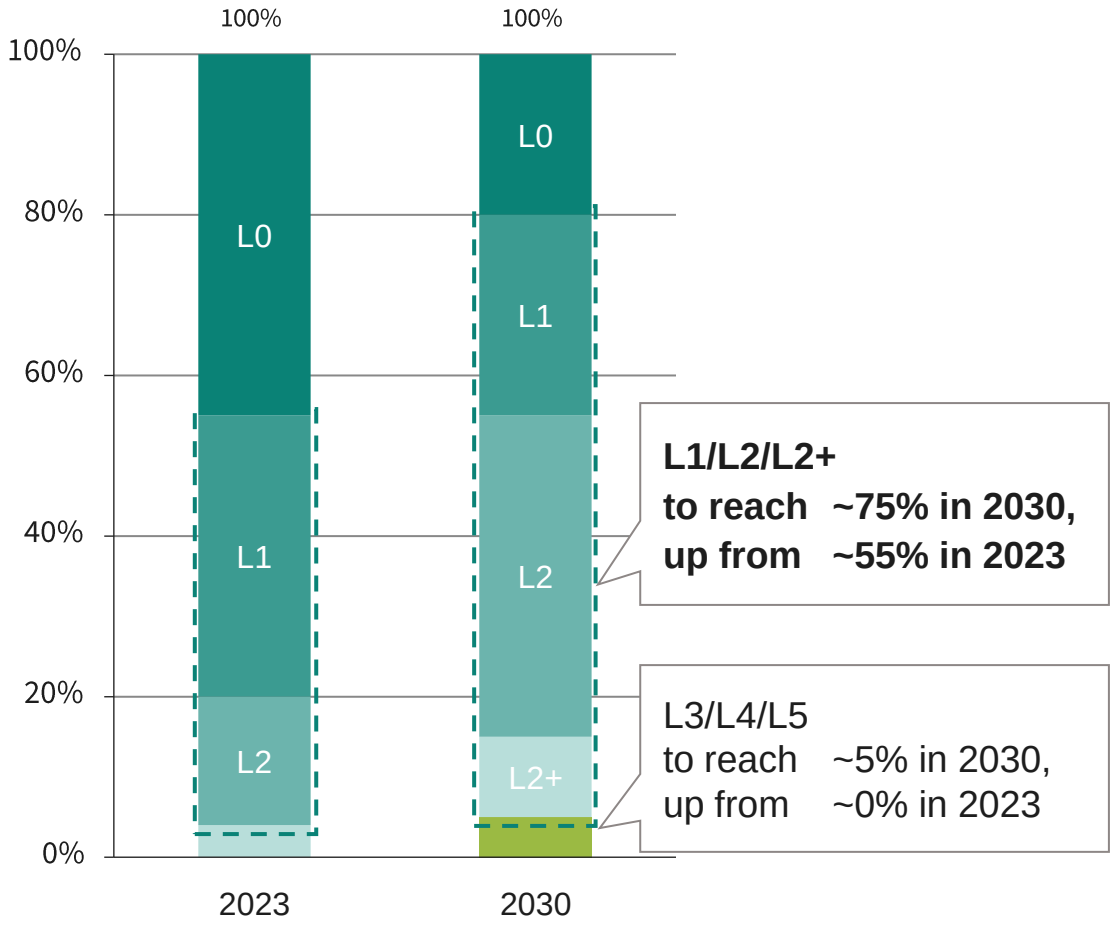
- Total automotive MCU design-win volume in the last four years exceeded €19bn
- Design-wins covering current and next decade ensuring robust and long-lasting growth
- Up to 40 MCUs per vehicle awarded to Infineon
- Strongest momentum in essential MCUs for E/E architecture, ADAS/AD, and xEV
- Around €3bn of revenues already in 2023

Infineon's revenue growth



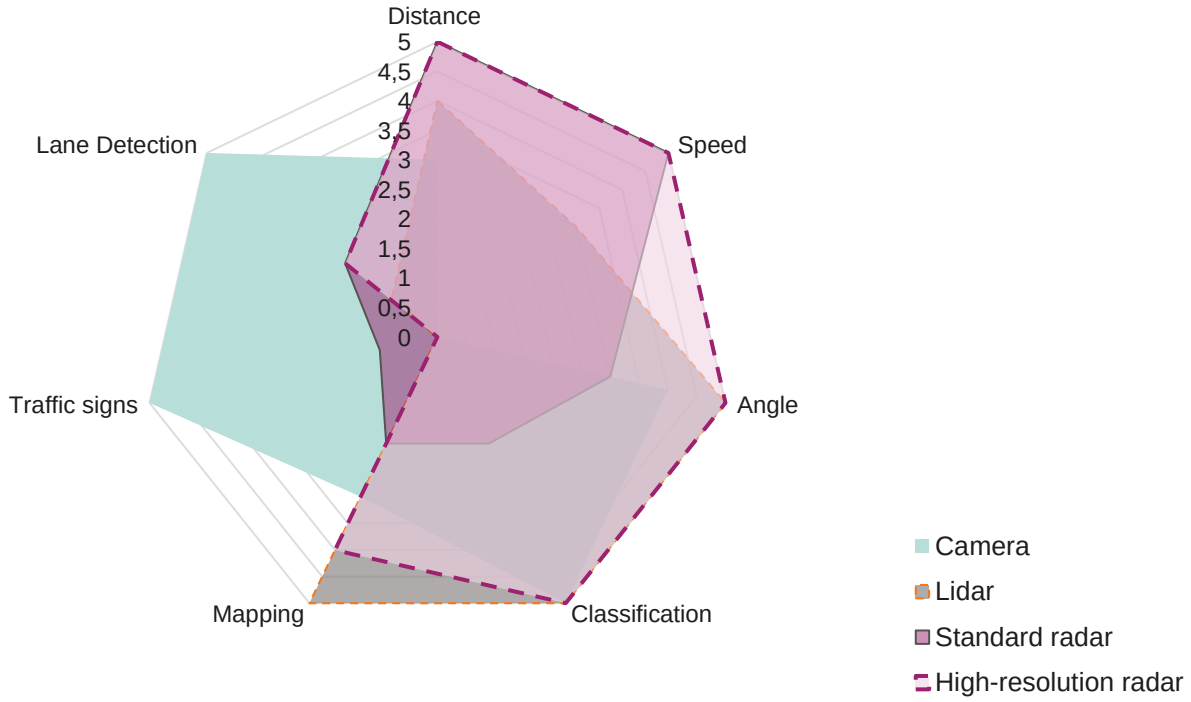
Growth of L1/L2/L2+ is the main driver of ADAS semiconductor content until 2030

Car production by degree of automation (SAE level)



Market research companies; Infineon

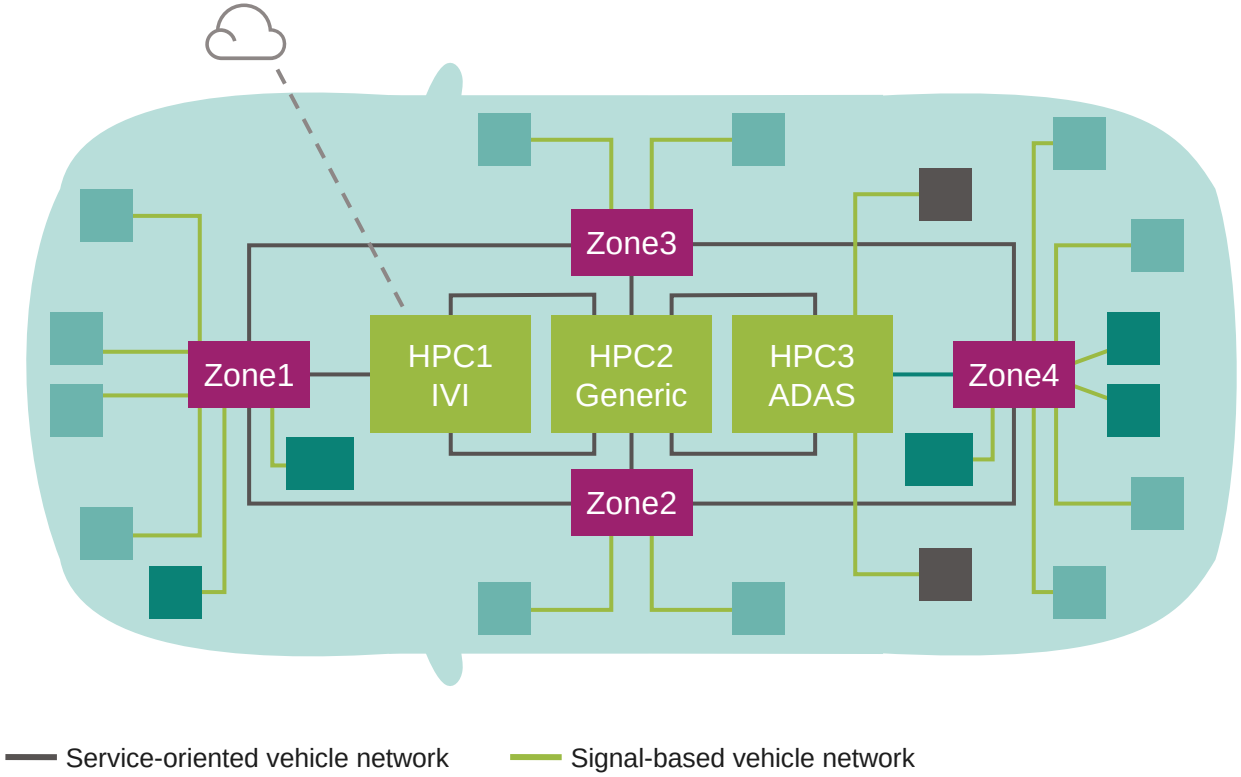
Radar is essential to meet decisive requirements of ADAS/AD



- Standard radar is **the** technology to detect distance and speed
- High-resolution radar significantly improves angle and classification

Infineon strongly benefits from new E/E architectures that drive centralization of data and decentralization of power distribution

E/E architecture in a software-defined vehicle



New E/E architectures lead to more centralized processing of data and signal while more decentralized power distribution.

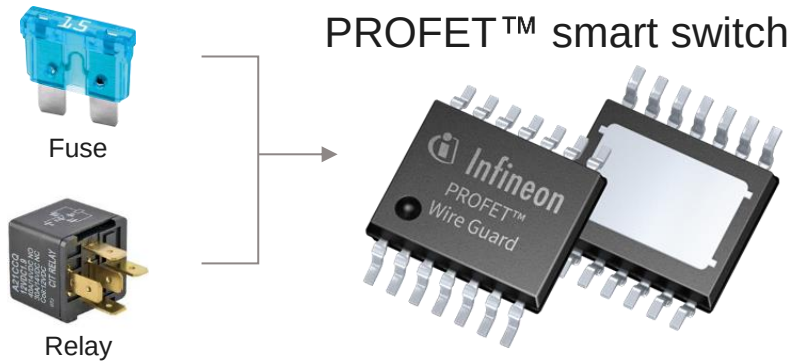
Components of E/E architecture and corresponding applications addressed by Infineon

High Performance Computing (HPC)	Safety companion MCU for service-oriented SoCs, secure trust anchor, fail-safe power supply
Zone	Zone controller, gateway controller, incl. protocol translation, smart power distribution
Control	Smart real-time mechatronics (e.g. transmission, motor control, power steering, braking), BMS
Complex sensors and actuators	Radar, incl. signal pre-processing, bus connections, dedicated AI accelerators, camera
Simple sensors and actuators	Smart functional ECU (e.g. seat adjustment, power window, central lock, wiper), touch pad

Power distribution becomes a critical aspect of the E/E architecture and the SW-defined vehicle

New applications for intelligent power distribution ...

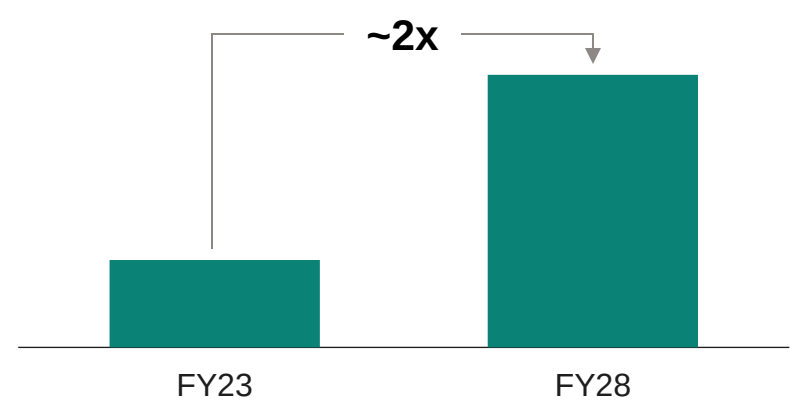
... are driving replacement of fuses/relays



Smart switches are mandatory for SAE L3 and above

- Superiority of semiconductors over fuses and relays:
  - Fast failure isolation (< 500µs) and activation of an alternative supply
  - Configurable wire protection
  - Diagnosis and non-destructive recovery
- Mandatory for SAE levels L3, L4 and L5
- Growth of smart switches per car:
  - Volume OEMs: from today's ~50 pieces/car towards ~200 pieces/car by 2028+
  - Innovator OEMs: already ~200 pieces/car today

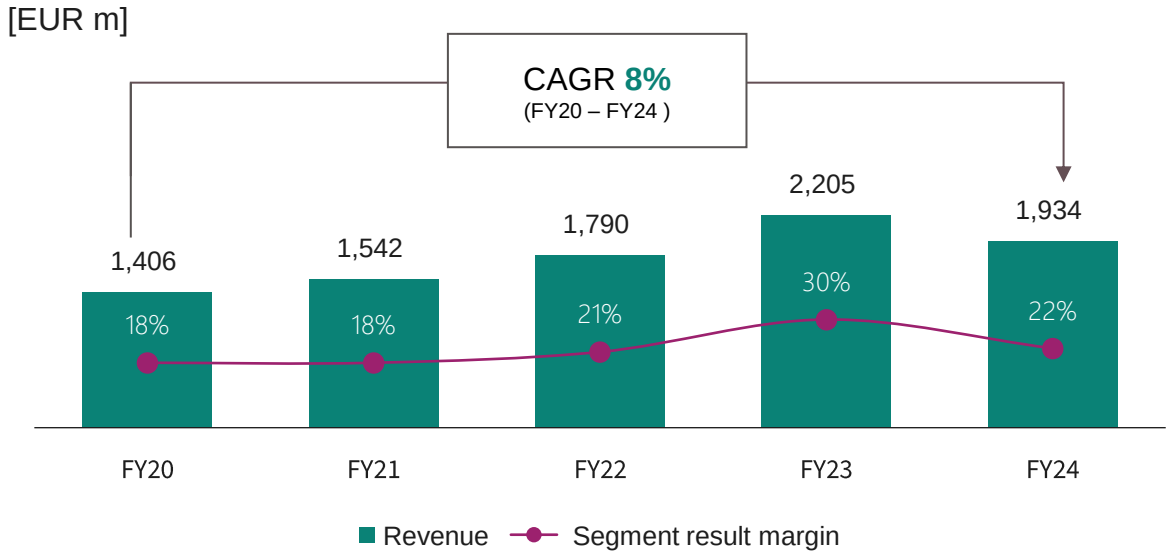
Infineon's revenue growth



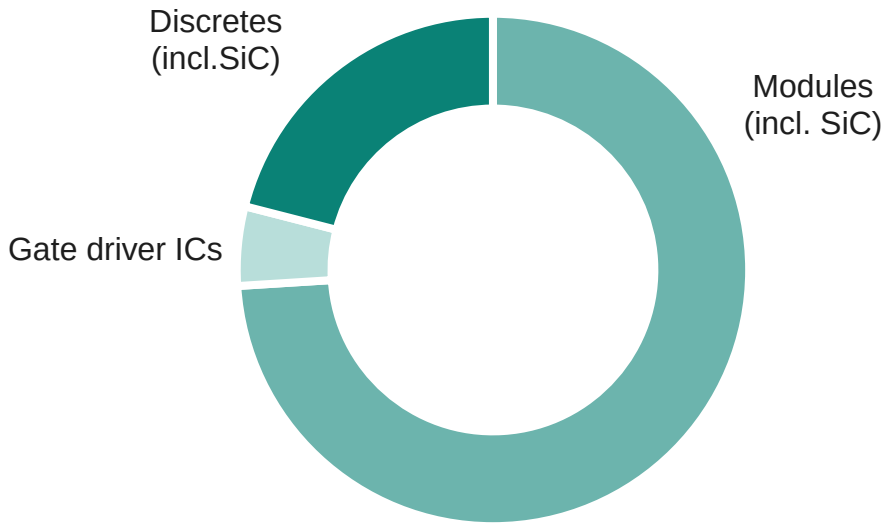
Green Industrial Power

GIP at a glance

GIP revenue and Segment Result Margin



FY24 revenue split by product group



Key customers

ABB, Aalpitronic, ALSTOM, Bloomenergy, 中国中车 CRRC, GOLDWIND, INOVANCE, LG, Midea, OMRON, Rockwell Automation, Schneider Electric, SEMIKRON DANFOSS, SIEMENS, SMA, SUNGROW, Vestas, YASKAWA

PV and Drives inventory correction continues into 2025, growth in infrastructure and transportation

Applications % of FY24 segment revenue	Market outlook for CY25
~30% Renewable Energy Generation	→ – Demand expected to only gradually pick up after inventory correction with persisting competitive pressure – Wind installations growth supported by government efforts
~10% Power Infrastructure	↗ – Growth in EV Charging and Energy Storage is supported by continuous strong demand in Greater China – T&D demand to remain strong to accelerate renewable energy transmission
~10% Transportation	↗ – Analysts have increased unit shipments forecast for rail transportation – Drivers for CAV vehicle growth intact and supported by decarbonization target (e.g. in mining industry)
~30% Automation & Drives	→ – Return to long-term growth trend in Drives expected after inventory correction will have ended. Improvement for semi demand to follow gradually
~10% Heating, Ventilation, Air condition	→ – Recovery expectations vary across regions: growth in Greater China / EMEA impaired by inventory situation. Americas with positive momentum in residential and commercial HVAC segment
~10% Home Appliance	→ – Sentiment improvement expected with Greater China government incentive program pushing replacements. There are no clear indications on timing and level of recovery available yet

Huge potential along entire green energy chain until 2030 according to IEA Net Zero scenario

Generation

Photovoltaic	**+4,600GW**
Wind power	**+1,900GW**

Infrastructure

Grid network	**$600bn annual investments**
Grid storage	**+900GW**
EV charging	**+185m chargers (public and private)**
Electrolysis	**+560GW**

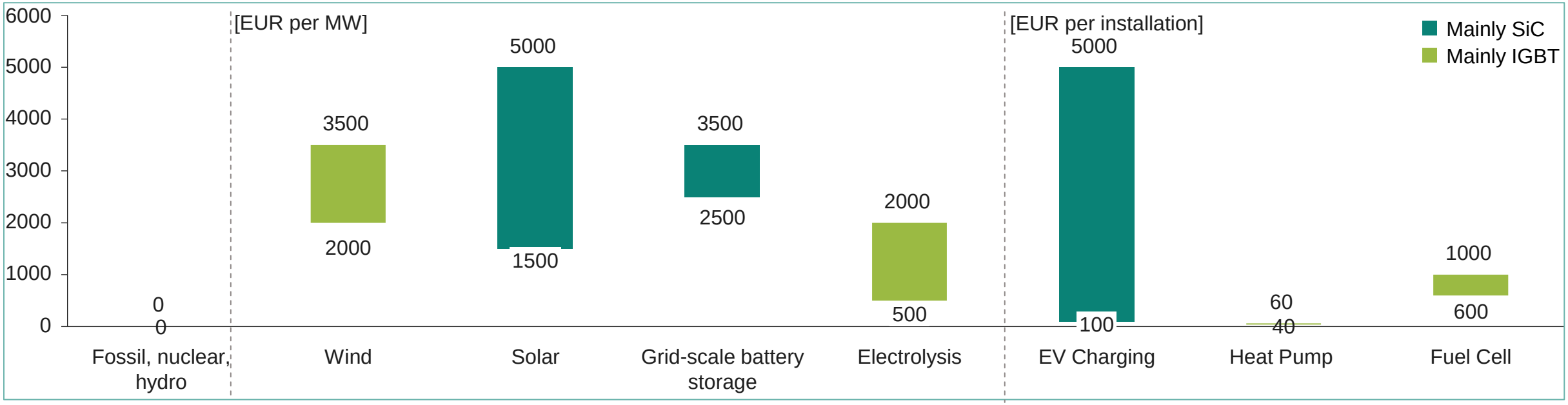
Consumption

Heat pump	**+420m units**
H_2 Fuel cell[1]	**+200k FC EV +200k FC Trucks**
eAviation | eMarine	

Note: Based on Net Zero Scenario (IEA) | Source: IEA - World Energy Outlook, October 2023, **1** Internal Analysis

Green energy generation provides large business opportunities

Power semiconductor content by application

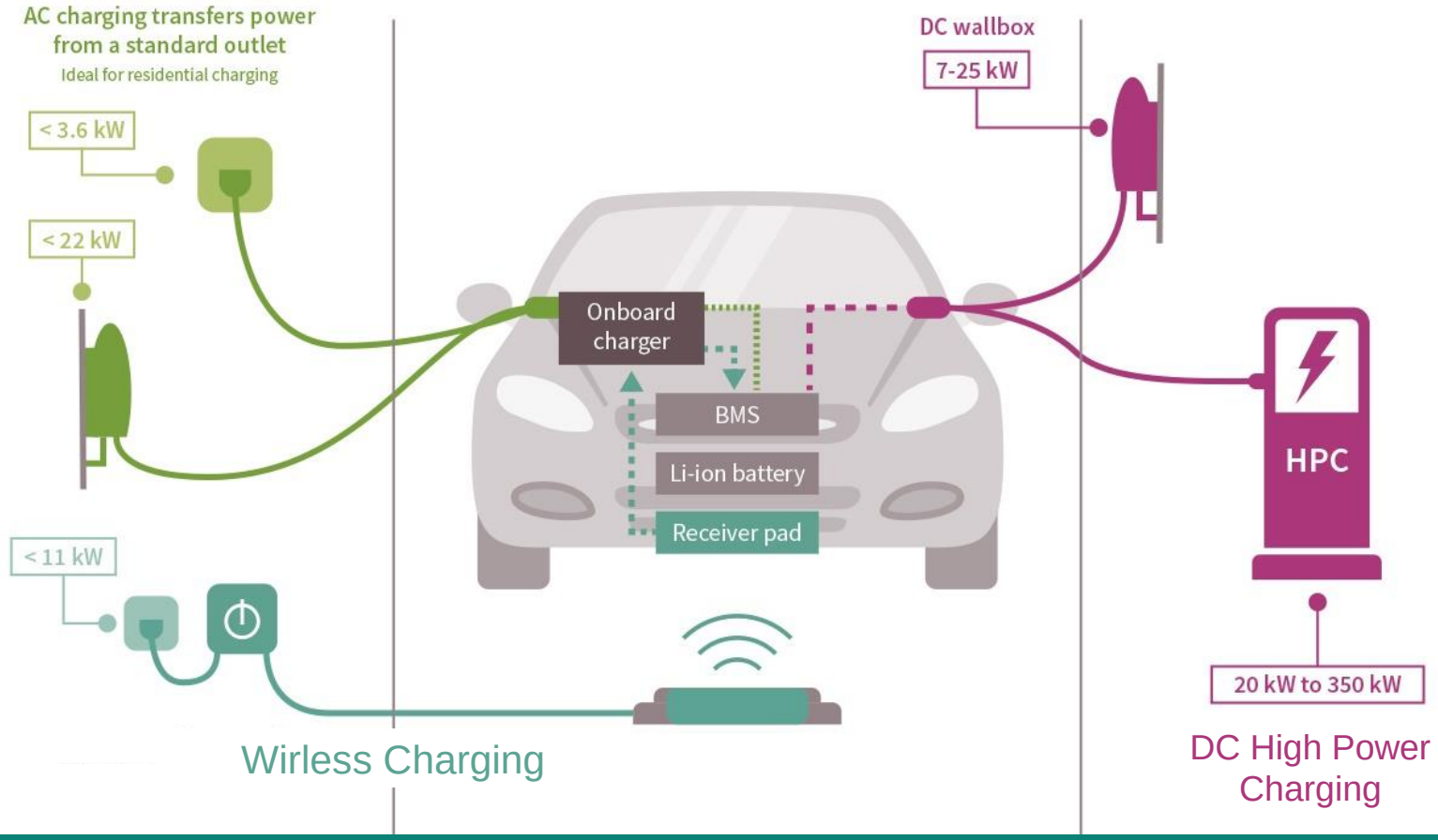


Additions in 2022[1)]	**74**[GW]	**220**[GW]	**12**[GW]	**<1**[GW]	**~6m**[inst.]	**22m**[inst.]	**5k**[inst.]
CAGR 2023 – 30	**16%**	**23%**	**56%**	**92%[2)]**	**31%**	**16%**	**42%**

[1] IEA: World Energy Outlook, October 2023; Sector Tracking reports October 2023; internal Analysis
[2] Based on 270 GW pipeline (midpoint), >100% based on NZE requirements of 560GW

EV charging is a key strategic application for Infineon
We cover the full ecosystem from AC to high power DC charging

Connectivity solutions	Automotive systems	High power industrial systems

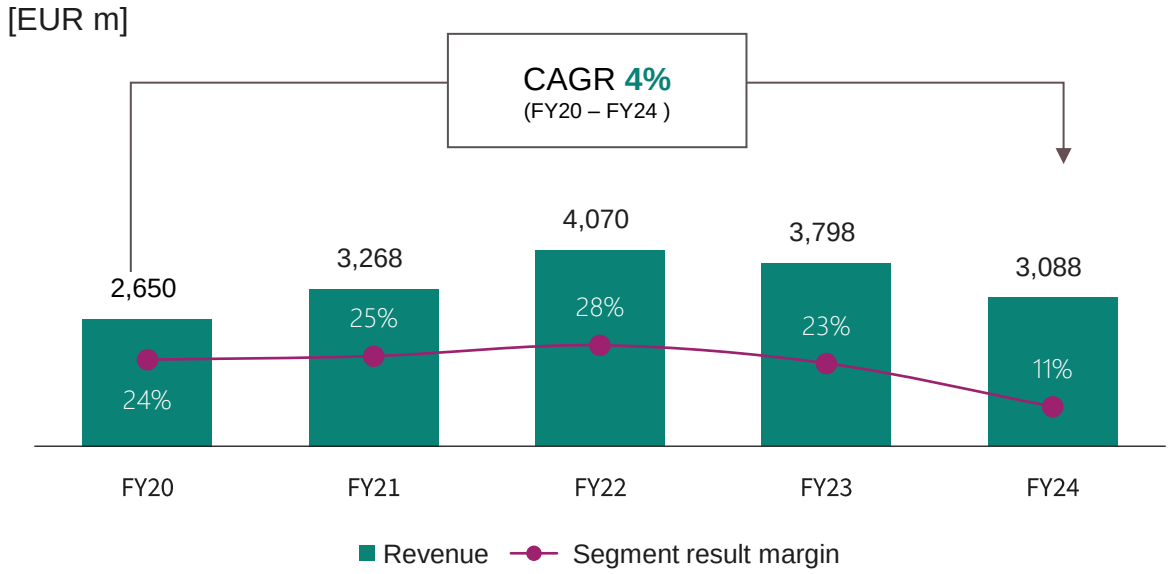


Infineon targets the complete EV charging ecosystem from AC to high-power DC

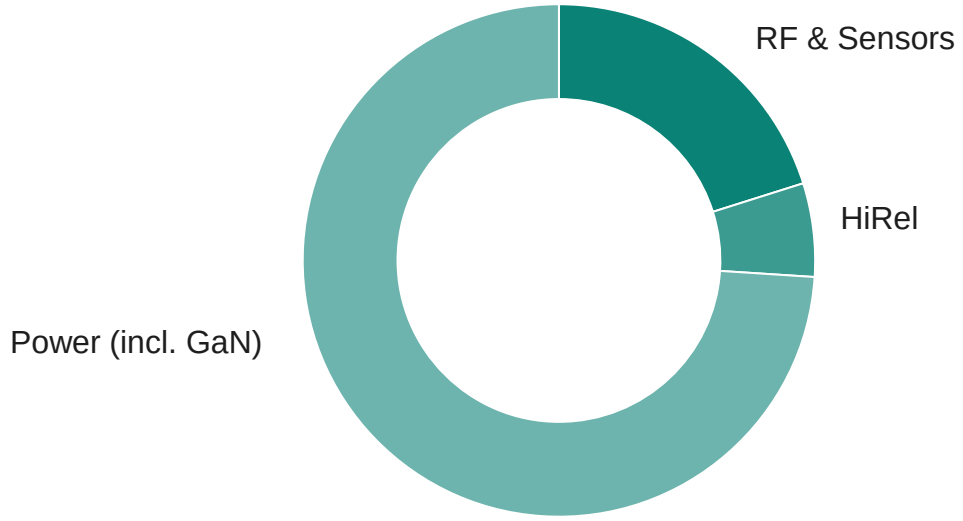
Power &
Sensor Systems

PSS at a glance

PSS revenue and Segment Result Margin



FY24 revenue split by product group



Key customers

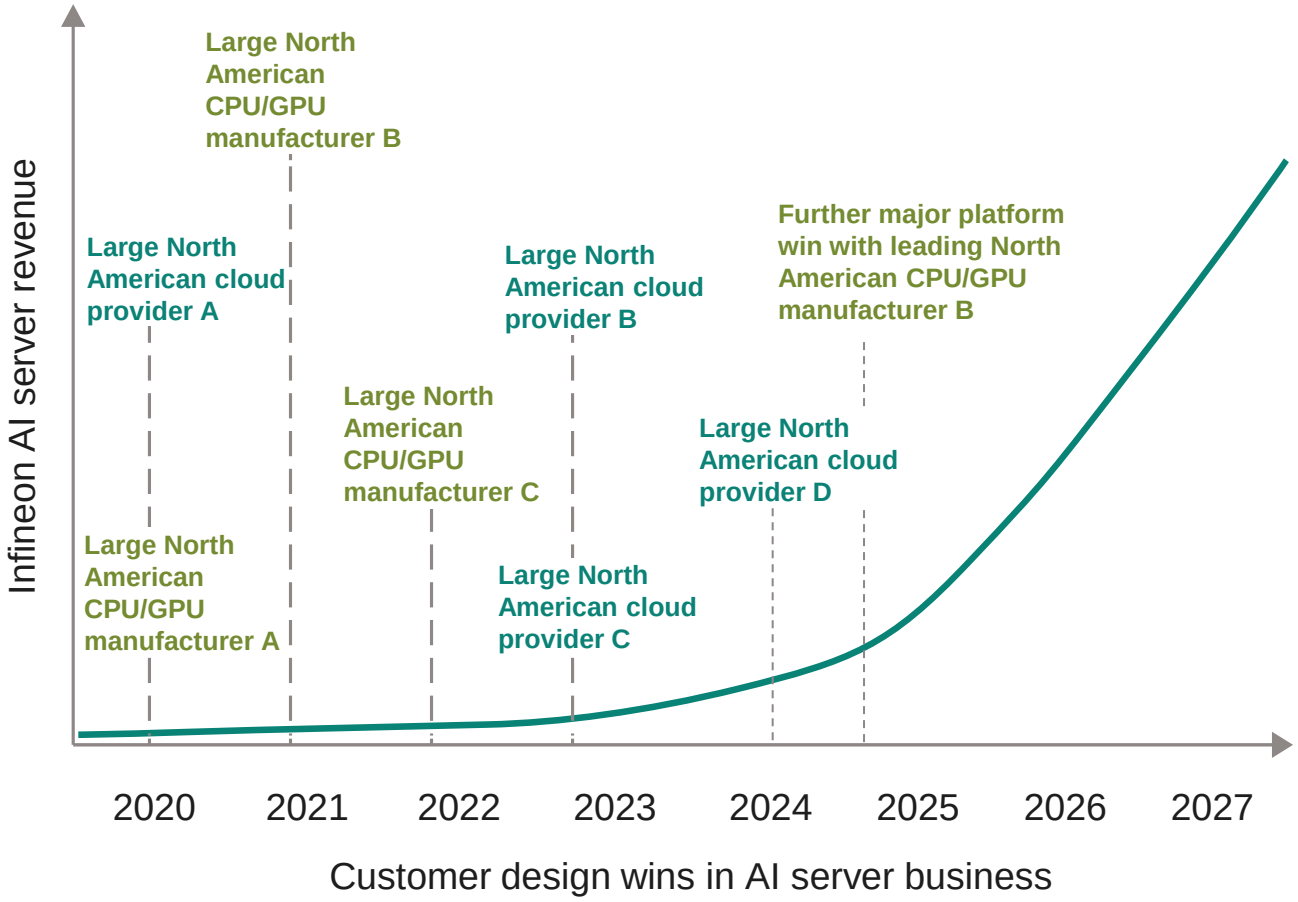
amazon · cisco · DELL · DELTA · ERICSSON · ENPHASE · Google
hp · LITEON · Makita · Panasonic · SAMSUNG · solaredge · ZTE

CY25 end-market uncertain with limited visibility; upside potential driven by improving macro conditions and AI

Applications % of FY24 segment revenue[1]	Market outlook for CY25
~20% Computing	– Server AI strength to continue in CY25 and will be complemented by cloud computing growth – PC market is expected to see traction from (AI) refreshment cycle during CY25, especially during H2
~5% Communications	– Flattish year-over-year telco capex development expected during CY25.
~10% Smartphones	– A year-over-year increase in smartphone unit shipments is forecasted for CY25.
~25% Consumer	– While some consumer markets are expected to pick up in CY25, uncertainty and lower consumer confidence still persist, tempering overall growth expectations.
~30% Industrial	– The industrial market is expected to benefit from potential lower interest rates, the conclusion of inventory digestion phase, and growth in the Chinese EV market.

[1] Does not sum up to 100% due to other applications not shown here

AI will be a strong driver of revenue increase for Infineon's server business

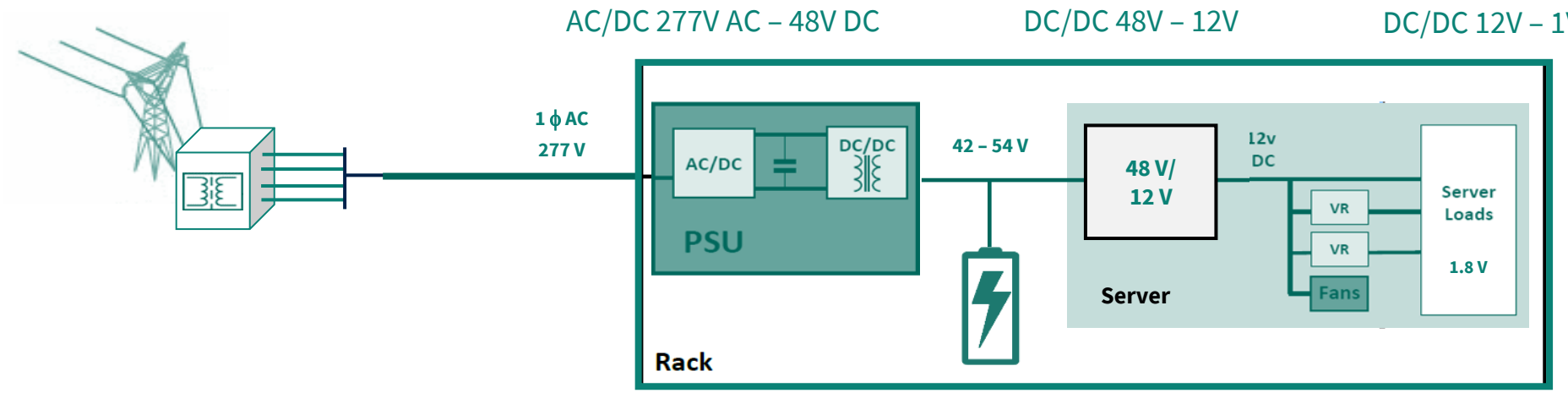


In FY25 AI revenue
in our server business
is expected to be
north of €500m

We expect to reach
€1bn within the next 2 years

With its energy efficient power semiconductors Infineon is serving all AI-related power conversion from grid-to-core

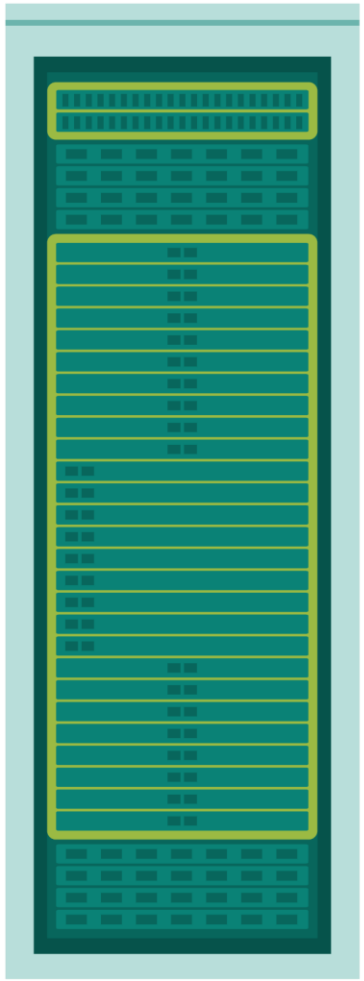
Power delivery network losses in an average AI data center



Average data center power flow efficiency today	97%	97.5%	90%	~85%
Efficiency potential from Infineon's leading power semi solutions[1]	98%	98%	94%	**~90%**

[1] Using GaN, SiC & vertical power modules

Leading performance high density AI Server for accelerated compute – Infineon BOM per AI server rack up to between $12k and $15k



Simplified visualization

Top of rack switches
x1 $200-215

PSU (Power Supply Unit)
x24 ~$120

Compute Tray
x10

Switch Tray
x9

Compute Tray
x8

~$120
Either or
~$70

x24
PSU (Power Supply Unit)
BBU (Battery Back-up Unit)

x36 → **GPU Board** (2 GPU + 1 CPU) ~$130 — 2nd stage

x18 → Power Delivery Board → **48V Bus Converter** $70 - $150 — 1st stage

x108 → **Smart Network Interface Cards** ~$8

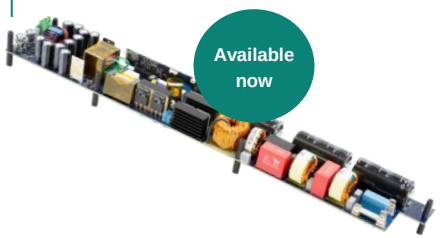
Protection (Hot-swaps, eFuses)
x >300 ~$3

Power System Reliability Modeling possible on every controller

Infineon is tackling the rising power requirements of AI systems with its state-of-the-art PSU solutions for AC/DC

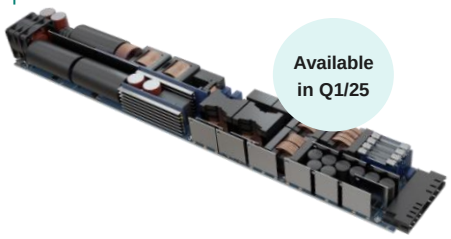
Power Supply Unit (PSU) solutions ranging from 3kW to 12kW and beyond

3kW
η 97,5%
32 W/in^3
1-phase
Si SiC

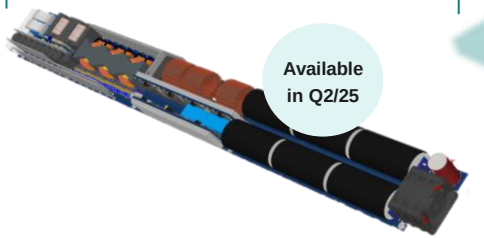


3.3kW
η 97,4%
98 W/in^3
1-phase
Si SiC GaN

8kW
η ~97,5%
100 W/in^3
1-phase
Si SiC GaN



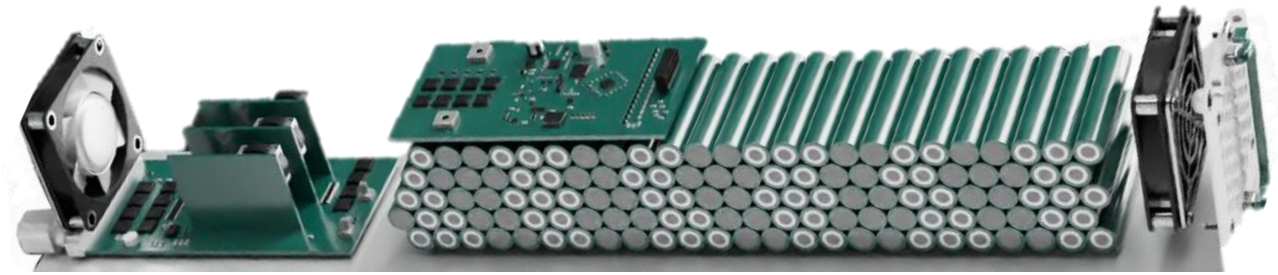
12kW
η ~97,5%
113 W/in^3
1-phase
Si SiC GaN



>12kW
3-phase
Si SiC GaN

12kW partial Battery Backup Unit (BBU) – Meeting increasing power demands and strict space constraints for AI server

BBU Module Functions



- Higher **power density x4**W/cm^3
- **Efficiency** increase **+1 - 1.5%**
- **Flat efficiency curve**
- **BOM optimization** thanks to the down-sizing of component rating
- **Unparalleled power density and efficiency** by harnessing the potential of **GaN technology**

[1] TCO – total cost of ownership

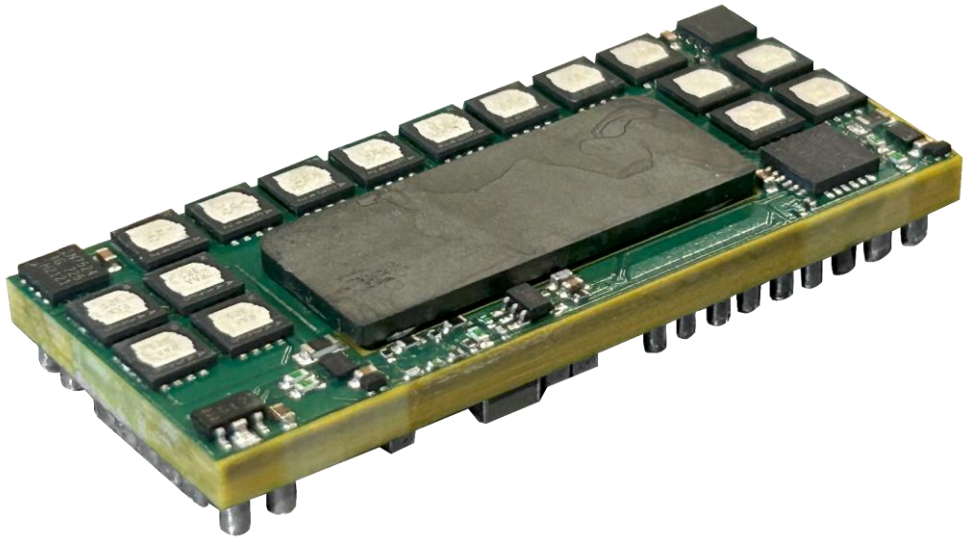
1. **Converter Power Density** to **enable more battery cells** per BBU
2. **Protect AI servers** from power fluctuations (peak power shaving)
3. **Prevents data loss** and **system downtime**
4. **Efficiency for TCO[1]** in peak shaving
5. **Thermal Management** in air cooled solutions
6. **Quicker recharge**
7. **Full system** product portfolio based on Infineon's **patented topology**

Outperforming existing solutions in terms of efficiency, power density and cost-effectiveness

48V Integrated Bus Converters (IBCs) – Meeting AI Demands for power density, duality, reliability, and efficiency

Up to **5,000 defects per million (dpm)** are linked to IBC failure (target is **<500dpm**)
Cost of unplanned system downtime and rework due to component failure is very high

Our solution: Infineon's first IBC Module for AI



[1] MTBF – mean time between failures
[2] TCO – total cost of ownership

1. With a wide range of **IBC topologies**, IFX is serving a multitude of different server rack configurations while ensuring cost-effectiveness
2. **Quality and Reliability** to improve MTBF[1] in complex systems
3. **Power Density** as GPU power increases
4. **Efficiency for TCO[2]**
5. **Thermal Management** in air / liquid cooled solutions
6. **Supply security** with 2nd source and fast time to market

Dual-phase power modules enabling vertical power delivery matching increasing AI demands for power density and smaller form factor

Two Chip Embedded Power Stages

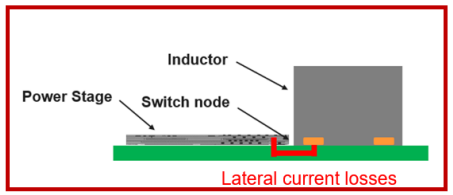
mounted on PCB [1A/mm²]

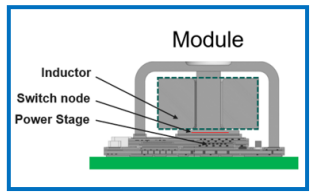
TDM2254X

3x die embedded

10 x 9 x 8/5 mm³

80A TDC / 160A pk





Two Embedded Power Stages

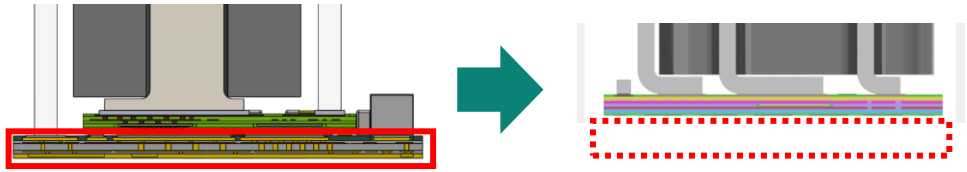
in Single Substrate [1.5A/mm²]

TDM2354X

6x die embedded

8 x 8 x 4 mm³

80A TDC / 160A pk



Pushing Power Density Envelope

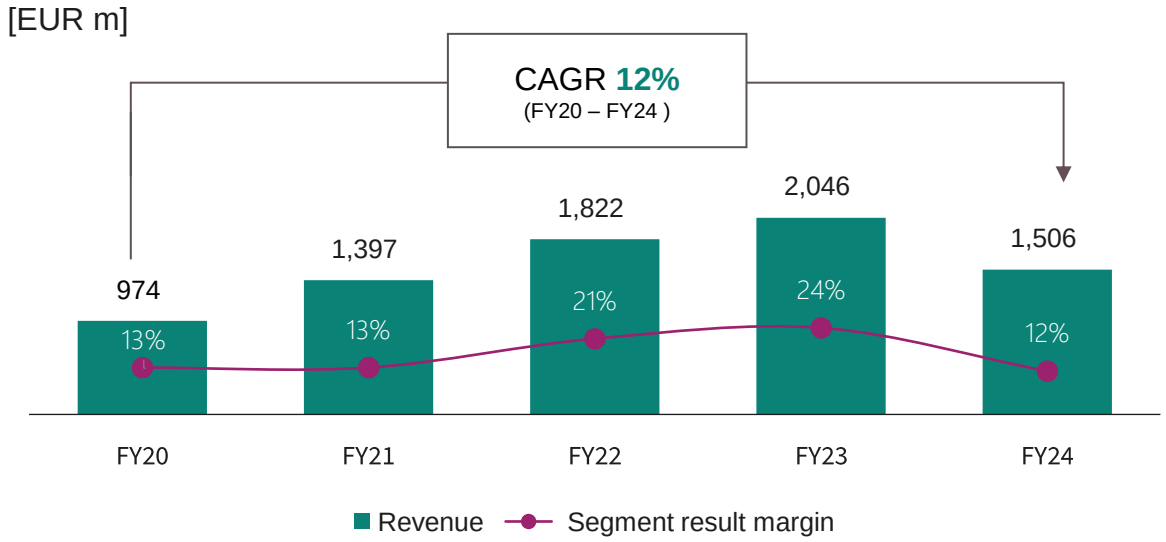
- 0.5% lower module power losses
- Enhanced thermals enabled through Chip Embedding

- 20% reduction in height
- 30% reduction in area

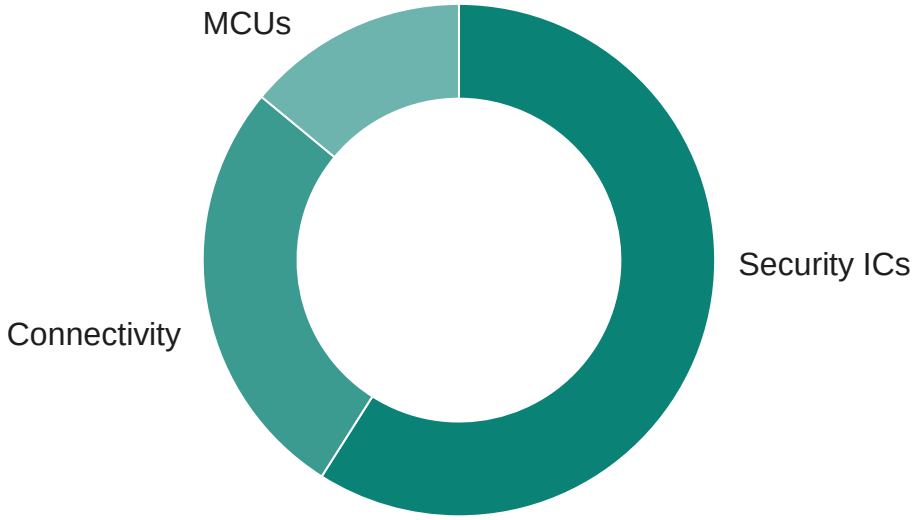
Connected Secure Systems

CSS at a glance

CSS revenue and Segment Result Margin



FY24 revenue split by product group



Key customers

AdvanIDe, amazon, arlo, AUSTRIACARD, cpi card group, GPO, Haier, Hisense, hp, IDEMIA, Midea, Nintendo, PERFECT Plastic, Raspberry Pi, SAMSUNG, SONY, THALES

Outlook for CY25 influenced by continuing macro uncertainties and low consumer sentiment

Applications
% of FY24 segment revenue

~55%
Industrial and Consumer IoT

~45%
Smart cards

Applications	Market outlook for CY25
Industrial IoT	→ – Risks persist, yet potential moderate growth is possible in second half of CY25 as macro situation stabilizes driving investments
Home Appliances	→ – Gradual improvement during CY25 with higher expected connectivity penetration and new product launches
Smart Home	→ – Market might accelerate driven by new product introductions and standards (Matter), however growth prospects are affected by uncertainty and low consumer confidence
Health & Lifestyle	→ – Wearable devices might show growth driven by new product introductions, however growth prospects are affected by uncertainty and low consumer confidence
Media, Game & Compute	↗ – Traction in PC market driven by (AI) refreshment cycle; Slight growth expected for Gaming due to new product launches; Smartphone unit shipment increase forecasted
Automotive	→ – Growth of automotive market is in decelerate mode after disruptions and recovery in previous years
Payment	→ – While card issuing is assumed to be stable, inventories in the value chain might still limit growth potential
Identification	→ – FY25 demand might be affected by stock overbuild at the customers

CSS offers a compelling product portfolio and roadmap for IoT

Microcontrollers (PSoC™ and XMC™)

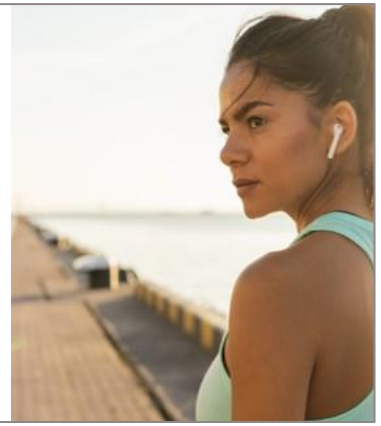
- PSoC™ family for general purpose, XMC™ family for industrial
- Strength in low power, high performance, and capacitive touch sensing
- Compelling roadmap focused on AI, security, and integrated connectivity

AIROC™ Wi-Fi and Combos

- Wi-Fi standalone and Wi-Fi & Bluetooth® Combo chips for end devices
- Focus on innovation for IoT applications: reliability and power
- Strong leader for battery-operated Wi-Fi
- Recent new product introduced Wi-Fi 6 & 6E – the first IoT-focused product in the brand new 6 GHz band

AIROC™ Bluetooth®

- Portfolio of standalone and PSoC™-integrated Bluetooth® and Bluetooth® Low Energy products
- Strong position in wearables, gaming, remote controls, HID, and automotive
- Introducing new products to support the newest smart-home industry standard: Matter

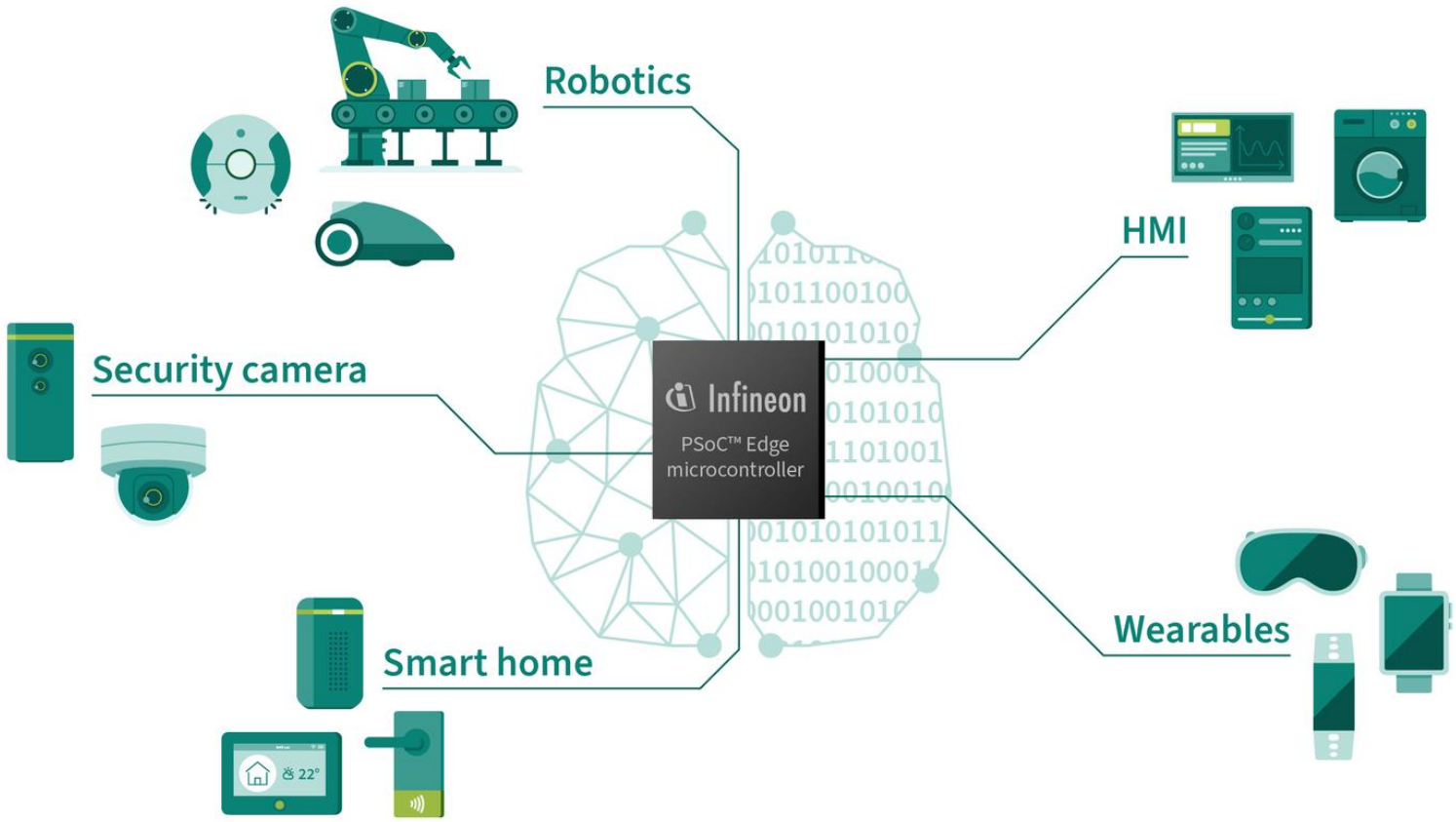


ModusToolbox™ and Software

- ModusToolbox™ is a rich embedded software development toolset to accelerate and simplify development for Infineon MCUs, and the core development platform for Infineon software
- Strong set of SW features in MCU and connectivity SDK's
- CIRRENT™ is a cloud services platform for data-driven improvement of connectivity and delivery of innovative IoT services

Next-generation PSOC™ Edge portfolio: Infineon PSOC™ Edge E81, E83 and E84 microcontroller families

PSOC™ Edge – Enables a new generation of responsive machine learning devices



Fully integrated system-on-chip (SoC) devices supported with **comprehensive system design tools and software**.

Based on the **high-performance** Arm® **Cortex®-M55** with an embedded **ultra low power technology.**

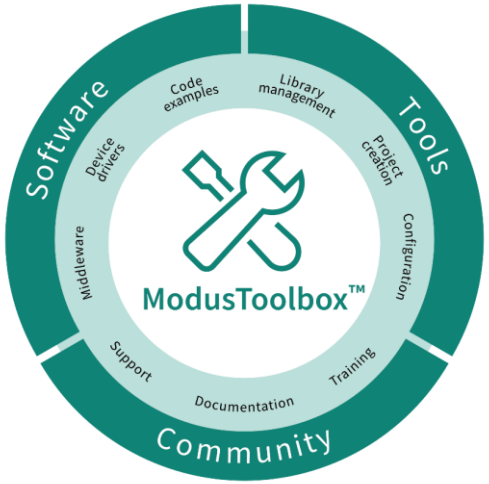
Robust **security with on-chip**, hardware-isolated **secured enclave**

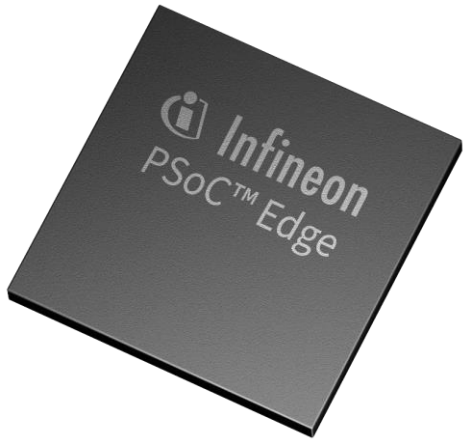
Out-of-the-box **Machine learning enablement**

Quickly move from concept to product enabling **fast time-to-market** for IoT and consumer applications.

Customized Machine Learning on PSOC™ Edge with Imagimob Studio and ModusToolbox™

With the seamless integration of **Imagimob Studio** and **ModusToolbox™** companies can build and deploy robust machine learning models. When paired with **PSOC™ Edge**, companies can optimize power consumption and improve efficiency while adding intelligence to products.





Imagimob Studio, Infineon's platform for machine learning development, makes it easier to create Edge AI models

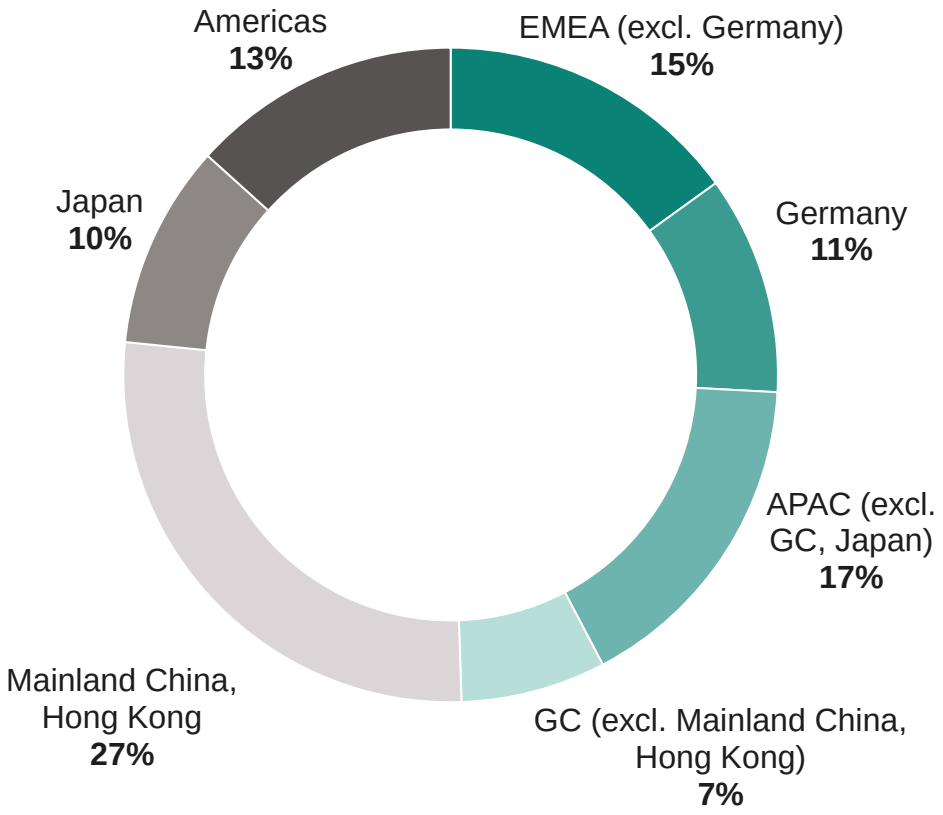
ModusToolbox™ Software is a modern, extensible development ecosystem

PSOC™ Edge is the next generation Machine Learning-enhanced sensing, low power, secured, and advanced HMI high-performance microcontroller

Selected financial figures

Strong presence in all regions; well-balanced customer portfolio; no customer represents more than 10% of total sales

FY24 revenue by region



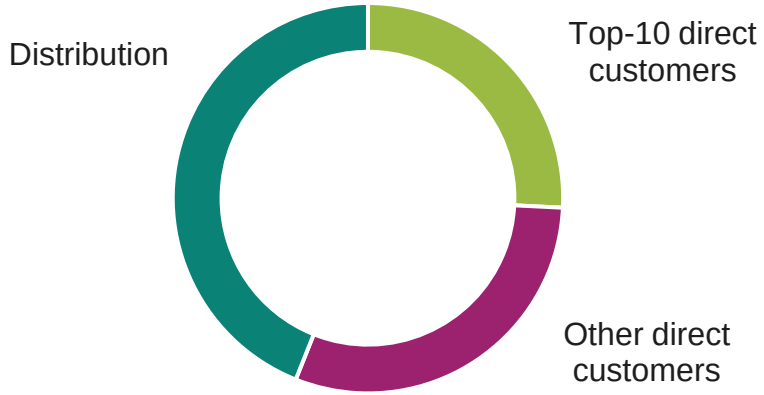
Revenue by sales channel

Distribution partners[1]

Arrow, Avnet, Future Electronics, Intron 英恒, JCT, Macnica, NEXTY Electronics, TEL Tokyo Electron, 威健 WEIKENG, wpg

Top-10 direct customers[1]

APTIV, BOSCH, Continental, Danfoss, Delta, Goertek, Hyundai Motor Group, Schaeffler, Valeo, ZF



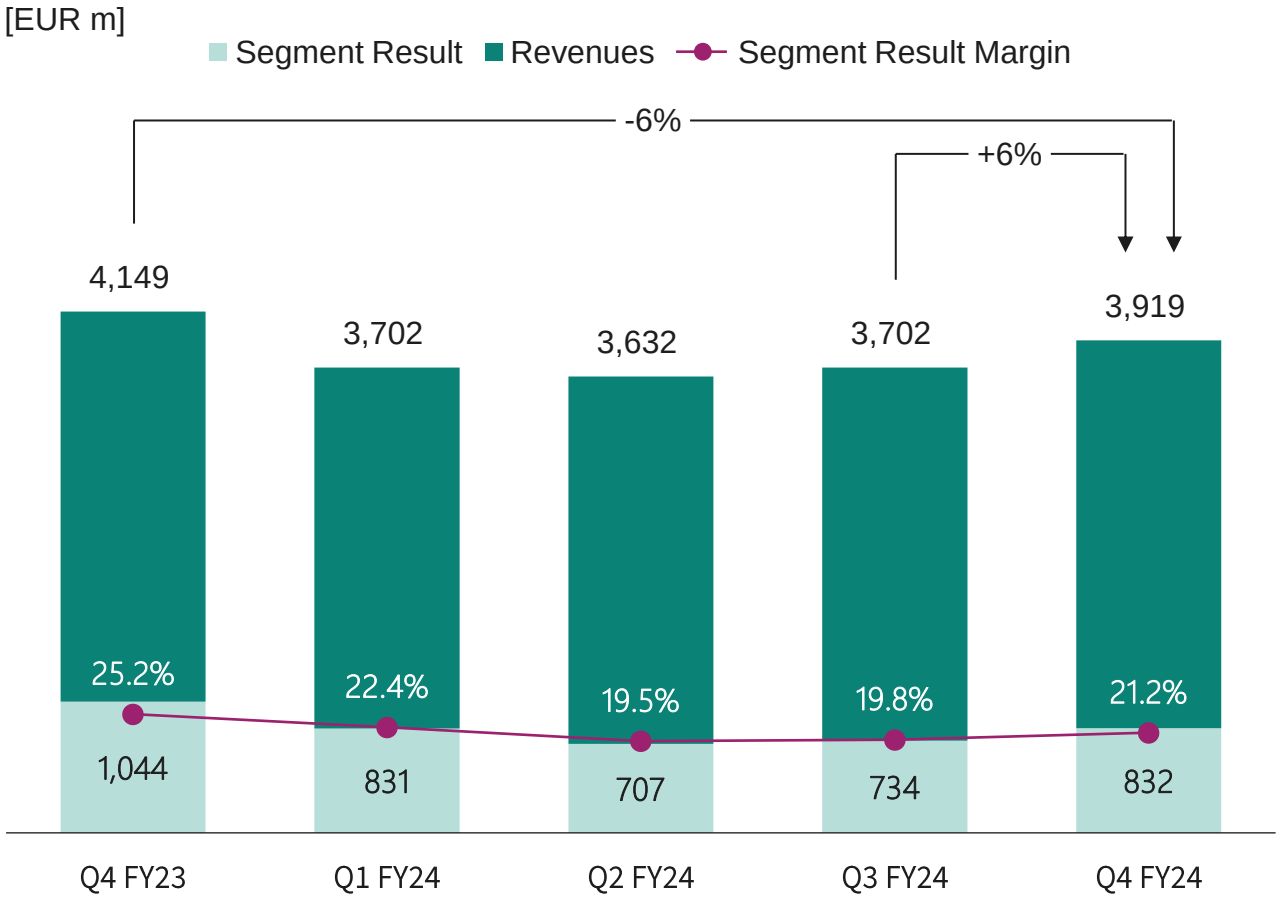
EMS partners[1]

flex, JABIL

1 In alphabetical order

Group financial performance

Revenues and Segment Result

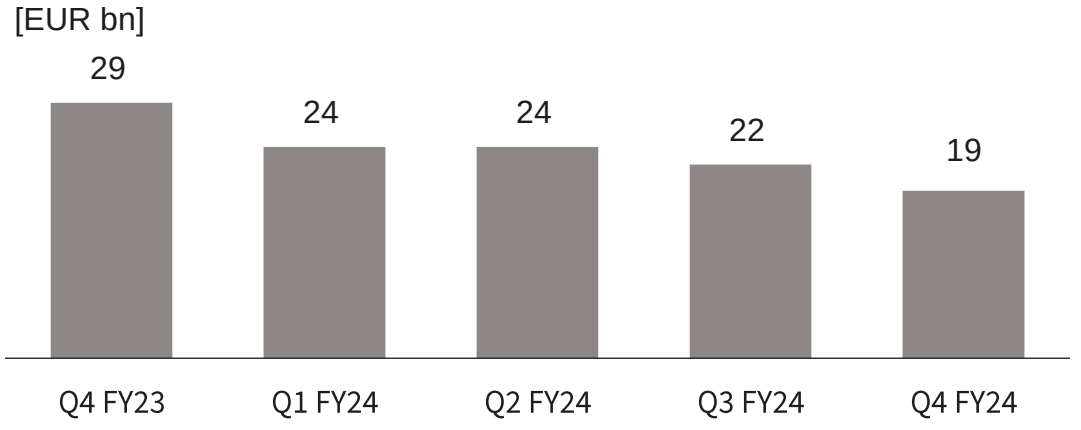


USD exchange rate

Average revenue exchange rate

	Q4 FY23	Q3 FY24	Q4 FY24
ø USD/EUR	1.09	1.08	1.10

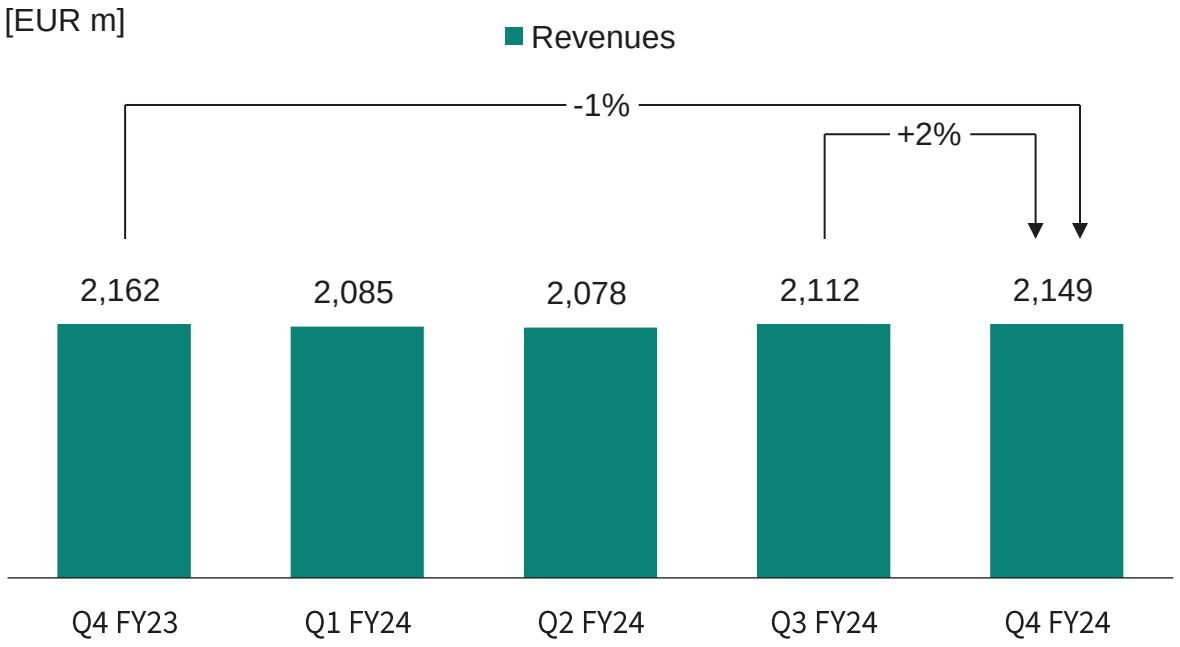
Order backlog[1]



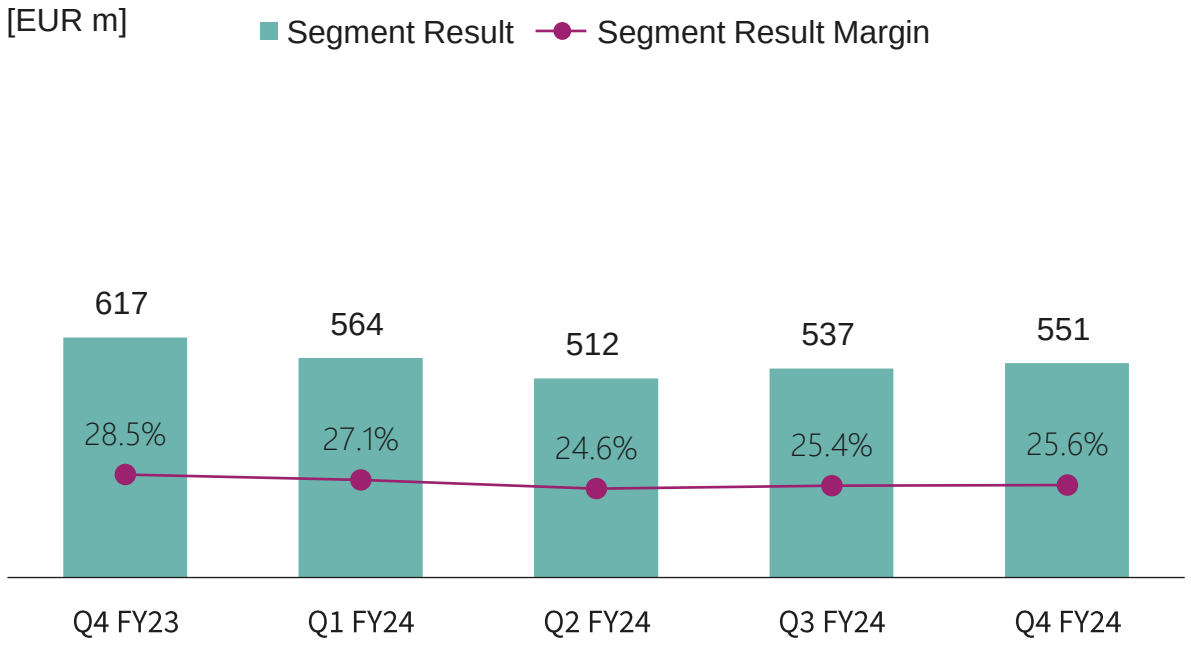
[1] See notes for definition

Automotive (ATV)

Revenues



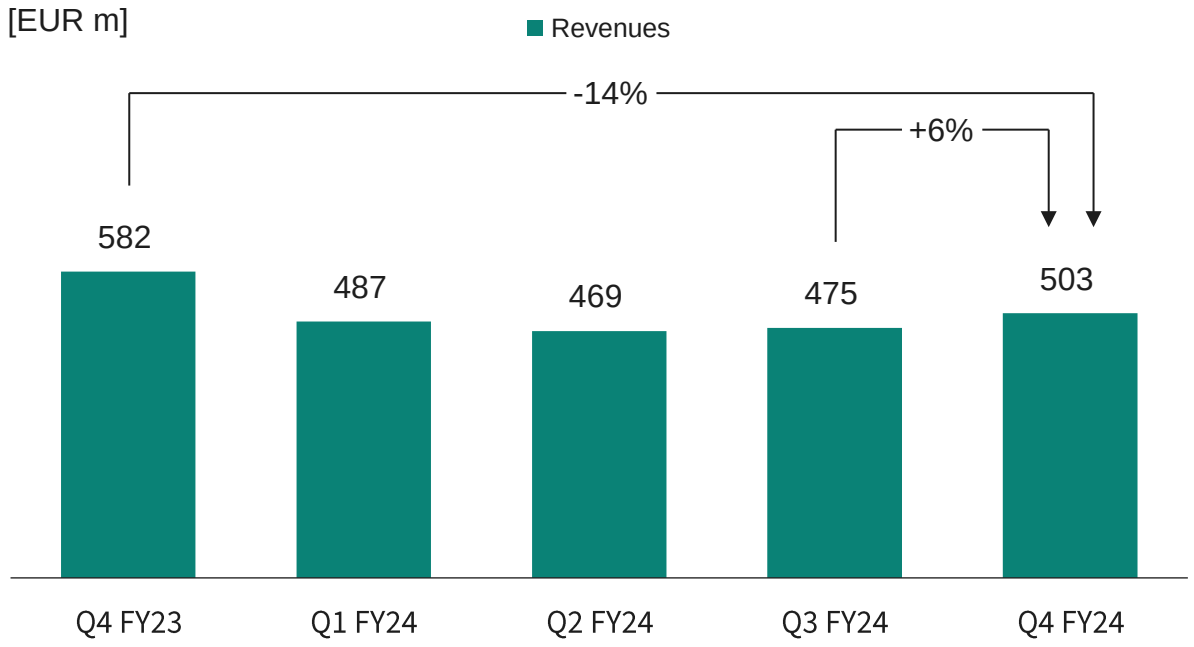
Segment Result



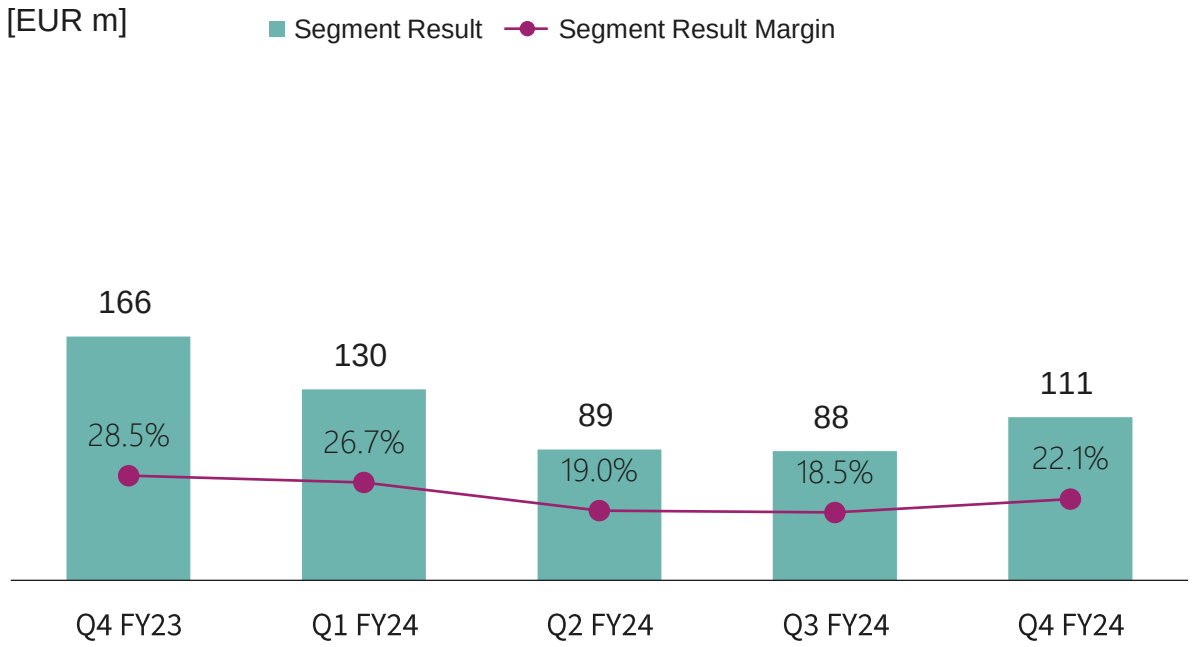
- Slight revenue increase driven by higher volumes, particularly in xEV and MCU.
- In FY24, Infineon grew the automotive business by 2 percent y-o-y, due to a broad portfolio, balanced regional presence and market share gains.
- Intensified inventory reduction efforts across the value chain driven by macroeconomic uncertainty and challenging market environment.

Green Industrial Power (GIP)

Revenues



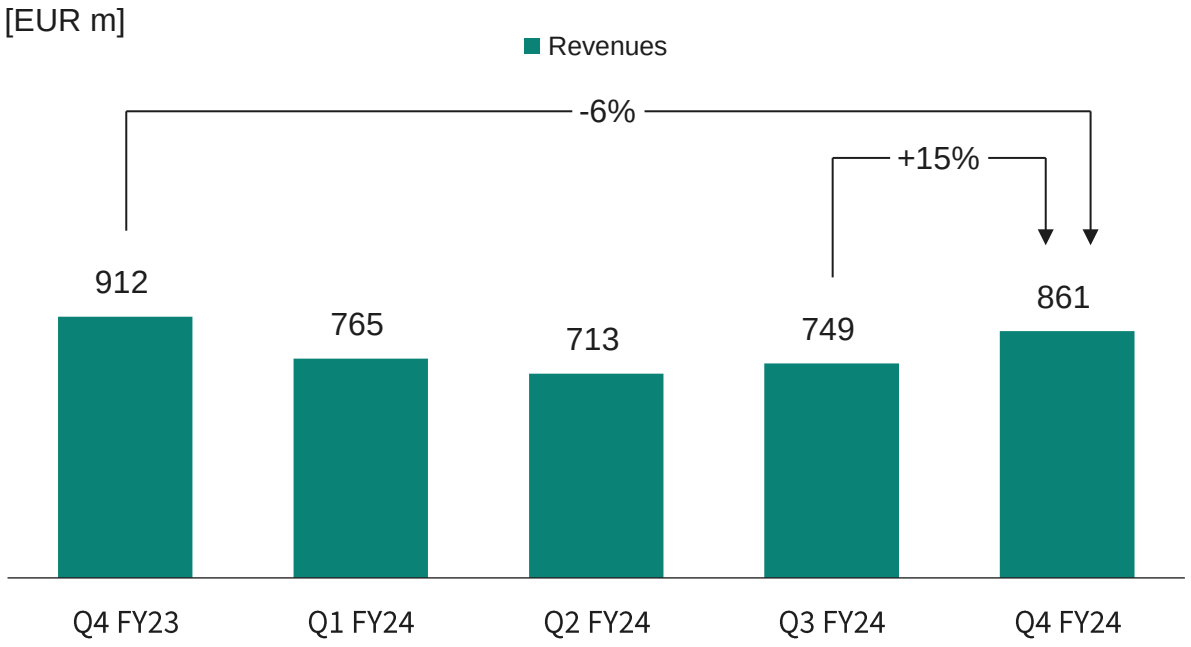
Segment Result



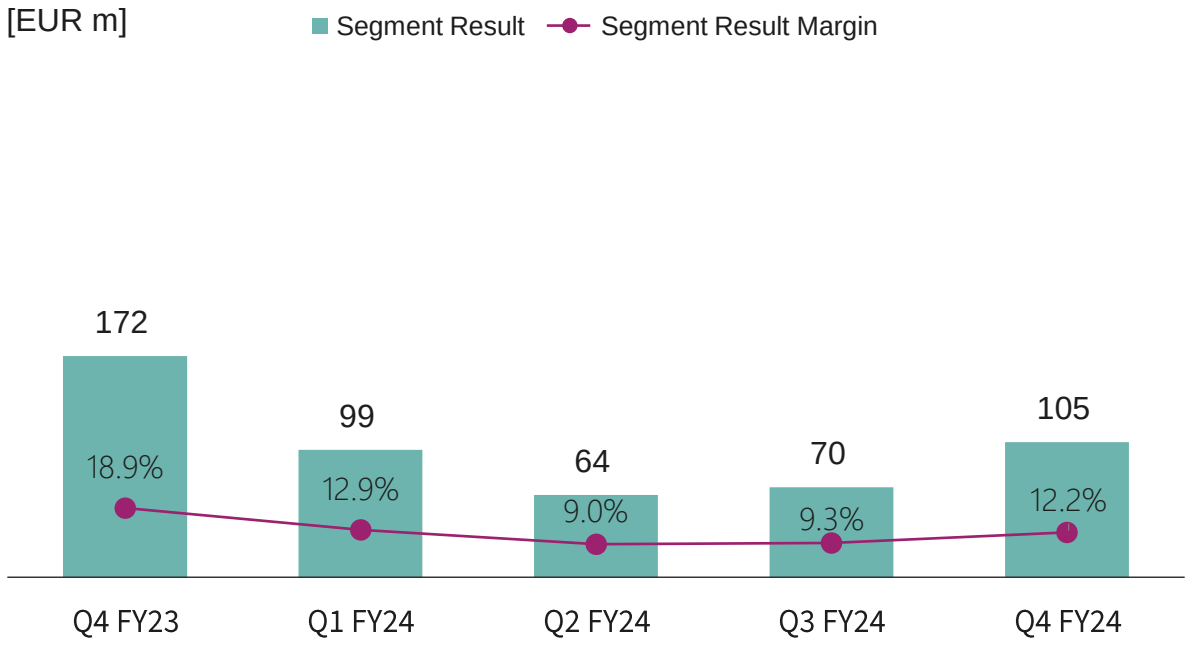
- Seasonal revenue uptick due to renewable energy generation and transportation.
- Demand for decarbonization-related applications remains strong but is dampened by high inventory levels.
- Prolonged phase of muted development expected for core industrial applications.

Power & Sensor Systems (PSS)

Revenues



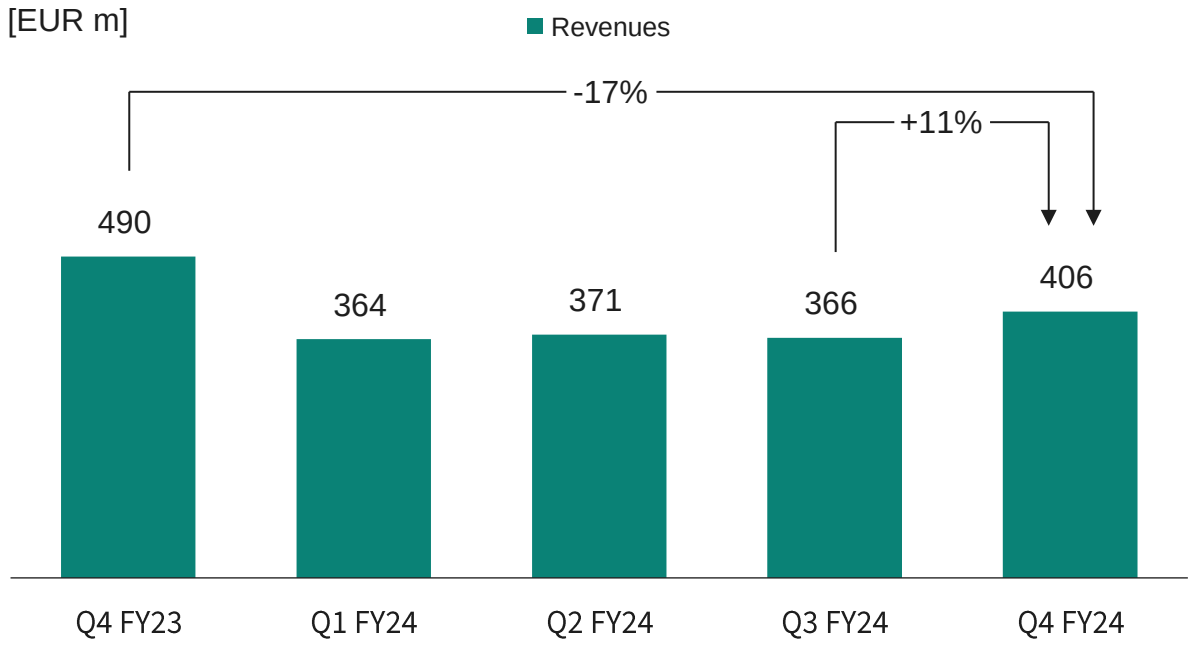
Segment Result



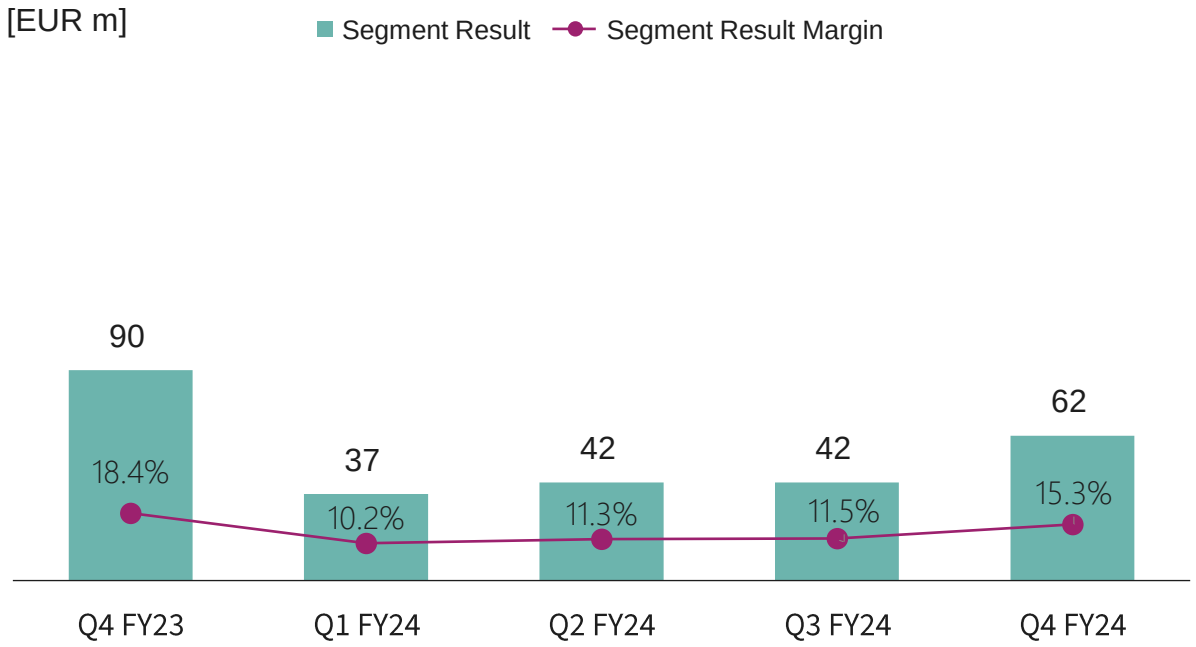
- Growth across all business lines – AI power solutions up 50% q-o-q.
- Consumer, compute, communications have bottomed out. Cyclical market recovery slower than anticipated. Working down of inventories continuing.
- Power solutions for AI servers are booming – Infineon is uniquely positioned addressing the entire power flow from grid to core.

Connected Secure Systems (CSS)

Revenues



Segment Result

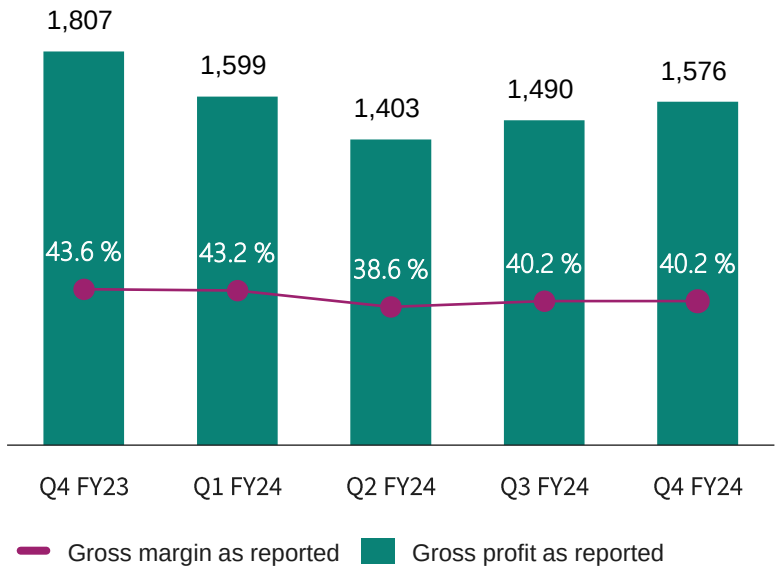


- Revenue increase driven by connectivity, authentication, and identity solutions, as well as general-purpose microcontrollers.
- Most IoT and security markets have bottomed out, yet recovery remains sluggish due to macroeconomic uncertainties.
- Structural growth driven by advancements in Edge AI, including the introduction of DEEPCRAFT™ and the launch of new ready models.

Gross margin and Opex

Gross profit

[EUR m]



Therein Non-Segment Result charges
[EUR m]

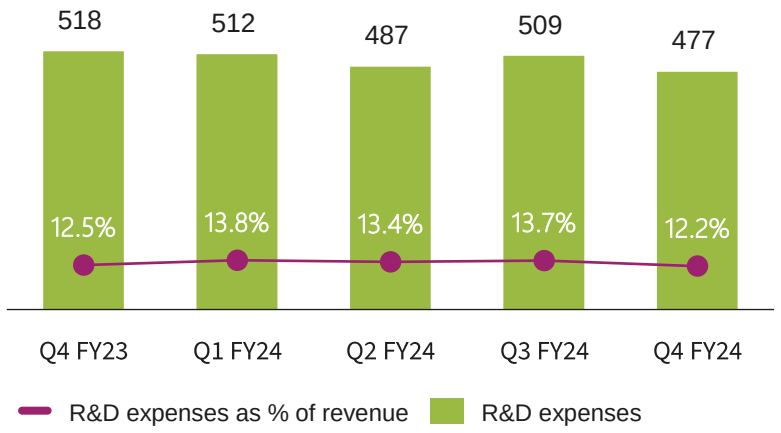
79	65	91	71	77

Adjusted gross margin

45.5%	44.9%	41.1%	42.2%	42.2%

R&D

[EUR m]

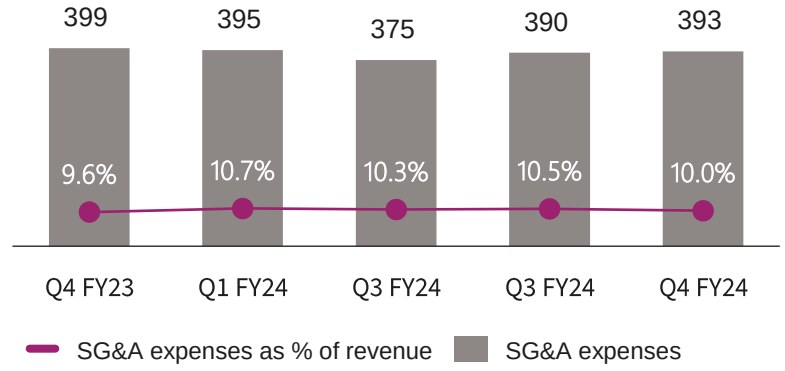


Therein Non-Segment Result charges
[EUR m]

12	16	18	15	14

SG&A

[EUR m]



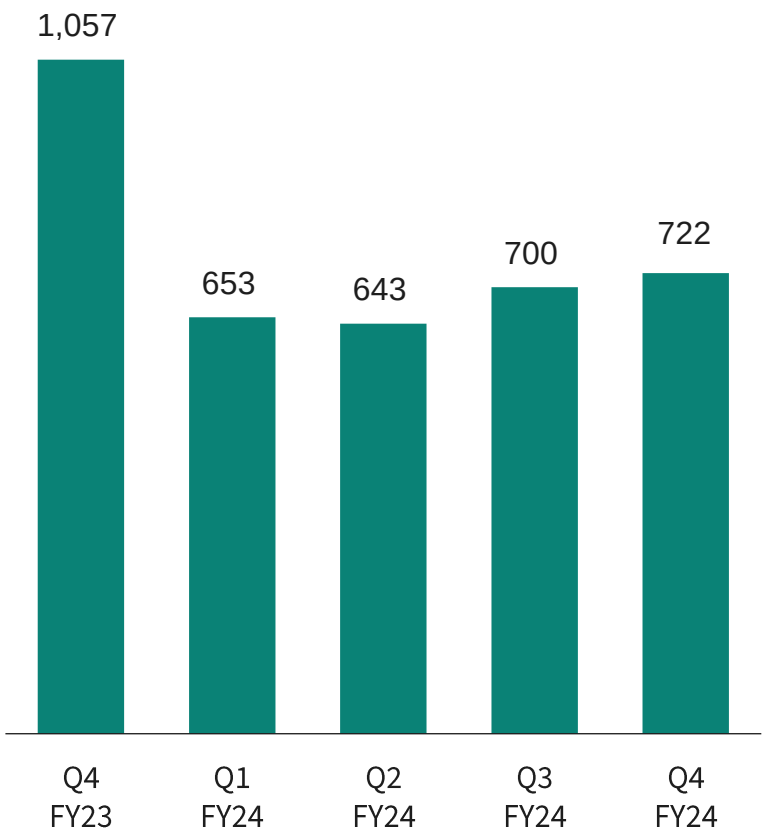
Therein Non-Segment Result charges
[EUR m]

57	54	54	54	48

Investments, Depreciation & Amortization and Free Cash Flow

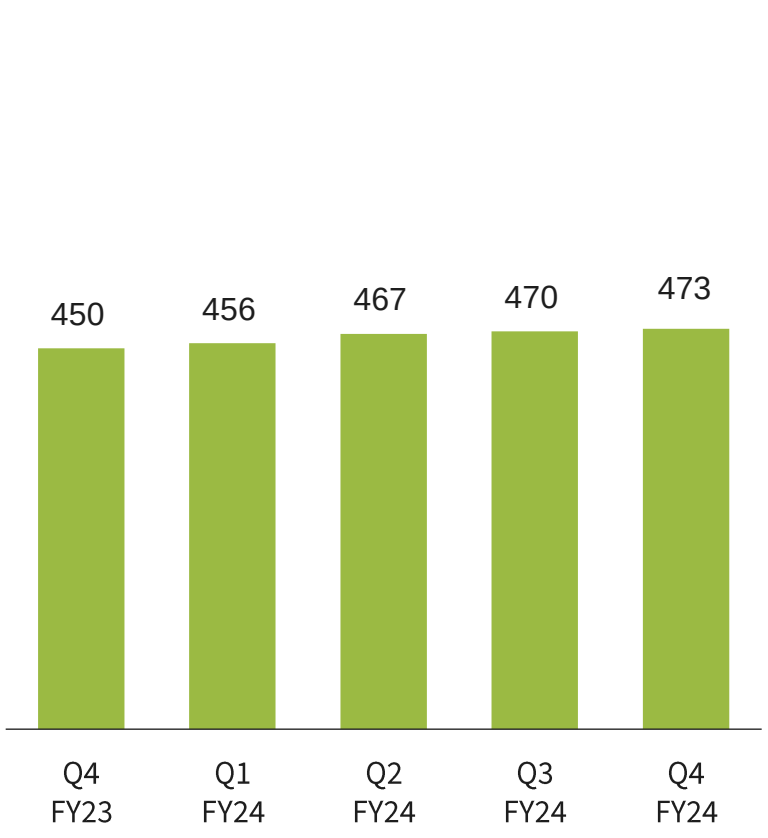
Investments

[EUR m]



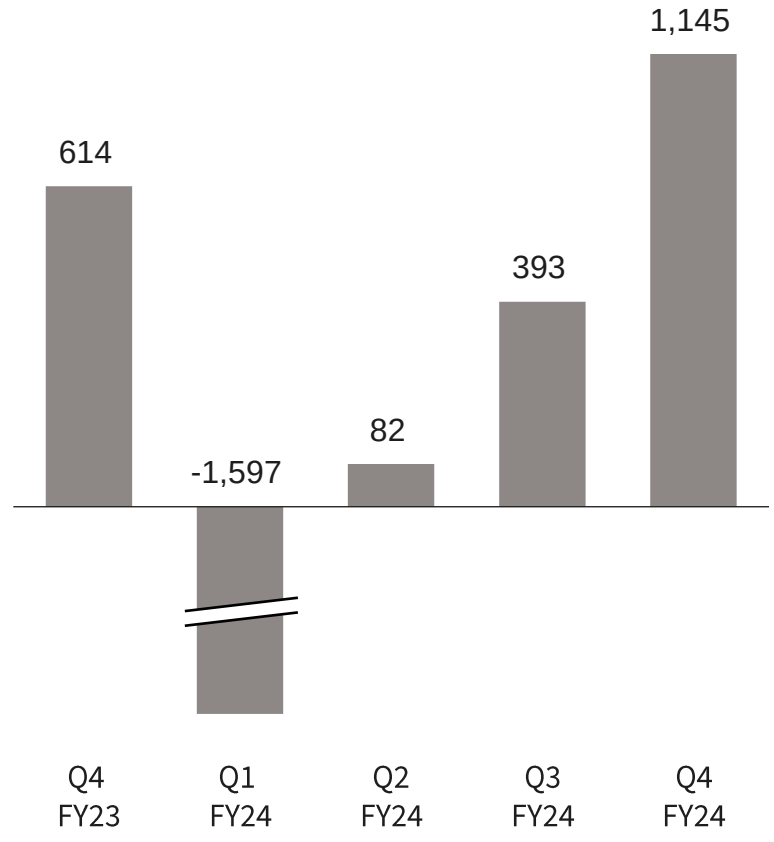
Depreciation & Amortization

[EUR m]



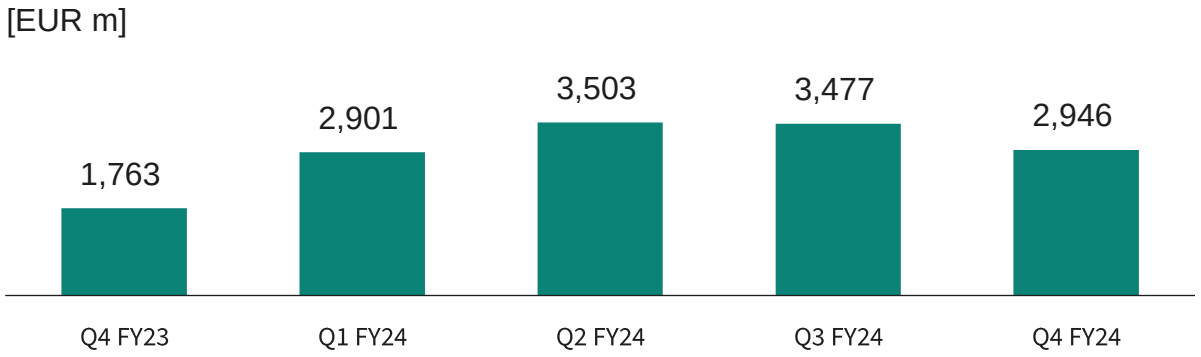
Free Cash Flow

[EUR m]

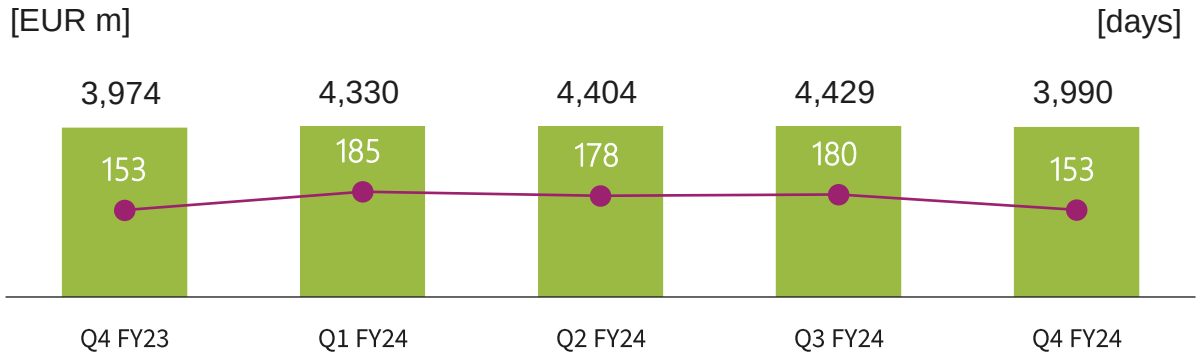


Working capital, in particular trade working capital components

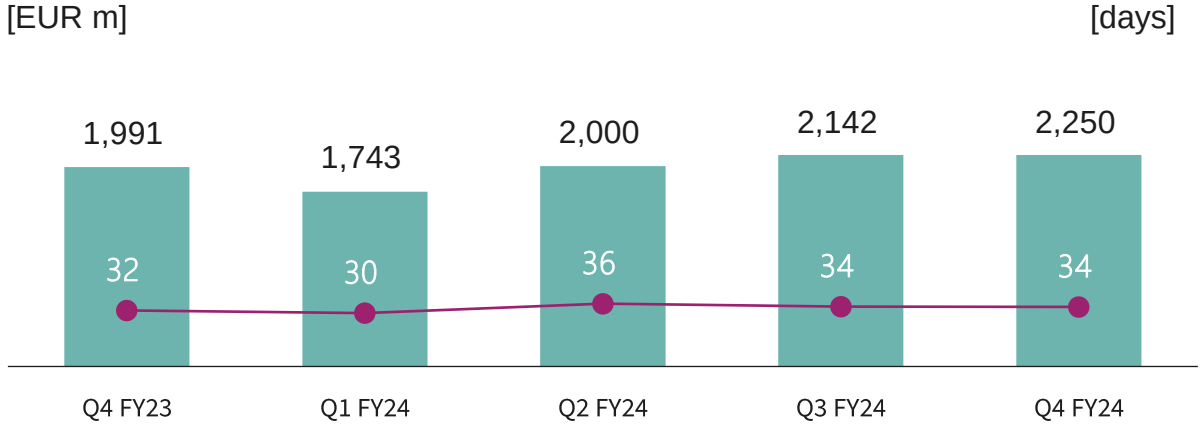
Working capital[1]



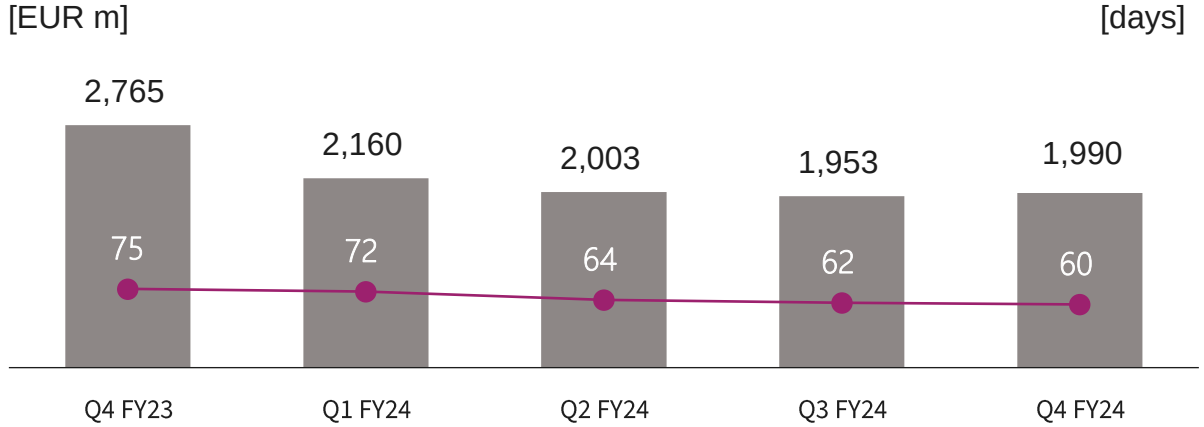
Inventories



Trade receivables



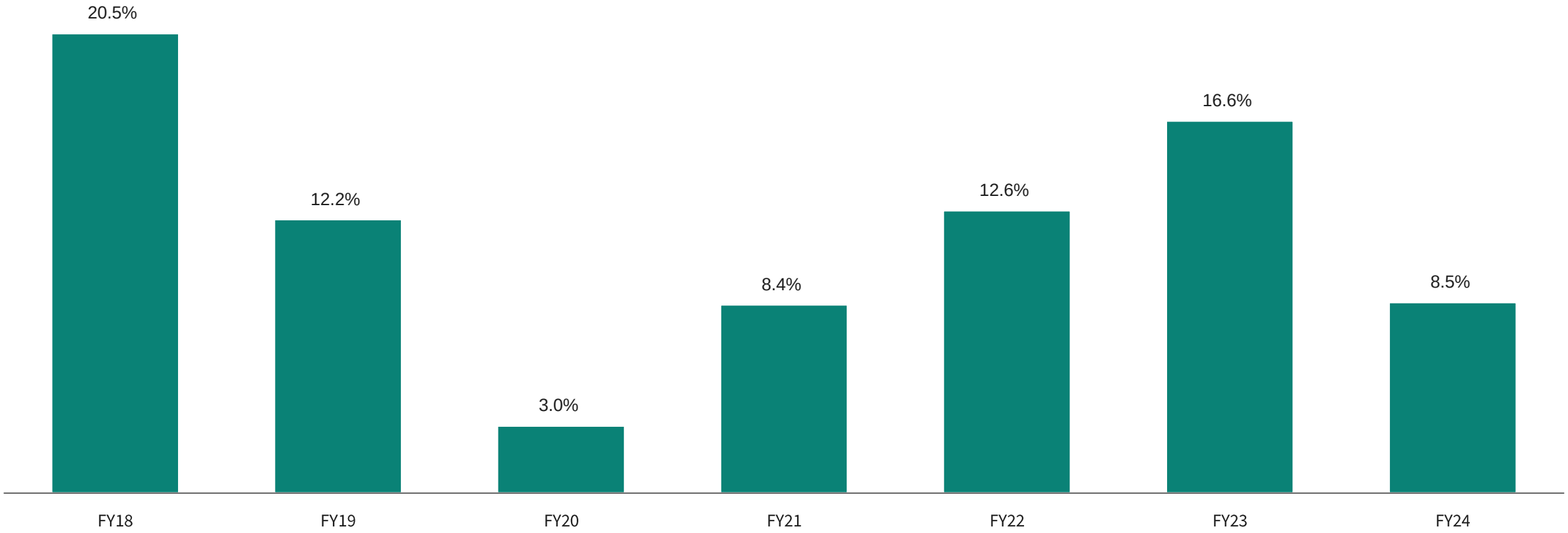
Trade payables



[1] See notes for definition

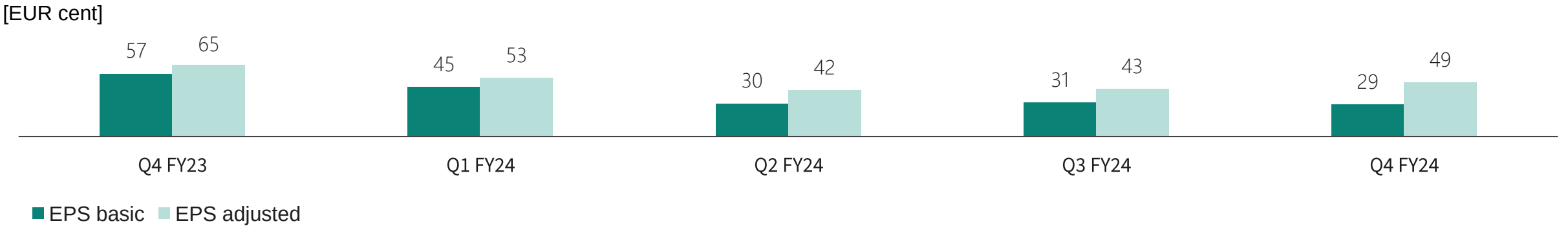
Return on capital employed

Historical development

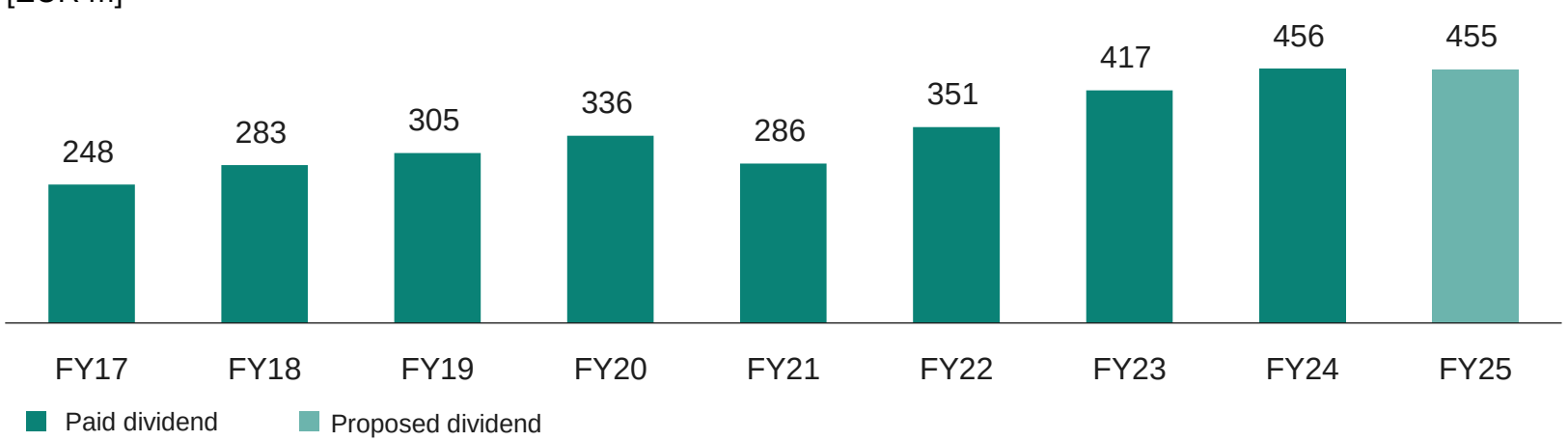


Earnings-per-share and total cash return

Development of earnings-per-share (EPS) from continuing operations



Total cash return to shareholders via dividends

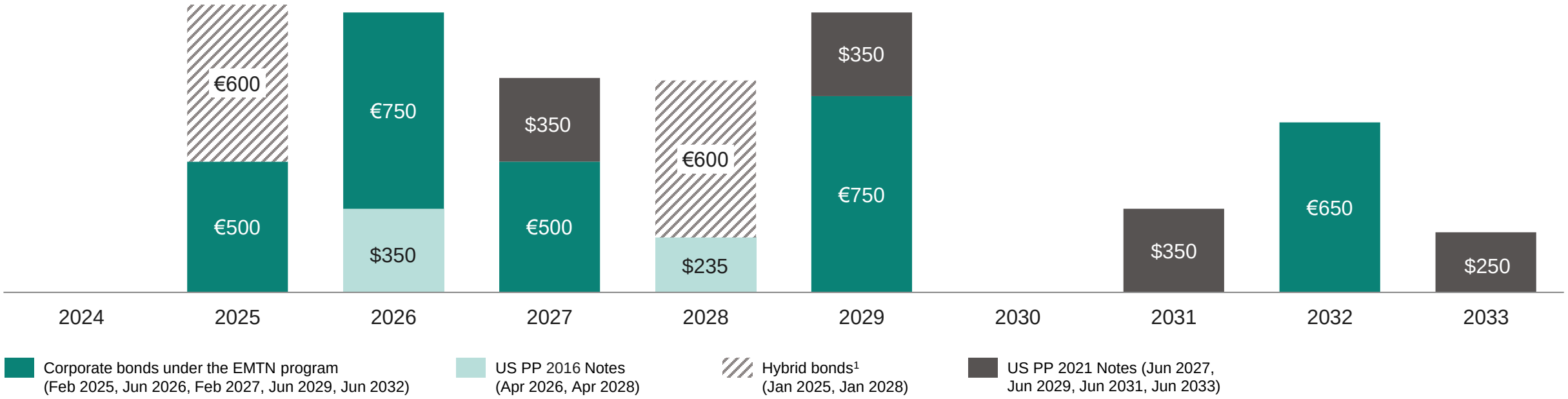


- Proposed dividend for FY24: €0.35 per share
- Proposed dividend payout of €455m in FY25

Maturity profile

Calendar years 2024 to 2033

[EUR m; USD m; nominal values]



[1] On 1 Oct 2019, Infineon issued a perpetual hybrid bond with two tranches: €600m with first call date in 2025 and €600m with first call date in 2028; both are accounted as equity under IFRS.

Conservative financial policy and strict commitment to investment-grade rating are the basis for through-cycle flexibility

	Financial Policy Targets	Status Quo (LTM 30 September 2024)
Gross Cash[1]	At least **10%** of revenue[3]	15% of revenue → **€2.2bn**
Gross Debt[2]	**≤ 2.0x** EBITDA	**1.2x** EBITDA
Comfortable liquidity position	– Flexibility for financing operating activities and investments through the cycle	
Balanced debt position	– Gross debt target commensurate with investment-grade rating – Successful de-leveraging offers ample headroom	
Rating	Investment grade	**BBB+** stable outlook (by S&P Global Ratings)

[1] Gross cash position is defined as cash and cash equivalents plus financial investments | [2] Gross debt is defined as short-term debt and current maturities of long-term debt plus long-term debt. EBITDA is calculated as the total of earnings from continued operations before interest and taxes plus scheduled depreciation and amortization | [3] Within the 2024 fiscal year we have revised our liquidity target. For the future, our gross cash target is at least 10 percent of revenue on average throughout the fiscal year (previous target: €1bn plus at least 10 percent of revenue)


Infineon

Disclaimer

Disclaimer

This presentation contains forward-looking statements and/or assessments about the business, financial condition performance and strategy of the Infineon Group.
These statements and/or assessments are based on assumptions and management expectation resting upon currently available information and present estimates. They are subject to a multitude of uncertainties and risks, many of which are partially or entirely beyond Infineon's control. Infineon's actual business development, financial condition, performance and strategy may therefore differ materially from what is discussed in this presentation.
Beyond disclosure requirements stipulated by law, Infineon does not undertake any obligation to update forward-looking statements.

Specific disclaimer for Omdia – part of Informa Tech – reports, data and information referenced in this document:

Information is not an endorsement of Infineon Technologies AG. Any reliance on these results is at the third party's own risk.

Specific disclaimer for S&P Global reports, data and information referenced in this document:

The S&P Global *[Commodity Insights and/or Mobility and/or Market Intelligence]* reports, data and information referenced herein (the "S&P Global Materials") are the copyrighted property of S&P Global Inc. and its subsidiaries ("S&P Global") and represent data, research, opinions or viewpoints published by the relevant divisions within S&P Global, and are not representations of fact. The S&P Global Materials speak as of the original publication date thereof and not as of the date of this document. The information and opinions expressed in the S&P Global Materials are subject to change without notice and neither S&P Global nor, as a consequence, Infineon have any duty or responsibility to update the S&P Global Materials or this publication. Moreover, while the S&P Global Materials reproduced herein are from sources considered reliable, the accuracy and completeness thereof are not warranted, nor are the opinions and analyses which are based upon it. S&P Global and the trademarks used in the Data, if any, are trademarks of S&P Global. Other trademarks appearing in the S&P Global Materials are the property of S&P Global or their respective owners.

Glossary

AC	alternating current
ACC	adaptive cruise control
AD	automated driving
ADAS	advanced driver assistance system
AEB	autonomous emergency braking
AI	artificial intelligence
AR/VR	augmented/virtual reality
BEV	battery electric vehicle
BLE	bluetooth low energy
BMS	battery management system
BoM	bill of materials
CAV	commercial, construction and agricultural vehicles
CMOS	complementary metal-oxide-semiconductor
DC	direct current
DSC/SSC	double/single sided cooling
E/E	electrical/electronic architecture
ECU	electronic control unit
eSE	embedded secure module
eSIM	embedded subscriber identity module
EMS	electronics manufacturing service
ESS	energy storage system
EV	electric vehicle
FCEV	fuel cell electric vehicle
FHEV/MHEV	full/mild hybrid electric vehicle
FoM	figure of merit
F-RAM	ferroelectric memory
GaN	gallium nitride
HEMT	high-electron-mobility transistor
HID	human interface device
HMI	human machine interaction
HV	high voltage
HVAC	heating, ventilation, air conditioning
IC	integrated circuit
ICE	internal combustion engine
IGBT	insulated gate bipolar transistor
IoT	internet of things
IPM	intelligent power module
LED	light-emitting diode
MCU	microcontroller unit
MEMS	micro electro-mechanical system
MHA	major home appliances
MIMO	multiple input, multiple output
ML	machine learning
MNO	mobile network operator
MOSFET	metal-oxide silicon field-effect transistor
MV	medium voltage
NFC	near-field communication
OBC	on-board charger
OEM	original equipment manufacturer
P2S	Infineon's strategic product-to-system approach
PD	power delivery
PHEV	plug-in hybrid electric vehicle
PMIC	power management integrated circuits
PoL	point of load
PSoC	programmable system-on-chip
PUE	power usage effectiveness
PSU	power supply unit
PV	photovoltaic
RAM	random access memory
RF	radio frequency
SAE	Society of Automotive Engineers
SDK	software development kit
Si	silicon
SiC	silicon carbide
SNR	signal-to-noise ratio
SoC	system-on-chip / state of charge
ToF	time-of-flight
UWB	ultra-wideband
WBG	wide-band gap, specifically referring to SiC and GaN based devices

Notes and ESG footnotes

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 =	Operating profit from continuing operations after tax/Capital Employed = (‘Operating profit' – ‘Financial result excluding interest result' – 'Share of profit (loss) of associates and joint ventures accounted for using the equity method'-'Income tax')/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')
DIO (days inventory outstanding; quarter-to-date) =	('Net Inventories'/'Cost of goods sold') x 90
DPO (days payables outstanding; quarter-to-date) =	('Trade payables'/['Cost of goods sold' + 'Purchase of property, plant and equipment']) x 90
DSO (days sales outstanding; quarter-to-date) =	('Trade receivables’ - ‘reimbursement obligations’)[1]/'revenue' x 90

Order backlog =	The total amount of orders received regardless of their current status

ESG footnotes:

1) This figure takes into account manufacturing, transportation, own vehicles, travel, raw materials and consumables, chemicals, water/waste water, direct emissions, energy consumption, waste, etc. as well as direct and indirect energy-related emissions by manufacturing service providers. It is based on data collected internally and publicly available conversion factors and relates to the 2021 fiscal year.
2) This figure is based on internally established criteria, which are described in the explanatory notes. The figure relates to the 2020 calendar year and takes into account the following application areas: automotive, LED, induction cookers, servers, renewable energy (wind, photovoltaic) and cell phone chargers as well as drives. CO_2 savings are calculated based on the potential savings generated by technologies in which semiconductors are used. The CO_2 savings are allocated based on Infineon's market share, semiconductor share, and the lifetime of the technologies concerned, based on internal and external experts' estimations. Despite the fact that carbon footprint calculations are subject to imprecision due to the complex issues involved, the results are nevertheless clear.
3) Carbon neutrality is defined in terms of Scope 1 and Scope 2 emissions.

[1] Without debtors with credit balances

Financial calendar

Date	Event	Location
14 Nov 2024	Stifel Roadshow	Frankfurt
19 - 22 Nov 2024	Danske Market Nordic Roadshow	Helsinki, Stockholm, Oslo, Kopenhagen
21 Nov 2024	Morgan Stanley European TMT Conference	Barcelona
22 Nov 2024	Kepler Cheuvreux One-Stop-Shop Roadshow	Munich
4 Dec 2024	ATV Presentation and Roadshow	London
4 - 5 Dec 2024	UBS Global TMT Conference	Scottsdale
6 Dec 2024	Stifel Roadshow	Chicago
9 - 10 Jan 2025	ODDO BHF Forum	Lyon
4 Feb 2025[1]	Earnings Release for the First Quarter of the 2025 Fiscal Year	
20 Feb 2025[1]	Annual General Meeting 2025	
8 May 2025[1]	Earnings Release for the Second Quarter of the2025 Fiscal Year	

[1] Preliminary

Investor Relations contacts

Alexander Foltin

Executive Vice President
Finance, Treasury & Investor Relations

+49 89 234-23766
alexander.foltin@infineon.com

Daniel György

Senior Director
Team lead Investor Relations

+49 89 234-35078
daniel.gyoery@infineon.com

Isabell Diel

Senior Manager
Institutional Investor Relations

+49 89 234-38297
isabell.diel@infineon.com

Alexander Groschke

Director
Institutional Investor Relations

+49 89 234-38348
alexander.groschke@infineon.com

Holger Schmidt

Director
Institutional Investor Relations

+49 89 234-22332
holger.schmidt@infineon.com

Verena Soos

Senior Manager
Retail Investor Relations

+49 89 234-22332
verena.soos@infineon.com

Visitor address

Am Campeon 1 – 15
885579 Neubiberg
Germany