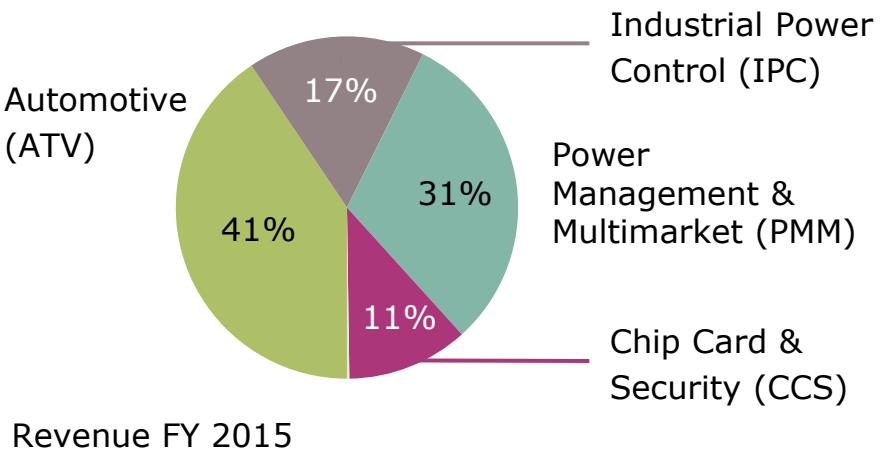
Company Presentation

August 2016

Infineon at a glance

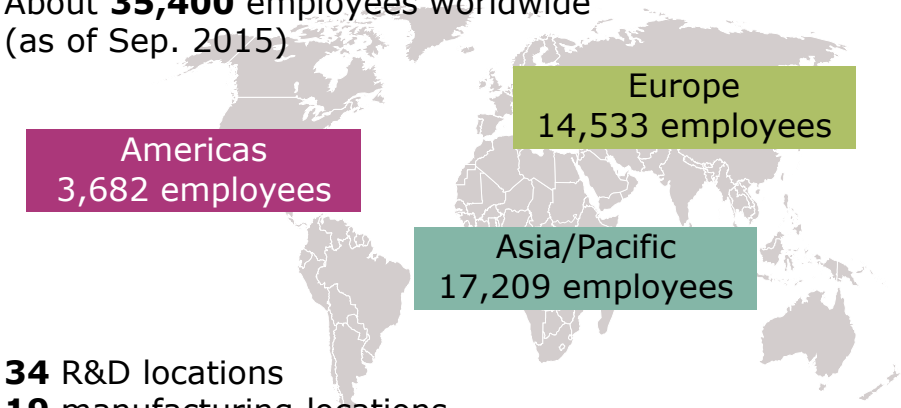
Business Segments



Revenue FY 2015

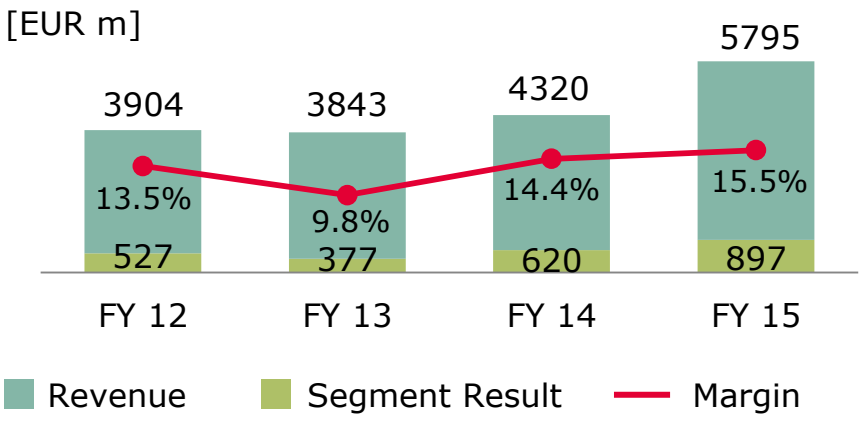
Employees

About **35,400** employees worldwide (as of Sep. 2015)



34 R&D locations
19 manufacturing locations

Financials



Market Position*

Automotive	Power	Smart card ICs
		
# 2	**# 1**	**# 2**
Strategy Analytics, April 2016	IHS Markit, July 2016	IHS Markit, July 2016

Infineon enables eco-friendly, connected and safe mobility

Applications

Efficient powertrain for combustion, electric and hybrid vehicles, charger station for electric vehicles, car safety, driver assistance systems, chassis and comfort electronics, authentication, mobile security, traction

Infineon enables efficient generation, transmission and conversion of electrical energy

Applications

Energy transmission and conversion, renewable energy generation, home appliances, power tools, power management (adapters, chargers, power supplies), LED lighting systems, mobile devices, industrial drives, industrial vehicles

Infineon enables security in the connected world

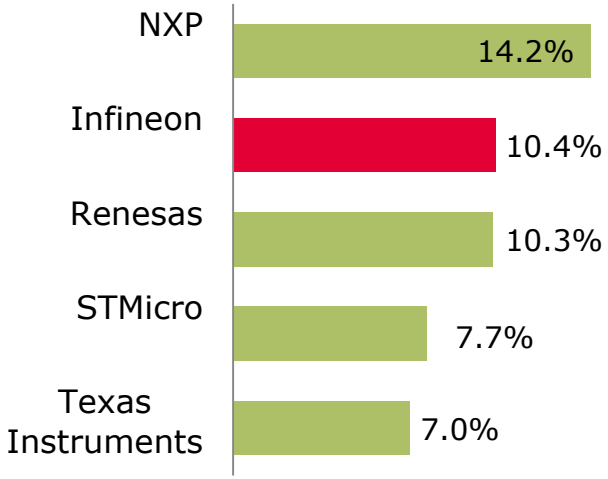
Applications

Internet of Things, Industry 4.0, mobile security, embedded security, trusted computing, machine to machine, (mobile) payment, SIM applications, transport ticketing, government identification

Top positions in all major product categories

Automotive semiconductors

total market in CY 2015: $27.4bn

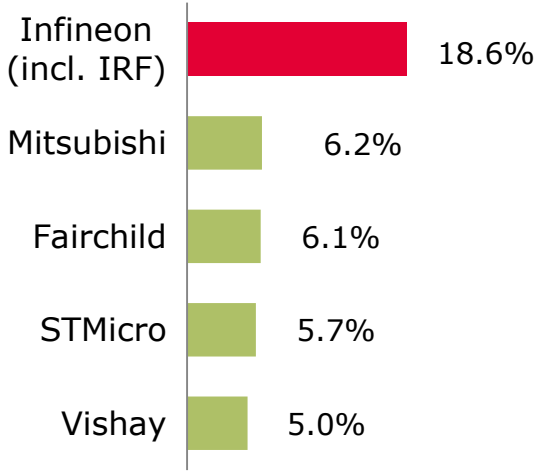


Automotive semiconductors incl. semiconductor sensors

Source: Strategy Analytics, April 2016

Power semiconductors

total market in CY 2015: $14.8bn

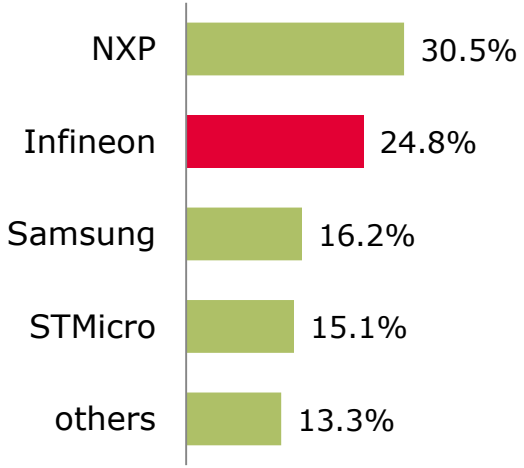


Discrete power semiconductors and power modules

Source: IHS Markit, July 2016

Smart card ICs

total market in CY 2015: $2.72bn



Microcontroller-based smart card ICs

Source: IHS Markit, July 2016

Leadership in system understanding will foster future growth and profitability

Competitive advantages	
Auto	system leader in automotive
Power	#1, system and technology leader
RF	broadest technology portfolio;#1 in SiGe; become #1 in base stations by 2020
Security	Leader in security solutions

Average-cycle financial targets

Revenue Growth:

~8%

Segment Result Margin:

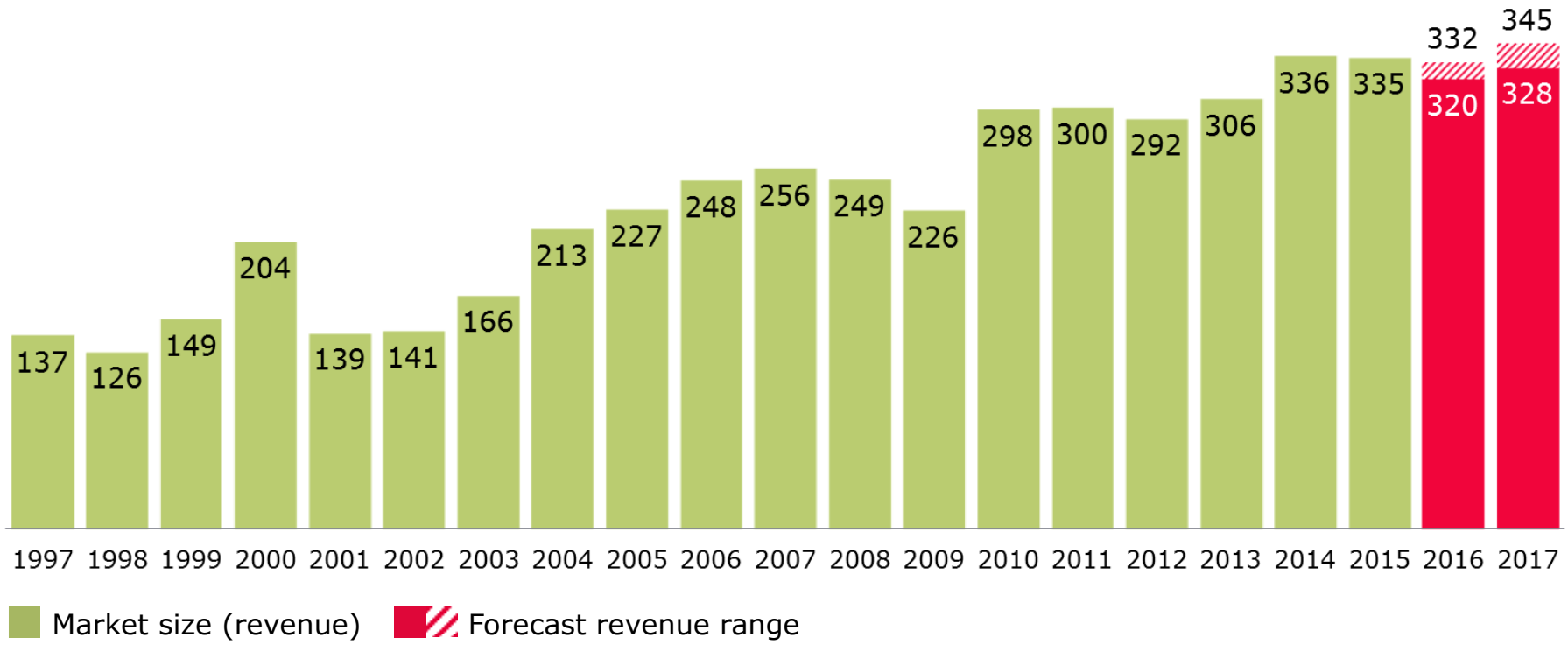
~15%

Investment-to-Sales:

~13%

The outlook for the global semiconductor market is cautious

Global semiconductor market
in billion $



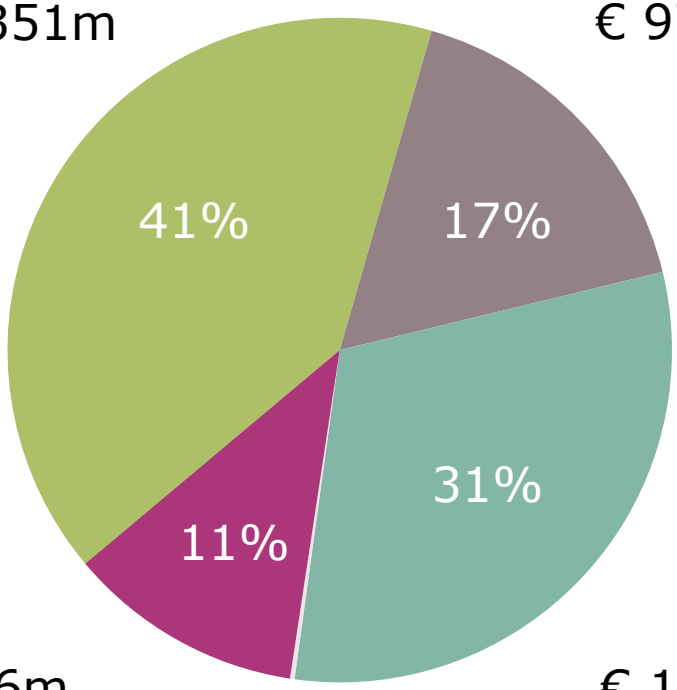
Source: WSTS for historical data. Forecast: ∅ of WSTS, IHS Markit, Gartner, IC Insights;
last update 25 July 2016

Financial Year 2015: Revenue Split by Segment

FY 2015 Revenue: € 5,795m*

Automotive

€ 2,351m



€ 971m

Industrial Power Control

Chip Card & Security

€ 666m

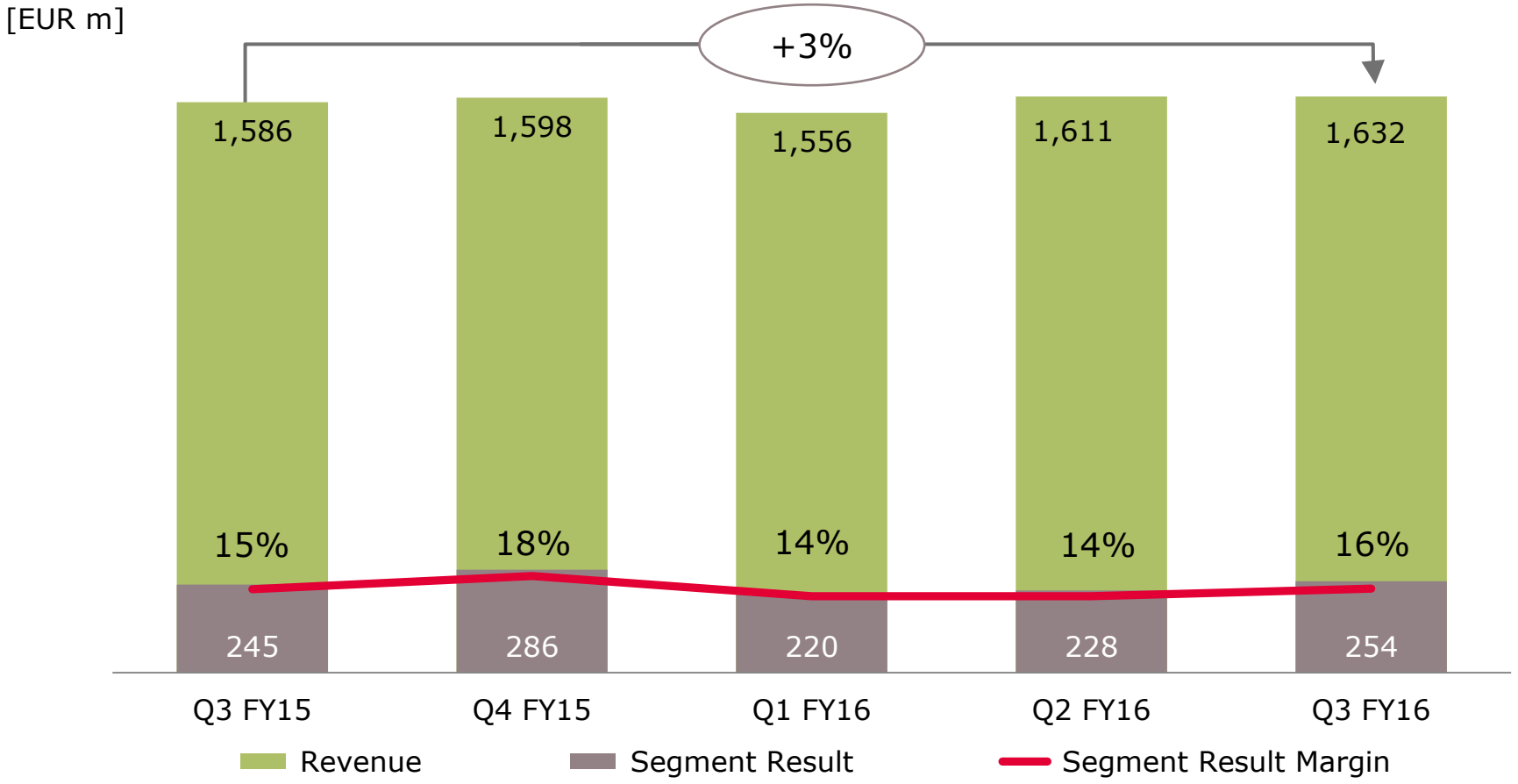
OOS+C&E**
€ 13m

€ 1,794m

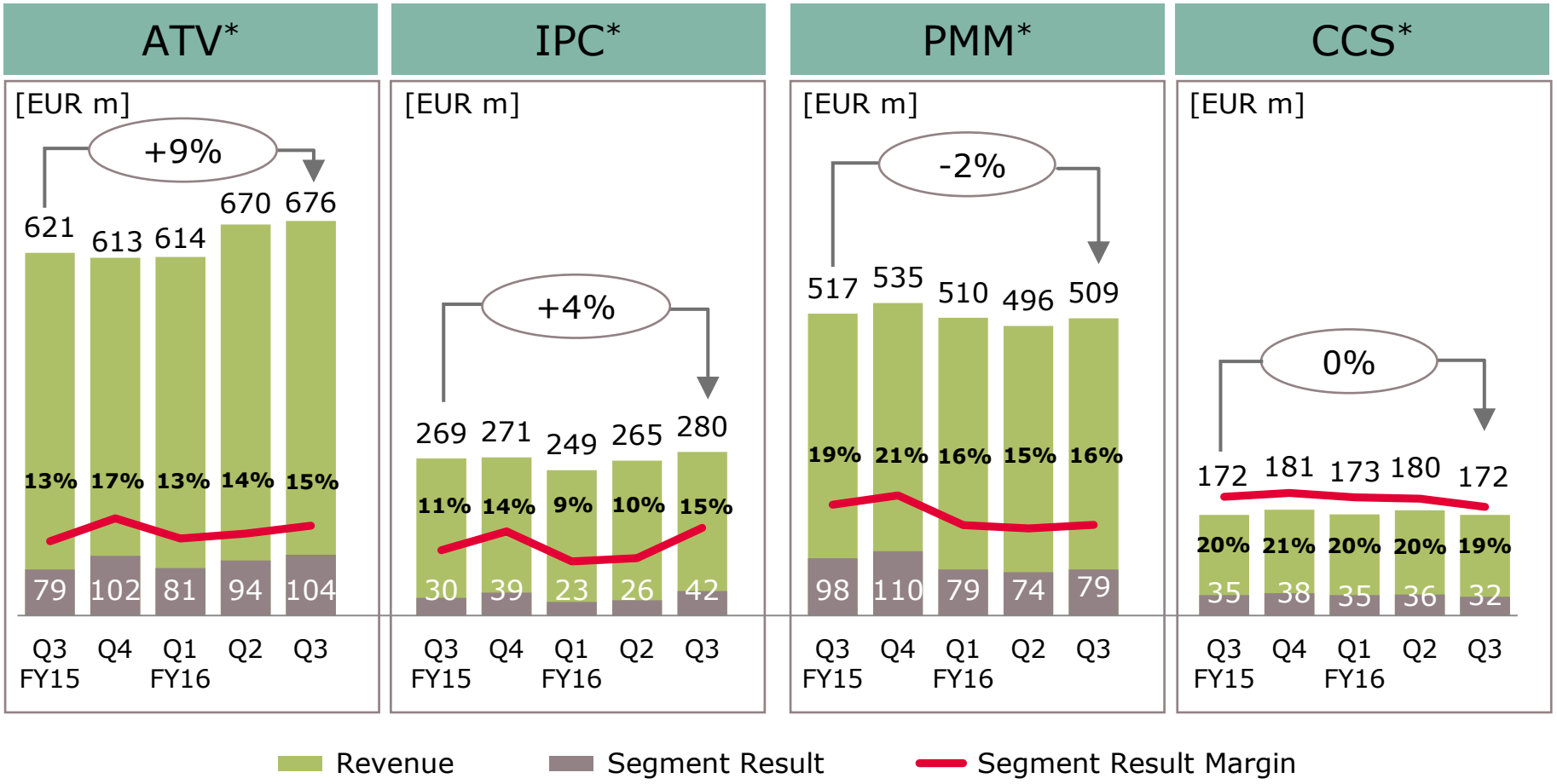
Power Management & Multimarket

* Including International Rectifier from 13 January 2015 to 30 September 2015
** Other Operating Segments; Corporate & Eliminations

Q3 FY 2016
Revenue and Segment Result Growth



Q3 FY 2016: Revenue, result and margin per segment



* The business with XMC industrial microcontrollers developed by ATV and CCS was transferred to PMM and IPC with effect from 1 October 2015. Previous year's figures have been adjusted accordingly

Tight customer relationships are based on system know-how and app understanding

ATV

IPC

PMM

CCS

EMS partners

Distribution partners

Automotive Segment – Making cars clean, safe and smart

Clean

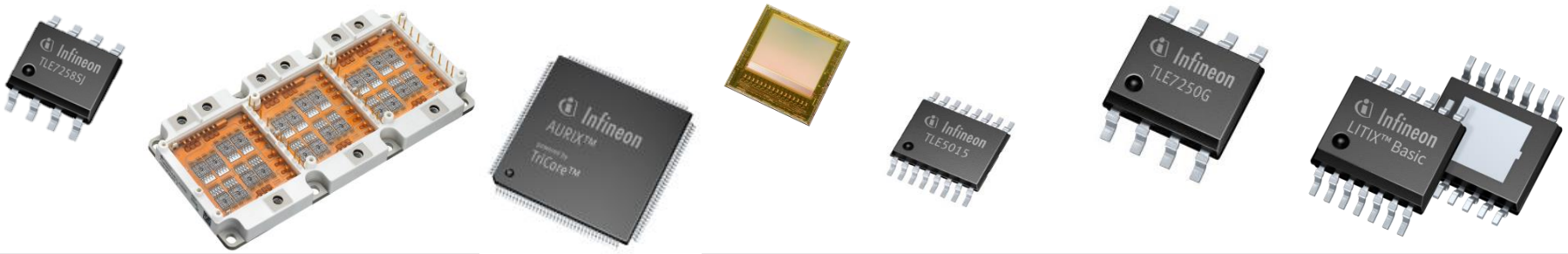
- Clean combustion engines
- Efficient energy management
- Electrified Drivetrain

Safe

- Occupant and pedestrian protection
- Collision avoidance
- Advanced driver assistance

Smart

- Individual convenience
- Secure connectivity, data integrity and privacy



Industrial Power Control Segment – Driving Industry and much more

Drives

- Energy efficiency
- Automation
- Higher productivity

Home Appliances

- Refrigerators
- Air conditioners
- Washing machines

Renewables

- Wind power plants
- Solar power plants
- High-voltage direct current transmis-sion (HVDC)

Traction

- (High speed) trains
- Locomotives
- Subway
- Light rails

Power Management & Multimarket Segment – Achieving more, consuming less

Power Management

Computing

Lighting

Charger

Radio Frequency & Sensing

Mobile devices

Cellular infrastruc-ture

Gesture sensing

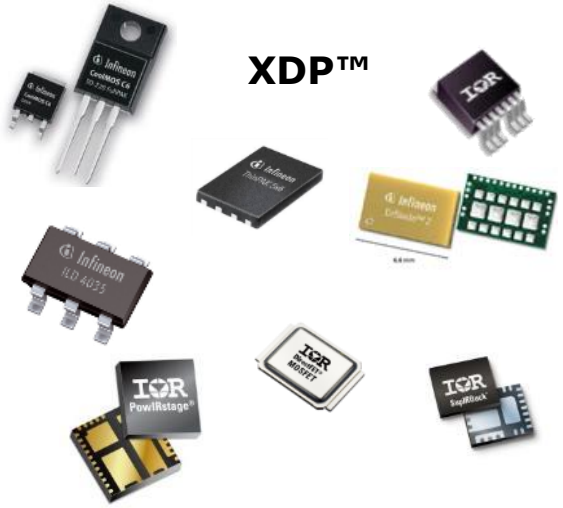
High Reliability

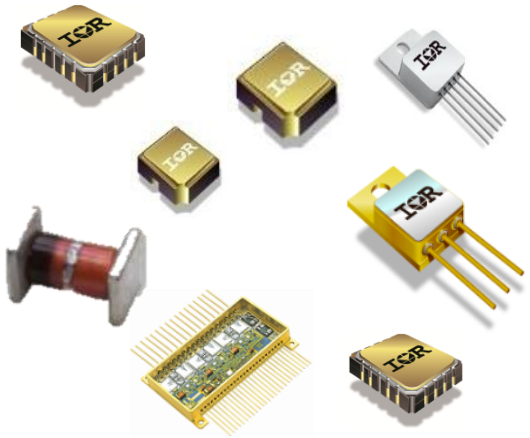
Space

Aviation/ Defense

Medical ICD

Hi-Temp. /Heavy Industry

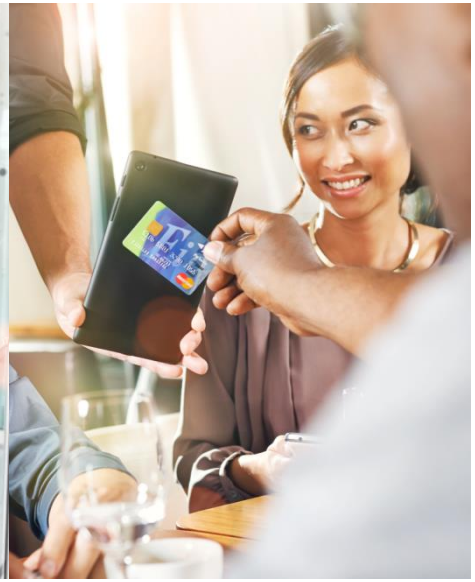




MOSFETs, Power ICs, RF switches, LNAs, Si-Mics, RF power, Radar ICs, Environmental Sensors

Chip Card & Security Segment is enabling security for the connected world

Smart Cards



- Smart card payment
- Electronic passports and ID documents
- SIM cards for mobile communication
- Transport ticketing

Embedded Security

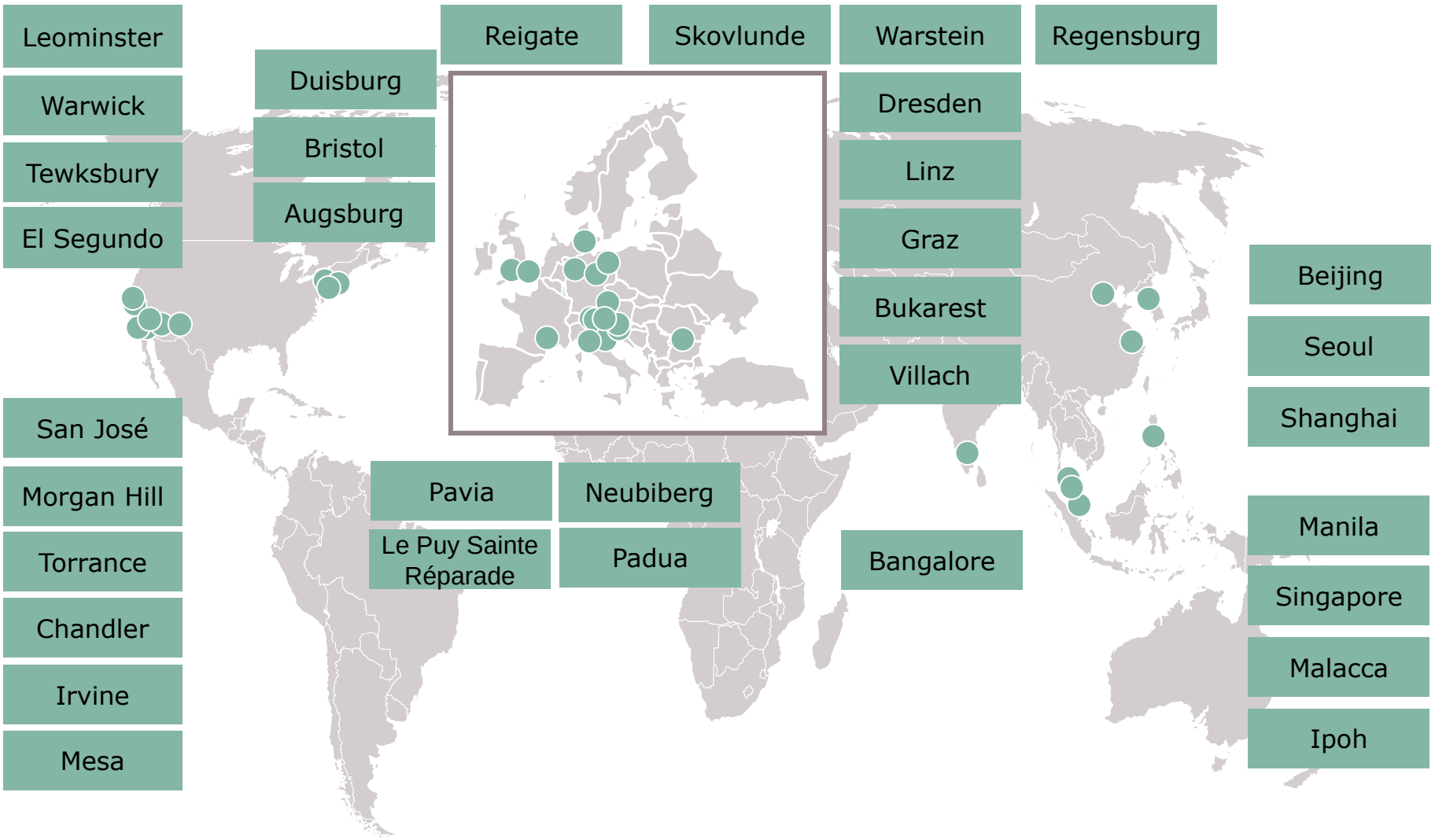
- Mobile device security and payment
- Information and communications technology (ICT) security
- Industrial and automotive security
- IoT connected device security

Market-oriented business structure

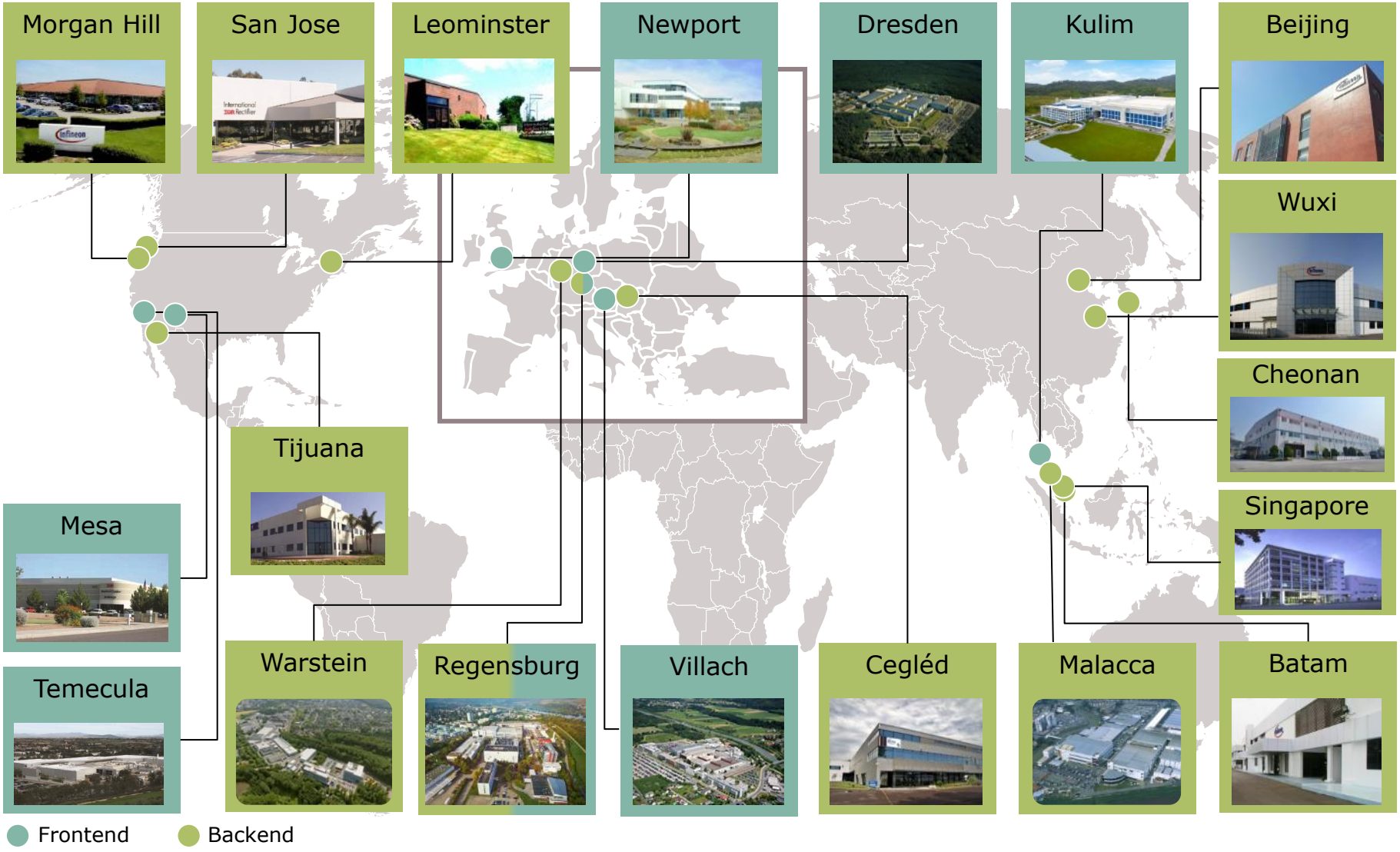
Segments		Applications
Automotive		CO2 reduction; Comfort electronics; Driver assistance systems; Security
Industrial Power Control		Charger station for electric vehicles; Energy transmission and conversion; Home appliances; Industrial drives; Industrial vehicles; Renewable energy generation; Traction; Uninterruptable power supplies
Power Management & Multimarket		Cellular network infrastructure; DC motors; HiRel (high-reliability components); LED and conventional lighting systems; Mobile devices; Power management (adapters, chargers, power supplies)
Chip Card & Security		Authentication; Automotive; Governmental identification documents; Healthcare cards; Internet of Things; Mobile communications; Payment systems incl. mobile payment; Secure NFC (Near Field Communication) transactions; Ticketing, access control; Trusted computing

Customers

Our global R&D network



Worldwide manufacturing sites frontend and backend



Our global sales network

Corporate Social Responsibility (CSR)

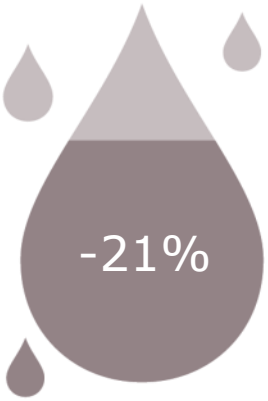
- CSR comprises our **voluntary commitment** in: Human Resources Management and Human Rights, Environmental Sustainability, Occupational Safety and Health, Corporate Citizenship*, CSR Supply Chain Management as well as Business Ethics.
- Infineon entered the **UN Global Compact** as one of the first semiconductor companies already in 2004 and is voluntary committed to the 10 Principles.
- Infineon is for the 6th time listed in the **Sustainability Yearbook**.
- Infineon is continuously listed in the **Dow Jones Sustainability Index** since 2010 and for the first time in the **Dow Jones Sustainability World Index** in 2015 and thus is among the top **10% of the most sustainable companies** in the world.
- Infineon does not compromise in **human rights and business ethics**.
- Infineon's products and solutions as well as our efficient resources management enable a significant **net ecological benefit**.

*social engagement of companies.

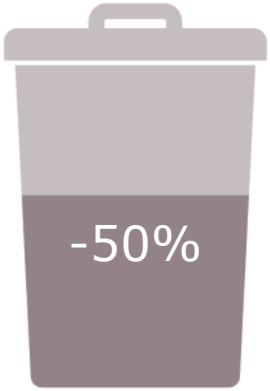
Corporate Social Responsibility
We are excellent in resources efficiency

At Infineon, less is more

About **40% less** electricity consumed per square centimeter produced wafer than the global average



About **21% less** water consumed per square centimeter produced wafer than the global average



About **50% less** waste generated per square centimeter produced wafer than the global average

We use resources much more efficient in our production processes than the global average of the semiconductor industry.

Basis for the calculations are the square centimeters processed wafer area in the front-end production and consumptions according to WSC definition.

The information and data given in this document apply to the Infineon Technologies group, except for International Rectifier companies.

Corporate Social Responsibility
We create a net ecologic benefit

Emission Reduction enabled by our products and solutions

around 1.6 million tons CO_2 equivalents

around 36.5 million tons CO_2 equivalents

CO_2 burden[1)]

Ratio around 1:23

CO_2 savings[2)]

Net ecological benefit:
CO_2 emissions reduction around 35 million tons

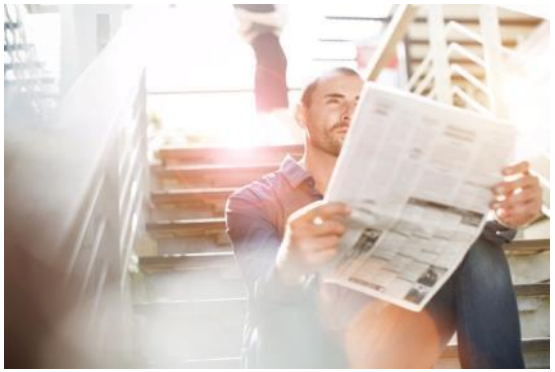
1) This figure considers manufacturing, transportation, function cars, flights, materials, chemicals, water/wastewater, direct emissions, energy consumption, waste, etc. and is based on internally collected data and externally available conversion factors. All data relate to the 2015 fiscal year.
2) This figure is based on internally established criteria, which are explained in the explanatory notes. The figure relates to the calendar year 2014 and considers the following fields of application: automotive, LED, PC power supply, renewable energy (wind, photovoltaic), drives as well as induction cookers. CO_2 savings are calculated on the basis of potential savings of technologies in which semiconductors are used. The CO_2 savings are allocated on the basis of Infineon market share, semiconductor content and lifetime of technologies concerned, based on internal and external experts' estimations. Despite the fact that CO_2 footprint calculations are subject to imprecision due to the complex issues involved, the results are nevertheless clear.

The information and data given in this document apply to the Infineon Technologies group, except for International Rectifier companies.

Let's get connected

CUSTOMERS

PRESS



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