

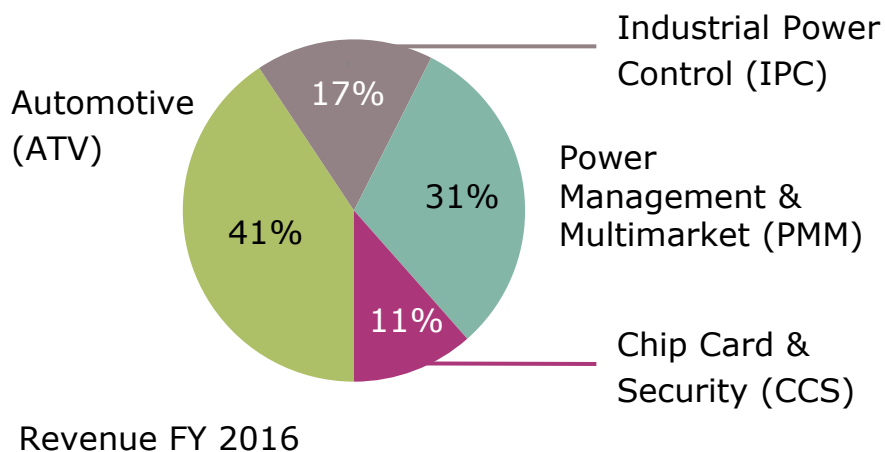
Company Presentation

February 2017



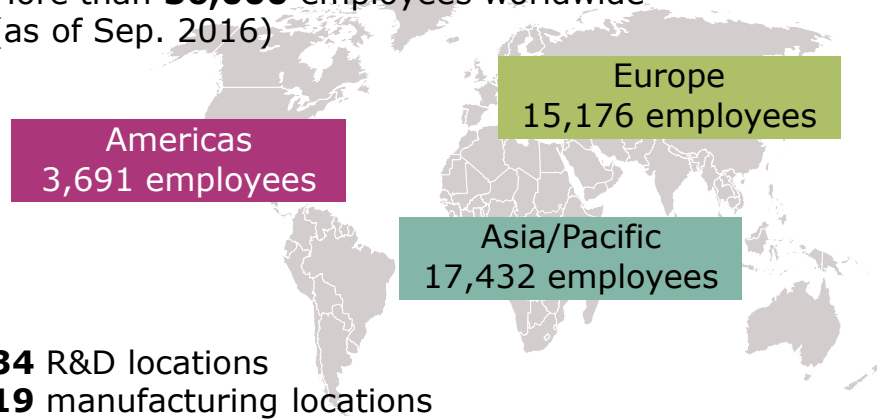
Infineon at a glance

Business Segments

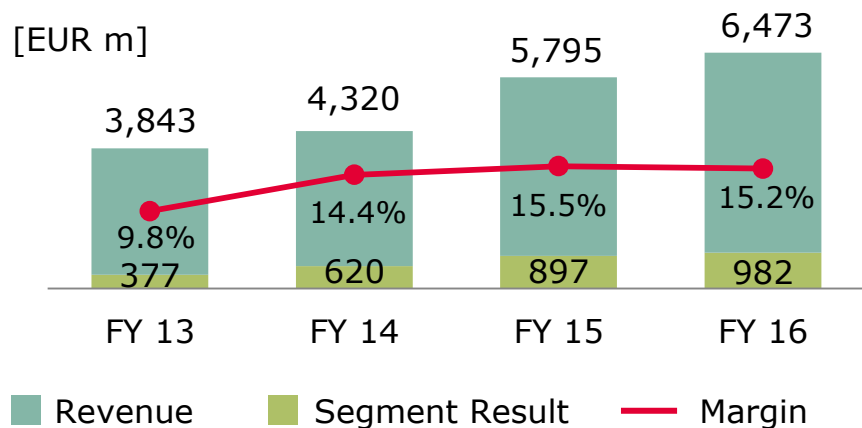


Employees

More than **36,000** employees worldwide (as of Sep. 2016)




Financials



Market Position



A collage of three images: a sleeping child, a smiling woman, and a scientist in a lab. The child is in the top left, the woman is on the right, and the scientist is in the bottom left. The images are separated by white lines and colored geometric shapes (green, purple, teal).

We make life easier, safer and greener – with technology that achieves more, consumes less and is accessible to everyone. Microelectronics from Infineon is the key to a better future.

Part of your life.
Part of tomorrow.

Infineon enables eco-friendly, connected and safe mobility



Applications

Efficient powertrain for combustion, electric and hybrid vehicles, charging station for electric vehicles, car safety, assistance systems and safety systems, 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

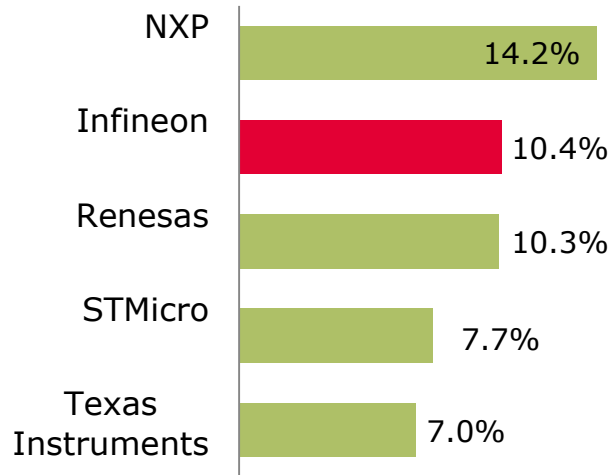
Internet of Things, Industry 4.0, mobile security, embedded security, trusted computing, machine to machine, (mobile) payment, SIM applications, transport ticketing, government identification

Top positions in all major product categories



Automotive semiconductors

total market in CY 2015:
\$27.4bn

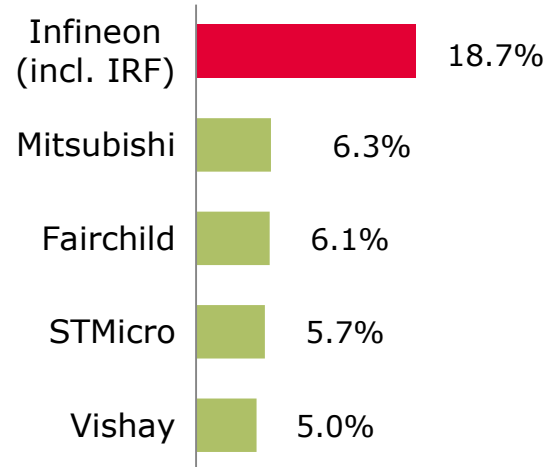


Automotive semiconductors incl. semiconductor sensors

Source: Strategy Analytics, April 2016

Power semiconductors

total market in CY 2015:
\$14.8bn

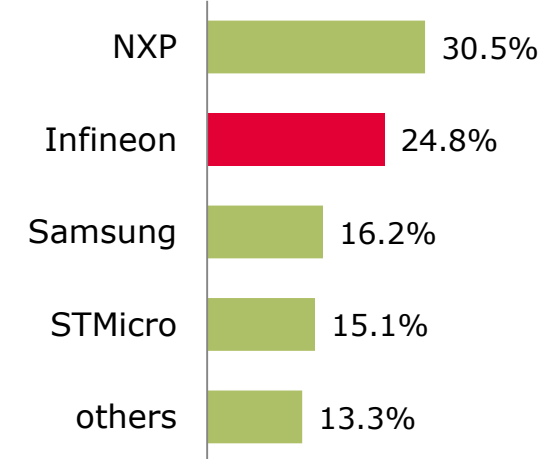


Discrete power semiconductors and power modules

Source: IHS Markit, October 2016

Smart card ICs

total market in CY 2015:
\$2.72bn



Microcontroller-based smart card ICs

Source: IHS Markit, July 2016

Our strategy is targeted at value creation through sustainable profitable growth



Focus

- › Focus on fastest growing segments of semi market
- › Tackle global megatrends

Technology leadership

- › Leverage core competencies in different end markets to maximize ROI

System understanding

- › Create value for customers through system understanding

Auto

System leader in automotive

Power

#1; system and technology leader

RF

Broadest RF technology portfolio

Security

Leader in security solutions

Average-cycle financial targets

~8%

Revenue growth

~17%

Segment result margin

~13%

Investment-to-sales
(thereof capex*: ~11%)

* Infineon reports under IFRS

The outlook for the global semiconductor market is positive



Global semiconductor market in billion \$

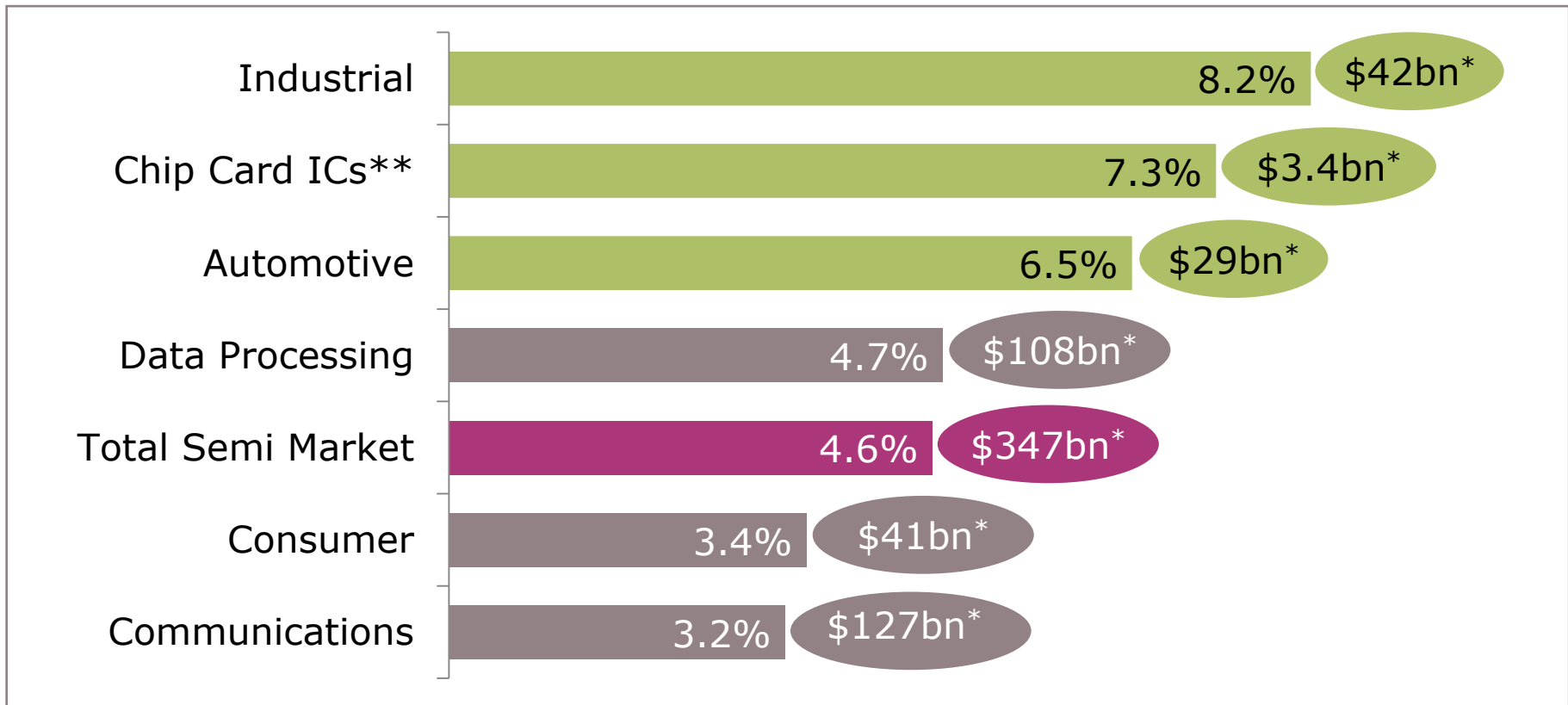


Source: WSTS for historical data. Forecast: Ø of WSTS, IHS Markit, Gartner, IC Insights;
last update 31 January 2017

Infineon benefits from industrial, auto and security, the by far fastest growing segments



CAGR 2015 – 2020 by Semiconductor Industry Segment



Source: IHS Markit, "Worldwide Semiconductor Shipment Forecast", December 2016

* Market size in calendar year 2015

** Source: ABI Research, "Secure Smart Card & Embedded Security IC Technologies", July 2016; smart card and embedded secure microcontroller ICs

Financial Year 2016: Revenue Split by Segment



FY 2016 Revenue: € 6,473m

Automotive



€ 2,651m

Industrial Power Control



€ 1,073m

Chip Card & Security

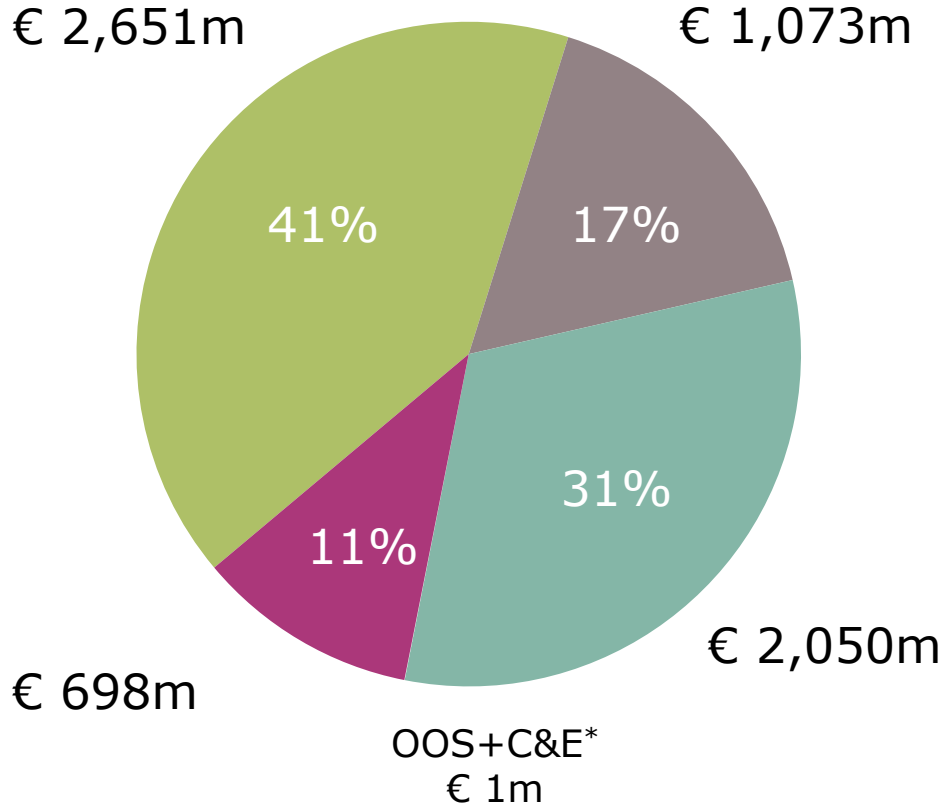


€ 698m

Power Management & Multimarket

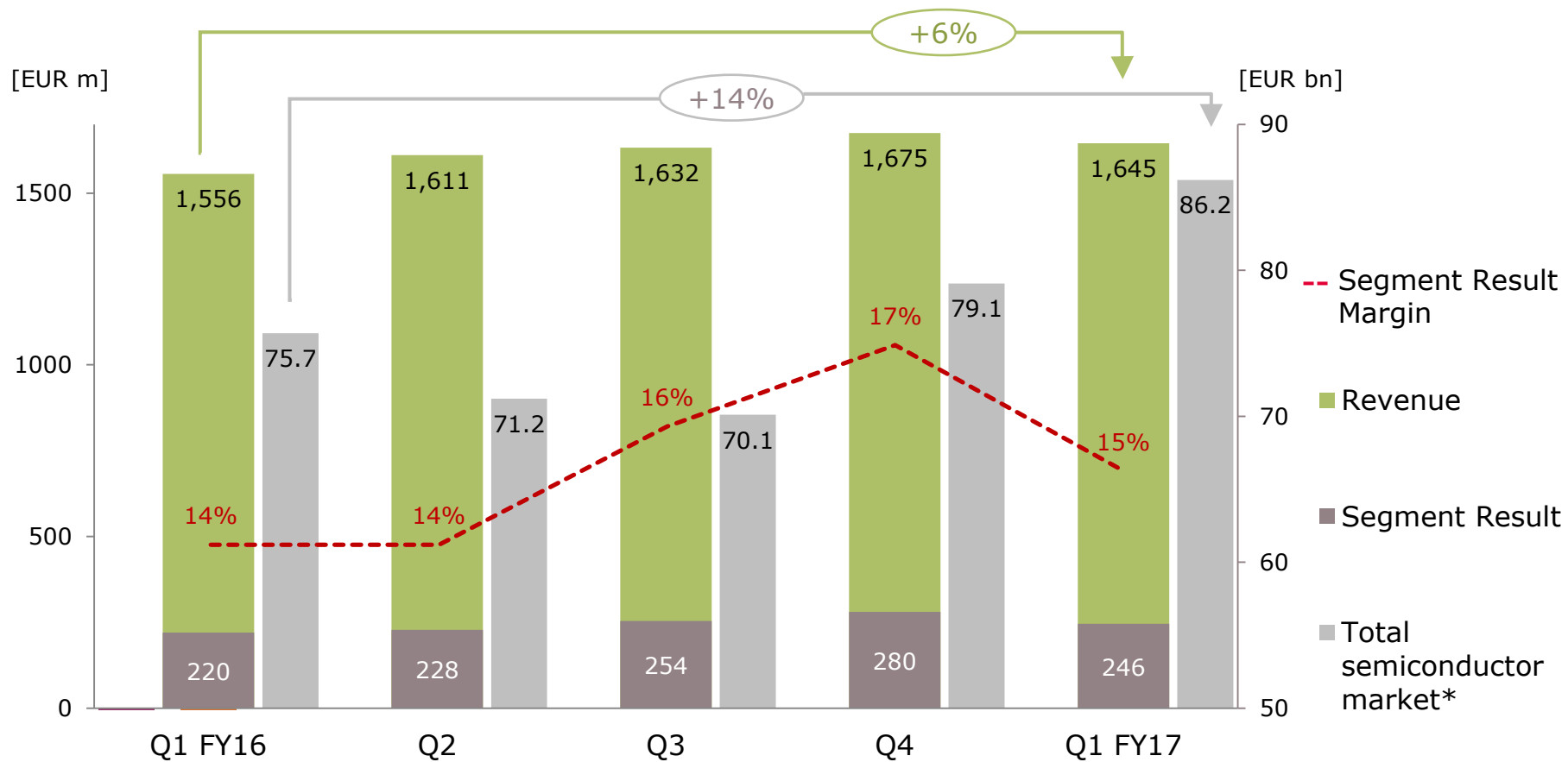


€ 2,050m



* Other Operating Segments; Corporate & Eliminations

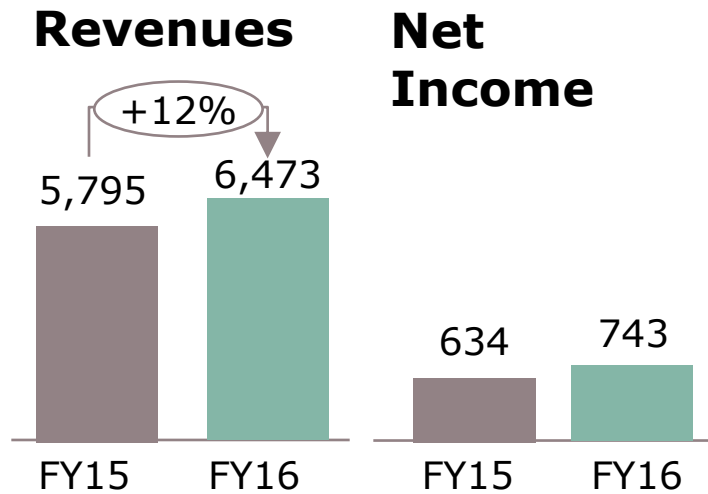
Q1 FY2017: Infineon continues to grow



* Source: WSTS Monthly Bluebook, January 2017

Infineon Group

Results for FY 2015* and FY 2016



[€ Million]	2015	2016
Revenues	5,795	6,473
Segment Result (SR)	897	982
SR Margin	15.5%	15.2%
Net Income	634	743
Free Cash Flow	-1,654	490
Investments	785	826
Net Cash	220	471
Market capitalization**	~11,355	~17,987

* Since 13th January 2015 inclusive International Rectifier

** share price as of September 30th, 2015: 10.06 Euro; share price as of September 30th, 2016: 15.88 Euro

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



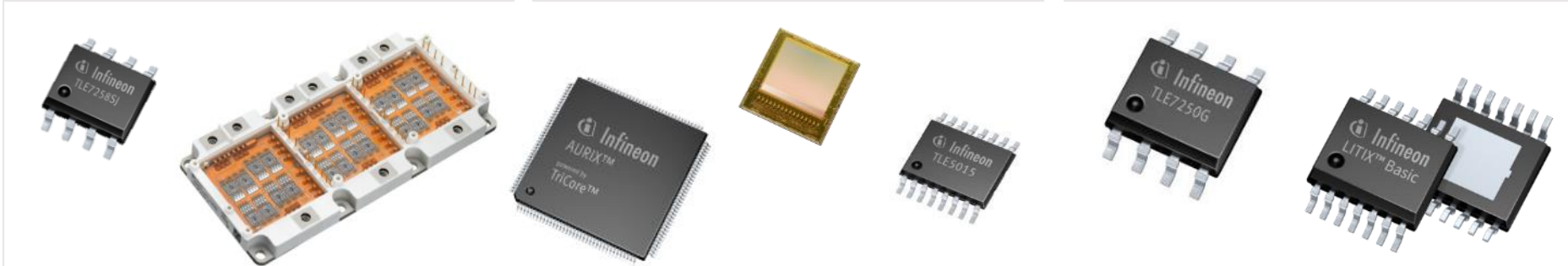
Safe

- > 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

- > General purpose drives
- > Medium voltage drives
- > Servo drives
- > Elevators



Home Appliances

- > Refrigerators
- > Air conditioners
- > Washing machines



Renewables

- > Wind power plants
- > Solar power plants
- > High-voltage direct current transmission (HVDC)



Traction

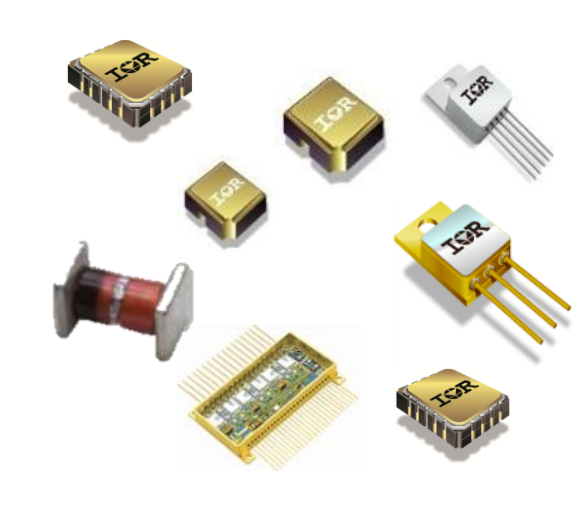
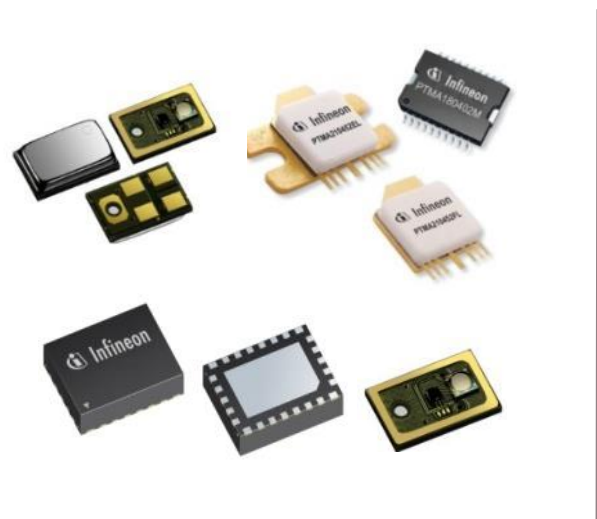
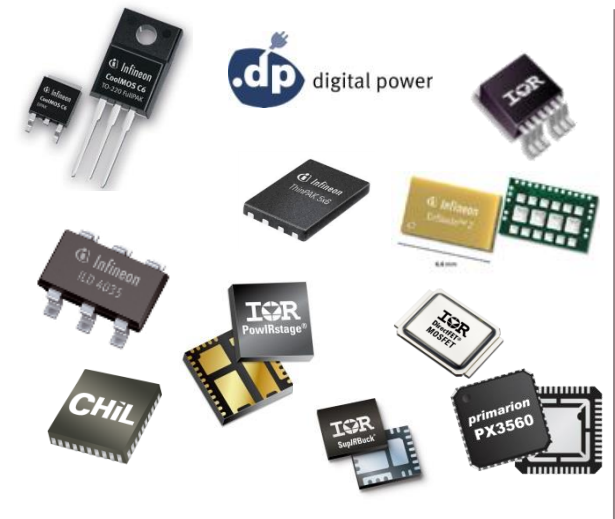
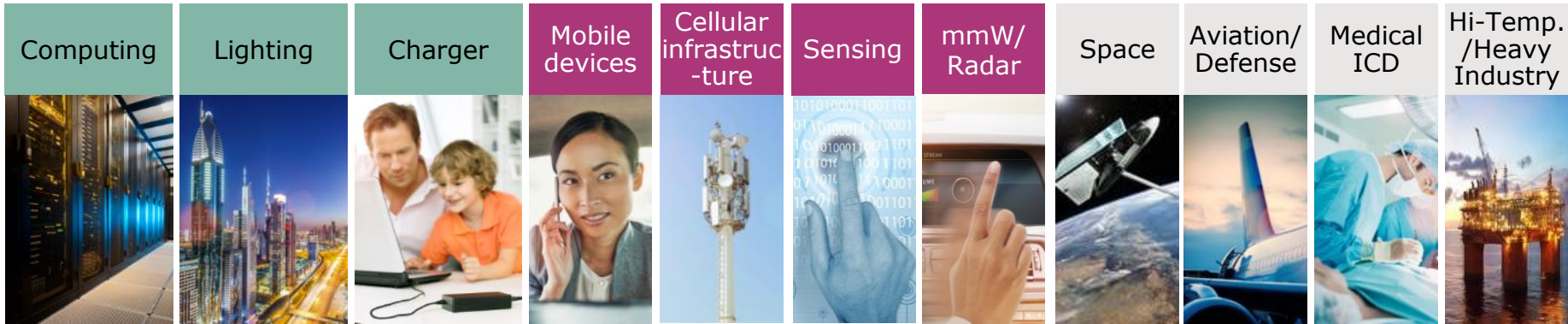
- > (High speed) trains
- > Locomotives
- > Subway
- > Light rails



Power Management & Multimarket Segment – Achieving more, consuming less



Power Management			Radio Frequency & Sensing				High Reliability			
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MOSFETs, Power ICs, RF switches, LNAs, Si-Mics, RF power, Radar ICs, Environmental Sensors

Chip Card & Security is enabling security for the connected world

Smart Cards

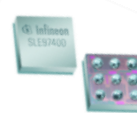


- › Smart card payment
- › Electronic passports and ID documents
- › SIM cards for mobile communication
- › Transport ticketing

Embedded Security



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



Product range



Automotive (ATV)

- › 32-bit automotive microcontrollers for powertrain, safety and driver assistance systems
- › Discrete power semiconductors
- › Magnetic and pressure sensors
- › IGBT modules
- › Power ICs
- › Radar
- › Transceiver (CAN, LIN, Flex Ray™)*
- › Voltage regulators



Industrial Power Control (IPC)

- › Bare die business
- › Discrete IGBTs
- › Driver ICs
- › IGBT modules (high-power, medium-power, low-power)
- › IGBT module solutions incl. IGBT stacks



Power Management & Multimarket (PMM)

- › Control ICs
- › Customized chips (ASICs)
- › Discrete low-voltage and high-voltage power transistors
- › GPS low-noise amplifier
- › Low-voltage and high-voltage driver ICs
- › MEMS and ASICs for silicon microphones
- › RF antenna switches
- › RF power transistors
- › TVS (transient voltage suppressor) diode

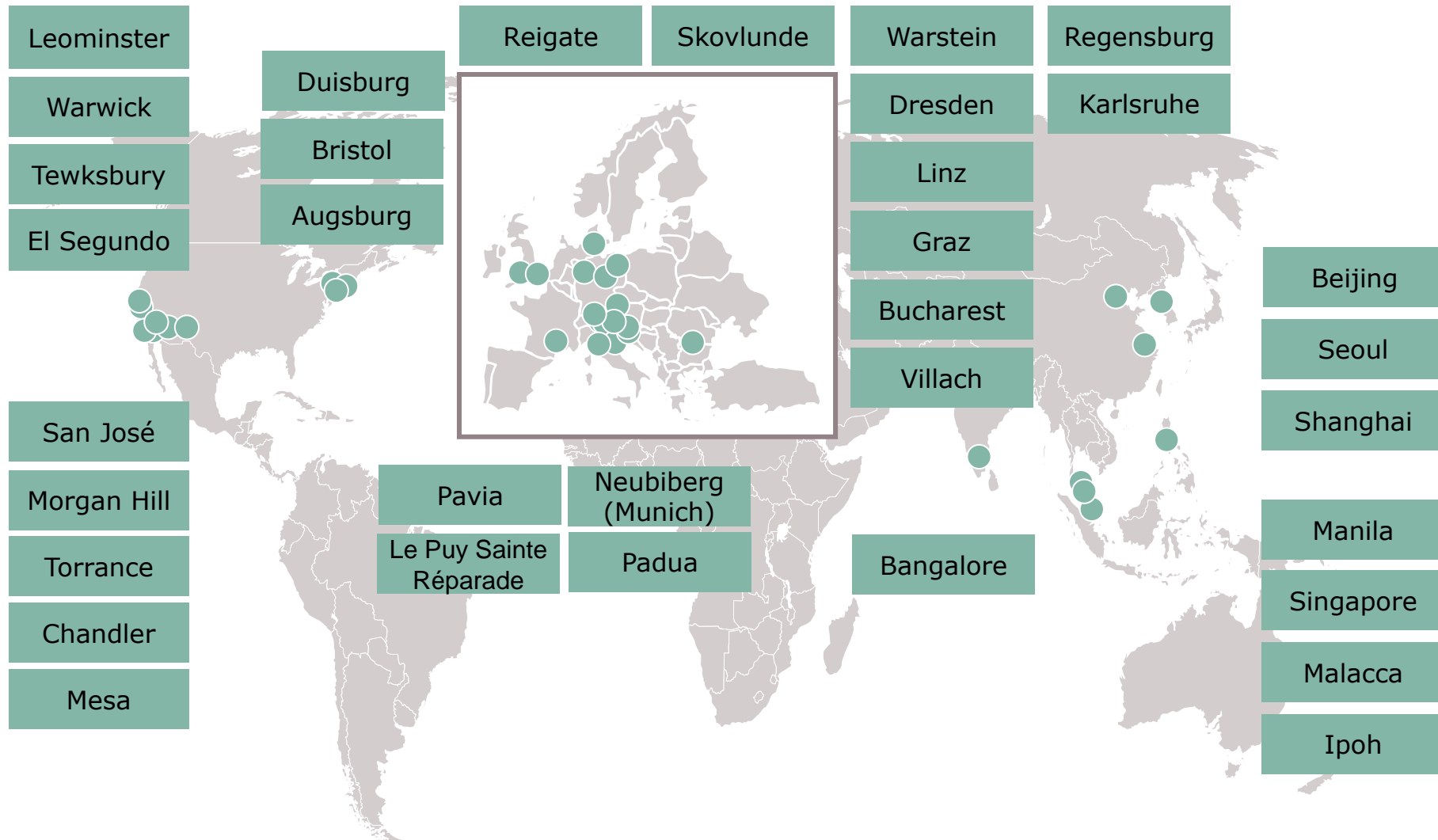


Chip Card & Security (CCS)

- › Smart card (contactless and contact-based) and embedded security ICs
- › Turnkey security solutions e.g. OPTIGA™ Trust, OPTIGA™ TPM
- › Packaging and service portfolio
- › CIPURSE™ open standard based solutions
- › Innovative solutions from basic security RFID and memories to high-end security controllers
- › Leading technologies e.g. SOLID FLASH™, Integrity Guard, Coil on Module

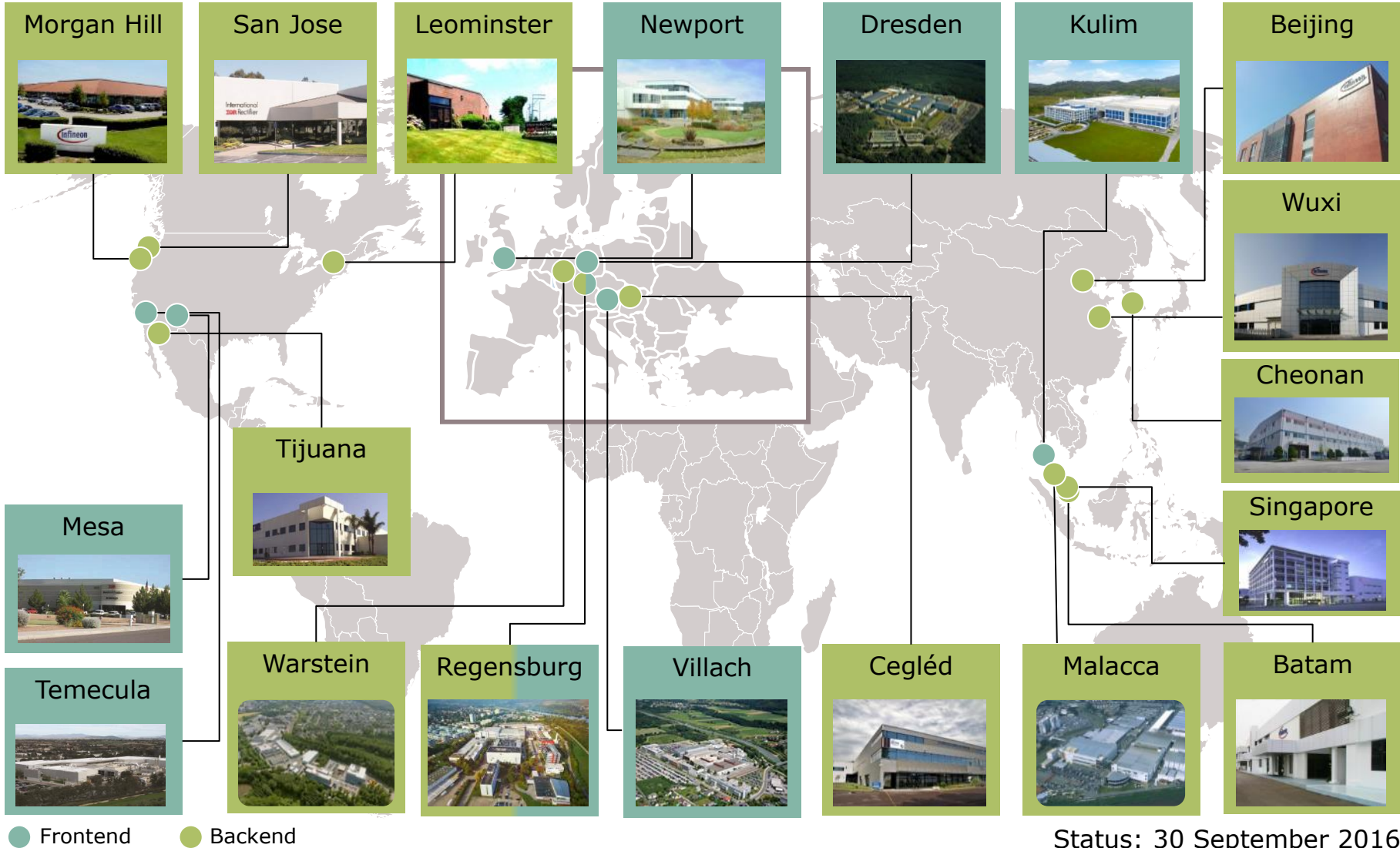
*FlexRay is a trademark licensed by FlexRay Consortium GbR

Our global R&D network



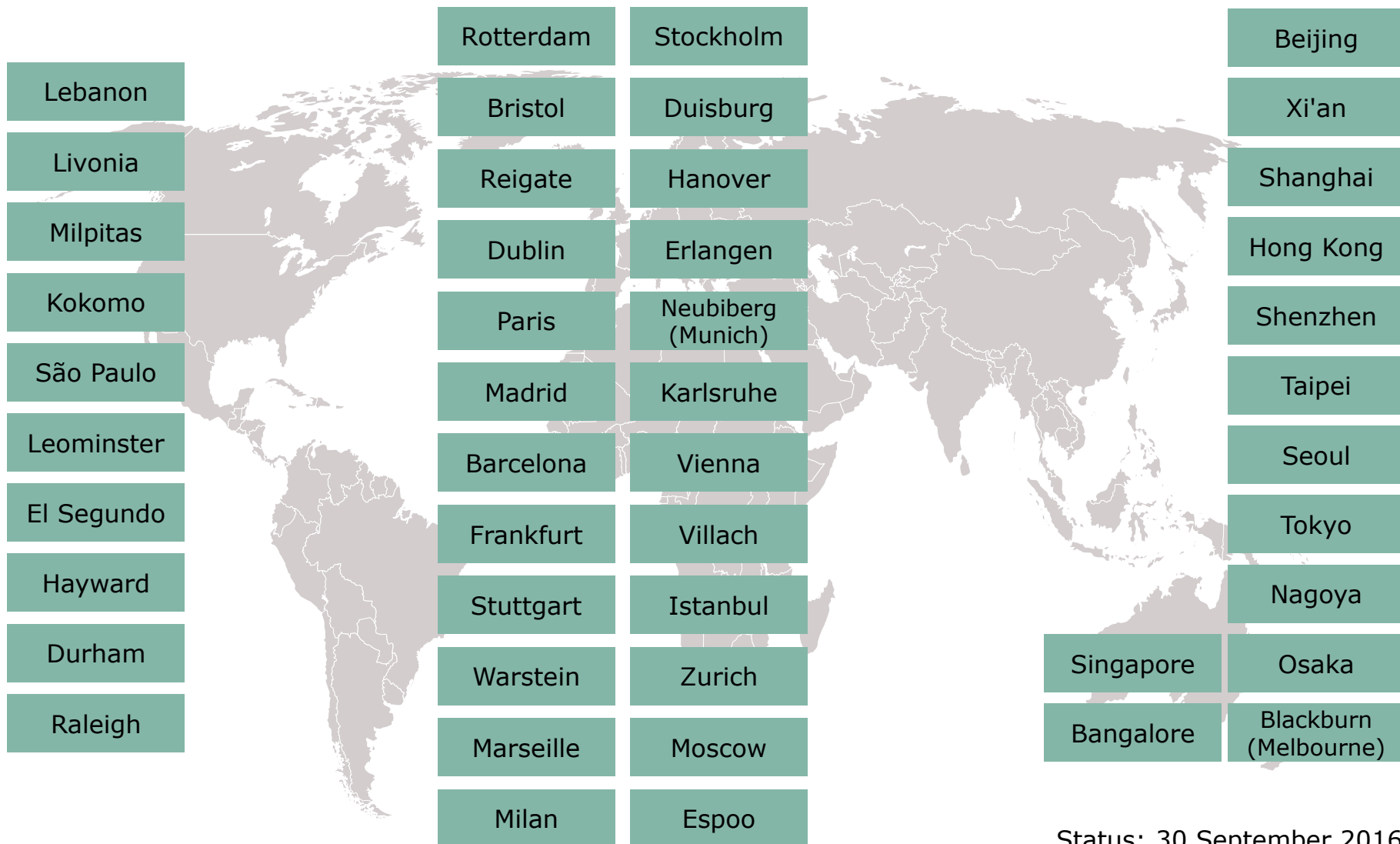
Status: 30 September 2016

Worldwide manufacturing sites frontend and backend



Status: 30 September 2016

Our global sales network



Status: 30 September 2016

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 voluntarily committed to the 10 Principles.
- › Infineon is for the 7th time listed in the **Sustainability Yearbook**.
- › Infineon is continuously listed in the **Dow Jones Sustainability Index** since 2010 and for the second time in the **Dow Jones Sustainability World Index** in 2016 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

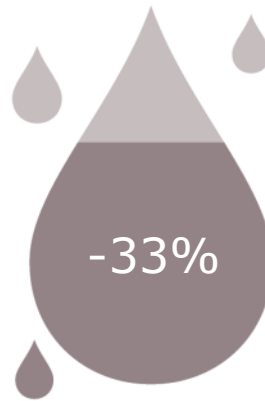
We are excellent in resources efficiency



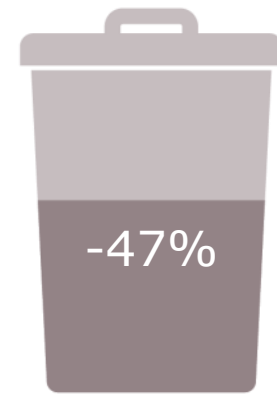
At Infineon, less is more



About **45% less** electricity consumed per square centimeter manufactured wafer than the global average



About **33% less** water consumed per square centimeter manufactured wafer than the global average



About **47% less** waste generated per square centimeter manufactured wafer than the global average

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

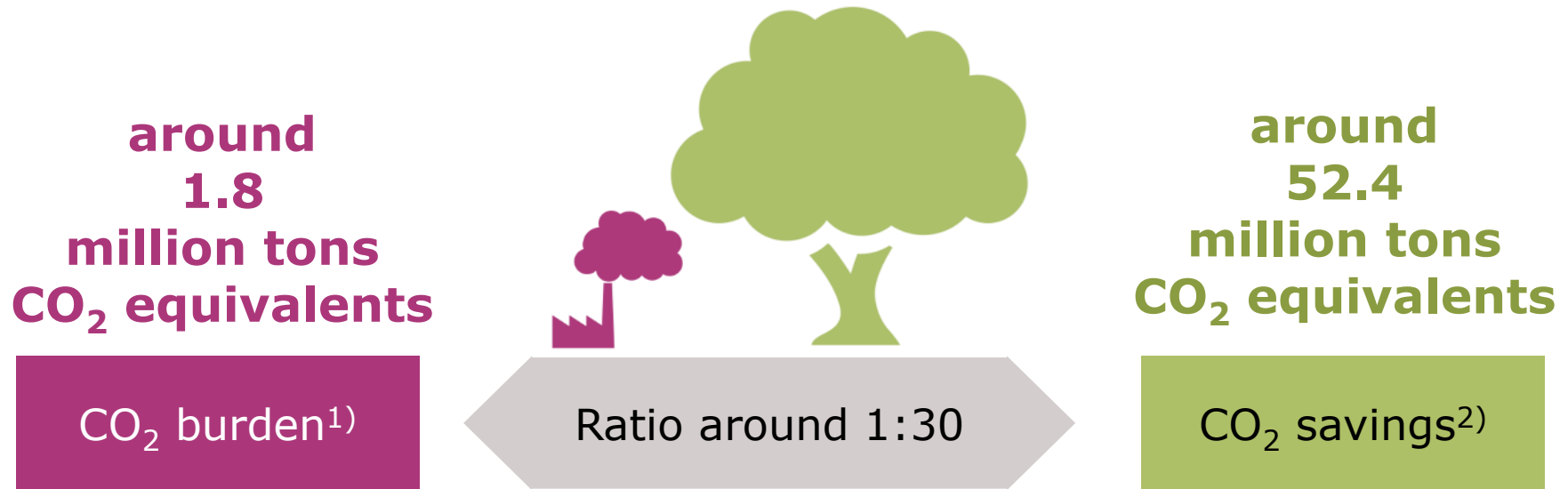
Basis for the calculations are the square centimeters processed wafer area in the front-end production and consumptions according to WSC definition.

Corporate Social Responsibility

We create a net ecological benefit



Emission Reduction enabled by our products and solutions



Net ecological benefit:
CO₂ emissions reduction around 50 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 2016 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 2015 and considers the following fields of application: automotive, LED, PC power supply, renewable energy (wind, photovoltaic), drives as well as induction cookers. CO₂ savings are calculated on the basis of potential savings of technologies in which semiconductors are used. The CO₂ savings are allocated on the basis of the Infineon market share, semiconductor content and lifetime of technologies concerned, based on internal and external experts' estimations. Despite the fact that CO₂ footprint calculations are subject to imprecision due to the complex issues involved, the results are nevertheless clear.

Let's get connected



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PRESS



INVESTORS

CAREERS



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www.youtube.com/infineon



Part of your life. Part of tomorrow.

