

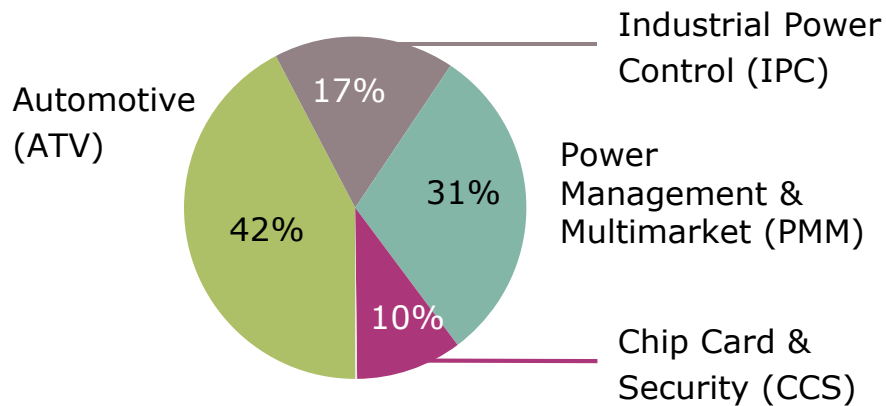
Company Presentation

May 2018



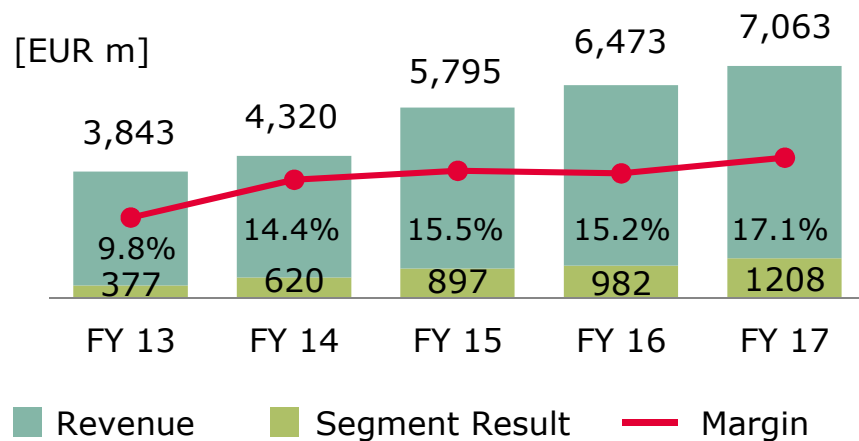
Infineon at a glance

Business Segments



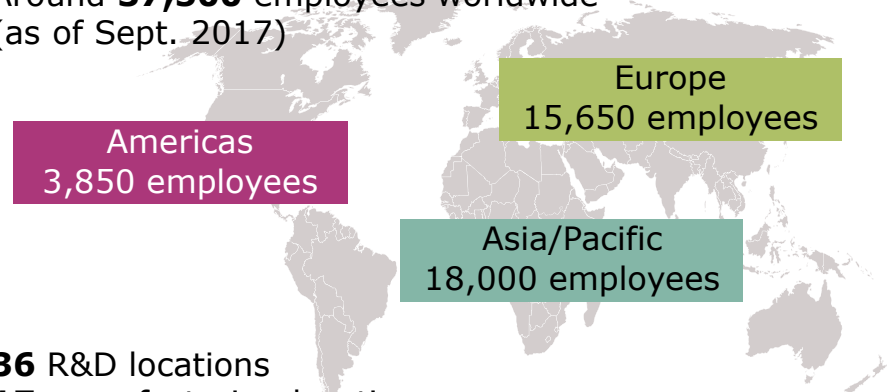
Revenue FY 2017

Financials



Employees

Around **37,500** employees worldwide (as of Sept. 2017)



36 R&D locations
17 manufacturing locations

Market Position

Automotive



2

Strategy Analytics, April 2018

Power



1

IHS Markit*, Technology Group, August 2017

Smart card ICs



1

IHS Markit*, Technology Group, July 2017



A world leader in semiconductor solutions

Our vision

We are the link between the real and the digital world.

Our values

We commit
We partner
We innovate
We perform

Our mission

We make life
easier, safer
and greener.

Part of your life. Part of tomorrow.

Business growth in the semiconductor market is driven by four key trends



Energy efficiency



Mobility



Security



IoT & big data



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

Infineon enables security in the connected world



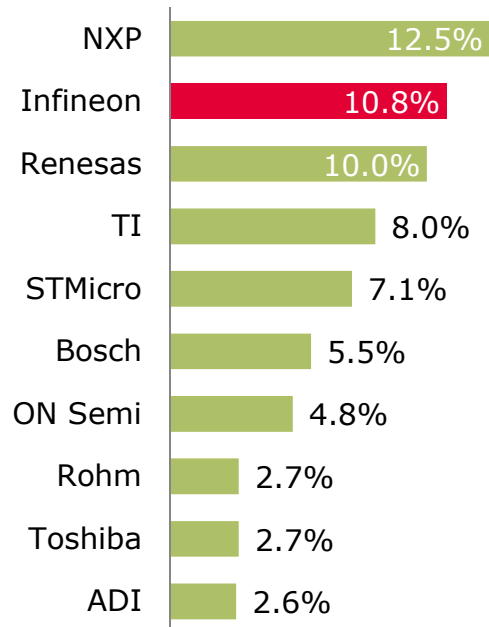
Applications

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

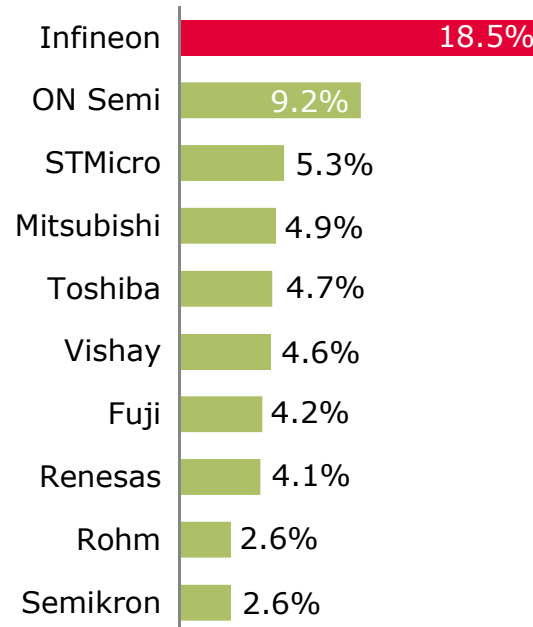
total market in 2017: \$34.5bn



Source: Strategy Analytics, "2017 Automotive Semiconductor Vendor Share", April 2018

Power discretes and modules

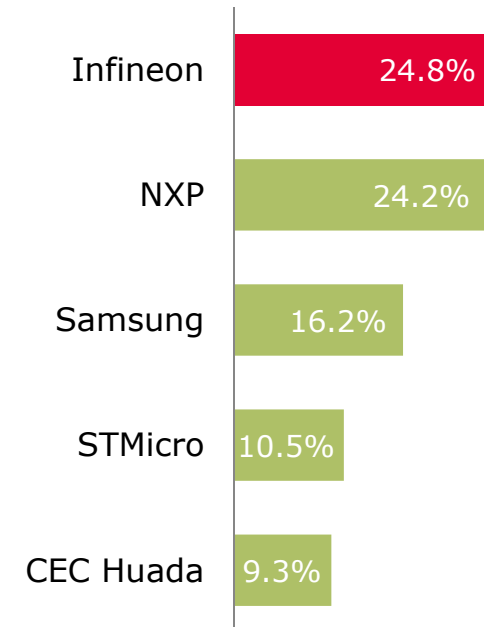
total market in 2016: \$15.9bn



Source: Based on or includes content supplied by IHS Markit, Technology Group, "Power Semiconductor Annual Market Share Report", August 2017

Microcontroller-based Smart Card ICs

total market in 2016: \$2.79bn



Source: Based on or includes content supplied by IHS Markit, Technology Group, "Smart Cards Semiconductors Report", July 2017

Our strategy is targeted at value creation through sustainable profitable growth



Focus	Technology leadership	System understanding
<ul style="list-style-type: none"> › Focus on fastest growing segments of semi market › Tackle global megatrends 	<ul style="list-style-type: none"> › Leverage core competencies in different end markets to maximize ROI 	<ul style="list-style-type: none"> › Create value for customers through system understanding

Auto	Power	RF	Security
System leader in automotive	#1; system and technology leader	Broad RF and sensor technology portfolio	Leader in security solutions

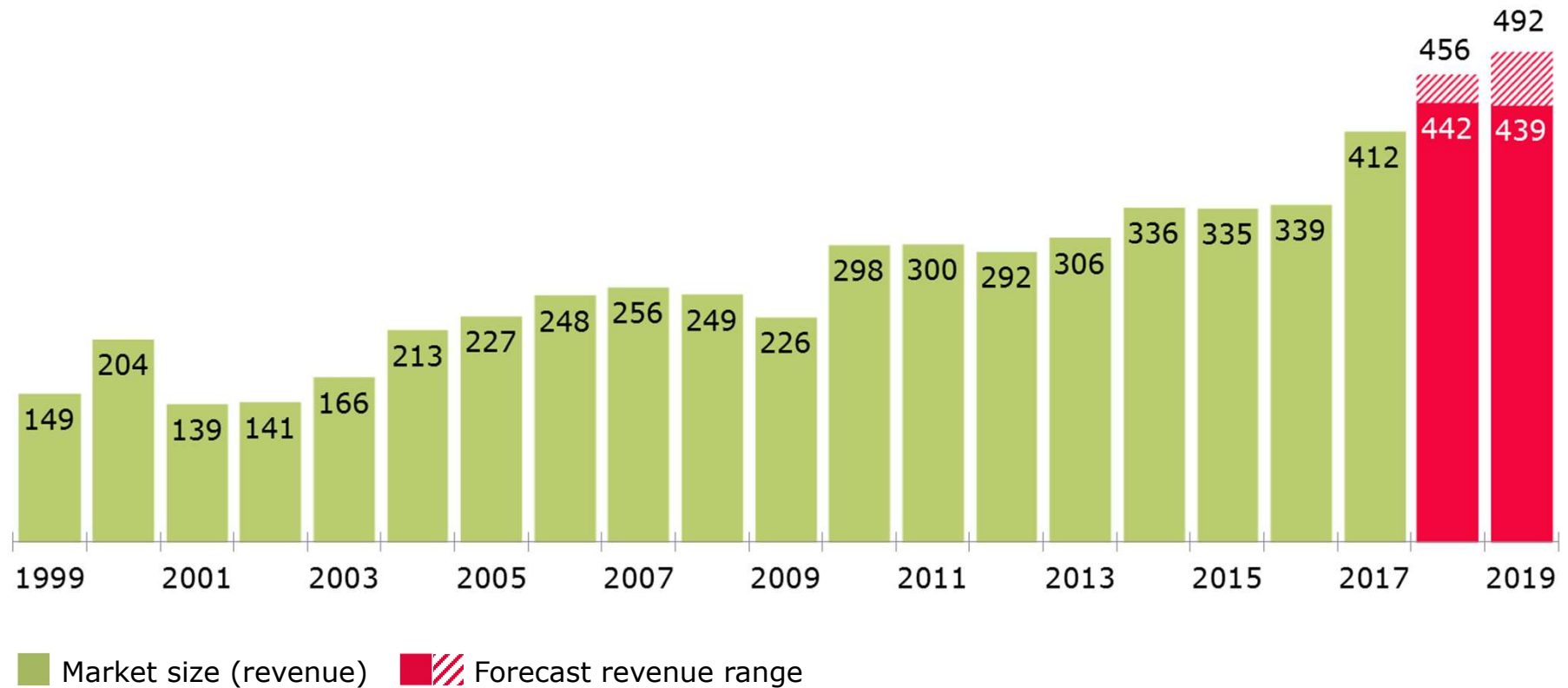
Average-cycle financial targets		
~8% p.a. Revenue growth	~17% Segment result margin	~13% Investment-to-sales (thereof capex*: ~11%)

* Infineon reports under IFRS

The outlook for the global semiconductor market remains positive



Global semiconductor market in billion \$

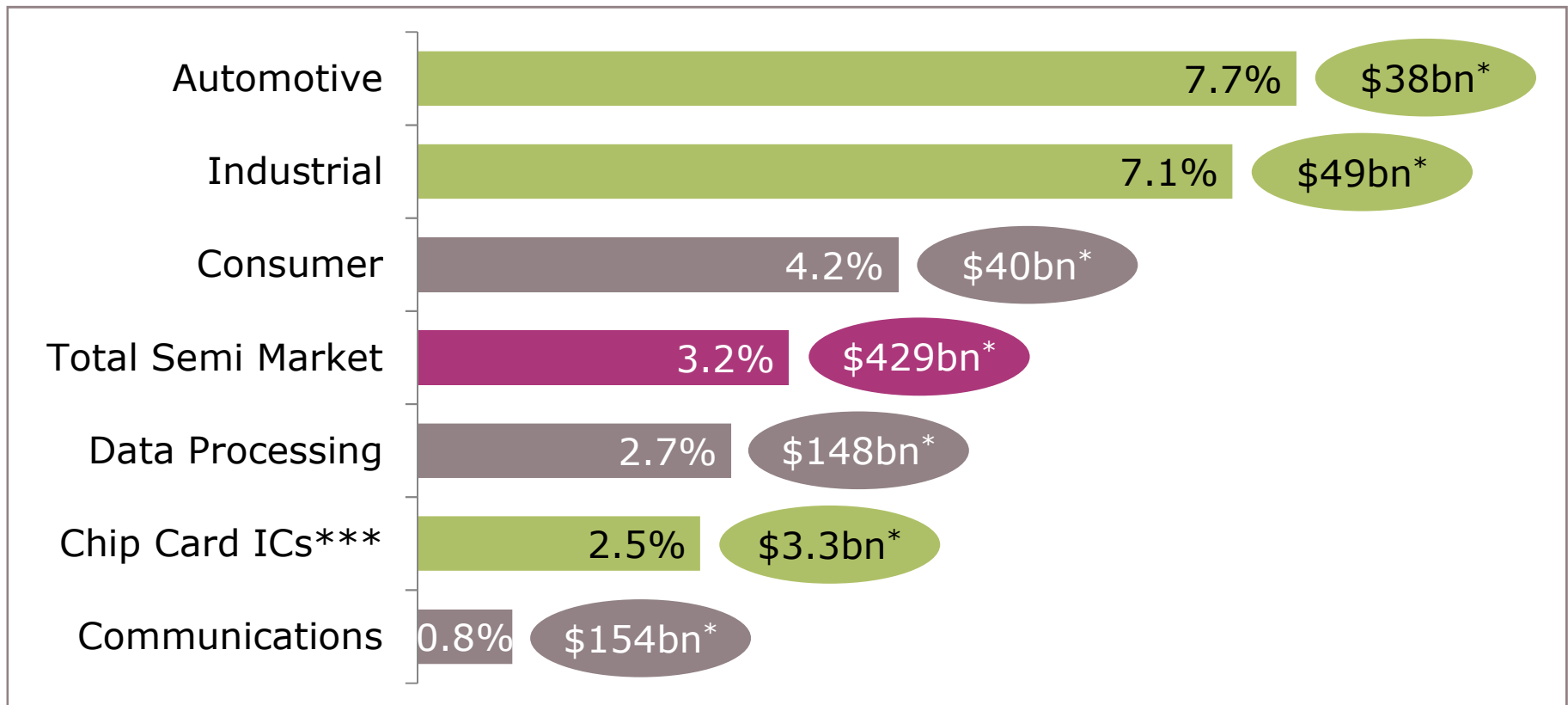


Source: WSTS for historical data. Forecast: Ø of WSTS, IHS Markit Technology Group, Gartner, IC Insights; last update April 20, 2018

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



CAGR 2017 – 2022** by Semiconductor Industry Segment



* Market size in calendar year 2017

** Source: Based on or includes content supplied by IHS Markit, Technology Group, "Worldwide Semiconductor Shipment Forecast", March 2018

*** Source: ABI Research, "Secure Smart Card & Embedded Security IC Technologies", February 2018; microcontroller ICs

Financial Year 2017: Revenue Split by Segment



FY 2017 Revenue: € 7,063 m

Automotive



€ 2,989m

Industrial Power Control



€ 1,206m

Chip Card & Security

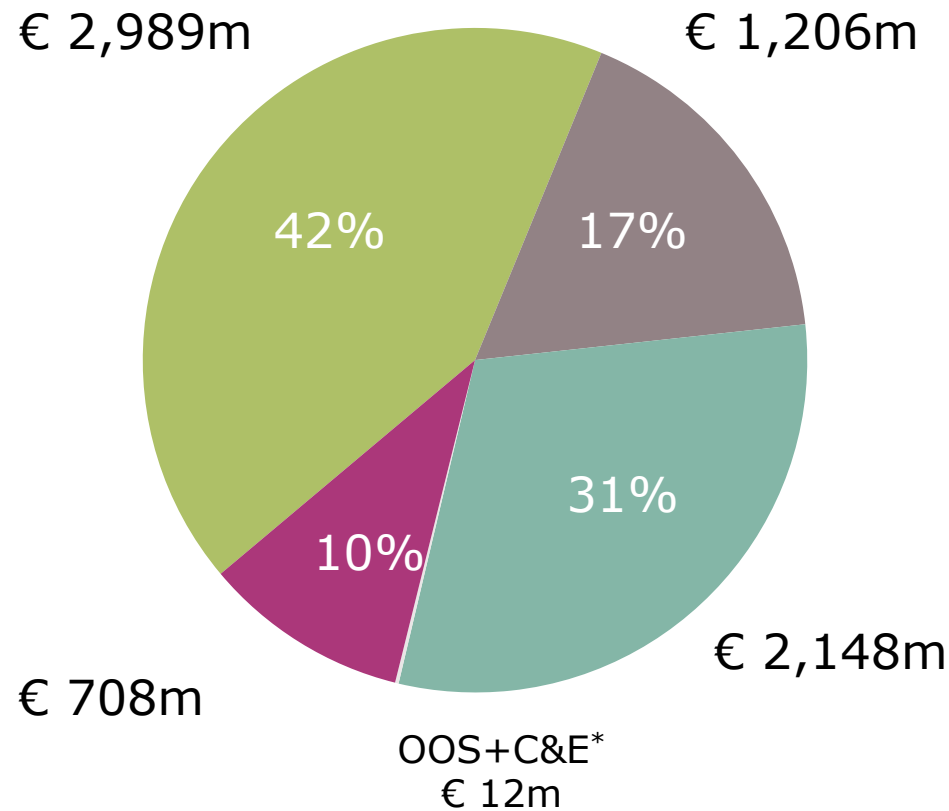


€ 708m

Power Management & Multimarket

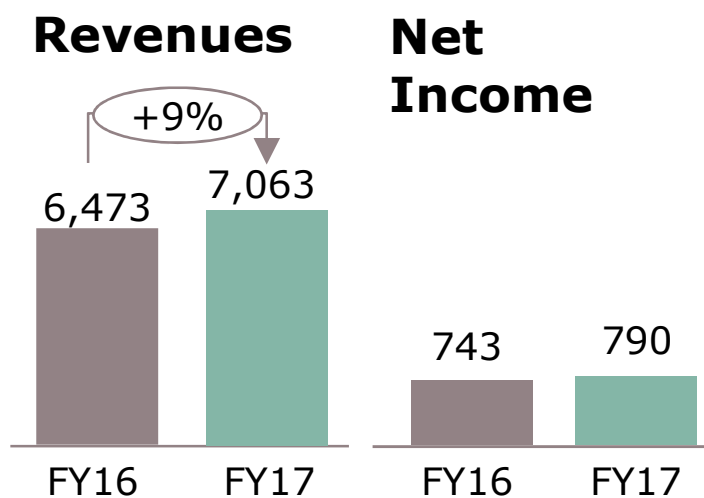


€ 2,148m



* Other Operating Segments; Corporate & Eliminations

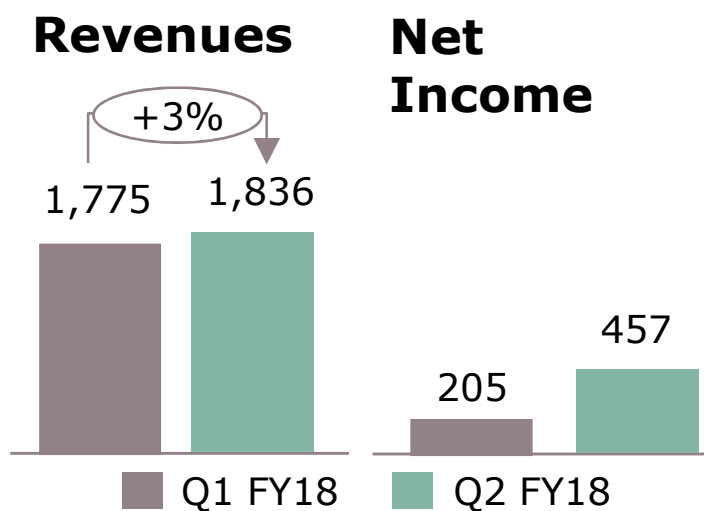
Infineon Group Results for FY 2016 and FY 2017



[€ Million]	2016	2017
Revenues	6,473	7,063
Segment Result (SR)	982	1,208
SR Margin	15.2%	17.1%
Net Income	743	790
Free Cash Flow	490	594
Investments	826	1,022
Net Cash	471	618
Market capitalization*	~17.987	~24.167

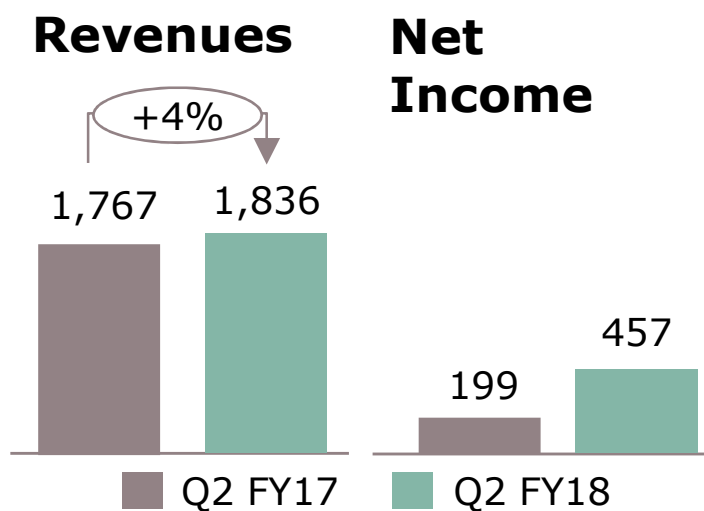
*share price as of September 30th, 2016: 15.88 Euro; share price as of September 30th, 2017: 21.27 Euro

Infineon Group Results for Q1 FY18 and Q2 FY18



[€ Million]	Q1 18	Q2 18
Revenues	1,775	1,836
Segment Result (SR)	283	314
SR Margin	15.9%	17.1%
Net Income	205	457
Free Cash Flow	(135)	334
Gross Cash Position	2,312	2,438
Net Cash Position	503	649

Infineon Group Results for Q2 FY17 and Q2 FY18

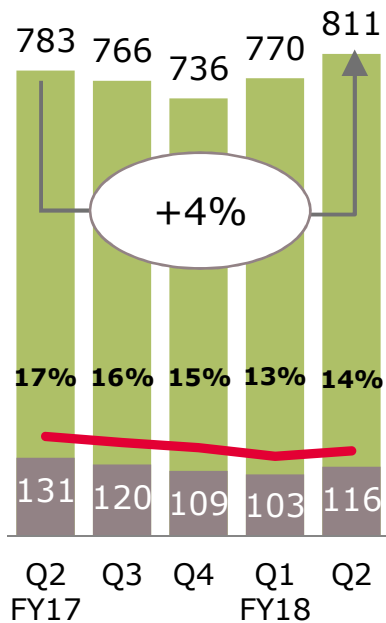


[€ Million]	Q2 17	Q2 18
Revenues	1,767	1,836
Segment Result (SR)	296	314
SR Margin	16.8%	17.1%
Net Income	199	457
Free Cash Flow	82	334
Gross Cash Position	2,049	2,438
Net Cash Position	32	649

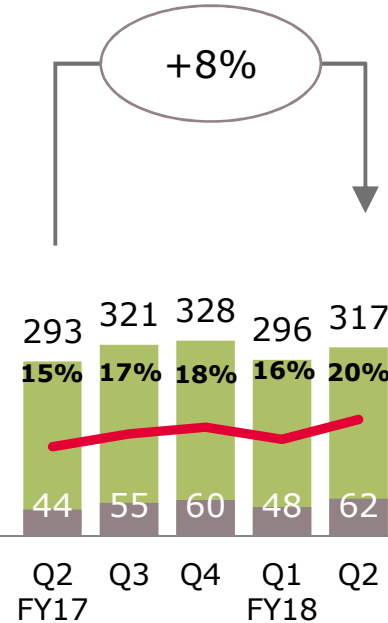
Revenue by Segment Q2 FY2018



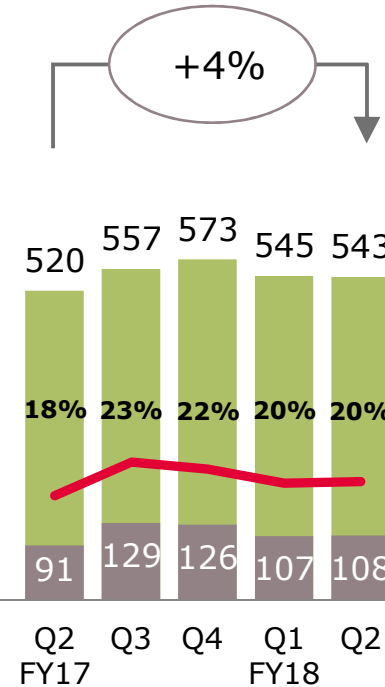
[EUR m]



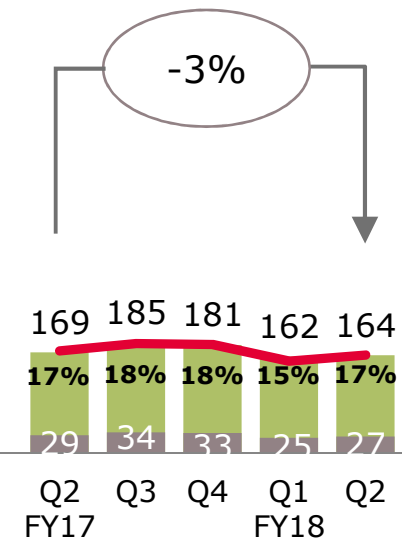
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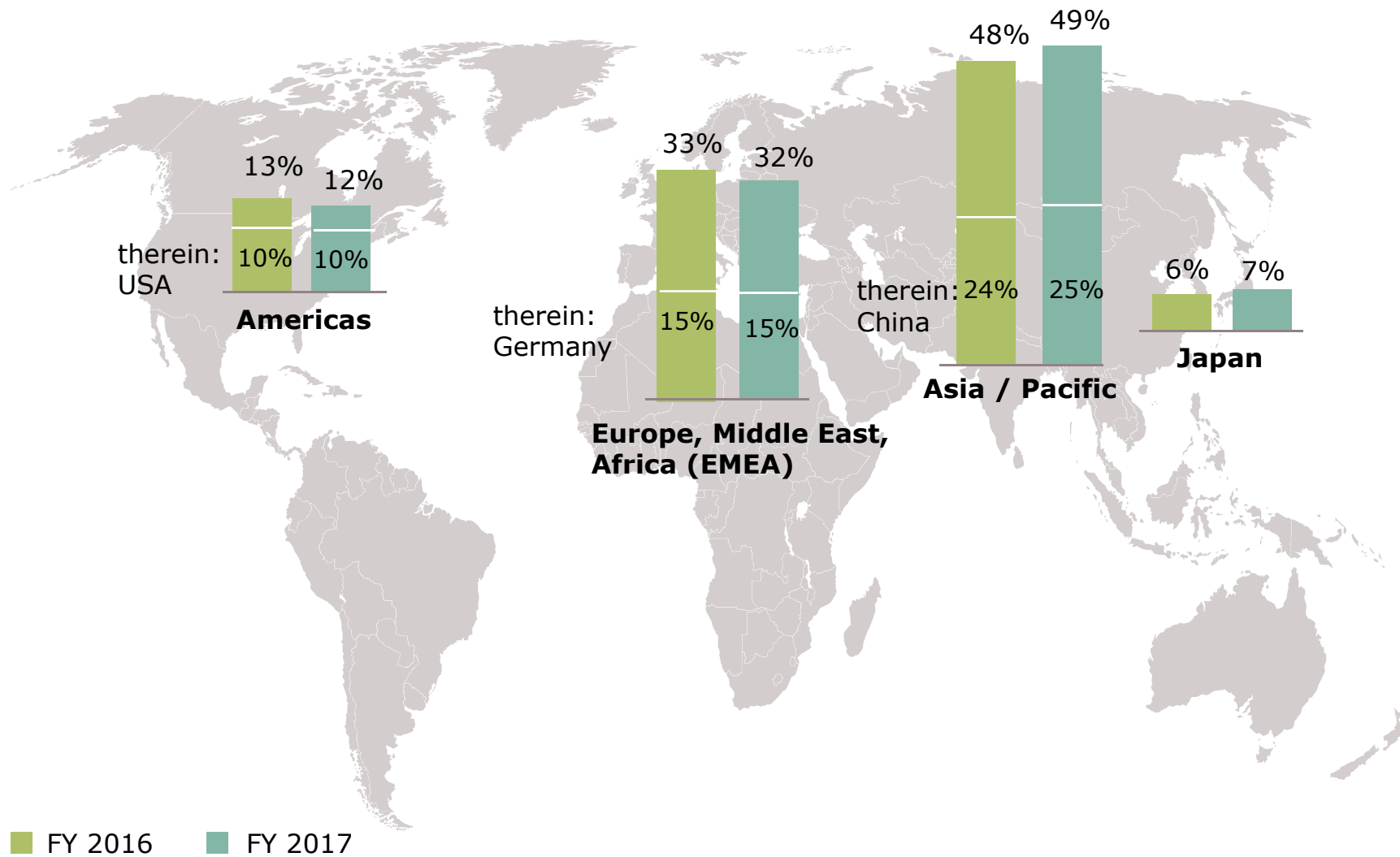


[EUR m]



■ Revenue
 ■ Segment Result
 — Segment Result Margin in %

Revenue split by regions FY 2016 and FY 2017



■ FY 2016 ■ FY 2017

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



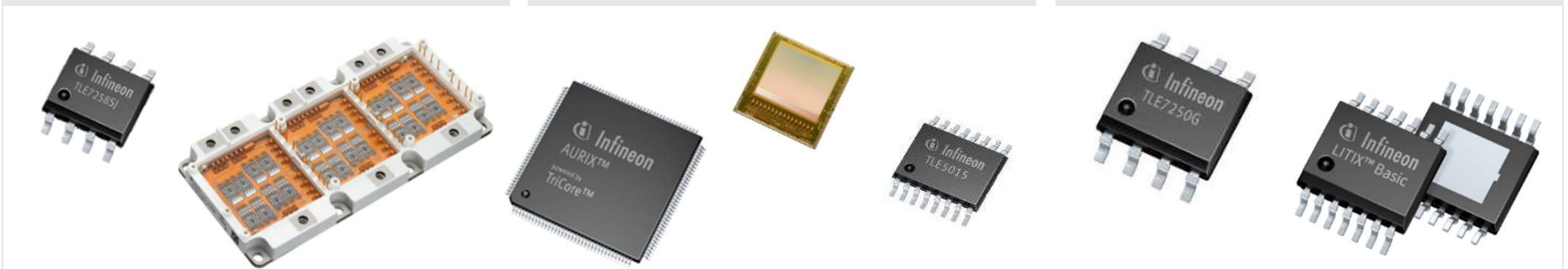
Safe

- > 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

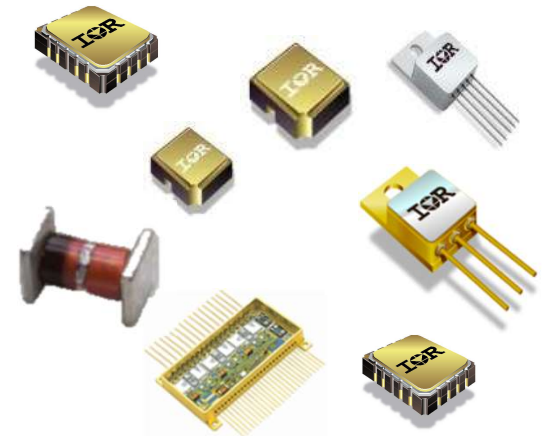
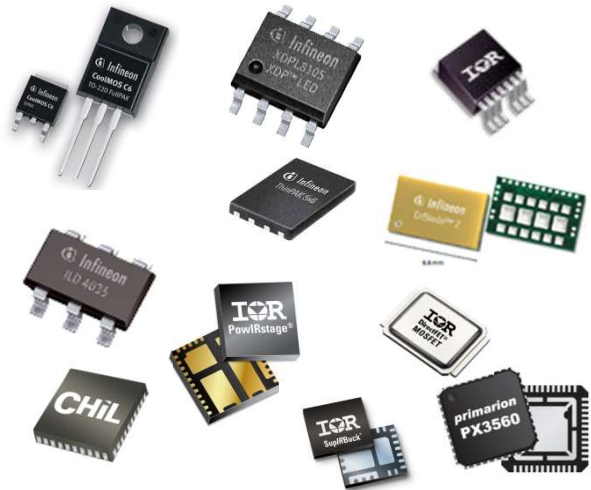
- > High speed trains
- > Locomotives
- > Subway
- > Light rails



Power Management & Multimarket Segment – Achieving more, consuming less



Power Management			Radio Frequency & Sensing				High Reliability			
Computing	Lighting	Charger	Mobile devices	Cellular infra-structure	Sensing	mmW/ Radar	Space	Aviation/ Defense	Medical ICD	Hi-Temp./Heavy Industry

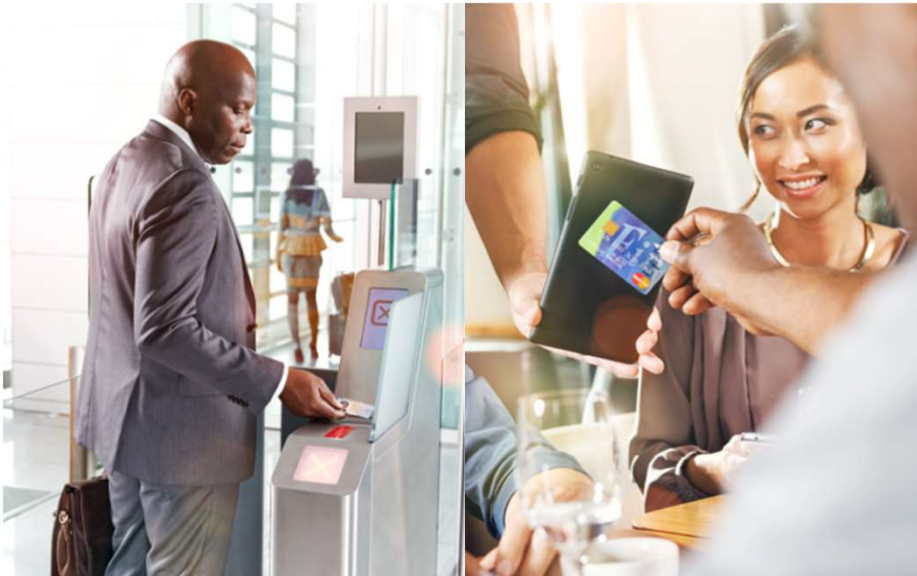


MOSFETs, Power ICs, RF switches, LNAs, Si-Mics, RF Infrastructure, Radar ICs, Environmental Sensors

Chip Card & Security – Delivering 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 sensor ICs (77 GHz)
- › 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
- › Silicon carbide modules



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
- › Pressure sensors
- › Radar sensor ICs (24 GHz, 60 GHz)
- › RF antenna switches
- › RF power transistors
- › TVS (transient voltage suppressor) diode

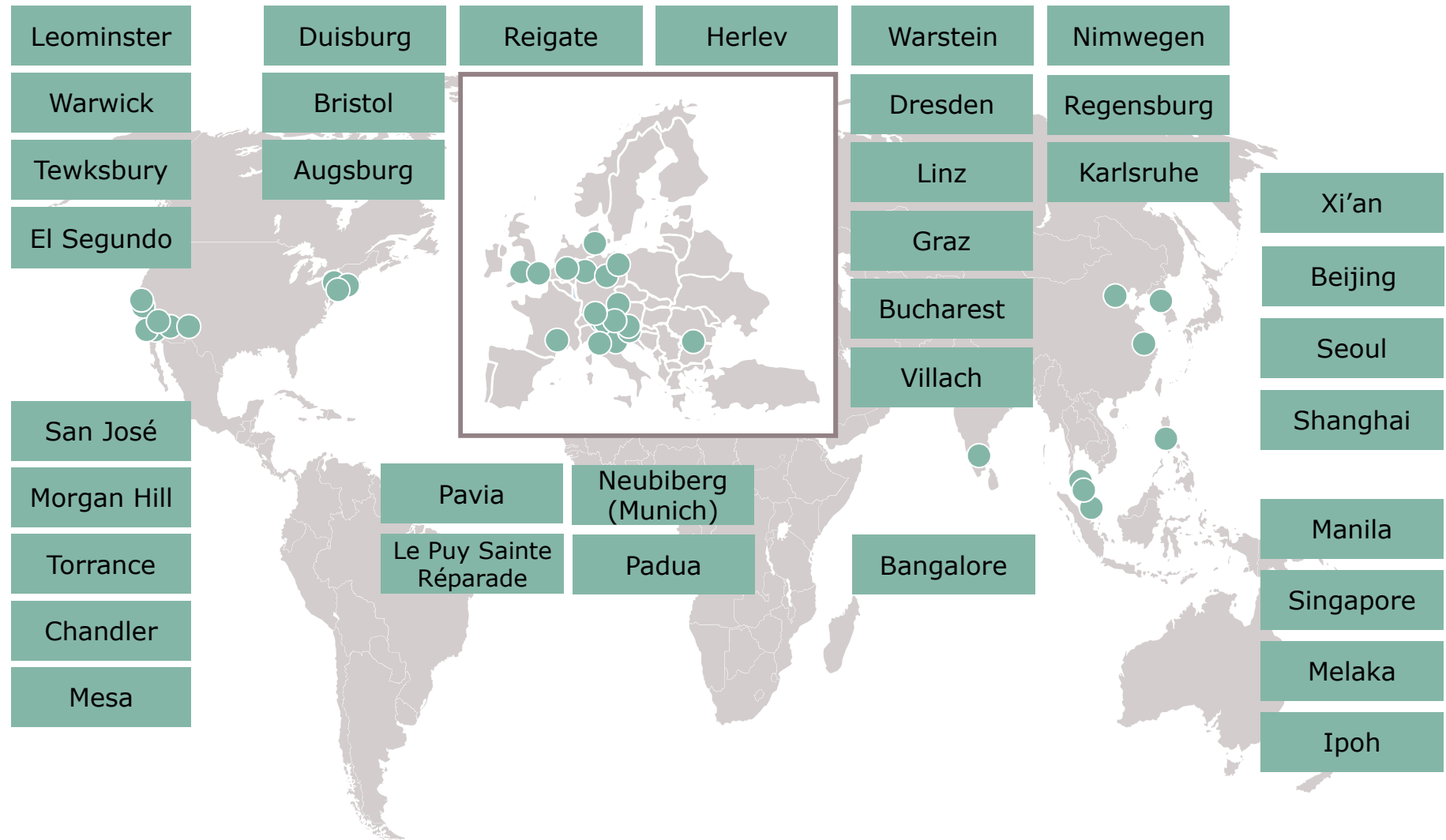


Chip Card & Security (CCS)

- › Contact-based security controllers
- › Contactless security controllers
- › Dual-interface security controllers (contact-based and contactless)
- › Embedded security controllers

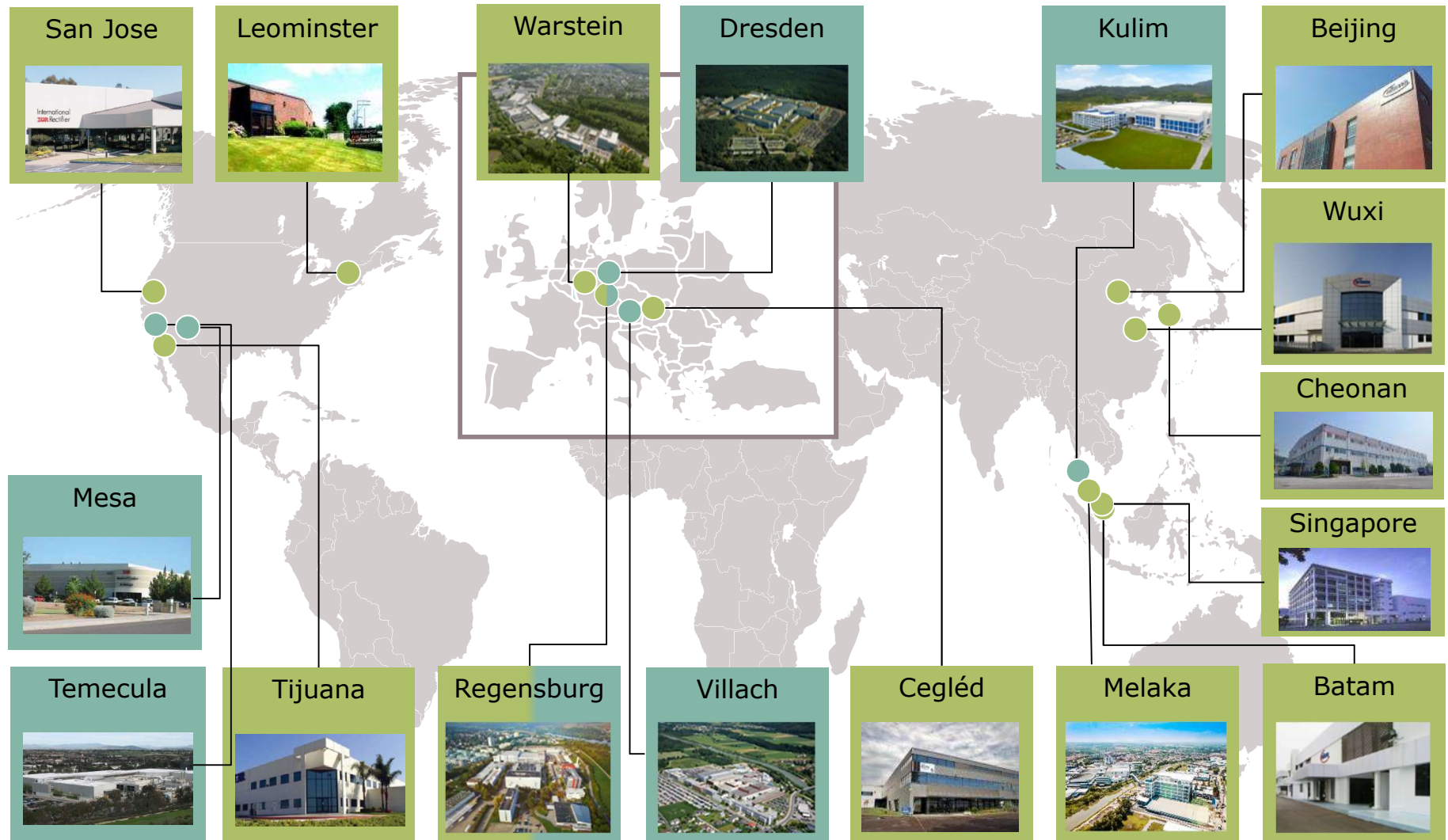
*FlexRay is a trademark licensed by FlexRay Consortium GbR

Our global R&D network



Status: 30 April 2018

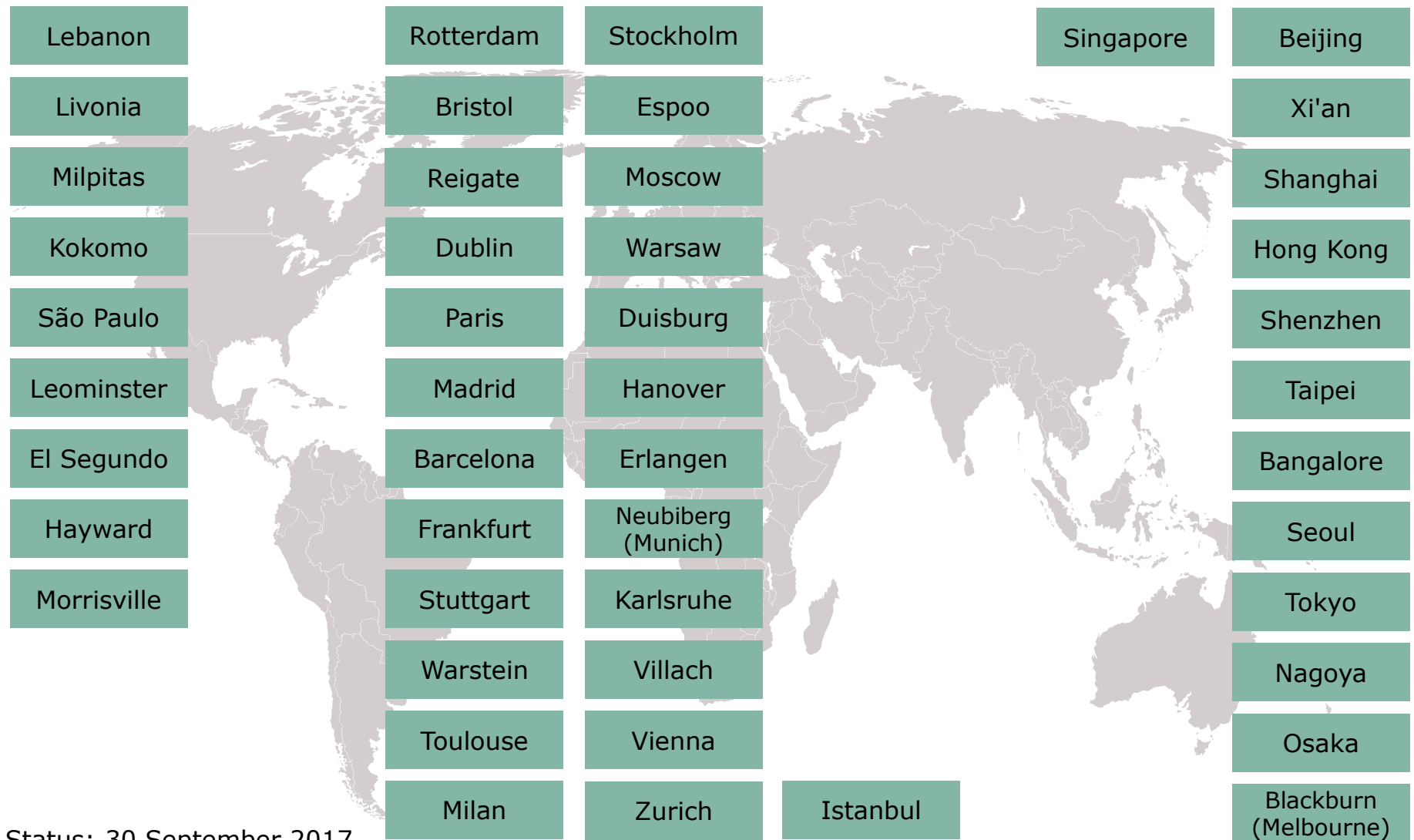
Worldwide manufacturing sites frontend and backend



● Frontend ● Backend

Status: 30 April 2018

Our global sales network



Status: 30 September 2017

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 8th time listed in the **Sustainability Yearbook**.
- › Infineon is continuously listed in the **Dow Jones Sustainability Index** since 2010 and for the third time in the **Dow Jones Sustainability World Index** in 2017 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

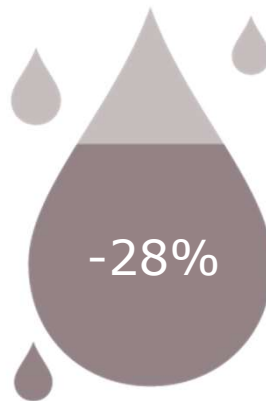
We are excellent in resources efficiency



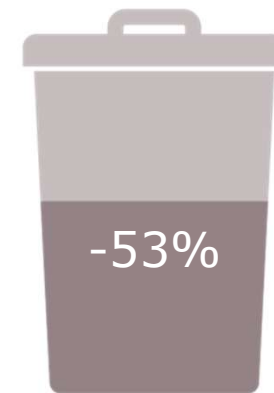
At Infineon, less is more



About **47% less** electricity consumed per square centimeter manufactured wafer than the global average



About **28% less** water consumed per square centimeter manufactured wafer than the global average



About **53% 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.

Business Continuity Integrated management



*ISO 27001/14001/OHSAS 18001 worldwide certification scheme; ** ISO 50001 certified at EU sites

Let's get connected



CUSTOMERS

PRESS



INVESTORS

CAREERS



www.facebook.com/infineon



<https://plus.google.com/>



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www.infineon.com/linkedin

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www.youtube.com/infineon



Part of your life. Part of tomorrow.



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