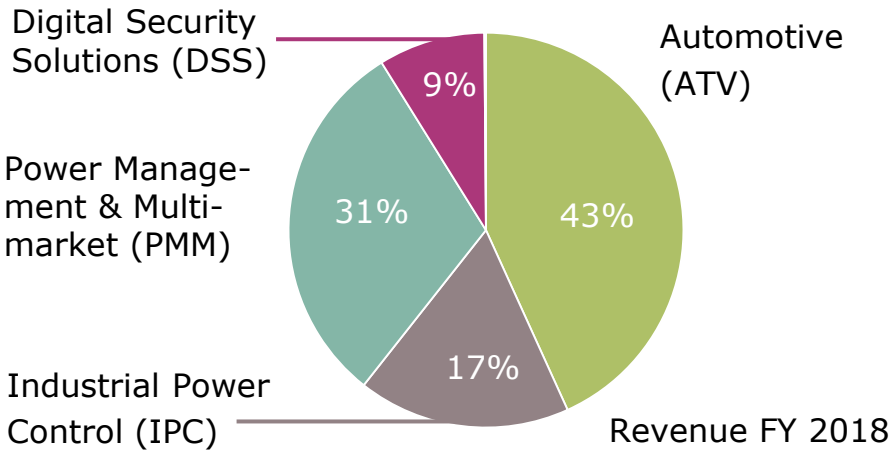
Company Presentation

November 2018

Infineon at a glance

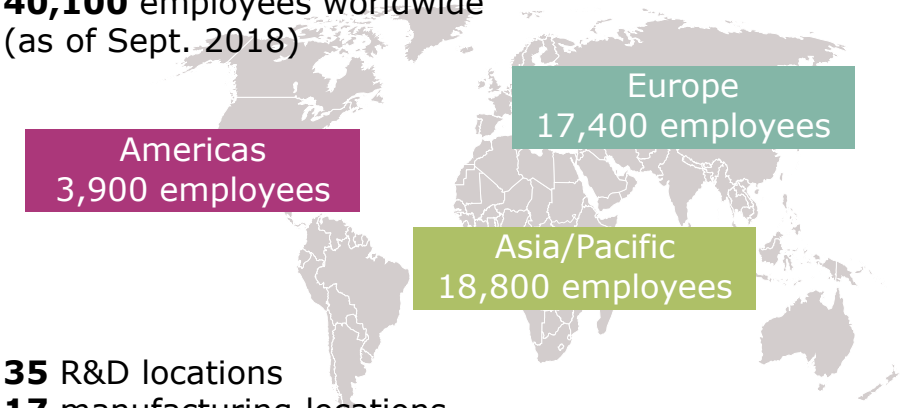
Business Segments



Revenue FY 2018

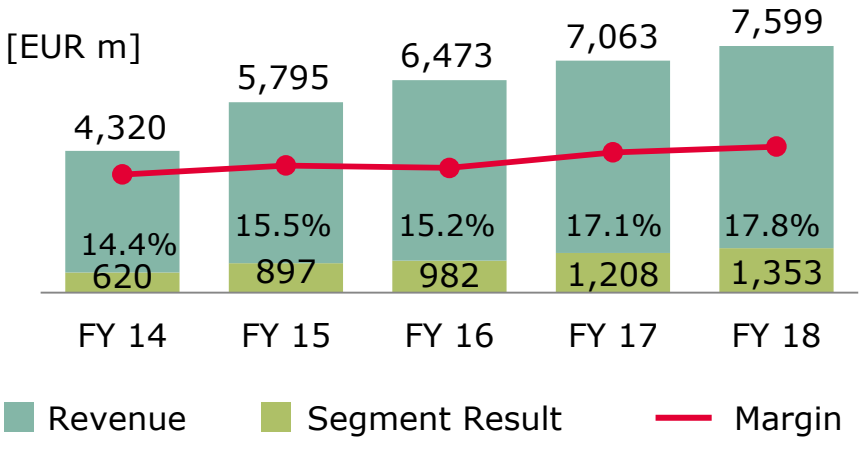
Employees

40,100 employees worldwide
(as of Sept. 2018)



35 R&D locations
17 manufacturing locations

Financials



Market Position

Automotive	Power	Security ICs
		
# 2	**# 1**	**# 1**
Strategy Analytics, April 2018	IHS Markit, Technology Group, September 2018	ABI Research October 2018

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.

Global megatrends underline the increasing importance of microelectronics

Demographic & social change

Climate change & resource scarcity

Urbanization

Digital transformation

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

Energy efficiency

Mobility

Security

IoT & big data

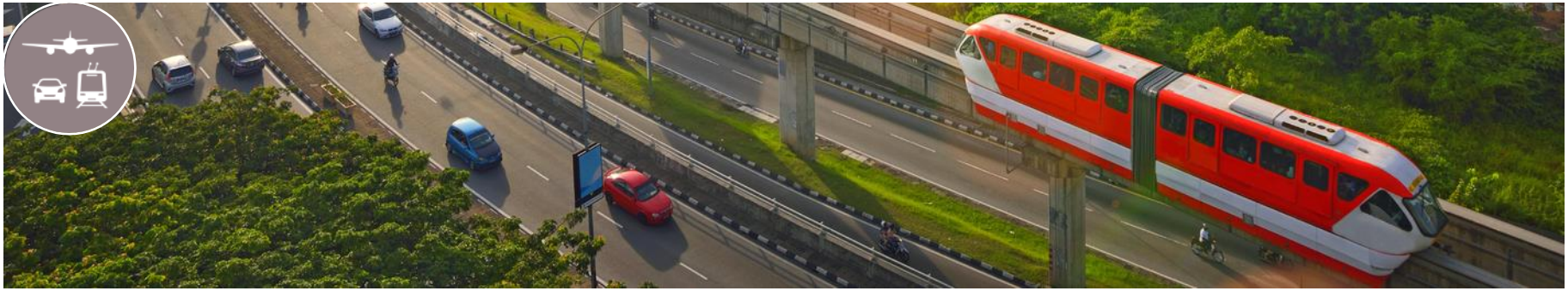
Energy efficiency

The challenges of rising demand for energy and growing depletion of fossil resources call for smarter, more efficient ways of generating, transmitting and consuming energy. Semiconductors reduce the energy consumed by electronic devices, enabling systems that make the way we live and work greener. As the global leader in power semiconductors, Infineon's products and solutions allow energy to be generated more efficiently and from renewable sources.

Application examples

- **Empowering the energy revolution:** Leading power devices and subsystems for renewables and efficient energy transmission and storage
- **Turning eMobility into reality:** Innovative IC solutions for xEVs, eBikes and eScooters
- **Ensuring uninterruptible power supplies:** Power components for reliable UPS systems
- **Optimizing performance:** MCUs and power semiconductors for smart motor controls / drives
- **Advancing the future of light:** LED driver ICs, MOSFETs and sensors for lighting applications

Mobility



Megatrends like demographic shifts, social change and urbanization are accentuating the need to manage rising public and private traffic volumes while mitigating the environmental and climate impact of this traffic. Sustainable, smart mobility solutions are essential given the growing scarcity of natural resources.

Through its semiconductors, Infineon is building more intelligence, responsiveness and autonomy into transport systems – enabling mobility solutions ranging from eBikes through hybrid and fully electric vehicles to underground and high-speed trains.

Application examples

- **Making mobility clean:** Efficient semiconductors for electric drivetrains and CO_2 reduction
- **Making autonomous driving safe and reliable:** Chip solutions for automated driving applications (from ADAS to autonomous driving)
- **Making mobility smart:** Broad product portfolio of sensors and security ICs for individual convenience and connectivity

Security

In an increasingly digital world with more and more connected devices, people want to interact and communicate in a secure way that protects their data against theft and misuse. Securing electronic devices and infrastructures is a number one priority. Addressing this need for security is one of Infineon's key competencies.

With more than 30 years of experience in the security market, Infineon offers tailored and ready-to-use security solutions serving a wide range of applications from smart cards, passports and cars to new and emerging use cases.

Application examples

- **Securing eGovernment:** Security solutions for electronic ID applications
- **Building trust in security:** Hardware-based security solutions for reliable device authentication and trusted computing
- **Protecting smart factories:** High-quality ICs and state-of-the-art encryption technologies for highly secure M2M communication
- **Safeguarding connected cars:** Advanced security solutions for connected mobility

IoT & big data

In today's digital world, more and more things are connected to the Internet. The volume of data generated, transferred and stored is rising day by day, so too is the need for high-speed and low-latency communication.

With its sensors, controllers, power devices and authentication products, Infineon enables smart, secure and power-efficient IoT solutions for smart devices, homes, cities, factories and vehicles. It provides cutting-edge power solutions for data centers and servers as well as leading RF chipsets supporting mission-critical infrastructures like 5G.

Application examples

- **Sensing the connected world:** Highly reliable and precise sensors for automotive, industrial and general applications
- **Implementing Industry 4.0:** Innovative IC solutions for digital automation and robotics
- **Driving hyper-scale data centers and cloud computing:** Cutting-edge power usage effectiveness (PUE) for server farms and reliable TPM solutions to secure data in the cloud
- **Enabling smart infrastructures:** Advanced semiconductor solutions for smart cities, smart grids and next-gen wireless communication

Our strategy is targeted at value creation through sustainable profitable growth

Focus	Technology leadership	System understanding
› Focus on fastest growing segments of semi market › Tackle global megatrends	› Leverage core competencies in different end markets to maximize ROI	› Create value for customers through system understanding

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

Average-cycle financial targets

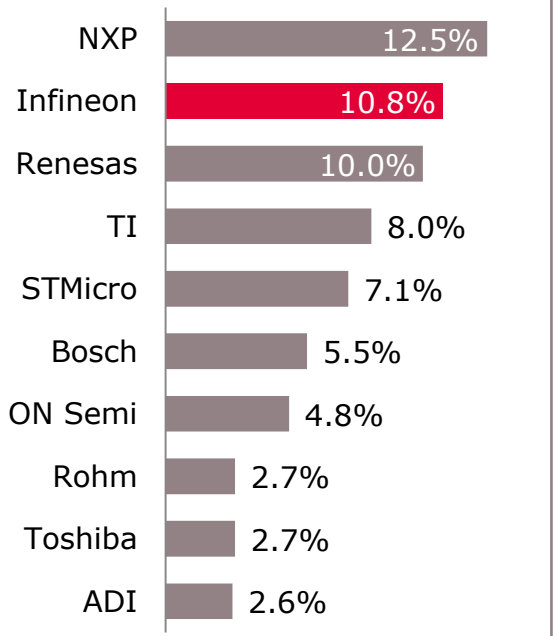
~9% p.a.	~17%+	~15%
Revenue growth	Segment Result margin	Investment-to-sales (thereof capex*: ~13%)

* Infineon reports under IFRS

Top positions in all major product categories

Automotive semiconductors

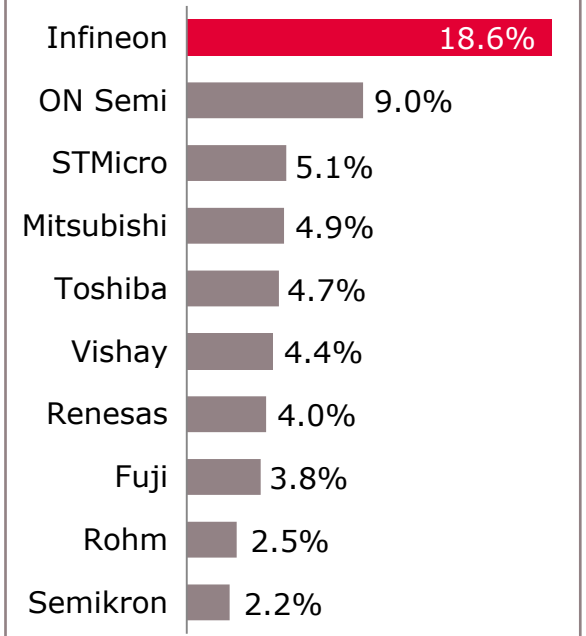
total market in 2017: $34.5bn



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

Power discretes and modules

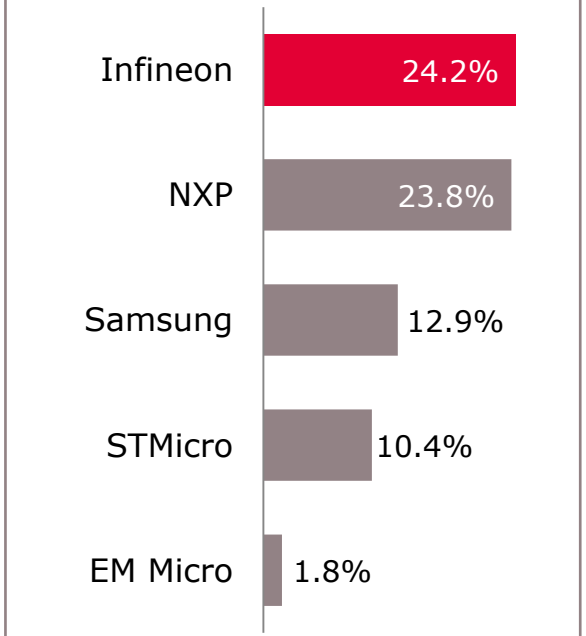
total market in 2017: $18.5bn



Source: Based on or includes content supplied by IHS Markit, Technology Group, "Power Semiconductor Market Share Database 2017", September 2018

Security ICs

total market in 2017: $3.3bn



Source: ABI Research, "Smart card & secure ICs", October 2018

The outlook for the global semiconductor market remains positive

Global Semiconductor Market

Market size in billion US-Dollar

Source: WSTS for historical data. Forecast: ∅ of WSTS, IHS Markit Technology Group, Gartner, IC Insights; last update November 2, 2018

Financial Year 2018: Revenue Split by Segment

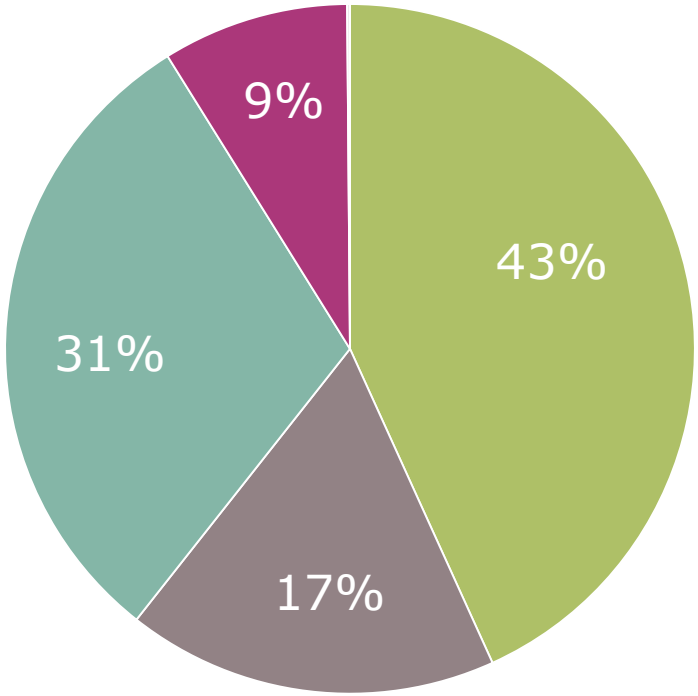
FY 2018 Revenue: € 7,599 m

Digital Security Solutions

€ 664 Mio.

Power Management & Multimarket

€ 2,318 Mio.



Automotive

€ 3,284 Mio.

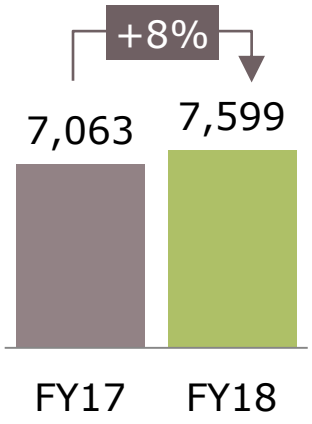
Industrial Power Control

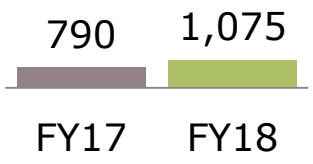
€ 1,323 Mio.

* Other Operating Segments; Corporate & Eliminations

Infineon Group
Results for FY 2017 and FY 2018

Revenues	Net Income



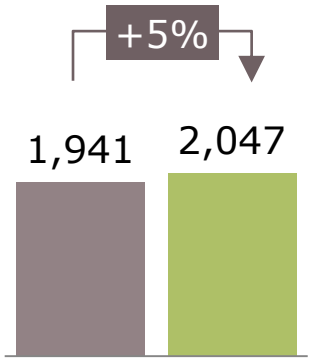


[€ Million]	2017	2018
Revenues	7,063	7,599
Segment Result (SR)	1,208	1,353
SR Margin	17.1%	17.8%
Net Income	790	1,075
Free Cash Flow	594	618
Investments	1,022	1,254
Net Cash	618	1,011
Market capitalization*	~24,039	~22,134

*share price as of September 30th, 2017: 21.27 Euro; share price as of September 30th, 2018: 19.57 Euro

Infineon Group
Results for Q3 FY18 and Q4 FY18

Revenues



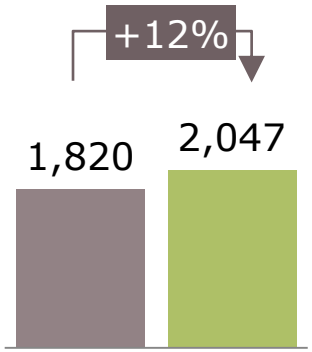
Net Income

Q3 FY18 Q4 FY18

[€ Million]	Q3 18	Q4 18
Revenues	1,941	2,047
Segment Result (SR)	356	400
SR Margin	18.3%	19.5%
Net Income	271	141
Free Cash Flow	192	227
Gross Cash Position	2,621	2,543
Net Cash Position	792	1,011

Infineon Group
Results for Q4 FY17 and Q4 FY18

Revenues

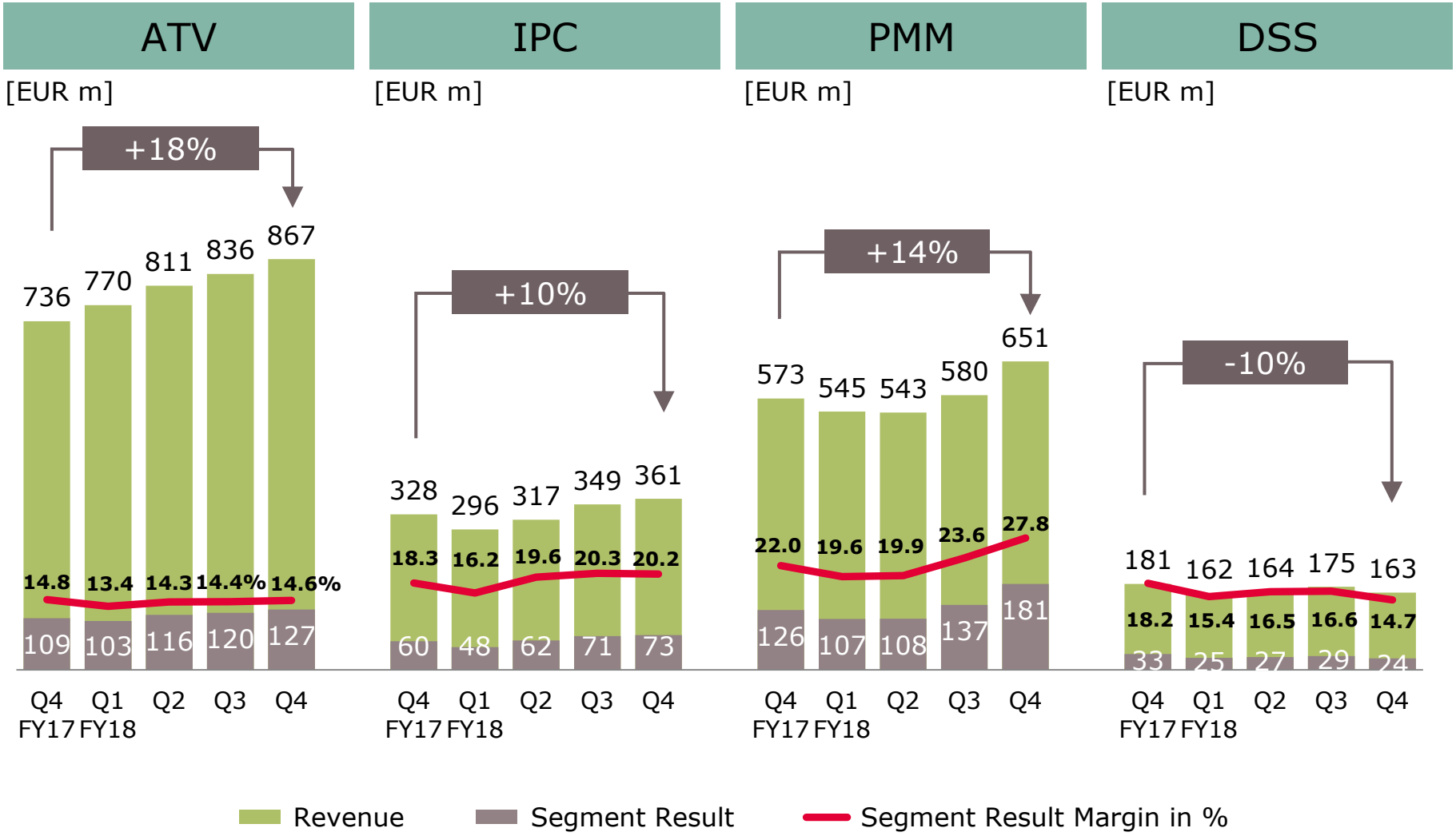


Net Income

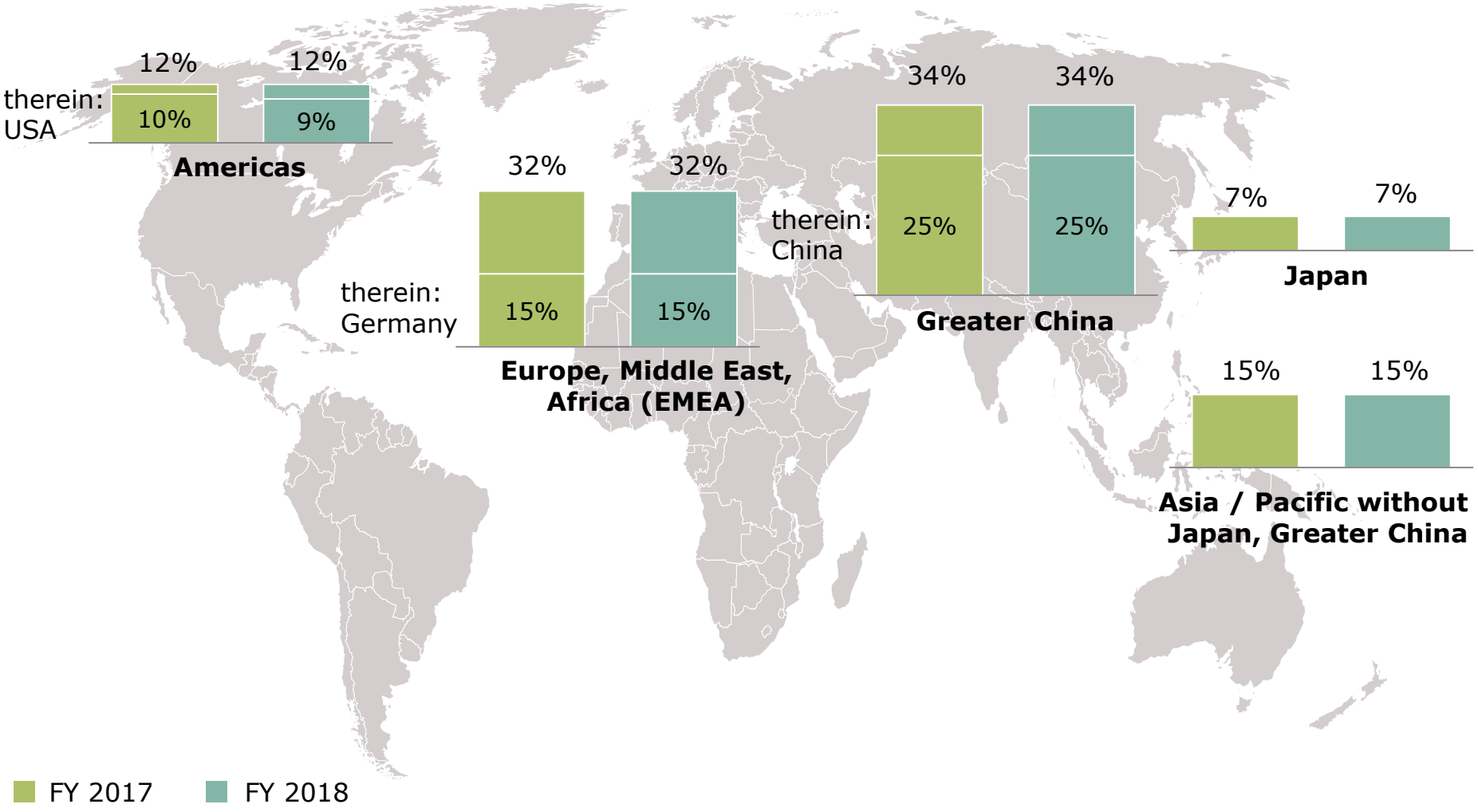
Q4 FY17 Q4 FY18

[€ Million]	Q4 17	Q4 18
Revenues	1,820	2,047
Segment Result (SR)	328	400
SR Margin	18.0%	19.5%
Net Income	176	141
Free Cash Flow	249	227
Gross Cash Position	2,452	2,543
Net Cash Position	618	1,011

Revenue by Segment
Q4 FY2018



Revenue split by regions FY 2017 and FY 2018



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

Automotive: We shape the future of mobility with microelectronics enabling clean, safe, smart cars.

Clean

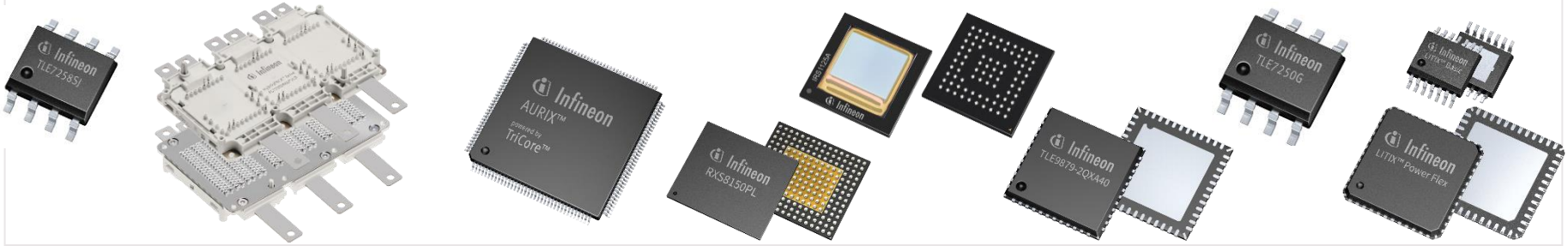
- Clean combustion engines
- Efficient energy management
- Electrified drivetrain

Safe

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

Smart

- Individual convenience
- Secure connectivity, data integrity and privacy



Industrial Power Control:
We empower a world of unlimited energy.

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 trans-mission (HVDC)

Traction

- High speed trains
- Locomotives
- Subway
- Light rails

Power Management & Multimarket:
We drive leading-edge power management, sensing and data transfer capabilities.

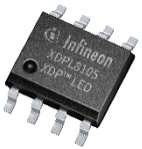
Energy Efficiency

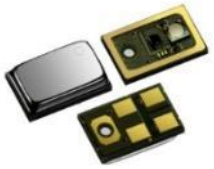
IoT & Big Data

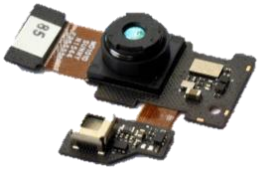
Charging	Battery powered	Lighting	Data Centers	Cellular infra-structure	Ambient Sensing	Mobile devices

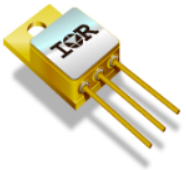
- MOSFETs
- Power ICs
- Medium voltage drives
- Servo drives

- SMPS
- RF switches
- Si-Mics
- Environmental Sensors
- Time of Flight



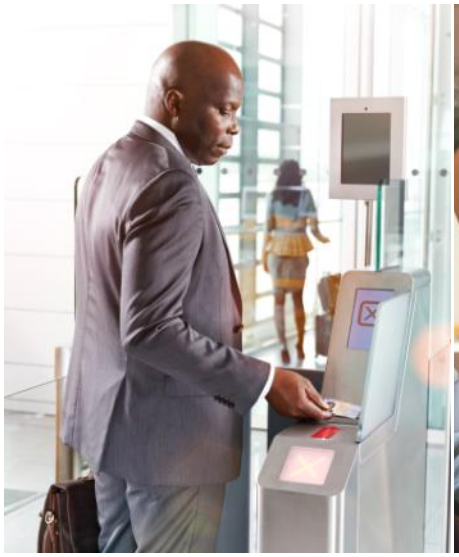






Digital Security Solutions:
We deliver security for the connected world.

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

- 32-bit automotive microcontrollers for powertrain, safety and driver assistance systems
- 3D ToF sensors
- Discrete power semiconductors
- Magnetic and pressure sensors
- IGBT-Module
- Industrial microcontrollers
- Power ICs
- Radar sensor ICs (77 GHz)
- Voltage regulators
- Transceivers (CAN, LIN, Ethernet, FlexRay™)

Industrial Power Control

- Bare die business
- Discrete IGBTs
- IGBT modules (low-power, medium-power, high-power)
- IGBT module solutions incl. IGBT stacks
- Intelligent power modules with integrated control unit, driver and switch
- Silicon carbide MOSFETs and modules
- Driver ICs

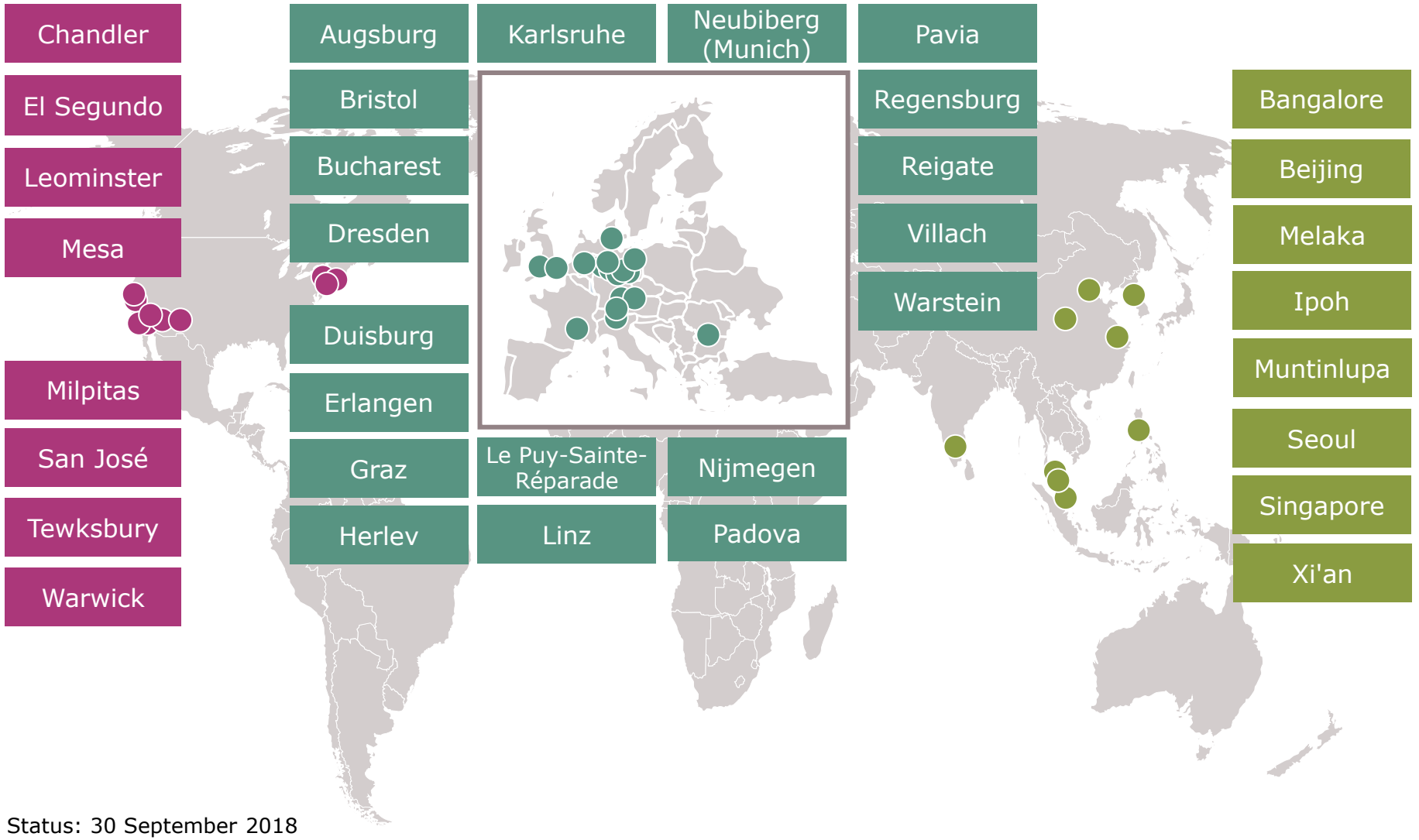
Power Management & Multimarket

- Control ICs
- MEMS and ASICs for silicon microphones
- Discrete low-voltage and high-voltage power transistors
- MEMS and ASICs for pressure sensors
- GPS low-noise amplifier
- RF antenna switches
- RF power transistors
- Customized chips (ASICs)
- Low-voltage and high-voltage driver ICs
- Radar sensor ICs (24 GHz, 60 GHz)
- TVS (transient voltage suppressor) diode
- silicon carbide diodes

Digital Security Solutions

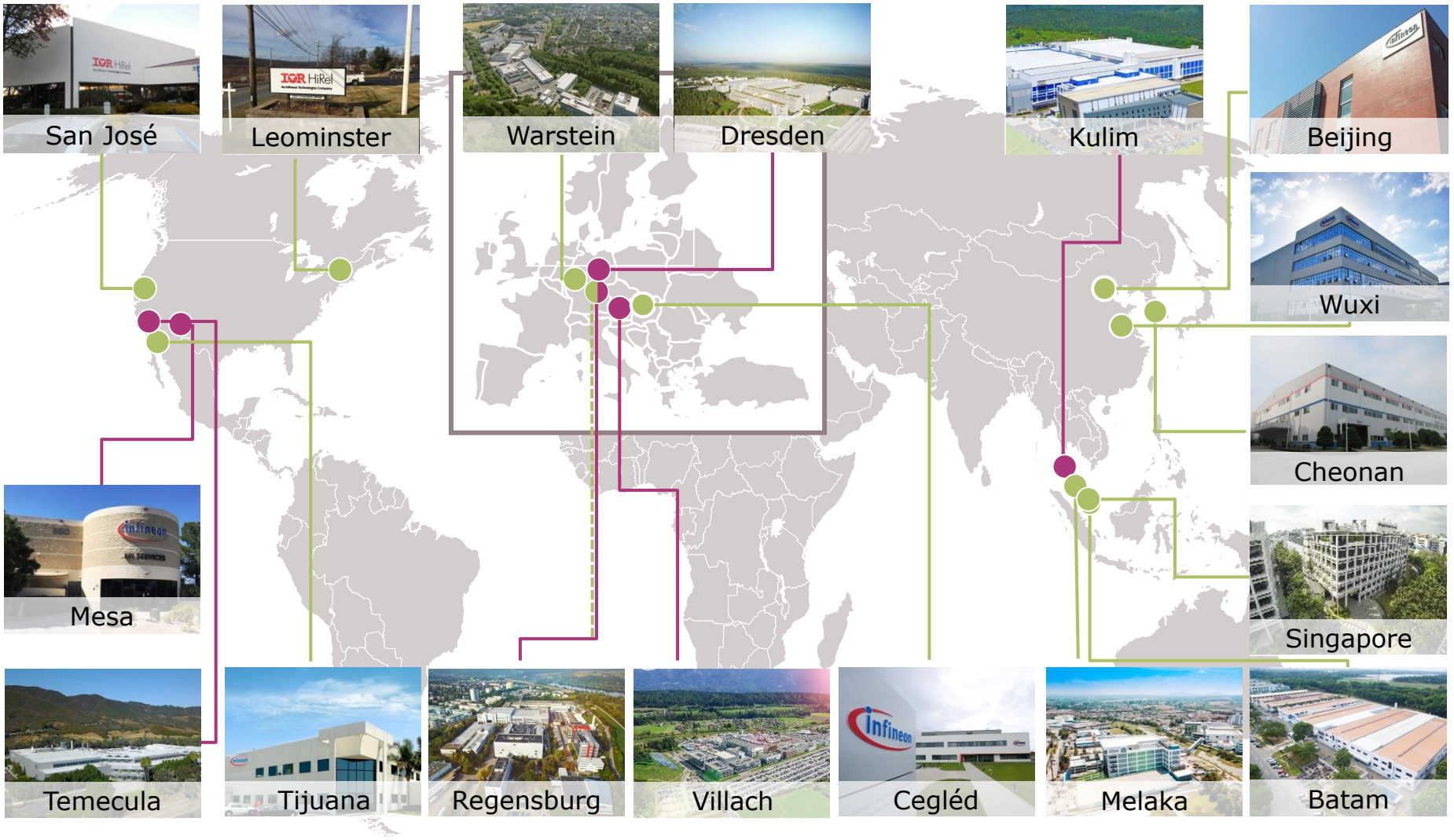
- Embedded security controllers
- Contact-based security controllers
- Contactless security controllers
- Dual-interface security controllers (contact-based and contactless)

Our global R&D network



Status: 30 September 2018

Worldwide manufacturing sites frontend and backend



Stand: 30. September 2018

Our global sales network

Status: 30 September 2018

Corporate Social Responsibility (CSR)

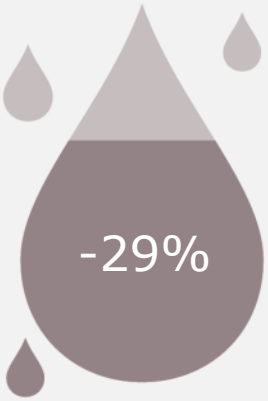
- CSR comprises our **voluntary commitment** in: Human Resources Management and Human Rights, Environmental Sustainability, Occupational Safety and Health, Corporate Citizenship*, CSR Supply Chain Management as well as Business Ethics.
- Infineon entered the **UN Global Compact** as one of the first 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 fourth time in the **Dow Jones Sustainability World Index** in 2018 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.

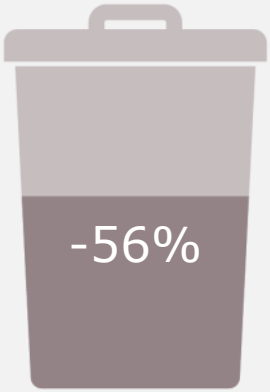
Corporate Social Responsibility
We are excellent in resource efficiency

At Infineon, less is more

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



About **29% less** water consumed per square centimeter manufactured wafer than the global average



About **56% 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

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Infineon

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