Third Quarter FY 2021 Quarterly Update

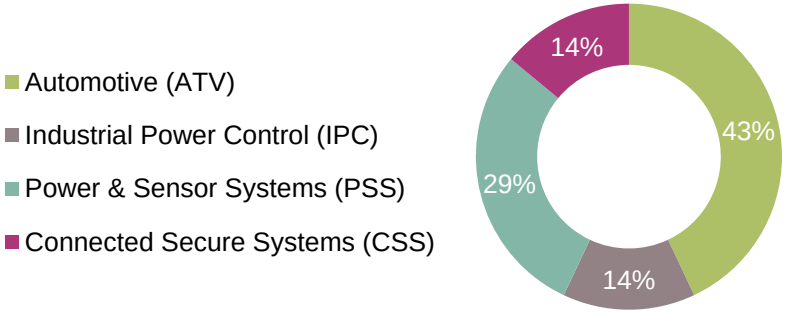
Infineon Technologies AG
Investor Relations

Infineon at a glance

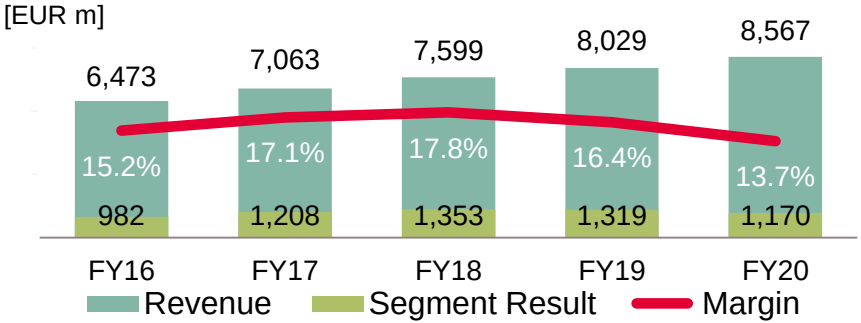
Addressing long-term high-growth trends

- IoT (edge comp., data center, 5G, sensing, connectivity)
- electro-mobility
- assisted driving, autonomous driving
- energy efficiency, renewables, EV infrastructure
- security

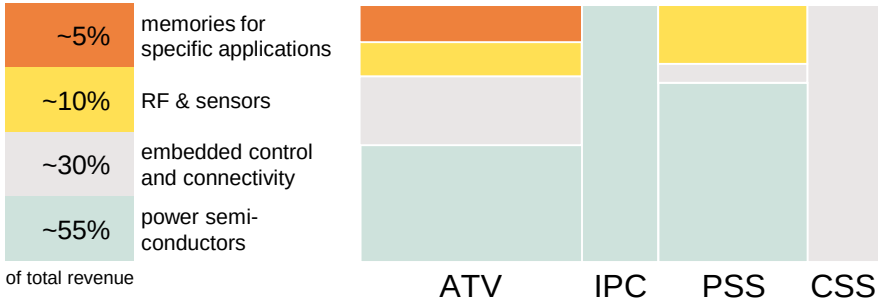
Illustrative aggregated FY20 revenue by segment



Financials

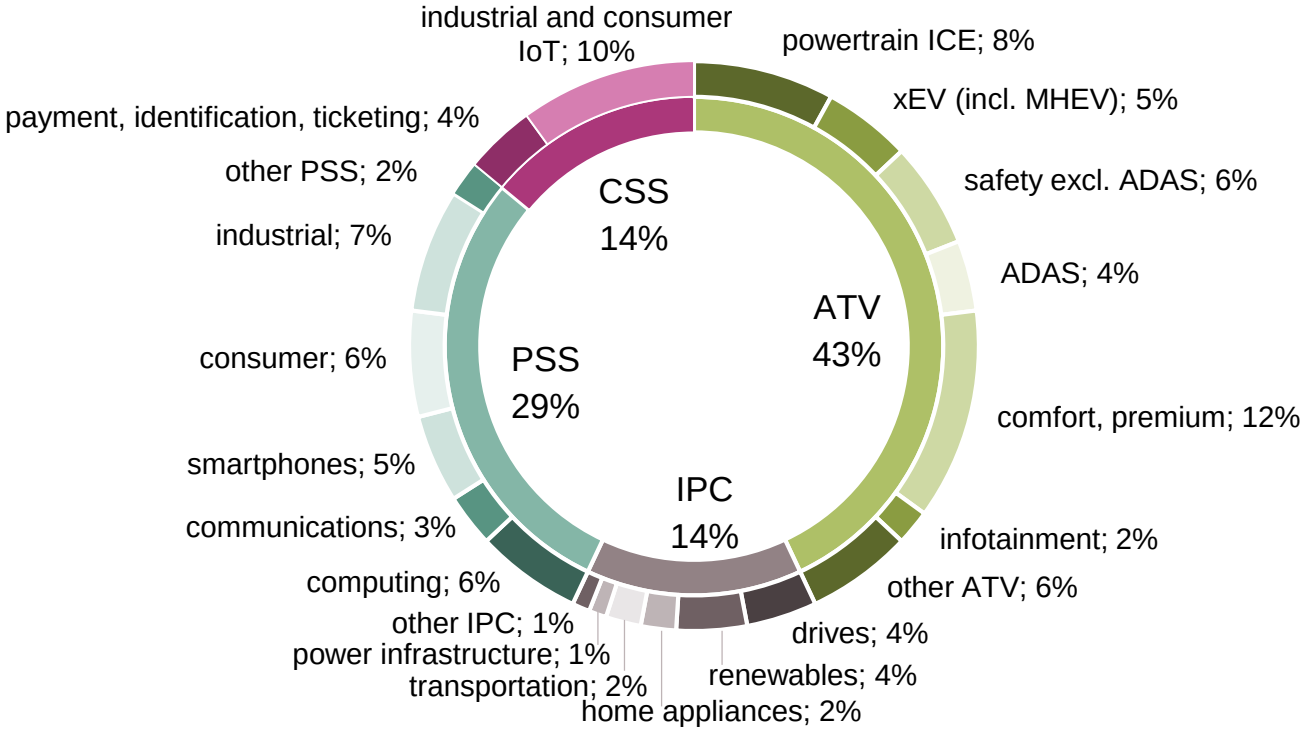


Illustrative aggregated FY20 revenue by product category



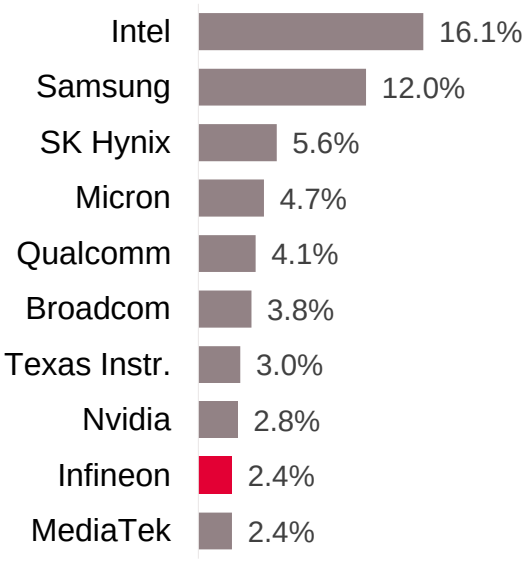
Illustrative aggregated FY20 revenue including contribution from Cypress of ~€1,900m from 1 Oct 2019 through 30 Sep 2020

Illustrative aggregated FY20 revenue of ~€9,600m by target application

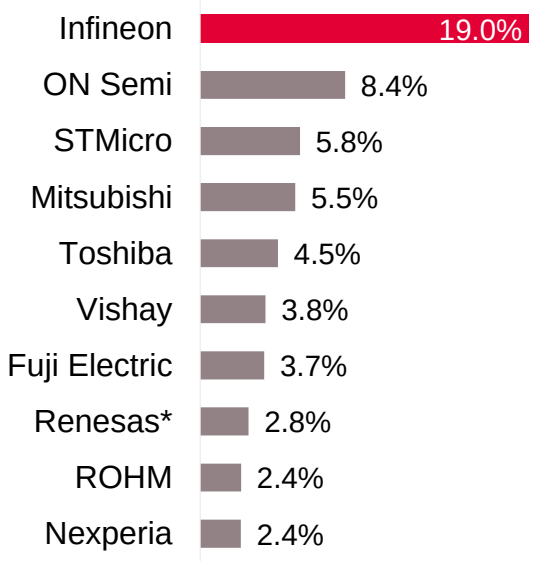


Infineon is a global top-10 player, #1 in power semiconductors, and ranked #3 in the overall microcontroller market

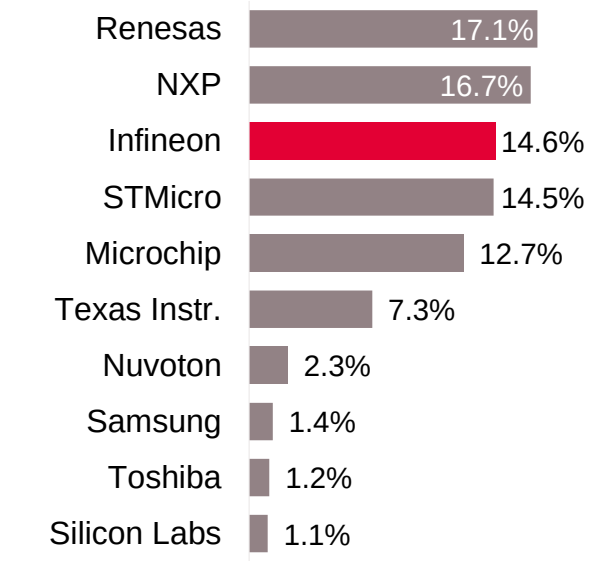
Semiconductor suppliers
2020 total market: $473bn[1)]



Power discretes and modules
2019 total market: $21.0bn[2)]

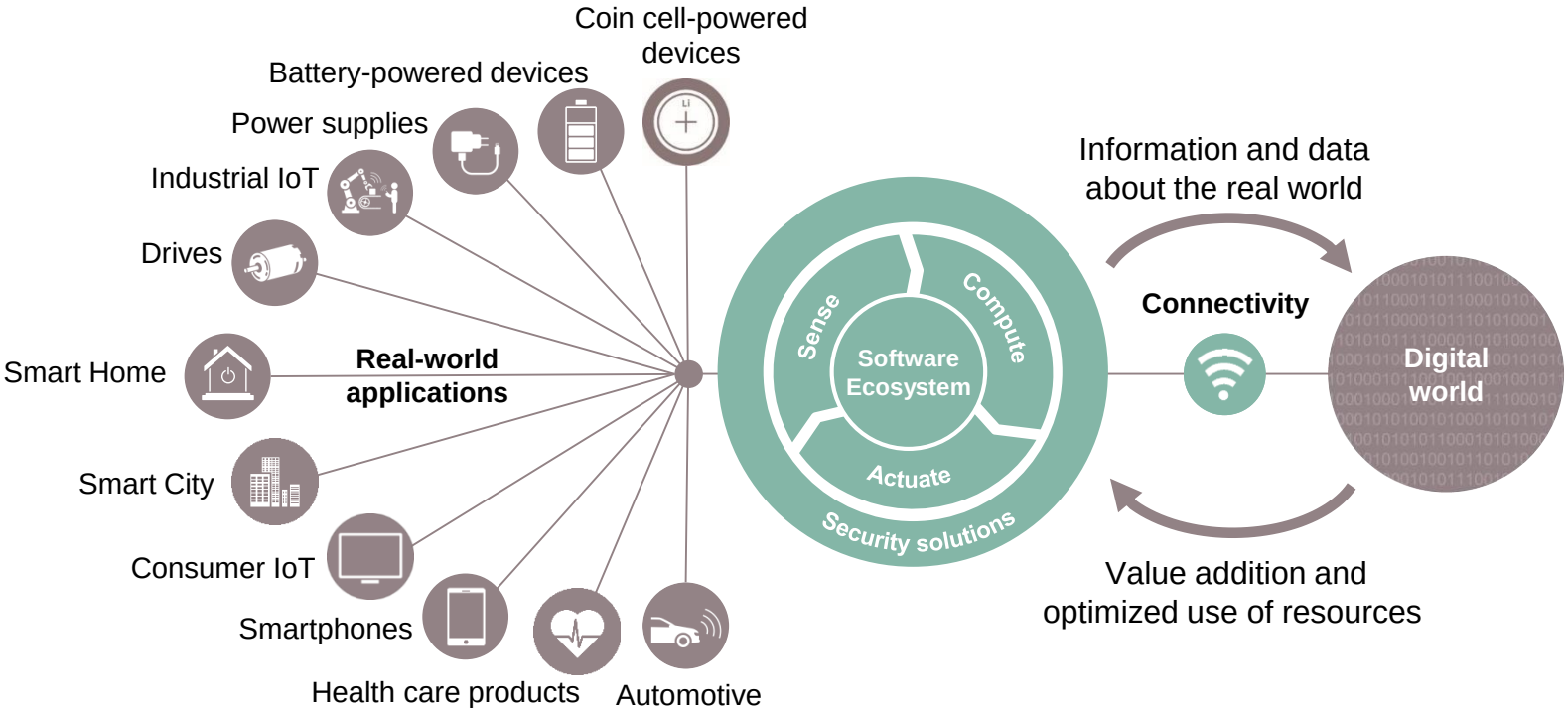


MCU suppliers
2020 total market: $17.3bn[1)]



* Renesas acquired Integrated Device Technology in March 2019. Both companies were combined as Renesas in the 2019 ranking.
1) Based on or includes research from Omdia: *Annual 2001-2020 Semiconductor Market Share Competitive Landscaping Tool – Q4 2020*. March 2021.
2) Based on or includes research from Omdia: *Power Semiconductor Market Share Database – 2020.* September 2020.
Results are not an endorsement of Infineon Technologies AG. Any reliance on these results is at the third party's own risk.

Infineon offers a unique portfolio that links the real and the digital world



Sense: sensors | Compute: microcontrollers, memories | Actuate: power semiconductors | Connectivity: Wi-Fi, Bluetooth, USB

Outlook for Q4 FY21 and FY21

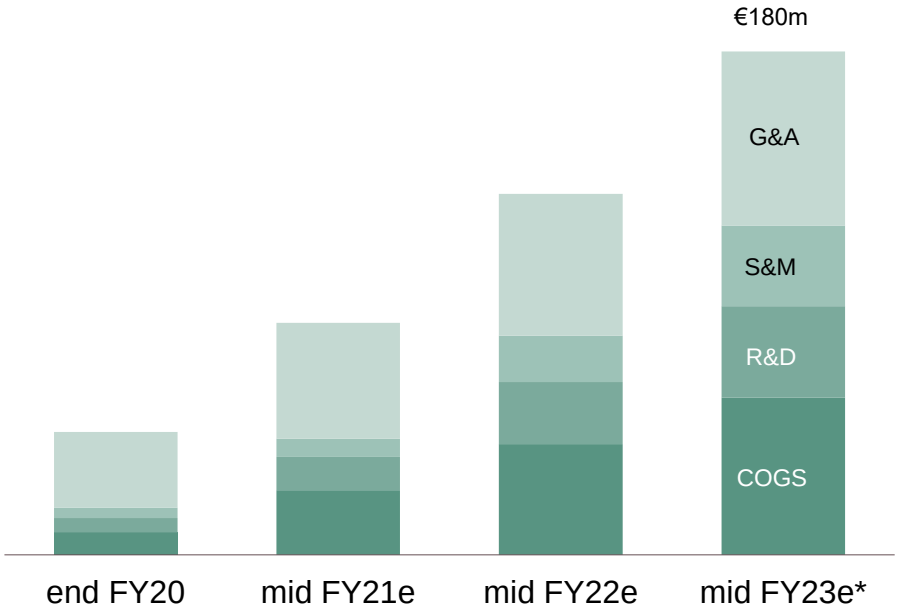
	Outlook Q4 FY21*	Outlook FY21*
Revenue	~ €2.9bn	~ €11.0bn
Segment Result Margin	~ 19%	> 18%
Investments in FY21		~ €1.6bn
D&A in FY21		€1.5bn – €1.6bn**
Free cash flow in FY21		~ €1.5bn (prev.: > € 1.2bn)

* Based on an assumed average exchange rate of $1.20 for €1.00

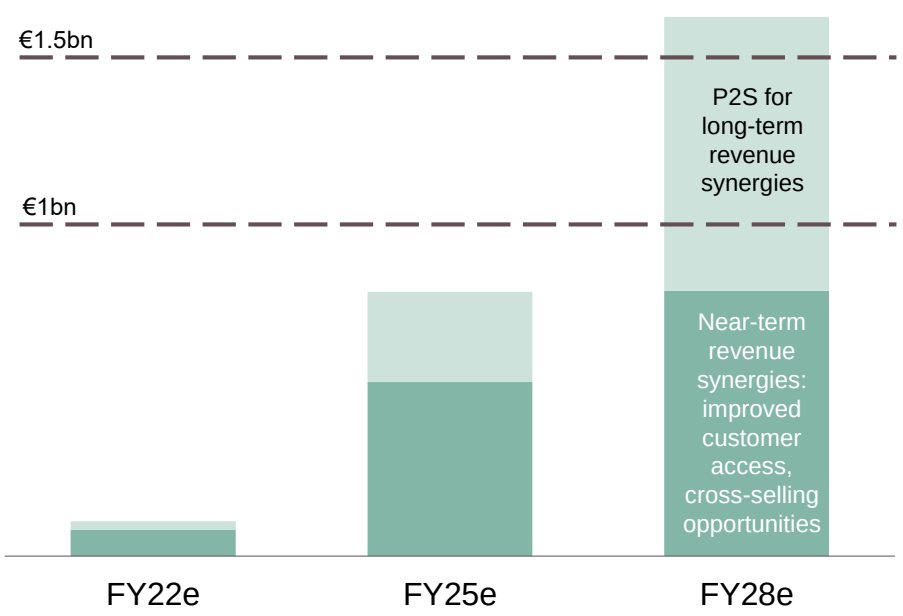
** Including the effects of the purchase price allocation for Cypress and, to a lesser extent, International Rectifier

Reaping of synergies on track

Planned ramp-up of cost synergies



Planned ramp-up of revenue synergies



Expected integration and restructuring costs equivalent to ~1x cost synergies one-off over time.

* Expected cost synergies of €180m p.a. gradually ramping up over approximately three years after closing (16 April 2020).

Infineon’s through-cycle target operating model

	Target Operating Model Infineon financial performance to approach targets as Cypress integration progresses
Revenue growth 	9%+
Segment Result Margin 	19%
Investment-to-sales 	13%

ESG: targets and achievements

Our products and innovations together with an efficient production are key elements to deal with climate change

We contribute a CO_2 reduction of more than 54 million tons

* The increase in the burden of CO_2 equivalents can mainly be explained by including manufacturing service providers for the first time into the calculation

Our net ecologic CO2 benefit is equal to…

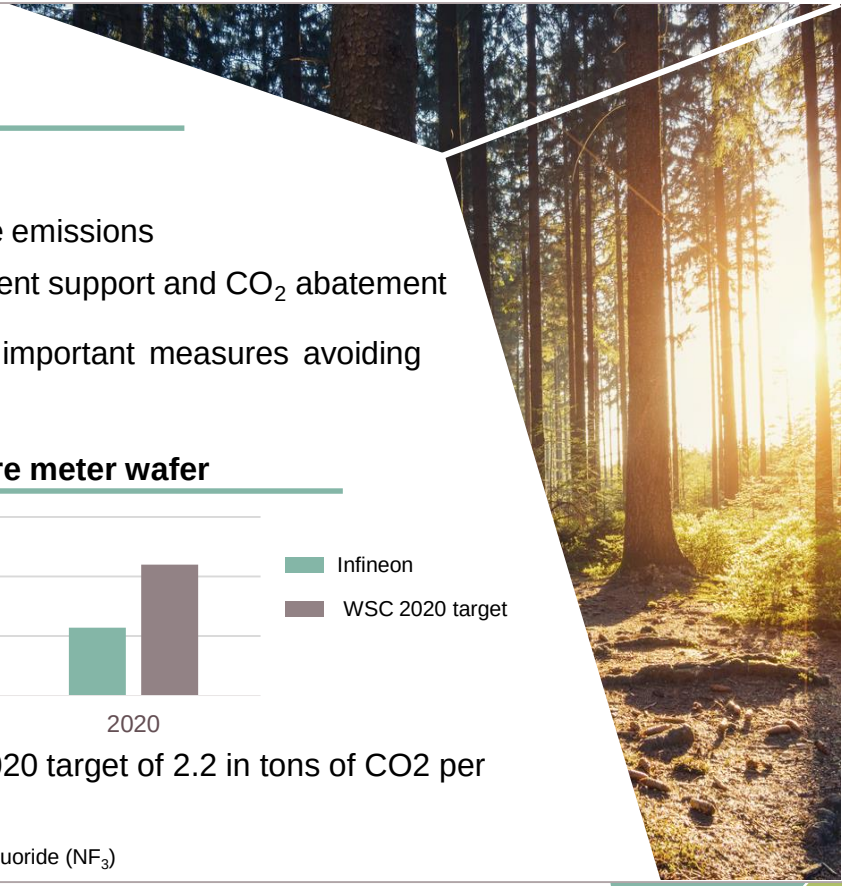
The savings of a 1,874 km ² photovoltaic powerplant.[3)]

The average annual electricity consumption of about 90 million people living in Europe.[4)]

50,000 fully occupied flights of an Airbus A380 from Munich to Singapore.[5)]

For explanatory notes see appendix

Infineon will become carbon-neutral by 2030

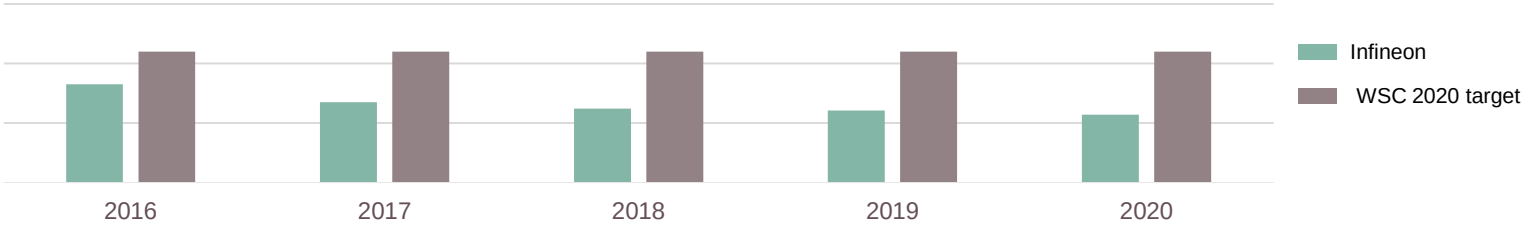


70% CO_2 emissions reduction target in 2025 (scope 1 and 2 emissions)

1. Avoiding direct emissions and further reducing energy consumption
2. Purchasing green electricity with guarantees of origin for unavoidable emissions
3. Compensate the smallest part by certificates that combine development support and CO_2 abatement

Abatement of Perfluorinated Compounds (PFC's)[1] is one of the most important measures avoiding direct emissions.

Normalized PFC emissions rate in tons of CO2 equivalent per square meter wafer



Historically, Infineon's normalized emission rate has been below WSC 2020 target of 2.2 in tons of CO2 per square wafer

1) Namely perfluorinated and polyfluorinated carbon compounds, sulfur hexafluoride (SF_6) and nitrogen trifluoride (NF_3)

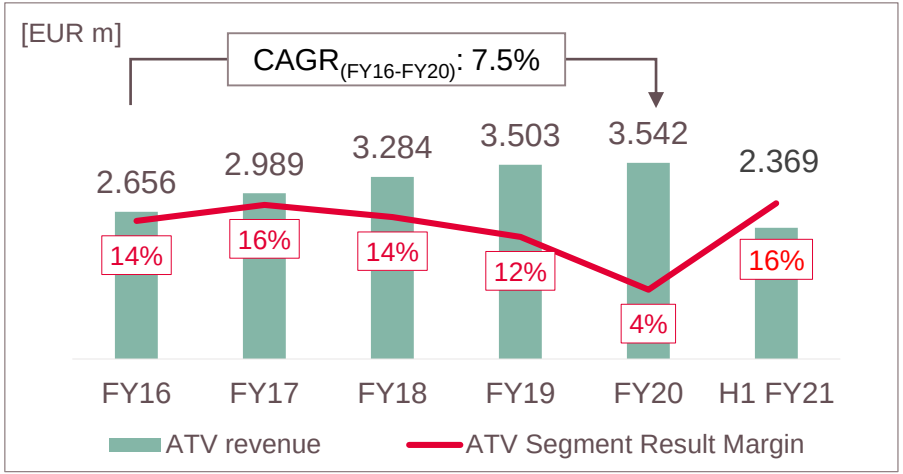
External recognitions confirm our engagement in contributing to a sustainable society

	Rating/Score	Scale	Date
MSCI ESG	AA	CCC to AAA	02/2021
CDP	B climate scoring B water scoring	F to A	12/2020
Ecovadis	98th percentile “Gold” award	0 to 100	11/2020
Dow Jones Sustainability Index	81 Dow Jones Sustain-ability™ World and Europe Index listing	0 to 100	11/2020
Ethibel Sustainability Index Excelence Europe”	Index member	-	05/2020
ISS ESG Corporate Rating	B- Prime Status	D- to A+	01/2021
FTSE4Good Index	Index member	-	06/2021
Euronext Vigeo Eurozone 120 Index Euronext Vigeo Europe 120 Index	Indices member	-	06/2020
Sustainalytics	77 “Outperformer” level	0 to 100	06/2020

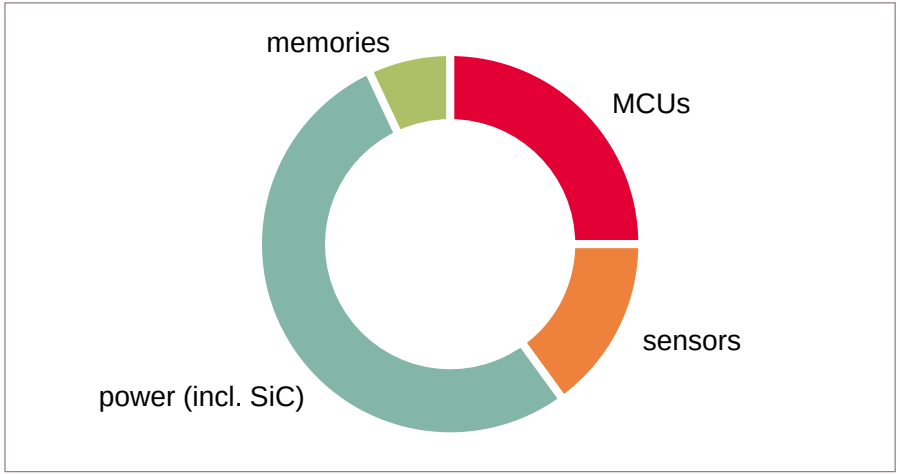
Automotive

ATV at a glance

ATV revenue and Segment Result Margin



FY20 revenue split by product group



Key customers

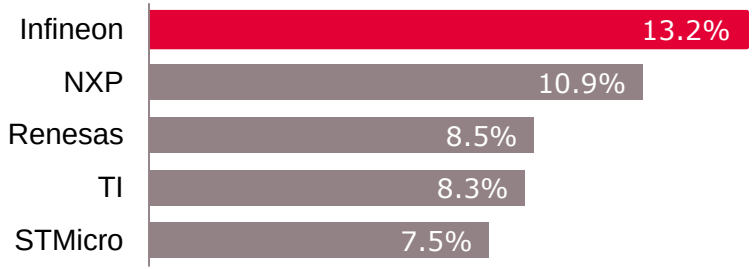
APTIV · BOSCH · BYD 比亚迪汽车 · Continental · DENSO · HELLA · HITACHI · HYUNDAI · KEIHIN · LEAR CORPORATION · Mando · MITSUBISHI ELECTRIC · Nidec · Valeo · veoneer · ZF

Market outlook for ATV division's target applications

Applications	Market Outlook for CY21	Market Outlook for CY22
	› CY21 market recovery hindered by semiconductor shortages as well as new COVID-19 outbreaks › Continued market uncertainties mainly due to COVID-19 pandemic	› Gradual easing of semiconductor shortages is expected › Uncertainties around COVID-19 pandemic into CY22 › Around 90m light vehicles expected to be produced
	› Incentives and CO_2 regulations should keep demand high › Improving consumer sentiment around sustainability theme › Steady investments in EV charging infrastructure further lowers reservation towards EVs	› Electro-mobility momentum expected to continue › Government incentives, CO_2 regulations as well as consumer demand expected to support the growth momentum
	› Further increase in L1 and L2 penetration expected › L2+ shipments still at the inital phase	› L1 and L2 will see strong growth at the expense of L0 › L2+ shipments will grow from a comparatively small base

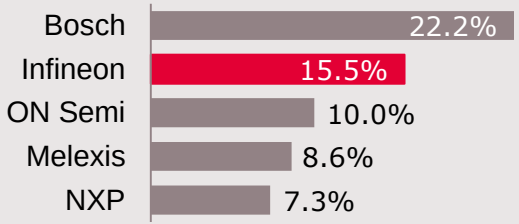
Infineon's top market position is built on system competence based on an industry-leading product portfolio

Automotive semiconductors (2020 total market: $35.0bn)

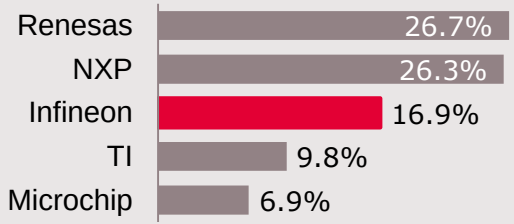


- Strengthened #1 position; increasing distance to #2
- #1 in power semiconductors
- Undisputed #1 in automotive NOR Flash memory ICs
- #2 position in sensors
- Solid #3 position in microcontrollers due to strong demand in AURIX™, TRAVEO™ and PSoC™ families

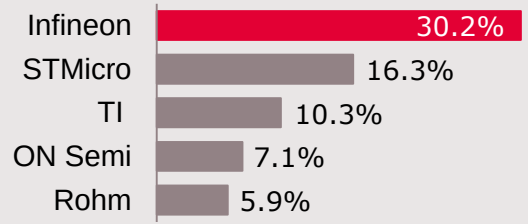
Sensors



Microcontrollers



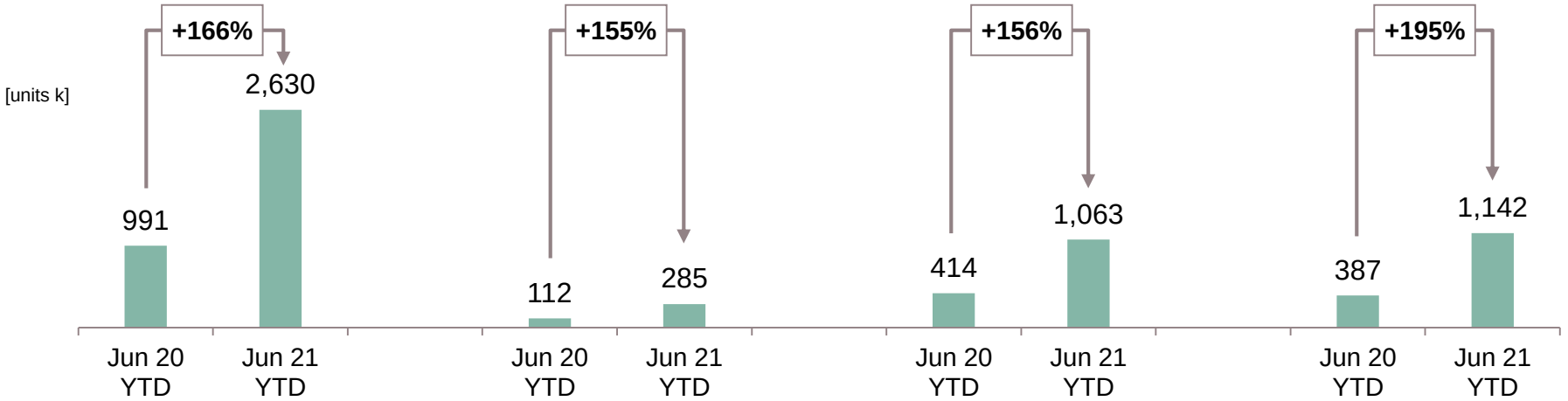
Power semiconductors



Strategy Analytics: *Automotive Semiconductor Vendor Market Shares*. April 2021.

Electro-mobility

During H1 CY21, xEV (PHEV + BEV) sales more than doubled y-y in all regions; market figures indicate no slow down of e-mobility boom



Source: IHS Markit: *PEV Volumens, preliminary numbers*. July 2021

The road to emission-free cruising: Governments and OEMs indicated when to ban the ICE

Government regulations

2035:
- EU: all new cars zero-emission.
- China: public transport vehicles to be fully electrified.
- Canada: no new ICE on sales.
- California, Massachusetts, New Jersey, Thailand: no ICE on the street.

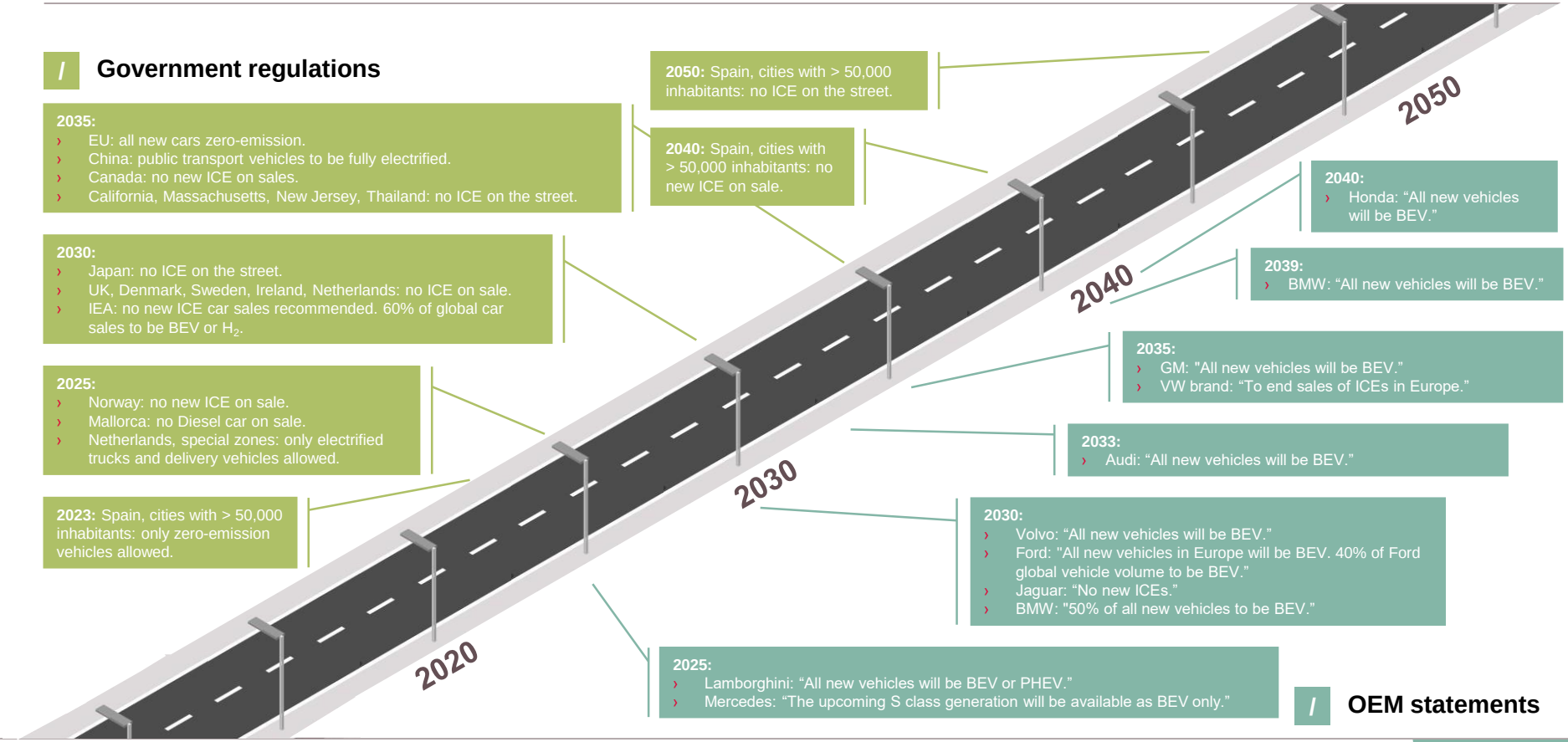
2030:
- Japan: no ICE on the street.
- UK, Denmark, Sweden, Ireland, Netherlands: no ICE on sale.
- IEA: no new ICE car sales recommended. 60% of global car sales to be BEV or H_2.

2025:
- Norway: no new ICE on sale.
- Mallorca: no Diesel car on sale.
- Netherlands, special zones: only electrified trucks and delivery vehicles allowed.

2023: Spain, cities with > 50,000 inhabitants: only zero-emission vehicles allowed.

2050: Spain, cities with > 50,000 inhabitants: no ICE on the street.

2040: Spain, cities with > 50,000 inhabitants: no new ICE on sale.



OEM statements

2040:
- Honda: “All new vehicles will be BEV.”

2039:
- BMW: “All new vehicles will be BEV.”

2035:
- GM: "All new vehicles will be BEV.”
- VW brand: “To end sales of ICEs in Europe.”

2033:
- Audi: “All new vehicles will be BEV.”

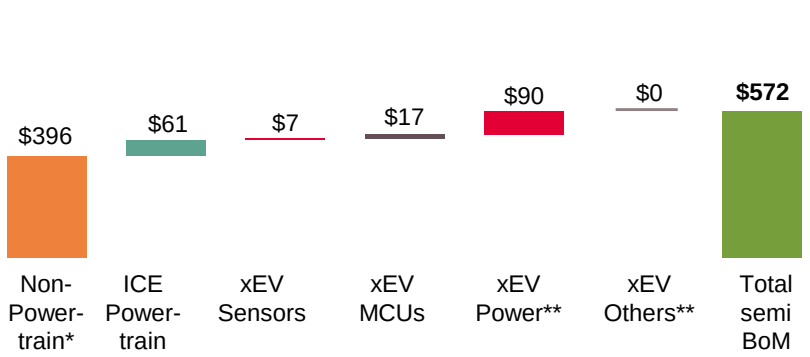
2030:
- Volvo: “All new vehicles will be BEV.”
- Ford: "All new vehicles in Europe will be BEV. 40% of Ford global vehicle volume to be BEV.”
- Jaguar: “No new ICEs.”
- BMW: "50% of all new vehicles to be BEV.”

2025:
- Lamborghini: “All new vehicles will be BEV or PHEV.”
- Mercedes: “The upcoming S class generation will be available as BEV only.”

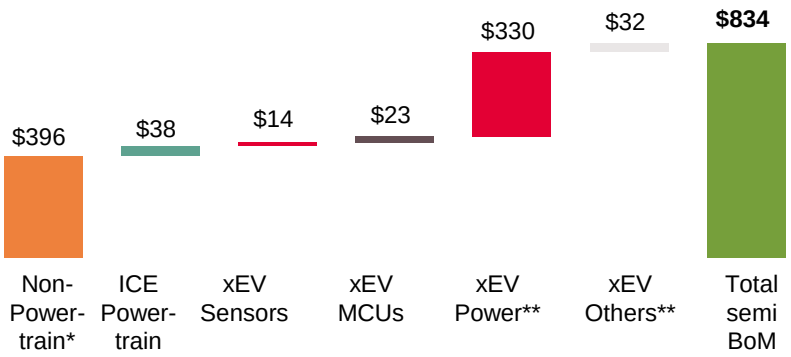
The incremental content of power semiconductors in xEV is a significant opportunity for Infineon

2020 average xEV semiconductor content by degree of electrification

48 V / Mild Hybrids



Full & Plug-in Hybrids and Battery Electric Vehicles



2020	2.3m vehicles	6.1m vehicles
2022e	5.8m vehicles	12.2m vehicles
2025e	18.8m vehicles	21.0m vehicles
2030e	27.3m vehicles	32.0m vehicles

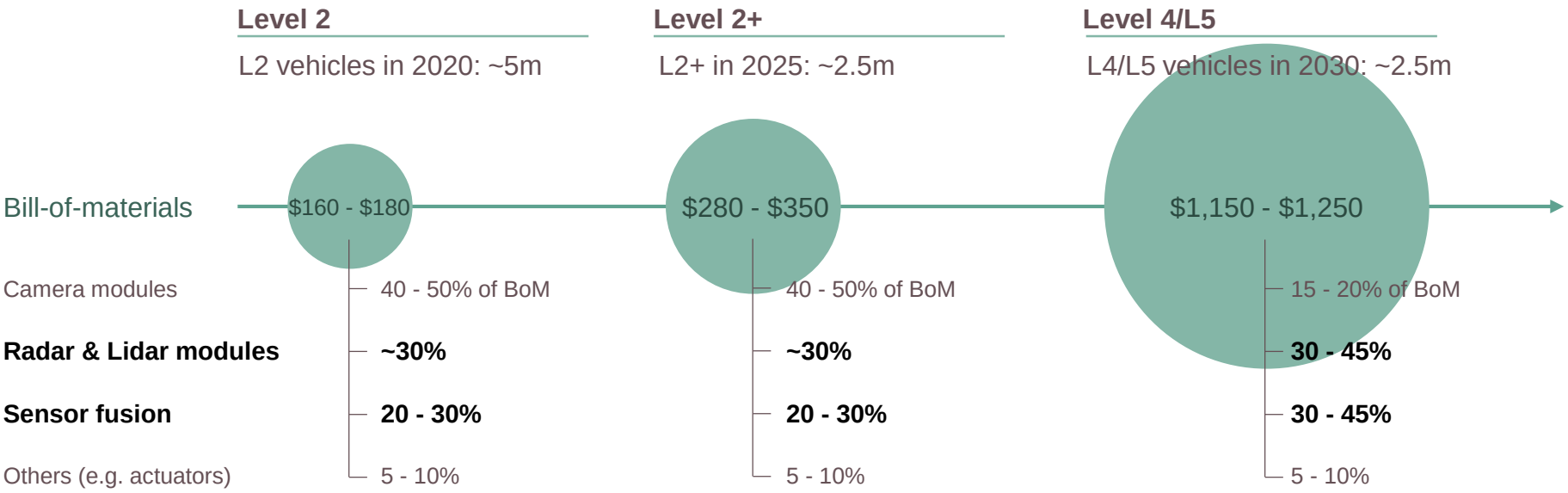
* Non-Powertrain: average semiconductor content in body, chassis, safety and infotainment application segments
** "power" includes voltage regulators and ASIC; "others" include opto, small signal discretes, memory

Sources: Infineon; based on or includes content supplied by IHS Markit, Automotive Group: *Alternative Propulsion Forecast.* July 2020;
Strategy Analytics: *Automotive Semiconductor Demand Forecast 2018-2027* and *Automotive Sensor Demand 2018-2027.* July 2020

Automated Driving

Radar/Lidar modules and sensor fusion will grab the lion's share of semiconductor BoM in ADAS/AD-equipped cars

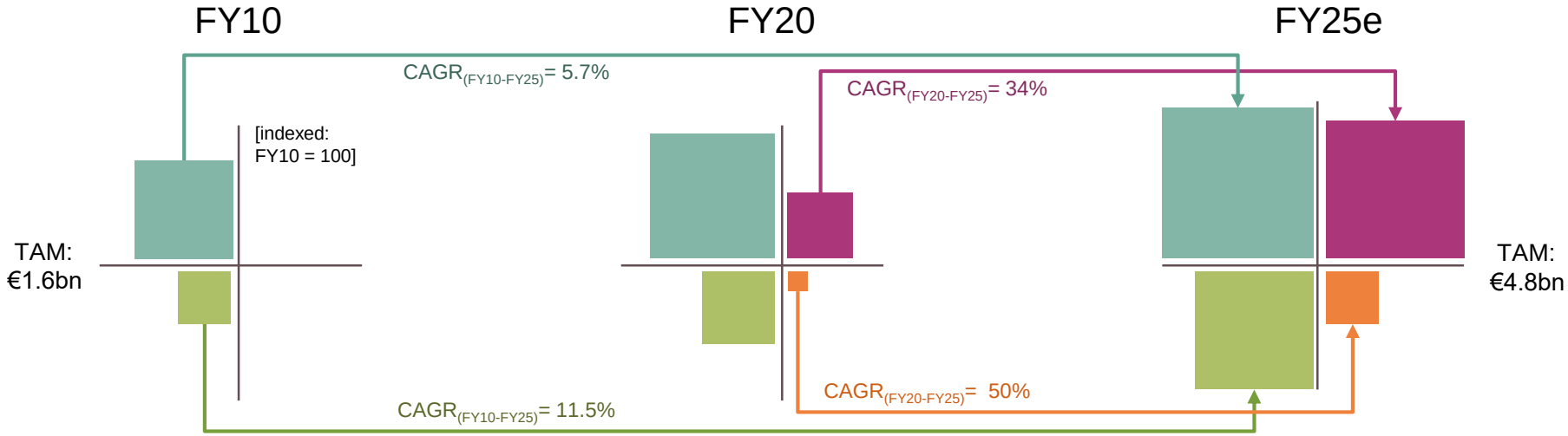
Incremental average semiconductor content per car by level of automation at the given years



BoM contains all type of semiconductors (e.g. radar modules include µC); sensor fusion does not include memory. BoM are projected figures for the respective time frame
Sources: Strategy Analytics: *Automated Driving Semiconductor Market Estimate.* August 2020; Infineon.

The Infineon AURIX™ µC family has become the first-choice automotive architecture for high-growth and safety-critical applications

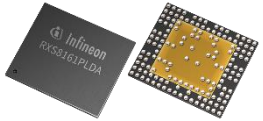
Infineon AURIX™ revenue development over time



- **powertrain**
  - ICE engine management
  - ICE transmission
  - xEV motor control
- **classical safety**
  - power steering
  - braking
  - airbag
- **ADAS/AD**
  - camera host control
  - sensor fusion host control
  - radar signal pre-processing
- **domain and zone control**
  - drive domain
  - body & convenience domain
  - zone control

Sources: Infineon; Strategy Analytics: *Automotive Semiconductor Demand Forecast*. February 2020. Covering Infineon target markets; excl. body, comfort, infotainment.

Design-win at an Asian OEM: Infineon semiconductors worth more than €500 in an upper mid-range EV platform with SAE L2 automation

Category	Major products	Main applications (comprising 14x AURIX™ ●)				
ADAS 	 AURIX™ ●	 77 GHz radar	sensor fusion	mid-range radar	front camera	parking system	remote vehicle assistance ●●
comfort, premium, standard safety, infotainment 	 smart high-side power switch		ABS	HVAC	PTC heater	integrated central gateway unit	full redundant EPS ●●
			black box system	audio, video, navigation	oil pump	interior lamp	integrated electronic brake ●
EV drivetrain 	 CoolSiC™ MOSFET Module		electronic gear shifter ●●	seat heater	water pump	charge lamp	drive video record system ●
			SiC-based main inverter	high-voltage BMS ●	inverter gate board	OBC / Low DC-DC converter	vehicle control unit ●

Infineon's Power Strategy

Infineon's portfolio covers the entire range of power and frequency

What is a power switch?

=

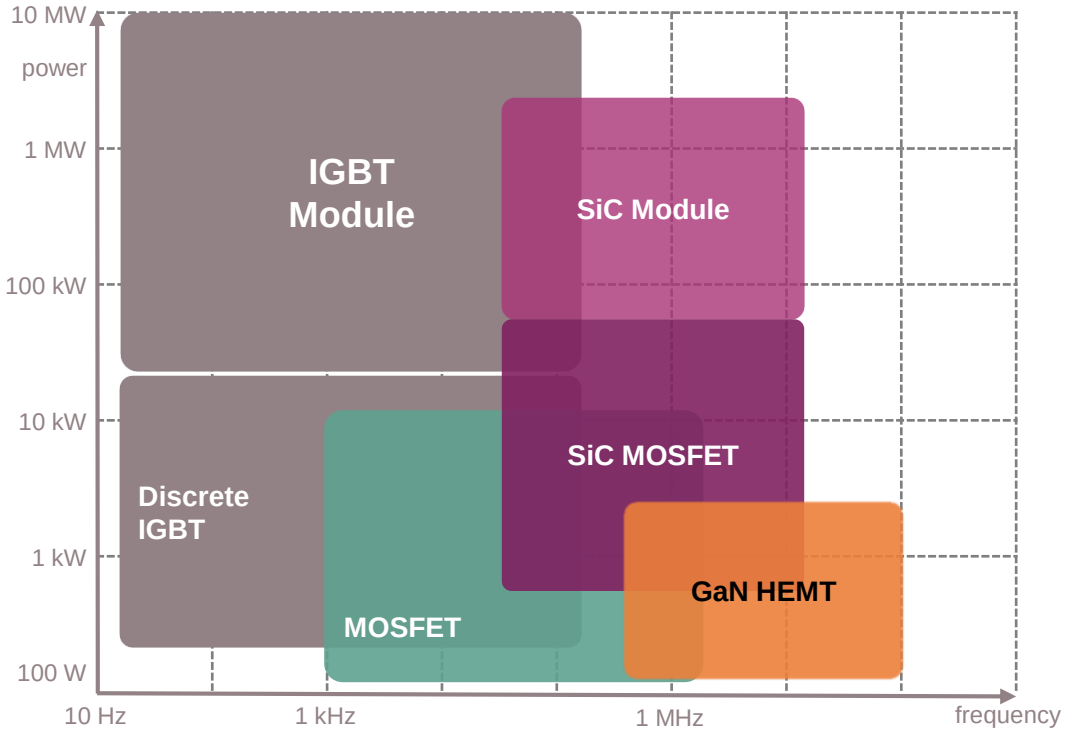
When turned on
→ current flows

When turned off
→ current is blocked

What counts?

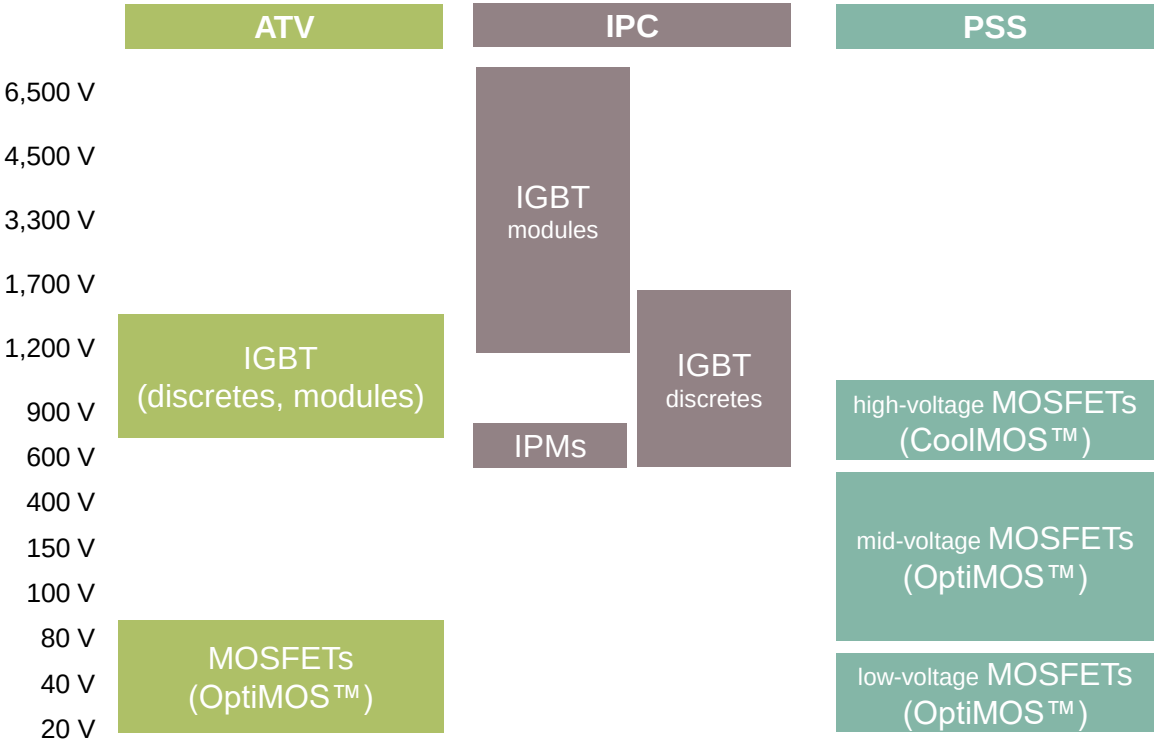
- Losses in on-state ($R_{(DS)on}$)
- Heat dissipation
- Max. switching frequency
- Die size
- Package size (form factor)

How are power switches categorized?



Overview of Infineon's discrete and module power semiconductor portfolio*

Silicon-based power switches

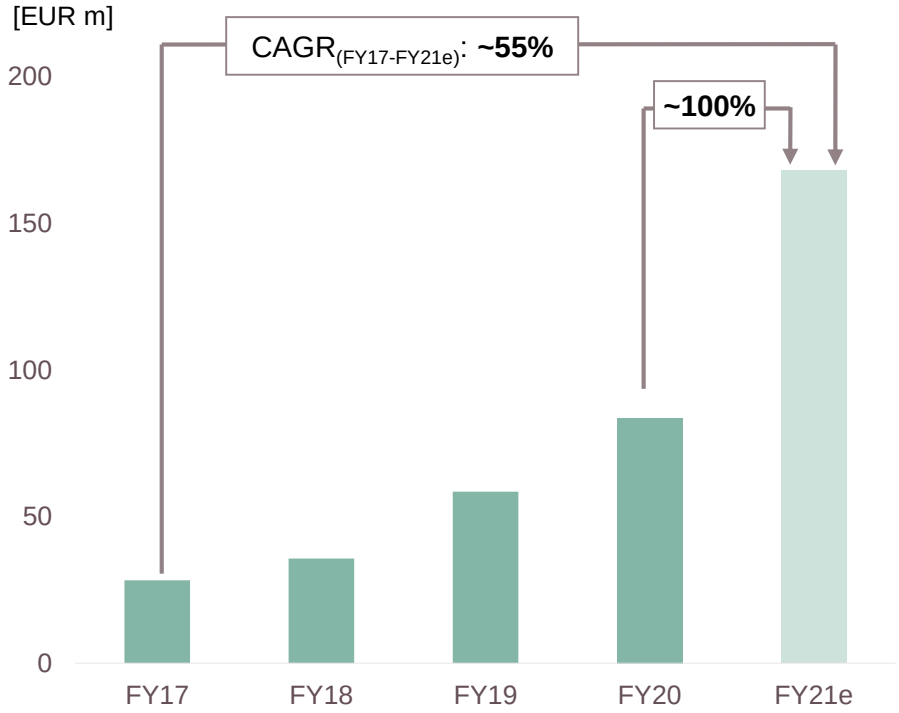


Compound semiconductors

* excluding driver ICs and control ICs

SiC revenue forecast increased: now doubling in FY21 – more than half of the incremental growth contributed by automotive

Industrial and automotive applications driving the growth

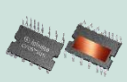
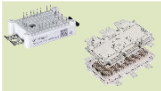


~200 different CoolSiC™ products

~3,000 total active customers including distribution

Strong CoolSiC™ portfolio expansion: by packages and by voltages

Broadest and best-in-class SiC portfolio

	Industrial						Automotive grade			
package options / voltages	CoolSiC™ Diode	CoolSiC™ Hybrid		CoolSiC™ MOSFET			CoolSiC™ Diode	CoolSiC™ Hybrid	CoolSiC™ MOSFET	
	Discrete	Discrete	Module	Discrete	IPM	Module	Discrete	Discrete	Discrete	Module
										
600 V										
650 V										
1200 V										
1700 V										

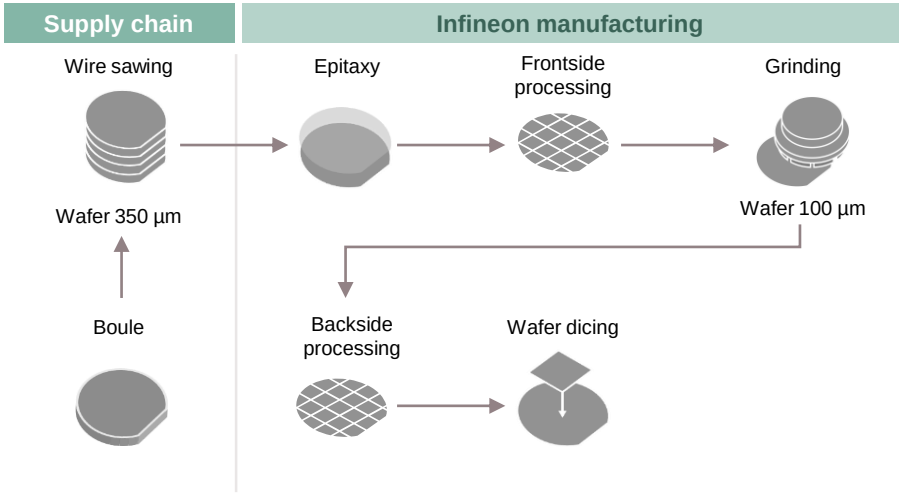
Continuous expansion of portfolio

Traditional wire sawing wastes ~3/4 of the raw material

Current status of SiC device manufacturing

The supplier cuts the boule into 350 µm thick wafers thereby losing almost half of the material as kerf. The resulting wafers are processed and ground to ~100 µm before finishing them. Thereby losing another half of the material.

→ ~¾ of raw material lost

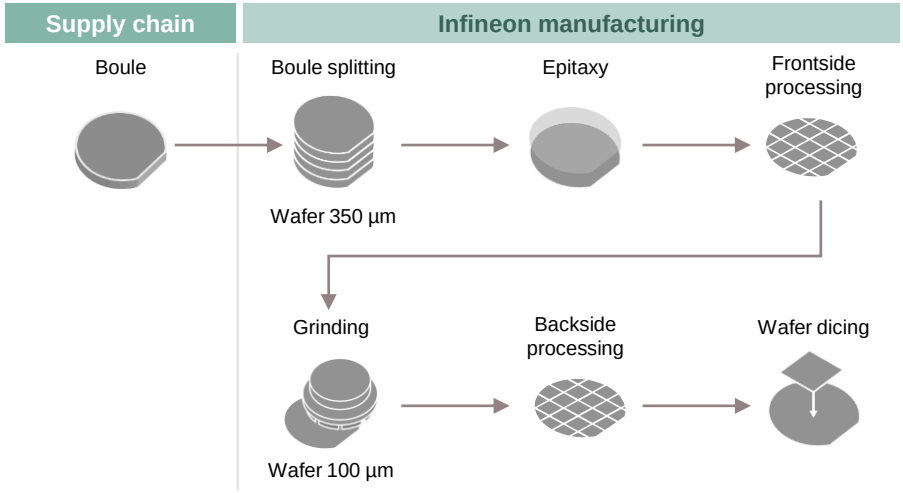


The kerf and grinding consume ~75% of the raw material

Phase 1: boule splitting in volume prod. starting FY22

We source boules and use our splitting technology to cut it into wafers. The process is kerf-free and therefore losses are minimal. The resulting 350 µm thick wafers are processed according to the current process flow.

→ Raw material losses reduced by half



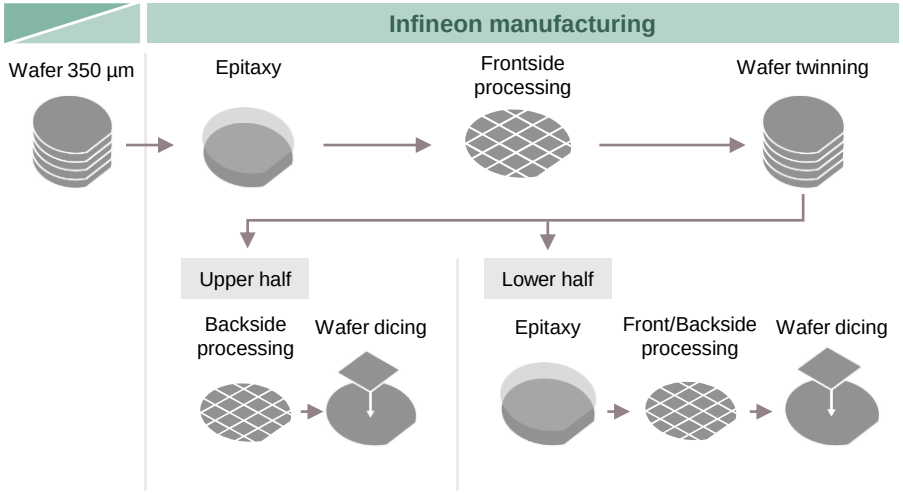
~2x number of wafers per boule compared to wire sawing

Boule splitting plus wafer twinning or advanced boule splitting quadruples output out of a given boule

Phase 2: wafer twinning

The starting material are either wafer from the phase 1 boule splitting process or sourced wafer. The 350 µm thick wafer is processed and instead of grinding it down to 100 µm the lower part is split off and processed again.

→ Combining boule and wafer twinning → minimal raw material losses

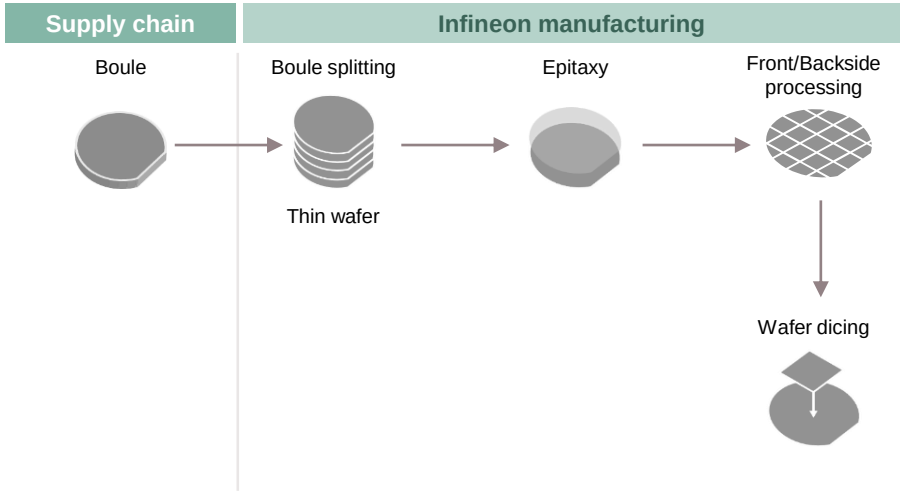


~2x – 4x number of wafers per boule

Phase 3: advanced boule splitting

The advanced boule splitting results in thin wafers that can be processed directly.

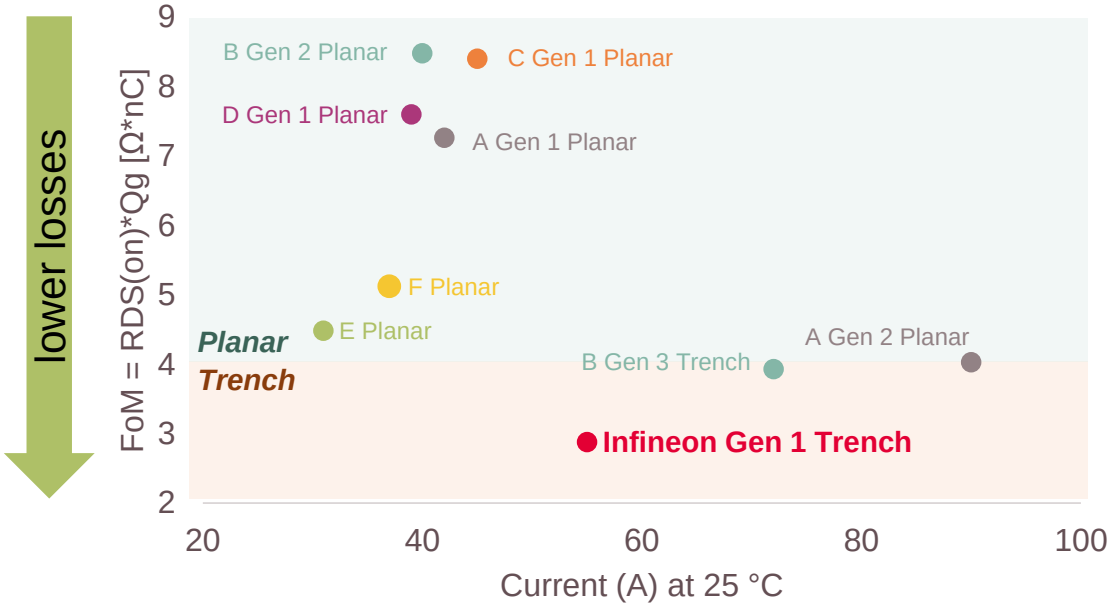
→ Most efficient process with minimal raw material losses



~4x number of wafers per boule

Second generation (2nd Gen.) CoolSiC™ Trench MOSFET will increase the addressable market

1st Gen. with lowest losses is the leading technology today



SystemPlus Consulting: *SiC Transistor Comparison 2020.* November 2020

2nd Gen. will expand the lead

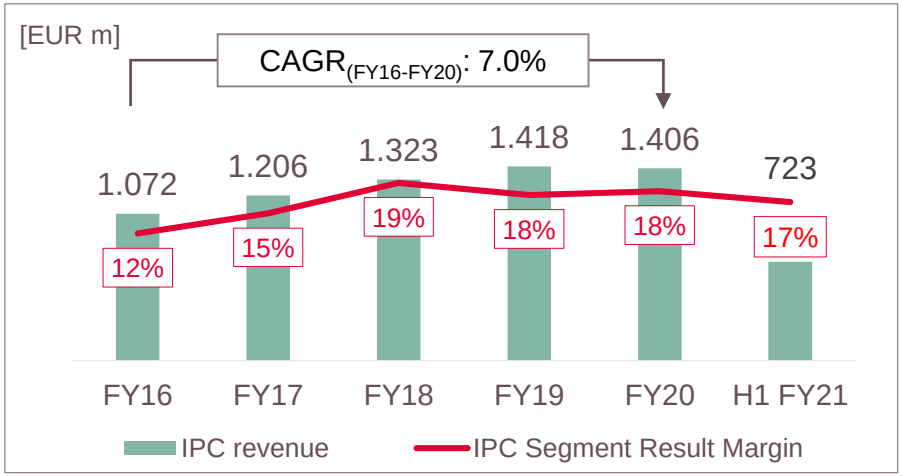
- 2nd Gen. CoolSiC™ Trench MOSFET is in advanced development phase
- Enhanced power handling capability by 25% – 30%
- Enhanced safe operating area without compromising quality
- Enabling SiC in further high volume applications

2nd Gen. CoolSiC™ Trench MOSFET will significantly enlarge the market size for SiC MOSFETs

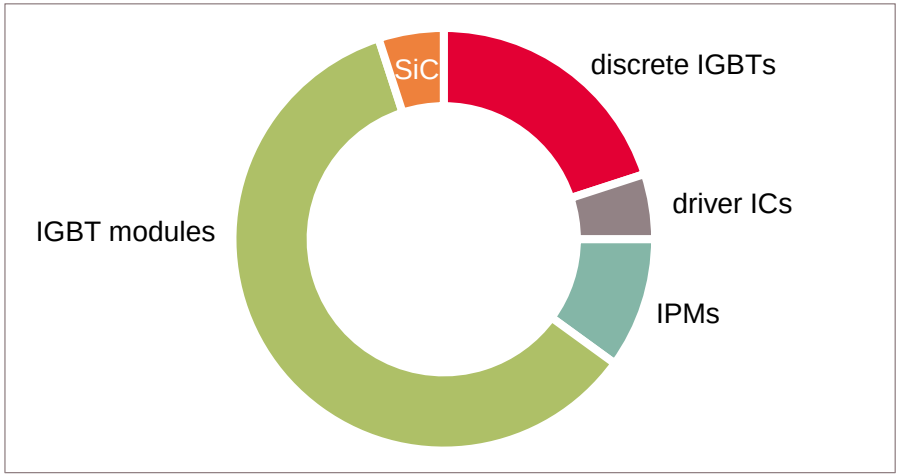
Industrial Power Control

IPC at a glance

IPC revenue and Segment Result Margin



FY20 revenue split by product group



Key customers

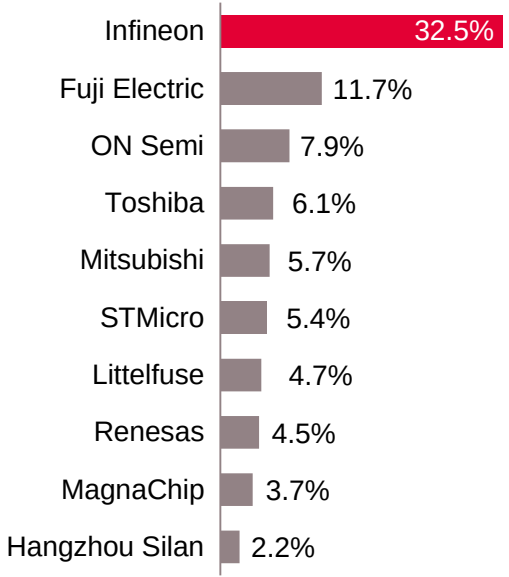
ABB, ALSTOM, BOMBARDIER, 中国中车 CRRC, Danfoss, EATON, GOLDWIND, Inovance, Midea, OMRON, Rockwell Automation, Schneider Electric, SEMIKRON innovation + service, SIEMENS, SUNGROW, TOSHIBA, Vestas, YASKAWA

Market outlook for IPC division's target applications

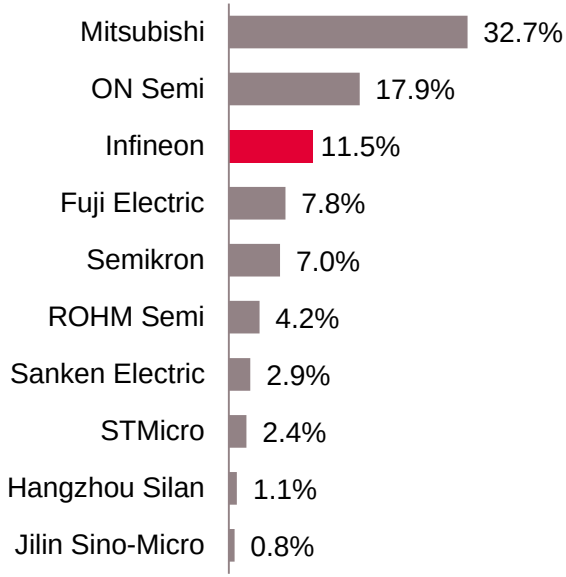
Applications (% of FY20 segment revenue)		Market Outlook for CY21	Market Outlook for CY22
	~30%	› Industrial Drives recovering in high single digits with demand growing mainly in GC region	› Recovery expected to last well into FY22 due to demand exceeding supply and long lead times
	~24%	› Wind: demand remains on a high level (incentive-driven pull-in effects in CY20 without impact on CY21 shipments) › PV: ongoing double-digit y-y growth in installations	› Wind: installations forecasted at similar level as in CY21 › PV: ongoing double-digit y-y growth in installations
	~16%	› Catch-up of delayed purchases and energy efficiency incentive programs will drive growth	› Demand still driven by energy efficiency incentive for China room air conditioners
	~13%	› Diminished COVID-related travel activities caused further push-out of construction of passenger trains and e-Busses	› Infrastructure program in China (HST grid density) expected to drive growth for rail; emission free cities regulations growth driver for delivery vehicles and eTrucks
	~9%	› Growing demand in EV charging infrastructure, Industrial UPS and energy storage systems › Delays in Transmission & Distribution projects	› Strong growth of xEV driving charging infrastructure; continuous installation of renewable energy generation driving Energy Storage Systems
	8%	› Growth driven by general market recovery	› Long term positive outlook driven by general trend of electrification in emerging applications (e.g. e-Marine)

Clear leader in discrete IGBTs and IGBT modules; fostering position in IPMs

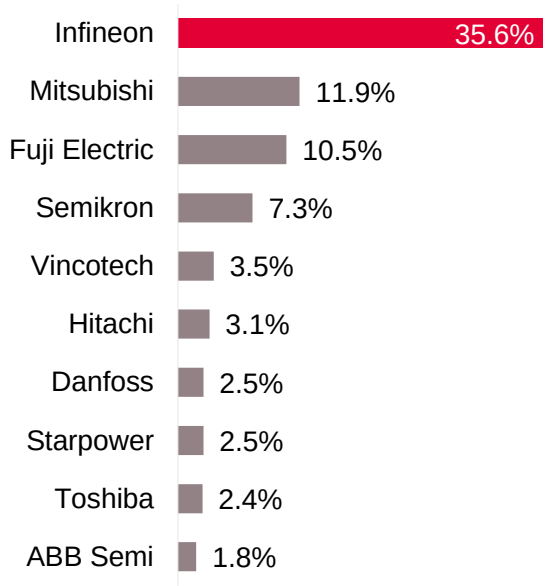
Discrete IGBTs
2019 total market: $1.44bn



IPMs
2019 total market: $1.59bn



IGBT modules[1)]
2019 total market: $3.31bn



[1)] Including standard (non-integrated) IGBT modules and power integrated modules (PIMs) / converter inverter brake (CIB) modules
Based on or includes research from Omdia: *Power Semiconductor Market Share Database 2020.* September 2020

Infineon serves all applications in the field of renewable energy

Onshore

- Application: Full Converter & Partial/DFIG* converter based wind turbine
- Output: 1 MW – 6 MW
- Power semi content: €2,000 - €3,250 per MW

Offshore

- Application: Full Converter based wind turbine
- Output: 3 MW – 14 MW
- Power semi content: €3,250 - €3,500 per MW

HVDC**

- Application: HVDC - VSC
- Output: 100 MW – 4 GW
- Power semi content: €5,200 - €18,000 per MW

String inverter

- Application: residential, commercial and utility-scale PV plants
- Output: 1 kW – 200 kW
- Power semi content: €2,500 – €5,000 per MW

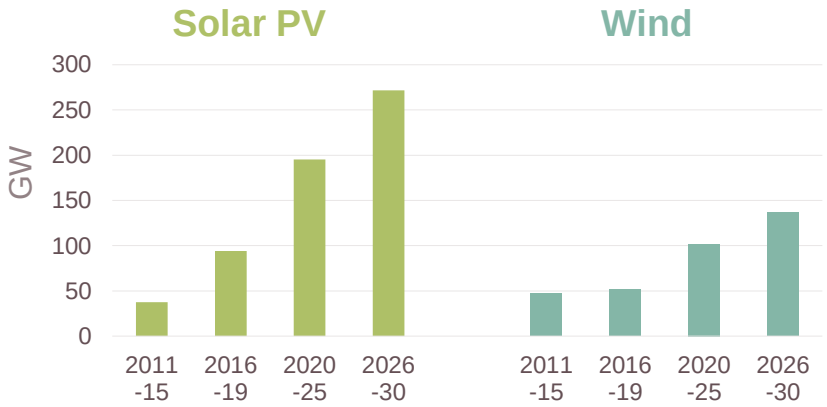
Central inverter

- Application: utility-scale PV plants
- Output: 600 kW – 1,250 kW
- Power semi content: €2,000 – €3,000 per MW

*DFIG – Doubly fed induction generator ** HVDC - High-voltage direct current transmission

We are the #1 semiconductor enabler of renewable energies

Average annual solar PV and wind capacity additions*



Source: World Energy Outlook 2020, Average annual solar PV and wind capacity additions in the Sustainable Development Scenario to 2030 p. 109

All leading renewable energy players are our customers*

PV inverter		Wind	
1 | Huawei	✓	1 | Siemens/Gamesa	✓
2 | Sungrow	✓	2 | Vestas	✓
3 | SMA	✓	3 | Goldwind	✓
4 | TBEA Sunoasis	✓	4 | GE	✓
5 | Wuxi Sineng	✓	5 | Enercon	✓
6 | ABB	✓	6 | Envision	✓
7 | Kstar	✓	7 | Nordex	✓
8 | Goodwe	✓	8 | Senvion	✓
9 | Growatt	✓	9 | United Power	✓
10 | Power Electr.	✓	10 | Mingyang	✓

Enabling Technologies

SiC

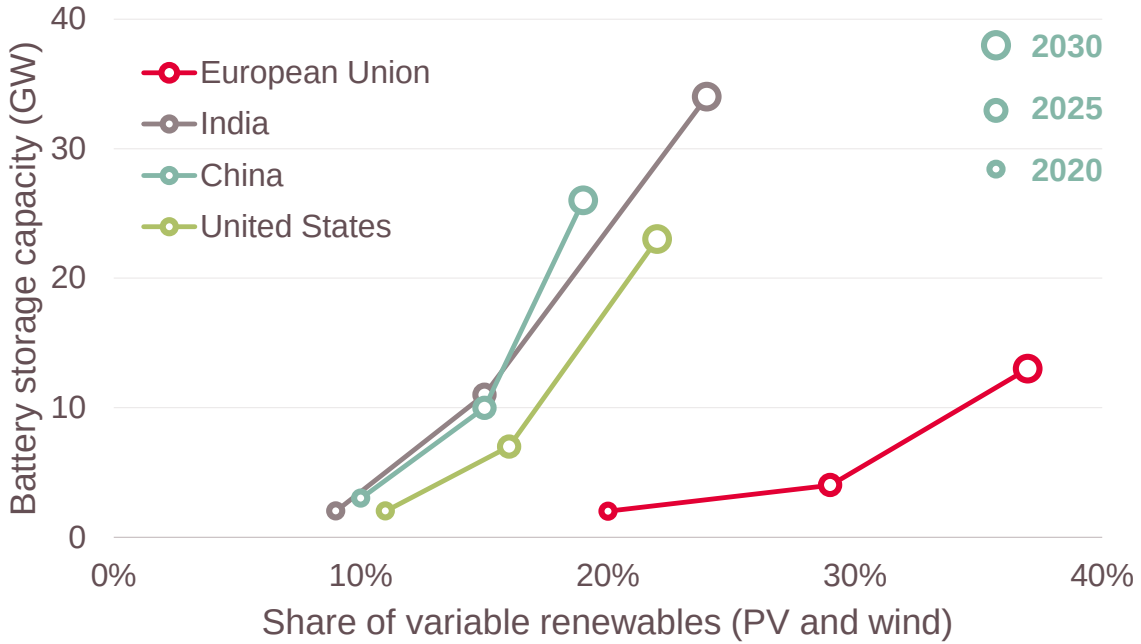
- Reduces System Size
- Reduced power losses up to 50% compared to a traditional IGBT

.XT

- Increased lifetime of IGBT Modules
- Highest reliability for remote places

Energy storage is essential to further deploy decentral and renewable energy generation

Battery storage capacity and share of variable renewables[1)]



Key drivers

- **Decentralization** of power generation
- **Peak shaving** of energy generation and energy consumption
- **Limited capacity** and flexibility of today's grids
- **Reduction of standby cost** of fossil power plants

~€3,200 of power semiconductor content per MW of installed energy storage capacity[2)]

1) International Energy Agency: *World Energy Outlook 2020*, p. 248; variable renewables consist of solar and wind energy.
2) Infineon estimate

What comes next?
Mid- to long-term structural growth opportunities

Core

CoolSiC™ Silicon Carbide

new material

EV charging

collaborative robots

Adjacent

solar pumps

energy storage

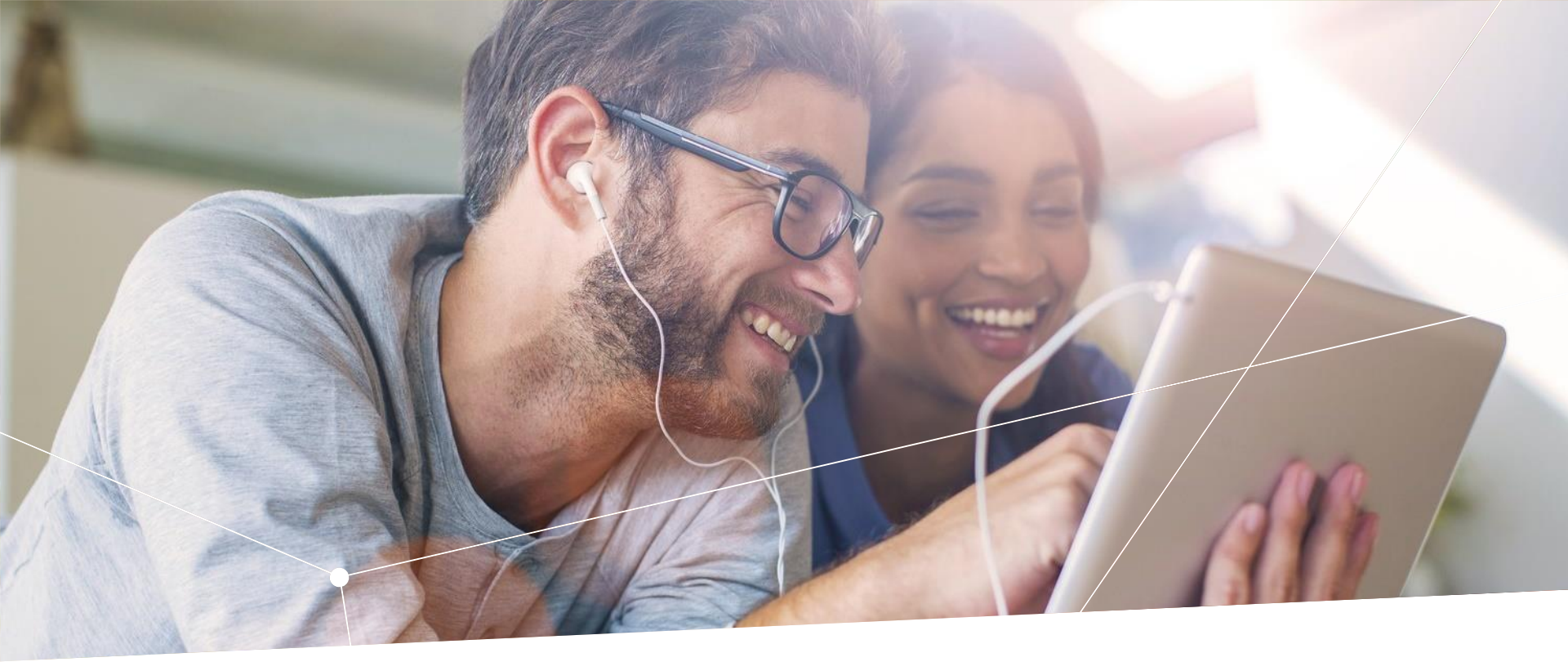
eDelivery vehicles

New area

fuel cell

eMarine

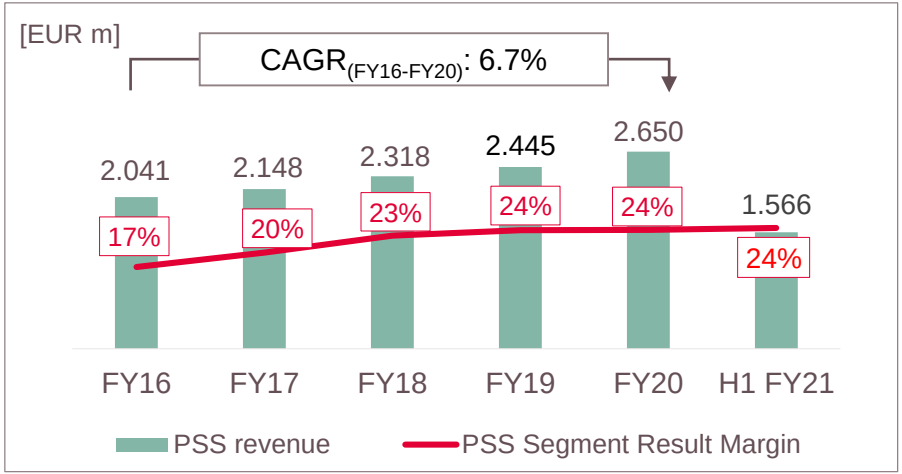
eAviation



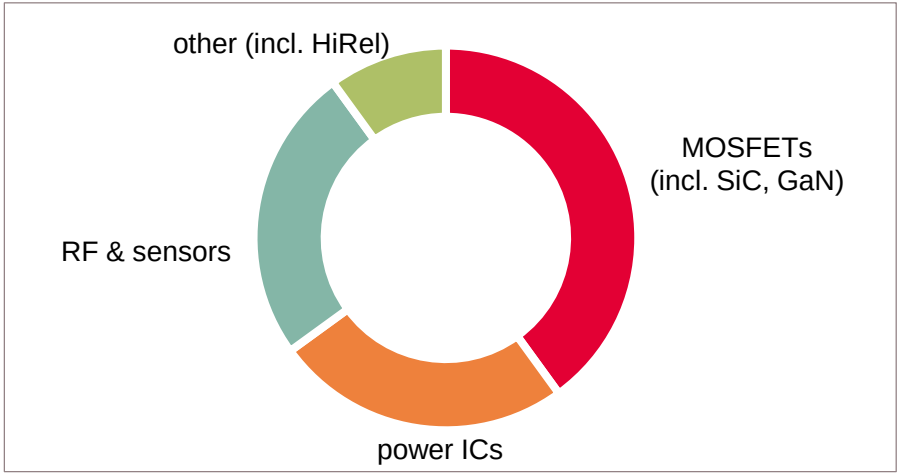
Power & Sensor Systems

PSS at a glance

PSS revenue and Segment Result Margin



FY20 revenue split by product group



Key customers

Alibaba.com, amazon, Advanced Energy, Baidu 百度, BOEING, CISCO, DELL, DELTA, ERICSSON, Google, Goertek, Hewlett Packard Enterprise, LITEON, LG, Makita, NOKIA, OSRAM, SAMSUNG, ZTE

Market outlook for PSS division's target applications

Applications (% of FY20 segment revenue)*		Market Outlook for H2 CY21	Market Outlook for CY22
	~20%	› Acceleration towards cloud computing to continue › Pandemic-driven stay at home and work at home effects continue to favor notebook sales	› Structural drivers expected to stay in cloud computing and good momentum for enterprise servers › Demand for CY22 supported by limited supply in CY21 (catch-up effects)
	~9%	› In general, long-term drivers due to 5G still intact › However, trade tensions generate some uncertainty around speed of roll-out in China and other regions	› 5G cycle will continue to drive telecom equipment spending in CY22
	~19%	› Strong rebound expected driven mainly by economic recovery and migration towards 5G phones › Potential risk due to reduced smartphone growth due to shortages, regional weaker demand (India/ China), 5G slower boost than expected	› 5G replacement cycle expected to continue to drive demand growth
	~20%	› Consumer electronics, including e.g. game consoles, clear beneficiaries from stay at home › Battery-powered tools continue to show strong momentum › Consumer spending may be re-allocated to more leisure-oriented activities	› Demand expected to decline in some consumer areas as TVs in light of re-allocation of consumer spending
	~23%	› Automotive and other industrial segments show strong recovery; however, automotive production has taken hits from chip shortages	› Demand in renewable energy, EV charging and automotive expected to be healthy › Tailwinds from stimuli packages for EV and green energy in US and EU

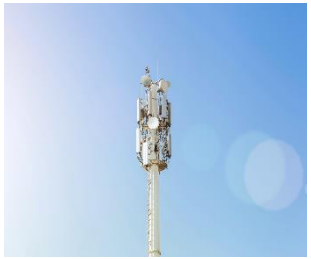
* does not sum up to 100% due to other applications not shown here

PSS's growth is built on many applications from different sectors in power and non-power

Computing

- data center
- enterprise server
- PC, notebook
- peripherals
- chargers and adapters

Communications



- base stations
- backhaul cellular infrastructure
- 5G massive MIMO
- telecommunication servers

Smartphones

- smartphones
- mobile devices
- wearables
- USB Type-C, USB Type-C PD

Consumer

- eBikes, eScooter
- multicopter
- LSEV
- gaming
- TV sets
- smart home

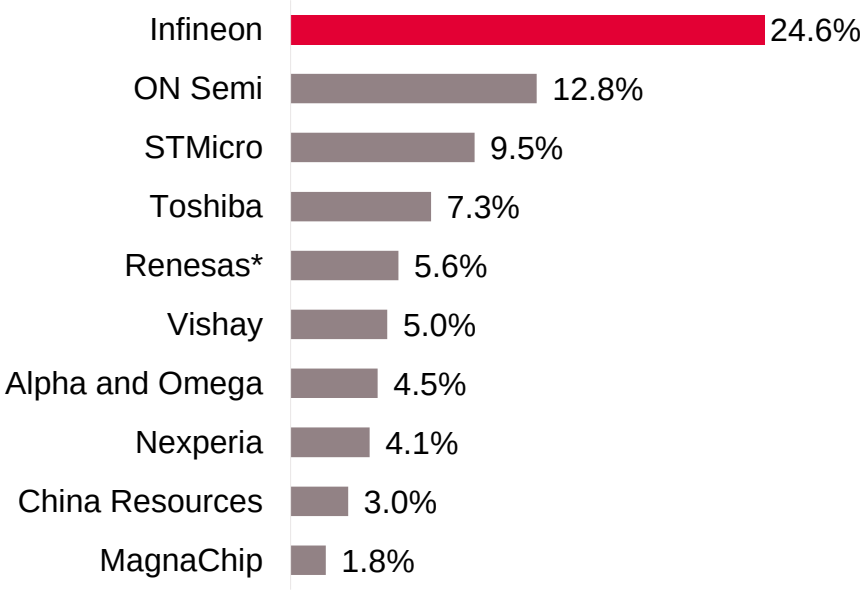
Industrial

- power supplies
- EV on-board charger
- charging infrastructure
- PV inverter
- power tools
- lighting
- Industry 4.0
- space

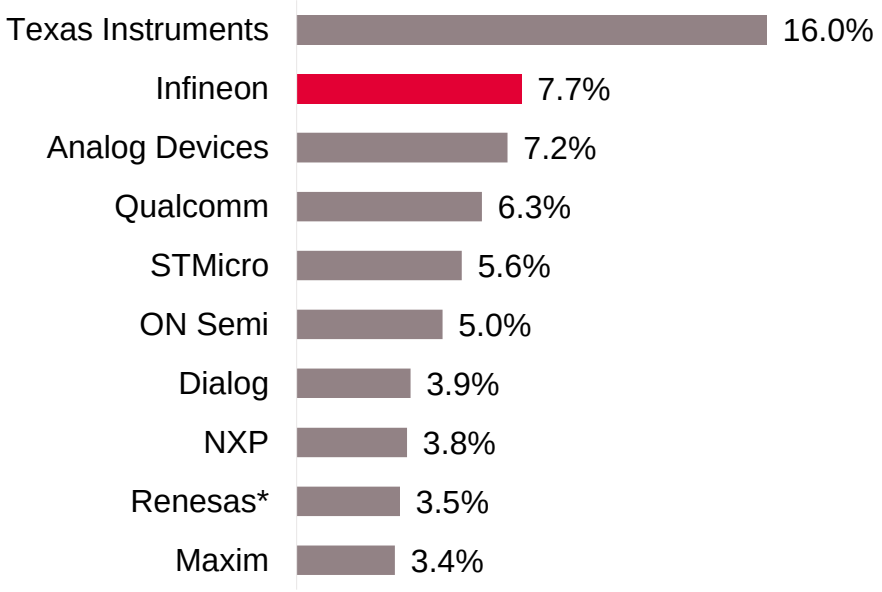
PSS – Power

Infineon is the clear leader in MOSFETs; growth potential in power ICs

Discrete Power MOSFETs
2019 total market: $8.10bn

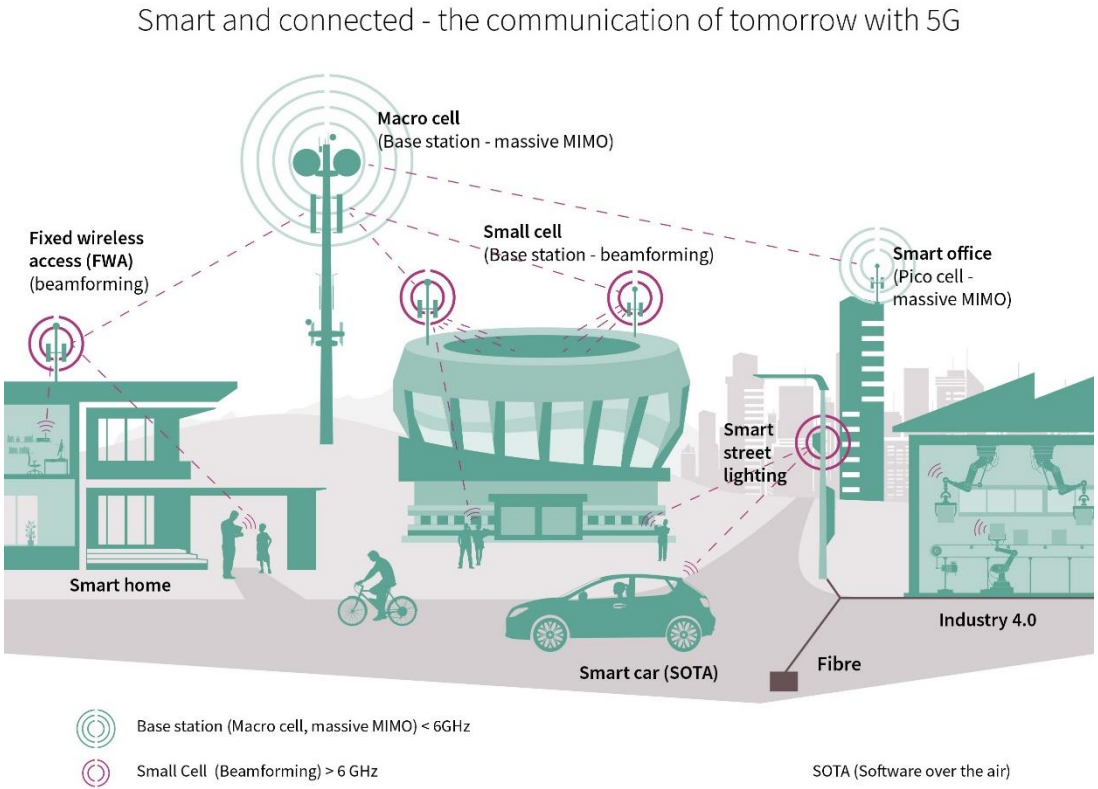


Power ICs
2019 total market: $24.4bn



* Renesas acquired Integrated Device Technology in March 2019. Both companies were combined as Renesas in 2019.
Discrete Power MOSFET market includes automotive MOSFETs, protected MOSFETs, SiC MOSFETs and GaN power transistors. Power IC market includes automotive power ICs.
Based on or includes research from Omdia: *Power Semiconductor Market Share Database 2020.* September 2020.

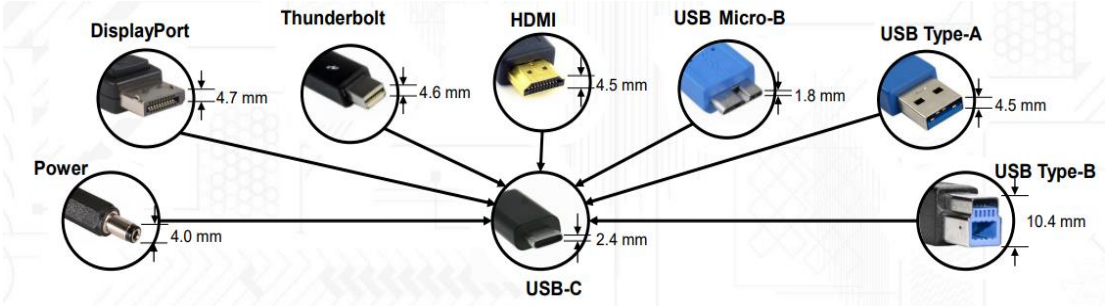
Transition from 3G/4G to 5G drives demand in power semis for antennas and power supplies



- **driver #1**: massive growth of data and computing power
- **driver #2:** higher number of base stations due to dense network
- **driver #3:** ~4x higher power semi content per radio board: from ~$25 for MIMO antenna to ~$100 for massive MIMO antenna array
- **driver #4:** fog computing data center as a completely new market

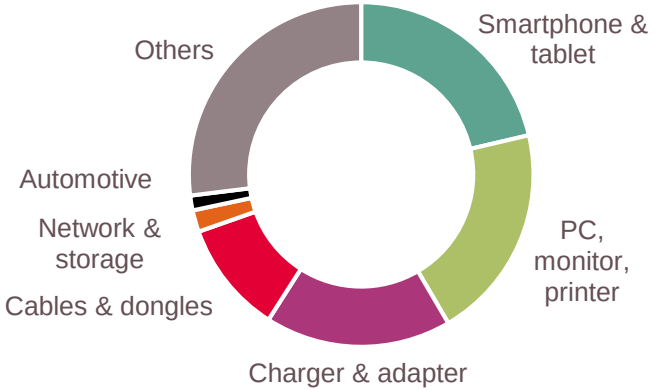
Infineon is well positioned to benefit from the conversion to the de-facto standard USB Type-C

USB Type-C becomes de-facto interface form factor



Infineon USB business split by appl.

[FY20]

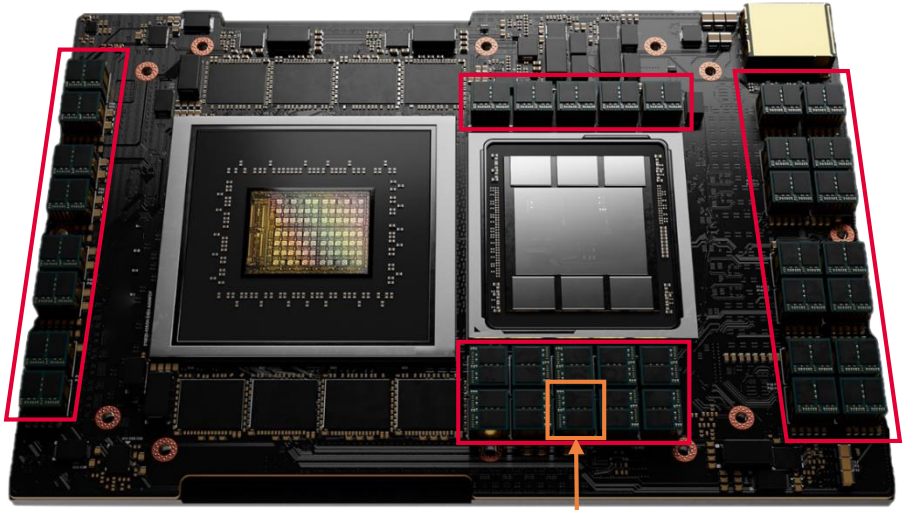


- Infineon USB business dominated by USB Type-C and USB Type-C PD
- USB Type-C PD in automotive is a nascent segment with good growth opportunities
- USB Type-C PD offers revenue synergies for Infineon in AC-DC chargers and adapters

Infineon provides leading-edge DC-DC power conversion for high-performance acceleration boards

Next-generation accelerator boards are driving the need for ultra-high density and robust power conversion solutions

- Exponential increase in compute power driven by AI training and high-performance compute (HPC) systems resulting in power consumption of > 1 kW per board
- 15% to 25% higher DC-DC power semiconductor content with every xPU generation
- Infineon's robust and high-efficiency power management solutions are optimized to support high-performance xPUs, ASICs and SoCs with superior power density
- Infineon's high-density Smart Power Stages enable system designs with highest power density and quality



Courtesy: a leading CPU, GPU, and AI accelerator manufacturer

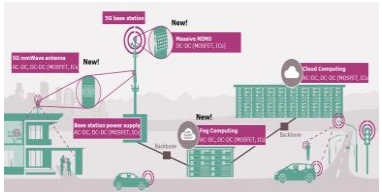
Infineon high-density 90 A Smart Power Stage in 4 mm x 6 mm package

e-mobility beyond cars: Infineon covers the vast majority of semi-conductor content in eScooters

Application in eScooters	Power semis	Control & connect	Sensors	Security
battery management system	› protection FET › cell balancing IC	› PSoC™ MCU	› current sensor › pressure sensor › gas sensor	› battery authentication
charging	› MOSFET › gate driver	› XMC™ MCU › XMC™-SC MCU		
connectivity		› Wi-Fi › Bluetooth		› eSIM › communication › authentication
HMI & control			› positioning sensor › capacitive-sensing	› CIPURSE™ security controller for mobile payment
sensor Systems			› radar sensor › ToF 3D sensor › positioning sensor	
motor drive	› MOSFET › gate driver	› XMC™ MCU › AURIX™ MCU	› positioning sensor	

What comes next?
Mid- to long-term structural growth opportunities

Core



5G infrastructure


hyperscale AI data center

new material

Adjacent

smart building


wireless charging


on-board charger

New area

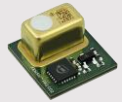
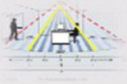

smart speaker


health & lifestyle


environmental sensor solutions

PSS – RF and Sensing

Main applications addressed by PSS sensors portfolio

MEMS microphone		3D radar (24/60 GHz)		3D ToF image sensor		Environmental	
	Best audio performance		Ultra-low power consumption		Best price / performance	 14.0 x 13.6 x 7.5 mm³	High precision and Small form factor
	Low power consumption		Presence detection/ Vital Sensing		Face ID (biometrics), VR/AR		Measure CO_2

Main applications

- Smartphone
- True wireless stereo headsets
- Smart speaker
- Laptop & Tablet

- Automotive
- Smart home
- TV
- Security camera
- Smart building

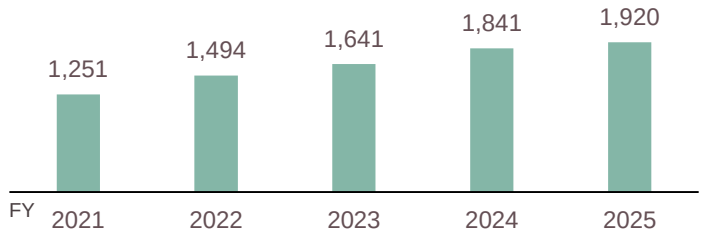
- Smartphone: world-facing and user-facing
- Robotics
- Automotive in-cabin sensing
- Payment terminals

- Heating, ventilation, air conditioning (HVAC)
- Air purifier
- Smart thermostat
- CO_2/virus risk reduction

Sensor markets targeted by PSS offer attractive growth potential

MEMS microphone market

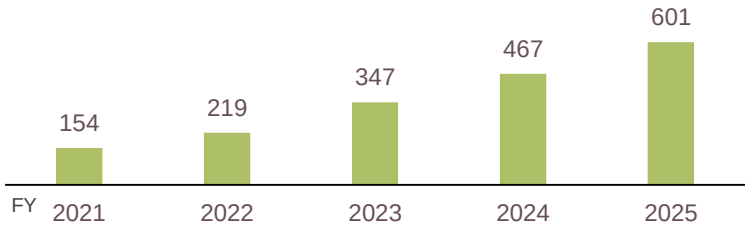
[EUR m]



Source: Infineon estimates

Radar IC market (24 GHz and 60 GHz only)

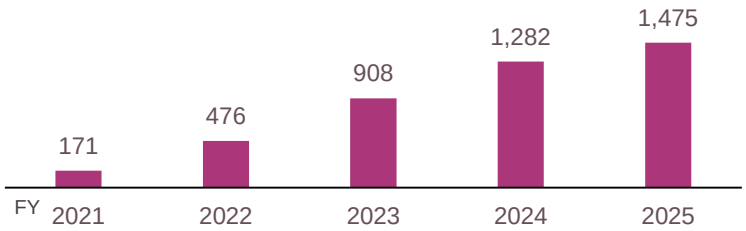
[EUR m]



Source: Infineon estimates

3D ToF image sensor market

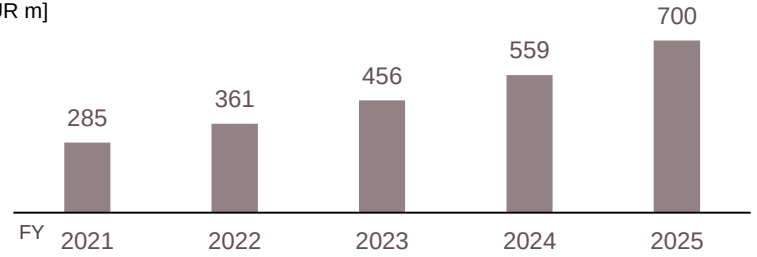
[EUR m]



Source: Infineon estimates

Environmental sensor market*

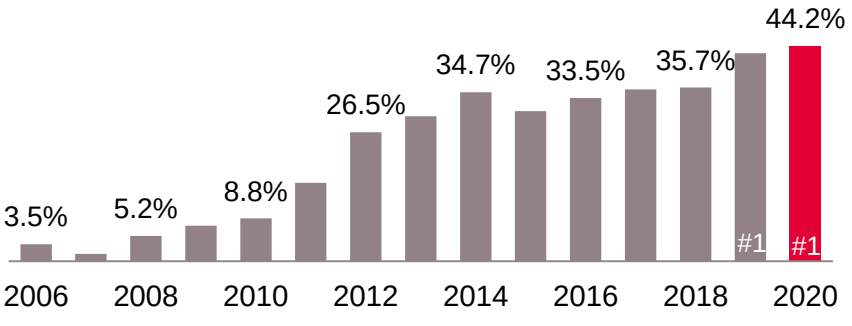
[EUR m]

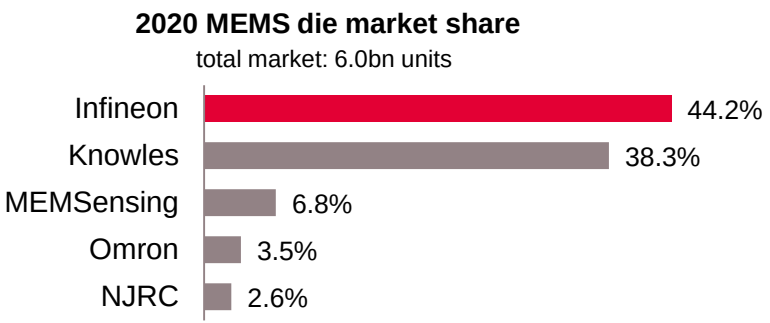


* Infineon is addressing smart building, smart home, smart appliances, consumer IoT devices and automotive.
Source: Infineon estimates

Unparalleled audio characteristics of our XENSIV™ MEMS micro-phones made Infineon #1 in 2019 with further m/s gain in 2020

Infineon's market share development in MEMS microphones (by units)

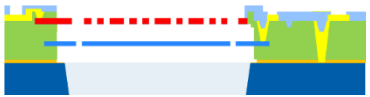




Based on or includes research from Omdia: *MEMS Microphones Dice Market Shares 2021*. July 2021

Technological progression of Infineon XENSIV™ MEMS microphones

1 Single-back plate



SNR = 62 – 65 dB(A)

2 Dual-back plate

SNR = 65 – 69 dB(A)

3 Sealed dual-membrane

SNR = 68 – 75 dB(A)

Radar offers several use cases for presence detection and health monitoring

Presence detection

- **Room Occupancy Devices**
  e.g. human localization and counting
- **Occupancy based heating and ventilation**
  e.g. reduction of CO_2 level to prevent spreading of diseases
- **Device switch on/off**
  e.g. reduction of energy consumption (e.g. lamp, TV, air conditioning…)
- **Directional audio effects on individuum**
  e.g. to improve audio quality (e.g. smart speaker, TV)
- **Home surveillance**
  e.g. detection of intruders

Health monitoring

- **Sleep monitoring**
  Sleep detection, sleep quality, apnea & snoring detection (radar combined with MEMS microphone)
- **Vital sensing for home Fitness**
  Heart rate and breathing rate measurement (person standing still after exercise)

Segmentation with radar enables smart devices to recognize each person in the room

Infineon 3D ToF is a versatile technology for many consumer applications

Mobile Phones – User Facing

Face ID

Hand ID

Payment

3D Gestures

Mobile Phones – World Facing

Bokeh

Virtual Retail

AR Gaming

3D Scanning

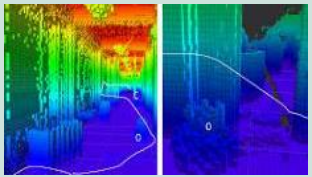
Consumer Robotics

Robot

Last Mile

Collision avoidance

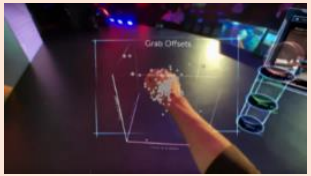
Navigation



Augmented- & Virtual Reality

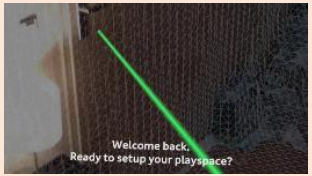
AR

Control



AR Gaming

Mapping



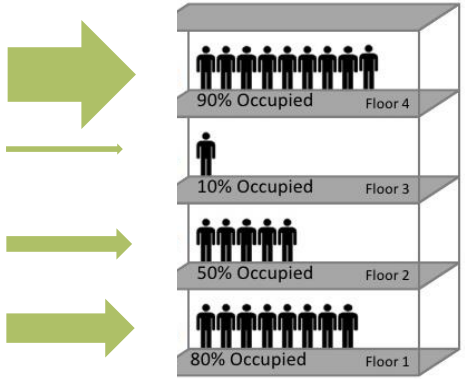
Infineon XENSIV™ PAS CO2 sensor enables highly-precise CO_2 measuring in an extremely small size

Photoacoustic spectroscopy (PAS) technology based on Infineon‘s high (SNR) signal-to-noise ratio MEMS microphone

- Infineon XENSIV™ PAS CO2 sensor enables highly-precise, cost-effective and space saving CO_2 measuring
- The technology offers an exceptionally small form factor (14 mm x 13.8 mm x 7.5 mm) that is 4x smaller and 3x lighter (2 grams) than the typical NDIR (non-dispersive infrared) sensor, allowing for more than 75% space savings in customer systems
- The SMD package ensures compatibility with high-volume manufacturing standards, enabling cost-effective, fast assembly and system integration
- Advanced compensation and configuration algorithms enable a plug-&-play sensor performance and fast design-to-market

XENSIV™ PAS CO2 leads to demand-oriented and energy efficient control of air conditioning systems

XENSIV™ PAS CO2 sensor measures the CO_2 level

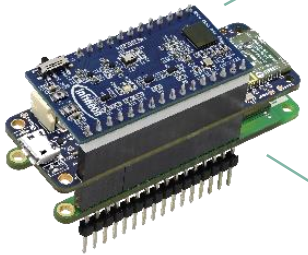


Infineon system solution addresses IoT market via combining XENSIV™ sensors, PSoC™ 6 MCU and connectivity

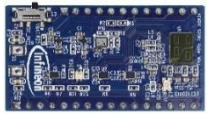
Key facts

- Infineon offers system solutions comprising of sensor, MCU, connectivity and software libraries (apps, SDKs)
- BLE functionality monolithically integrated on MCU
- IoT target applications for radar: entrance control or presence detection for smart home and smart building
- Radar solutions are anonymous and therefore respecting privacy
- First orders for presence detection received from several Asian customers
- Radar solution can perfectly be combined with Infineon's XENSIV™ PAS CO2 sensor for air quality monitoring

Example offering: Combination of sensors, microcontrollers and connectivity in development kit



XENSIV™ Radar + Pressure Wing Board



XENSIV™ PAS CO2 Wing Board

Main board with MCU + Wi-Fi + Bluetooth combo

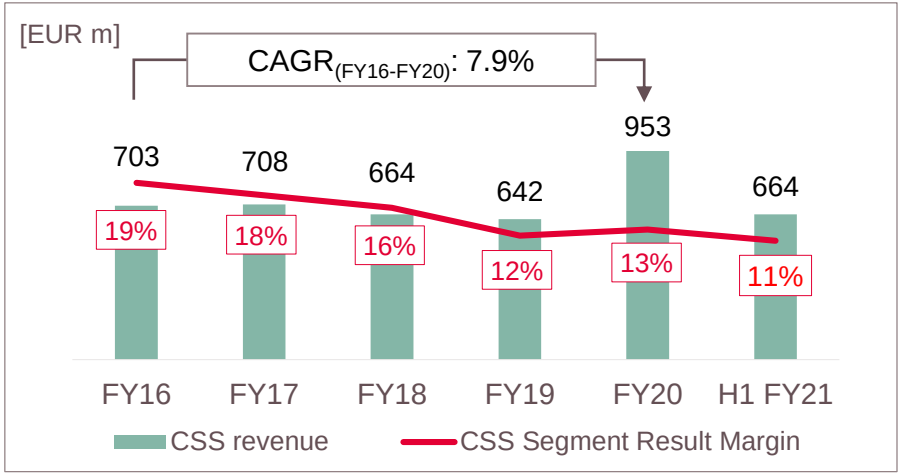
Advantages of radar over passive infrared

- super compact design; smaller system sizes
- determination of person's direction, speed, distance
- programmable; can flexibly be adapted to the target application
- higher accuracy; more precise measurements of detected objects

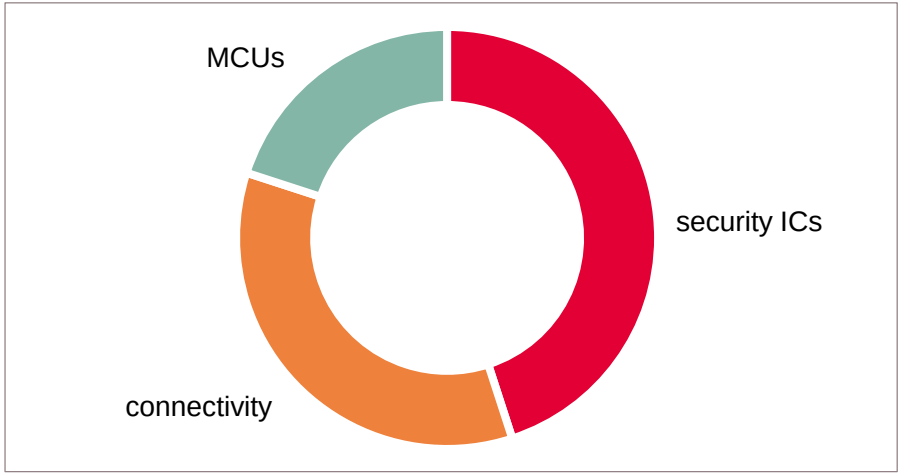
Connected Secure Systems

CSS at a glance

CSS revenue and Segment Result Margin



FY20 revenue split by product group



Key customers

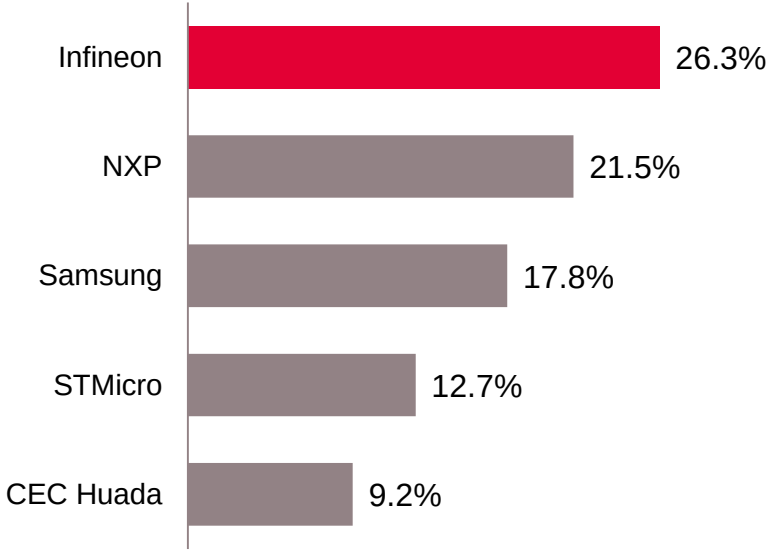
AdvanIDe · BANG & OLUFSEN · brother · fitbit · GPO · hp · IDEMIA augmented identity · Lenovo · Microsoft · Nintendo · Raspberry Pi · THALES · TOMTOM · Watchdata

Market outlook for target applications remains positive but foundry supply constraints might limit growth potential in 2022

Applications (% of FY20 segment revenue)		Market Outlook for CY21	Market Outlook for CY22
Industrial and Consumer IoT ~70%	Industrial IoT	› Growth driven by general market recovery in industrial automation and energy efficiency incentive programs for home appliances	› Growth momentum in industrial segments to continue into 2022
	Smart Home	› New features and technologies enter production across several devices	› Further growth momentum across smart home devices expected
	Automotive	› Increasing penetration rate of eSIM Automotive driven by increasing connectivity requirements › Connectivity technologies to improve in-car user experience	› Increasing penetration rate of eSIM Automotive and in-car connectivity to continue along with further recovery of overall light vehicle sales
	Gaming	› Market growth driven by launch of new console models	› The market is assumed to decline slightly from a high level after CY21
	Wearables	› New product launches expected to boost demand › Further implementation of low-power processing and connectivity technologies across new models	› Growth in wearables market is assumed to stretch in 2022 driven mainly by smart watches
Payment, ID, Ticketing ~30%	Payment	› High demand for contactless payment solutions expected to continue while supply constrains might poise risks	› Further migration and high demand for contactless payment solutions expected to continue however under risk of foundry supply constraints
	Identification	› Prolonged restrictions on intercontinental travel expected to further affect the issuance of passports, partially compensated by a major eID project roll-out	› Positive trend expected driven by recovery in passports issuance as well as project roll-out for other eDocuments

Infineon remains top player in its target markets: security ICs, Wi-Fi standalone ICs

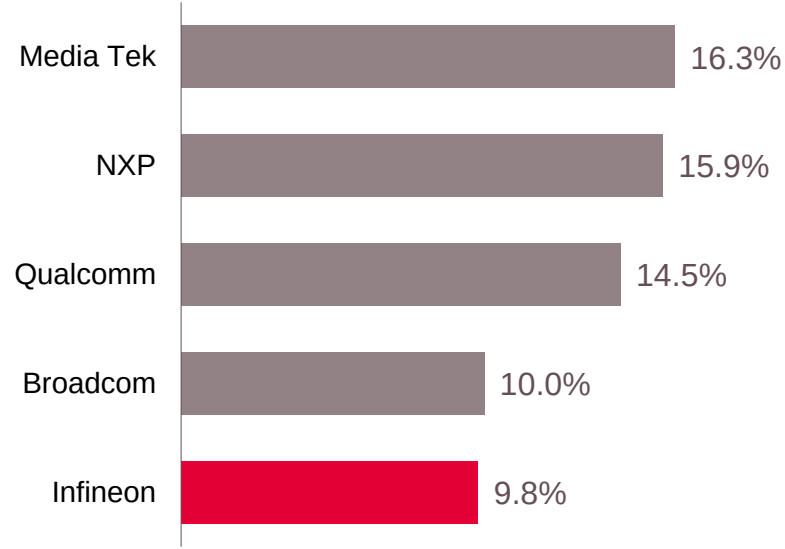
Security ICs (excl. NFC controller; excl. NFC eSE)
2019 total market: $2.8bn



ABI Research: *Smart Card and Embedded Security IC Technologies*. October 2020

Wi-Fi standalone ICs
2019 total market: 978m units

Infineon is focusing on wearables and IoT but not addressing routers, PCs, notebooks, tablets.



ABI Research: *Wireless Connectivity Technology Segmentation and Addressable Markets – Q3 2020 Update*. July 2020

CSS empowers the world to easily connect through smart and trusted solutions

Applications

Industrial and Consumer IoT

Industrial

Automotive

Smart Home

Gaming

Wearables

Payment, ID, Ticketing

Payment

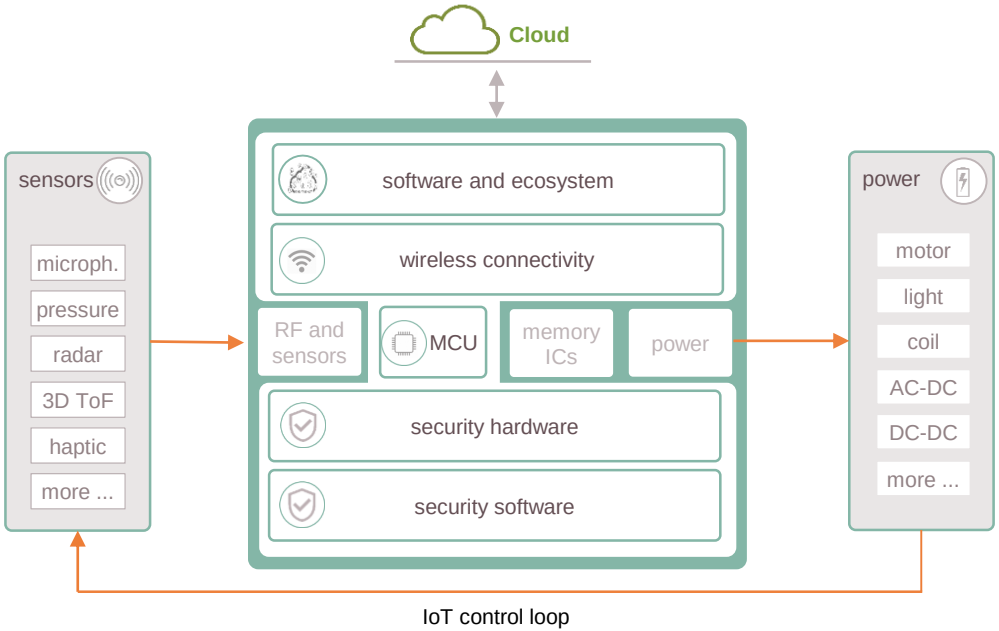
Identification

CSS capabilities

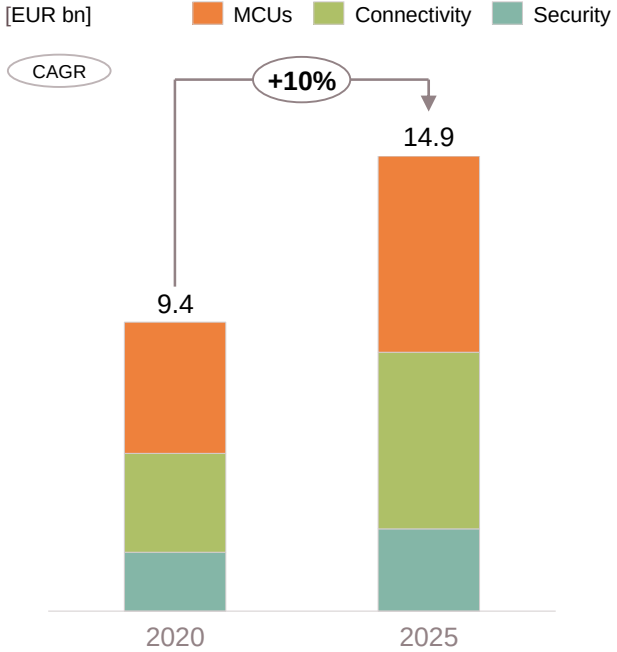
- Compute
- Wireless Connectivity
- Security
- Software

Compute, connectivity, security and software ecosystem capabilities enable Infineon to address a growing market driven by the IoT

Infineon offers the entire system for IoT



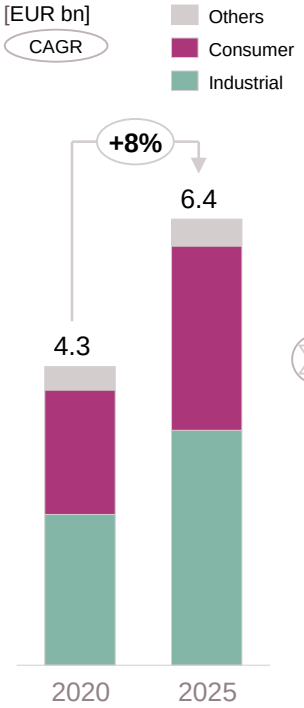
CSS market*



* Source: Infineon internal market model based on SAM view

MCUs – Dynamic market environment; CSS is well set to tackle trends in IoT & Consumer as well as Industrial markets

MCU market*



Trends in MCU markets

- Continued growth of MCUs in smart home, driven by home automation devices and wearables
- Industrial MCUs growing across wide range of applications
- Blurring cost/performance differences between MCUs and MPUs
- Beginning to embrace 32-bit MCU with machine learning (ML) acceleration for edge compute

Segments and focus topics

IoT & Consumer

- Deliver core IoT blocks (MCU, radios, software) and bundled solutions
- Pairing of MCU and connectivity
- Prepare and enable emerging edge compute wave with ML capabilities
- Leading integrated security features

Industrial

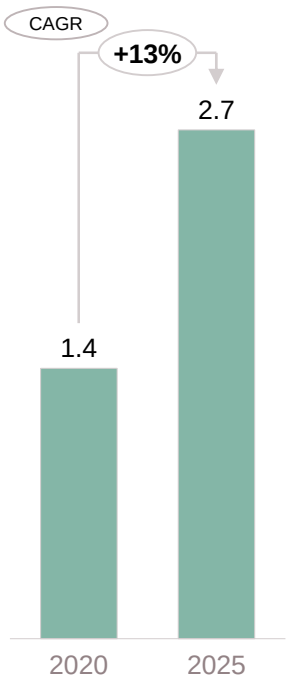
- Deliver highly differentiated MCU based industrial solutions
- Provide easy to use sub-system solutions based on Infineon building blocks (sensor control, motor control, power management and connected MCUs)

* Source: Infineon internal market model based on SAM view

Wi-Fi – Market driven by a dynamic environment of specifications; CSS is addressing main growth trends

Wi-Fi market*

[EUR bn]



Trends in Wi-Fi markets

Wi Fi CERTIFIED 4

Specially suited for IoT devices with basic connectivity, low cost, low-power requirements

Wi Fi CERTIFIED 5

Focus on high bandwidth IoT applications to ensure data transmission

Wi Fi 6

New standard Wi-Fi 6 is gaining momentum initially on high-performance applications

Segments and focus topics

IoT & Consumer

- Broad portfolio with Wi-Fi 4 / 5 / 6 standalone and combo offerings
- Lead transition to Wi-Fi 6 for IoT

IoT low-power

- Extend leadership on low-power devices
- System-level power optimization using optimized Wi-Fi product architecture

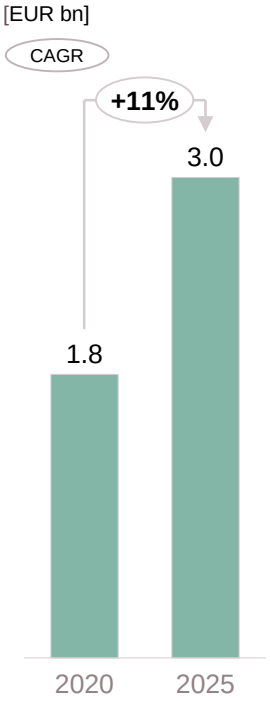
Automotive

- Extend leadership in automotive infotainment and telematics with Wi-Fi 6 combo offerings
- Enable enhanced use cases with low-energy audio in auto infotainment

* Source: Infineon internal market model based on SAM view

Bluetooth – Market driven by further penetration of Bluetooth use cases across devices; CSS focus topics enable this development

Bluetooth (BT) market*



Trends in Bluetooth markets

Continued growth in smart home, driven by home automation devices and wearables

Covid-19 provides tailwinds for work-from-home electronics and continued digitalization

Shift from Bluetooth single mode and BT/BLE to BLE single mode

LE Audio and Mesh 1.1 are new standards for BT audio and device networks

Segments and focus topics

Smart Home

- Focus on Mesh 1.1 and Mesh 2.0 (upcoming) device network protocols
- Drive engagements for emerging standards such as Connected Home over IP

Streaming & Compute

- Grow BLE-HID (Human Interface Devices) foot-print
- Drive beacons, tags with BLE Location + security in asset-tracking/industrial

Automotive

- Leverage Infineon Automotive footprint to add auto-body and sensor connectivity
- Enhance in-cabin experience

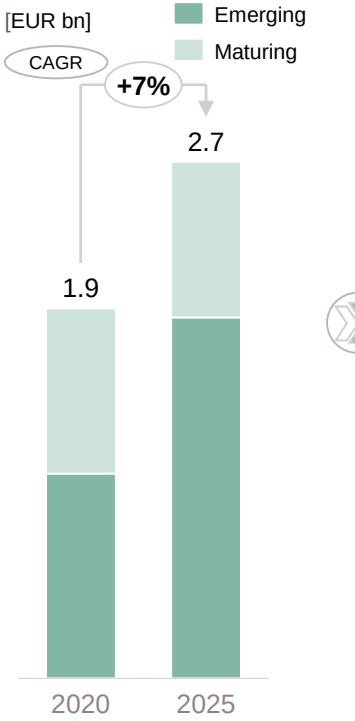
Wearables

- Infineon Wireless Audio Stereo Synchronization (WASS) in BT speakers as a differentiation
- Proliferate footprint in wearables by leveraging WASS technology

* Source: Infineon internal market model based on SAM view

Security – Several long-term key trends driving value, generating emerging opportunities, shaping CSS' focus in the security field

Security ICs market*



Trends in security ICs market

- Proliferation of contactless payment
- Growth of payment-enabled wearables
- Proliferation of IoT devices with increased security requirements
- Increasing penetration of eSIM Consumer in mobile devices
- Anti-counterfeiting for consumer devices to protect end users' health and experience

CSS focus

Innovation leadership

- Leading silicon technology platforms
- Contactless performance
- Secure embedded control

Increasing solution share

- Enhance full solutions portfolio (silicon + software) with extension of SECORA™ and OPTIGA™ families

Prepare for market opportunities

- Address adjacent and new market opportunities like biometric cards, wireless charging, new authentication applications, among others

Segments

Payment
Contactless, smart wearables and accessories, biometric cards

Identity
Electronic identification

Ticketing & Access
eTicketing, access management

Device Authentication
Accessories, printer authentication, battery authentication, wireless charging

Mobile Security
eSIM Consumer, SIM

Trust Anchors
IoT nodes & infrastructure, automotive security

* Source: Infineon internal market model based on SAM view

Significant synergy potential of a combined company product portfolio

Synergies application examples

CSS offering | Other Infineon Divisions offering

Smart speaker

Connectivity
Wi-Fi / Bluetooth Combo

Sensing
MEMS microphone, radar IC

Security
OPTIGA™

HMI
Capacitive touch controller

Audio
Class D Audio IC

Smart lighting

Connectivity
Wi-Fi / Bluetooth Combo

Sensing
XENSIV™ Sensor

Security
OPTIGA™

MCU
XMC

Service robots

Connectivity
Wi-Fi / Bluetooth Combo

Sensing
XENSIV™ Sensor
LED Drivers

Security
OPTIGA™

HMI
Capacitive touch controller

Audio
Class D Audio IC

MCU
PSoC™ 6

Infineon's new AIROC™ Wi-Fi 6/6E and Bluetooth® 5.2 solutions bring reliable, high-performance connectivity to smart homes

Key facts

- Infineon is expanding its AIROC™ wireless portfolio of high-performance, reliable and secured offerings with combined Wi-Fi 6/6E and Bluetooth® 5.2 combo capabilities
- Key advantages of the new solution include:
  - Doubled wireless coverage range compared to Wi-Fi 4 and 5
  - 40% more coverage than typical Wi-Fi 6/6E solutions
  - Over 20% power savings, enabling longer battery life
  - Improved connection robustness with enhanced interference mitigation
  - Multi-layer security protections enabling a higher level of security for IoT applications

Selected target applications

streaming devices

game consoles

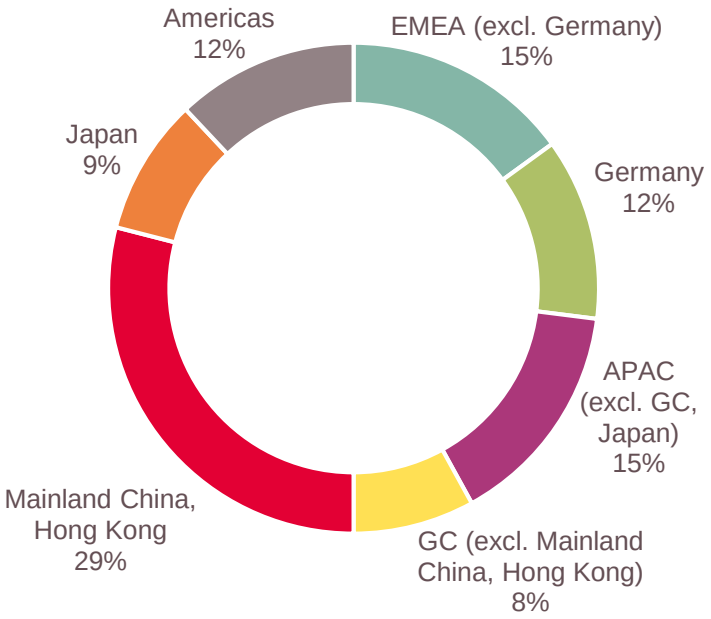
smart speakers

infotainment

Selected financial figures

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

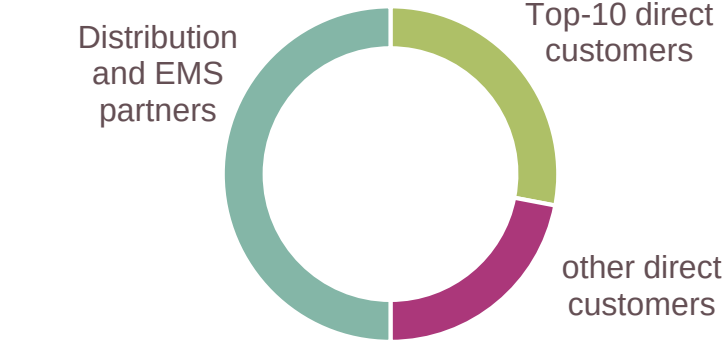
FY20 revenue by region



Revenue by sales channel*

Distribution and EMS partners

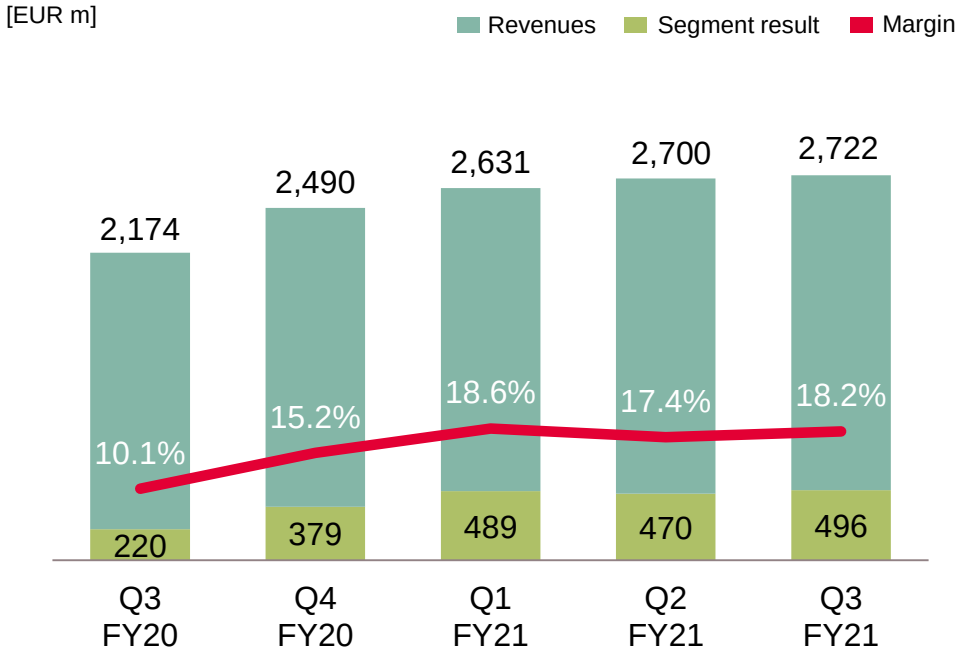
Top-10 direct customers



* assuming 12-months revenue contribution of Cypress

Group financial performance

Revenues and segment result



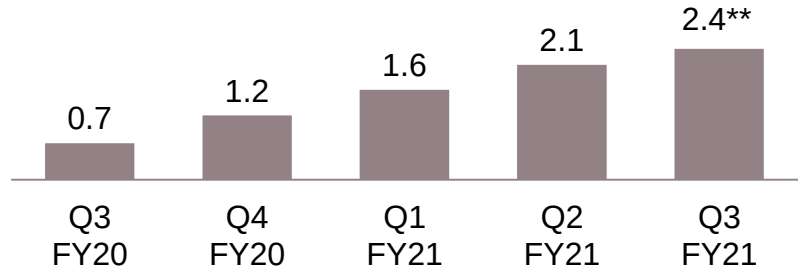
USD exchange rate

Average exchange rate

	Q3 FY20	Q2 FY21	Q3 FY21
ø USD/EUR	1.10	1.21	1.20

Book-to-bill*

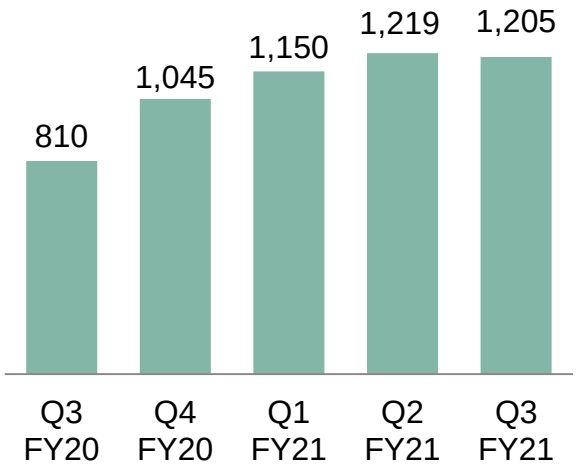
*See notes for definition **Calculated on a like-for-like basis



Automotive (ATV)

Revenues*

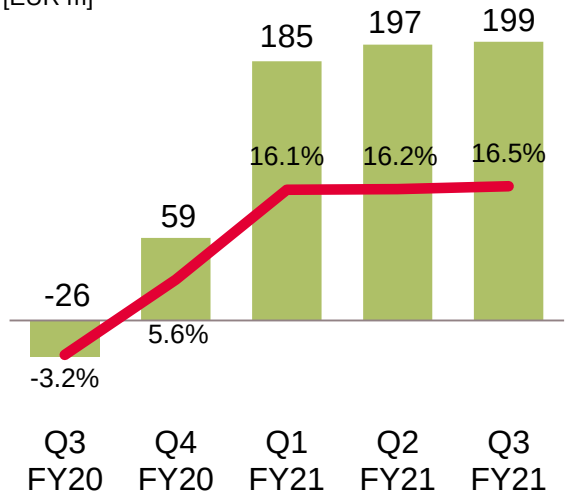
[EUR m]



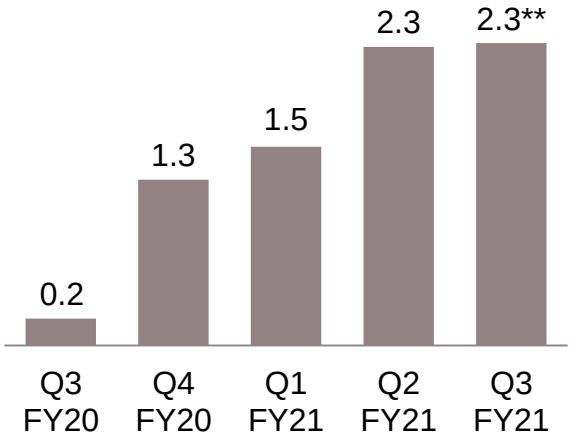
Segment Result*

Margin

[EUR m]



Book-to-bill



**Calculated on a like-for-like basis, see notes

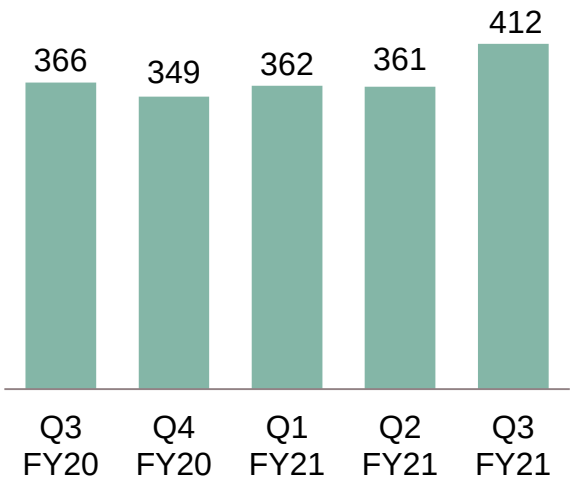
- Significant demand across all product areas, however …
- … supply constraints, in particular temporary shutdowns at Austin and Melaka sites, capped revenue growth; profitability was preserved
- In an overall restrained car market, the adoption of electric vehicles remains on a strong trajectory

* With effect from 1 Oct 2020, we transitioned a group of industrial microcontrollers with an annual sales volume of a low-double digit million Euros from ATV to CSS. Historical figures have been retroactively adjusted.

Industrial Power Control (IPC)

Revenues

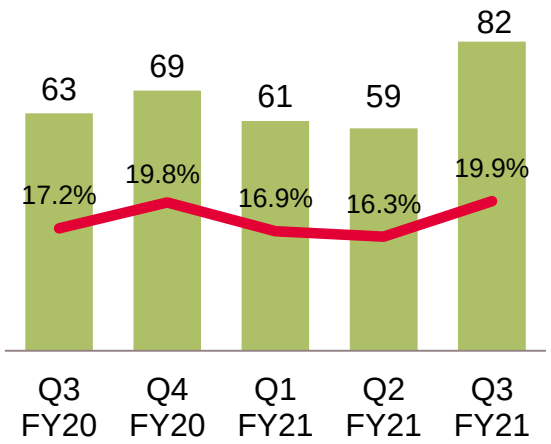
[EUR m]



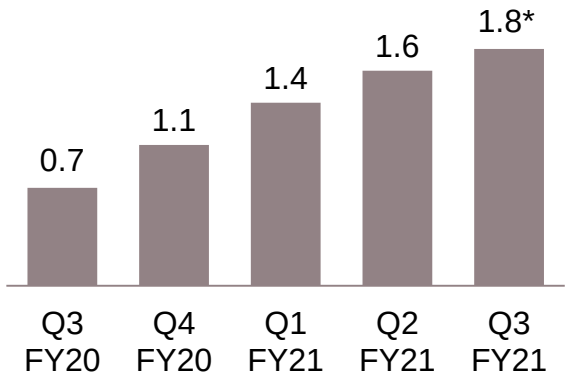
Segment Result

Margin

[EUR m]



Book-to-bill

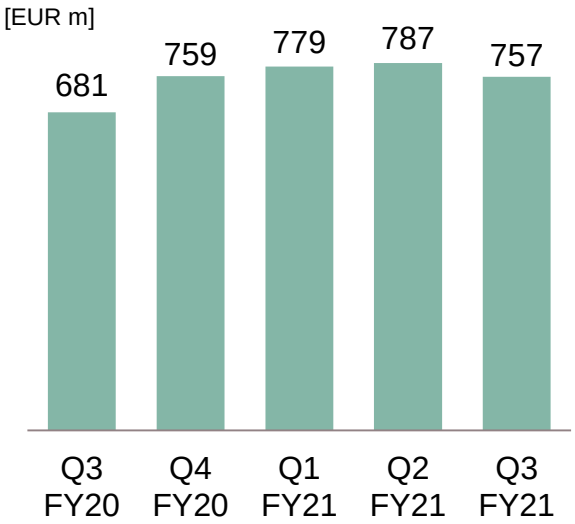


*Calculated on a like-for-like basis, see notes

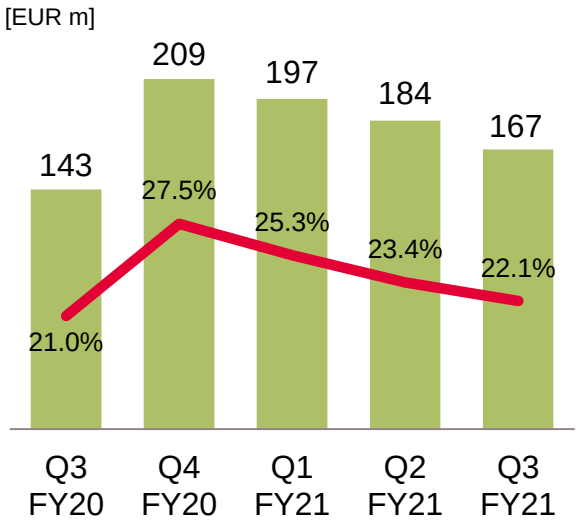
- All application areas contributed to the strong sequential growth, in particular industrial drives and renewable energies
- Ongoing recovery for industrial drives, driven by robust business optimism
- Energy transition provides strong structural backdrop to several IPC target areas (renewables; energy storage; EV charging)

Power & Sensor Systems (PSS)

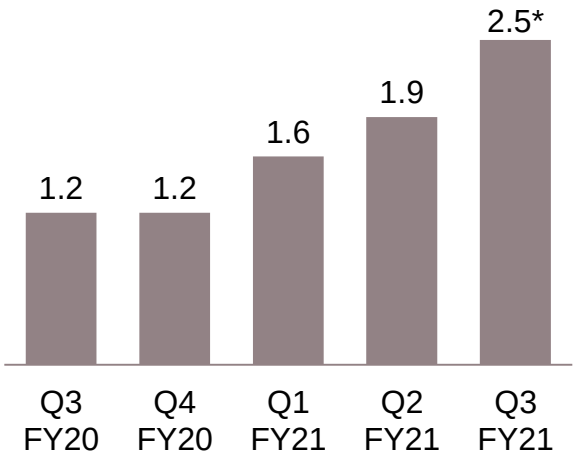
Revenues



Segment Result



Book-to-bill

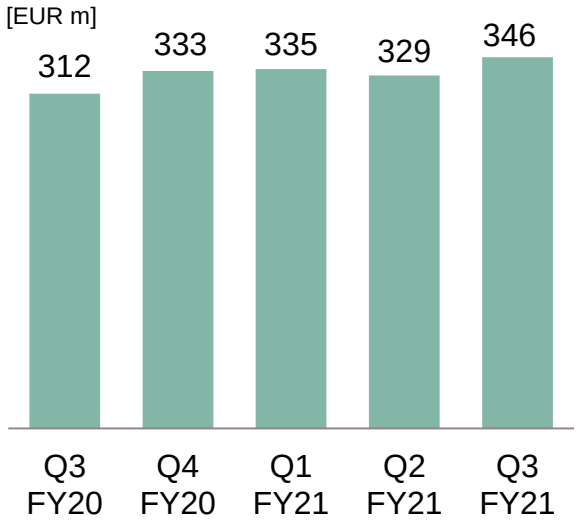


*Calculated on a like-for-like basis, see notes

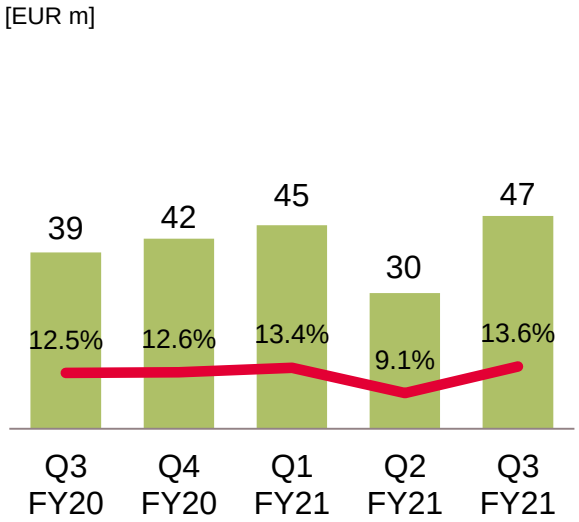
- Sequential revenue decline caused by:
  - Temporary drop of demand for RF and sensor components for smartphones
  - Supply limitations resulting from constraints at our Austin and Melaka fabs and from external contract manufacturers
- Strong demand across the entire range of power products - from server power stages to MOSFETs and ICs for battery-operated tools

Connected Secure Systems (CSS)

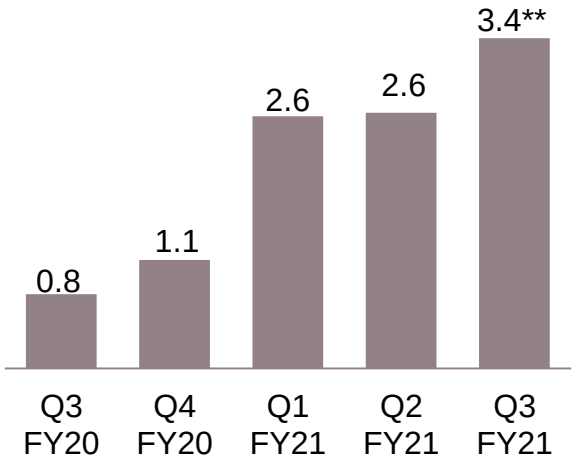
Revenues*



Segment Result* Margin



Book-to-bill



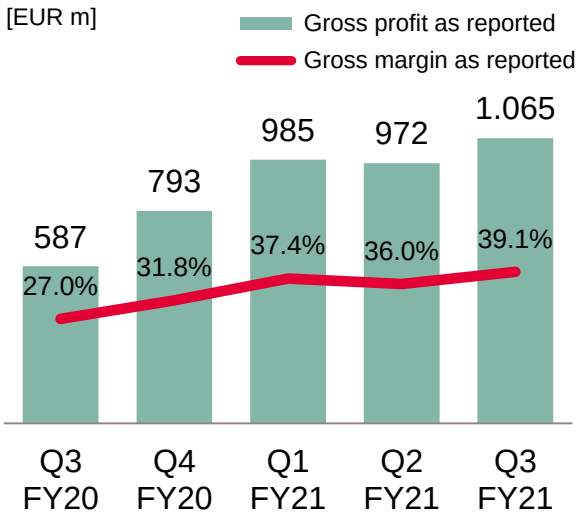
**Calculated on a like-for-like basis, see notes

- Some limited supply improvements and higher project business in identity solutions supported quarterly revenue growth
- Brisk demand for general-purpose MCUs, Wi-Fi and Bluetooth components and security solutions
- Ongoing design-win momentum for smart and connected devices

* With effect from 1 Oct 2020, we transitioned a group of industrial microcontrollers with an annual sales volume of a low-double digit million Euros from ATV to CSS. Historical figures have been retroactively adjusted.

Gross margin and Opex

Gross profit



Therein non-segment result charges

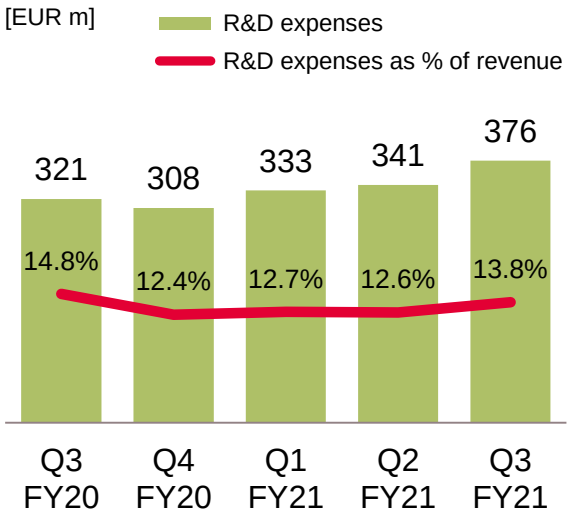
[EUR m]

193	118	75	89	74

Adjusted gross margin

35.9%	36.6 %	40.3%	39.3%	41.8%

R&D

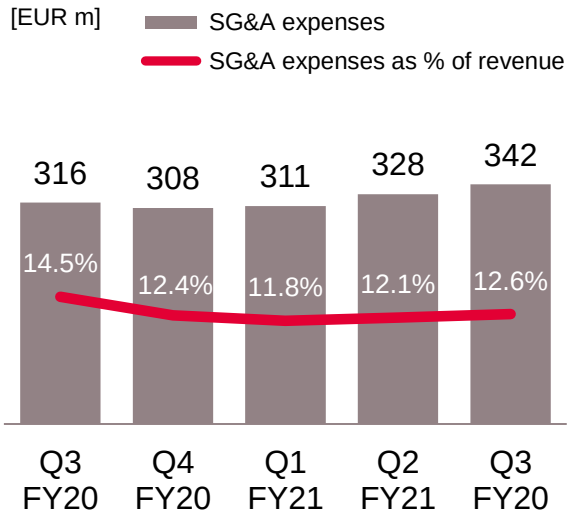


Therein non-segment result charges

[EUR m]

8	11	8	4	6

SG&A

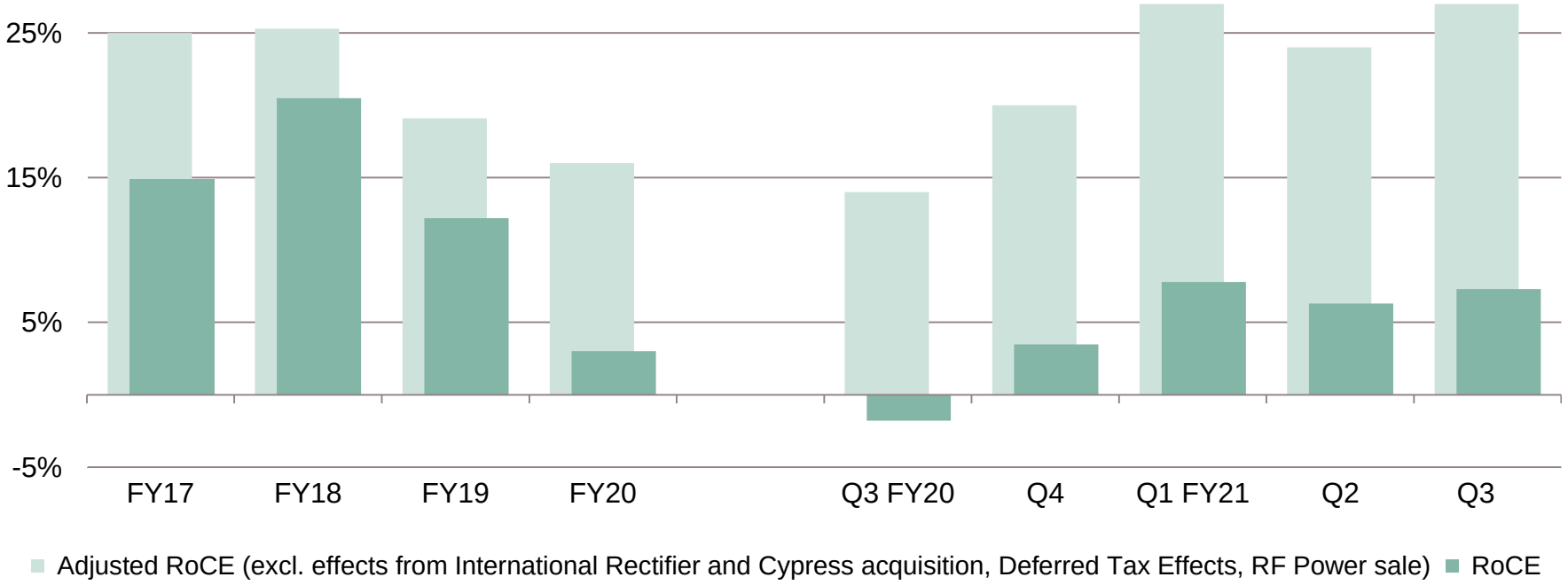


Therein non-segment result charges

[EUR m]

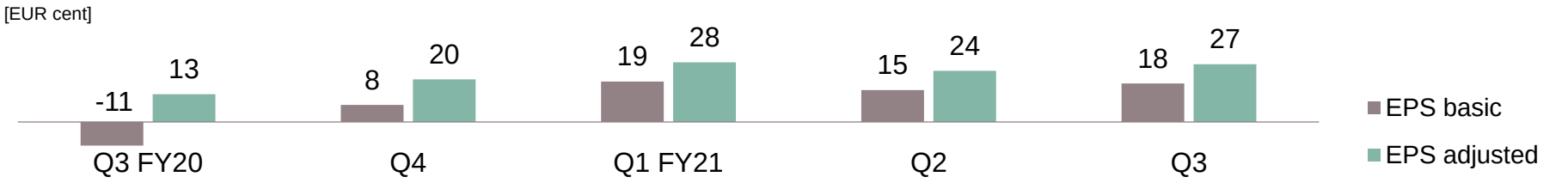
79	68	60	58	60

RoCE and adjusted RoCE

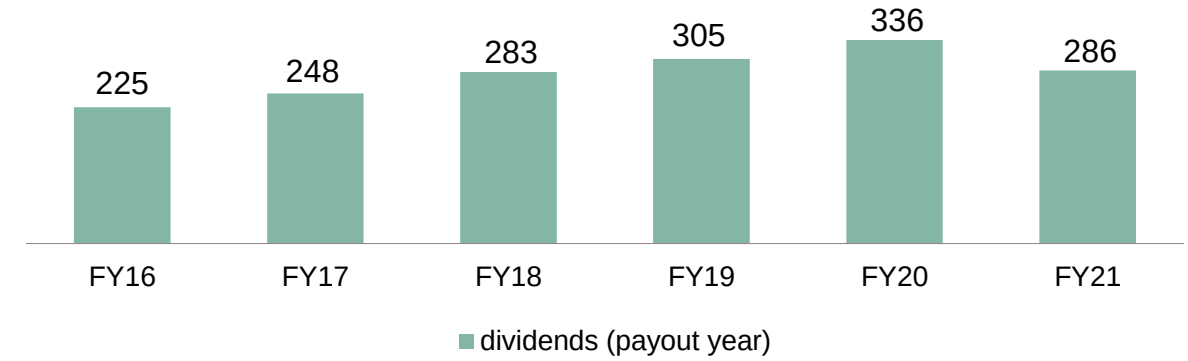


Earnings-per-share and total cash return

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



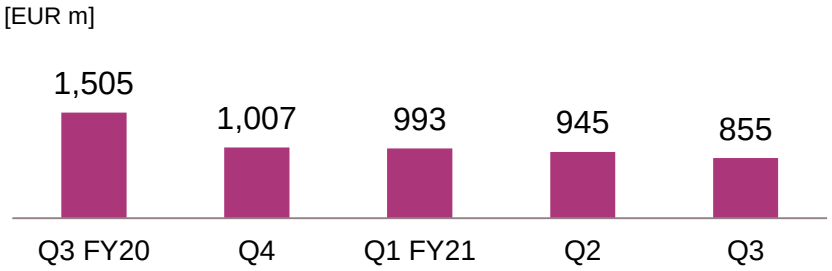
Total cash return to shareholders



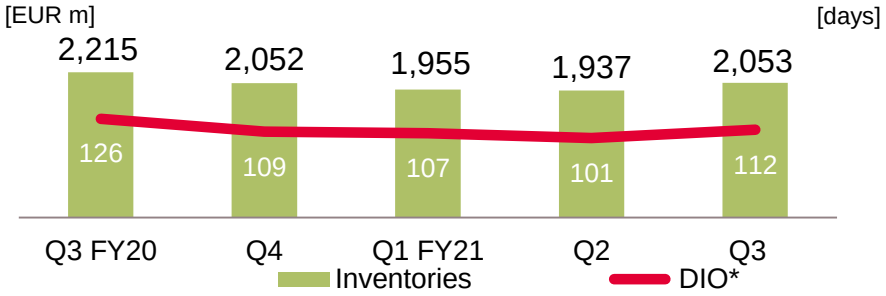
- Dividend for FY20: €0.22 per share
- Dividend payout of €286m for FY20 on 2 Mar 2021

Working Capital, in particular trade working capital components

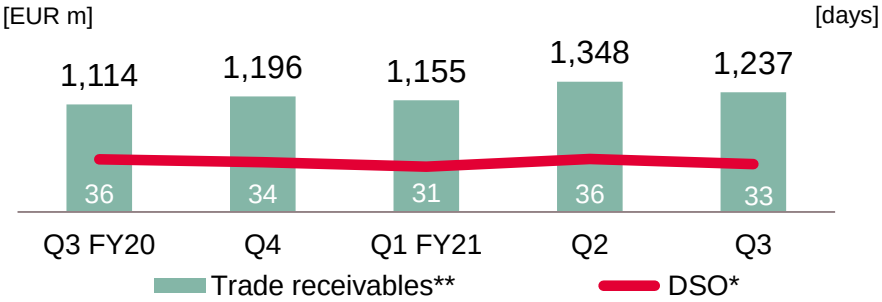
Working capital*



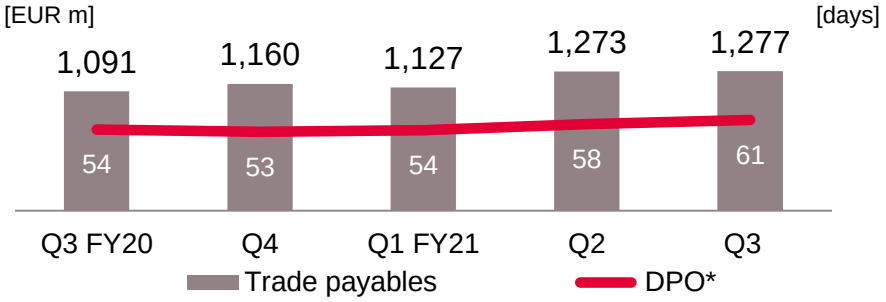
Inventories



Trade receivables



Trade payables



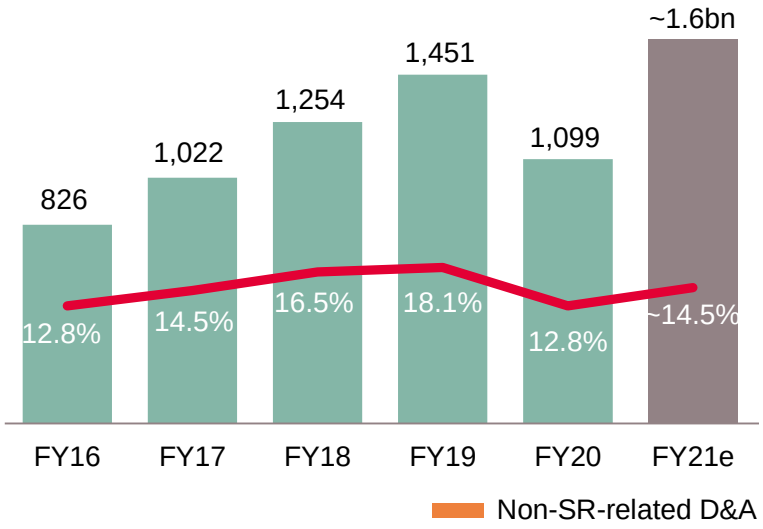
* For definition please see page "Notes".

** Along with the integration of Cypress refund liabilities to customers are presented under “other current liabilities” instead of “trade receivables”. Prior quarters’ figures were adjusted accordingly for better comparability.

D&A impacted by Cypress consolidation and PPA

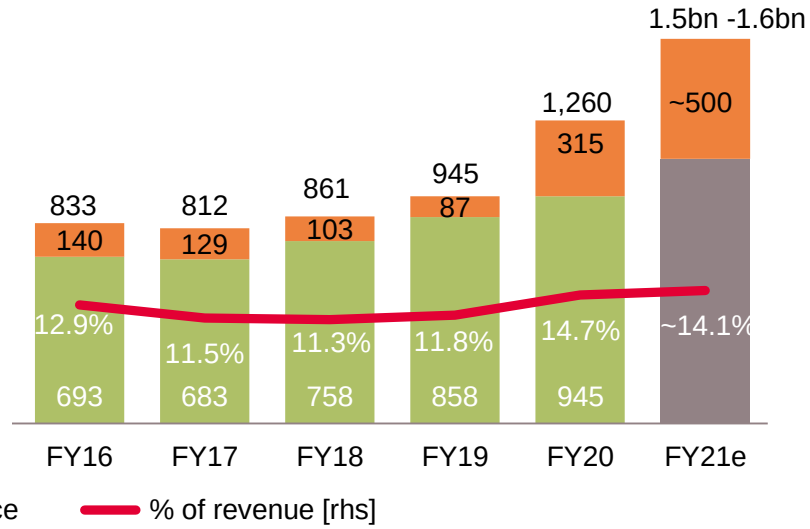
Investments*

[EUR m]



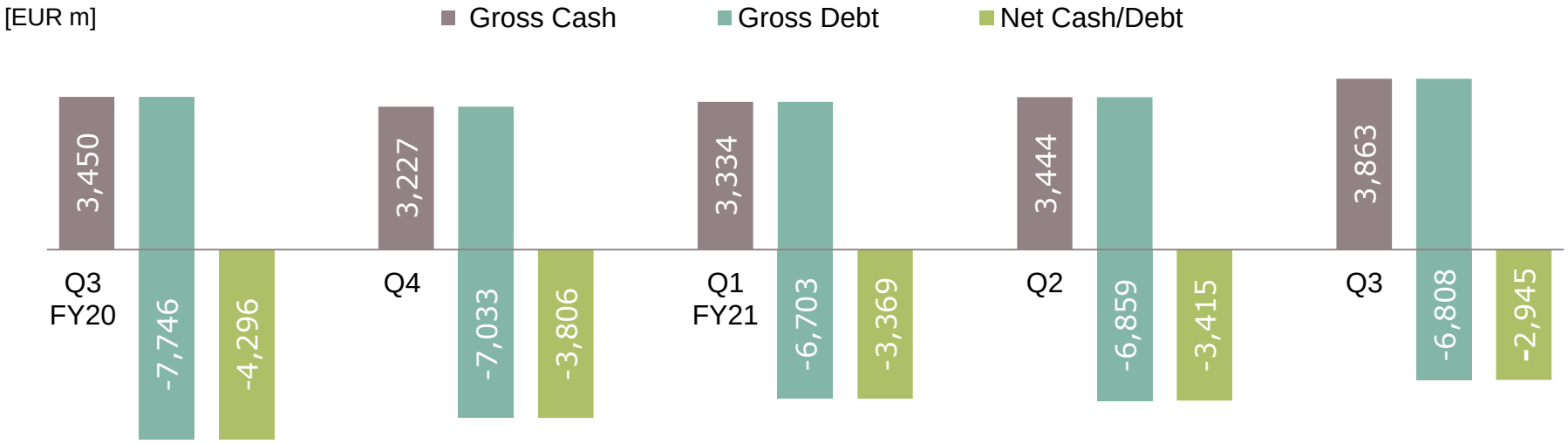
Depreciation & Amortization

[EUR m]



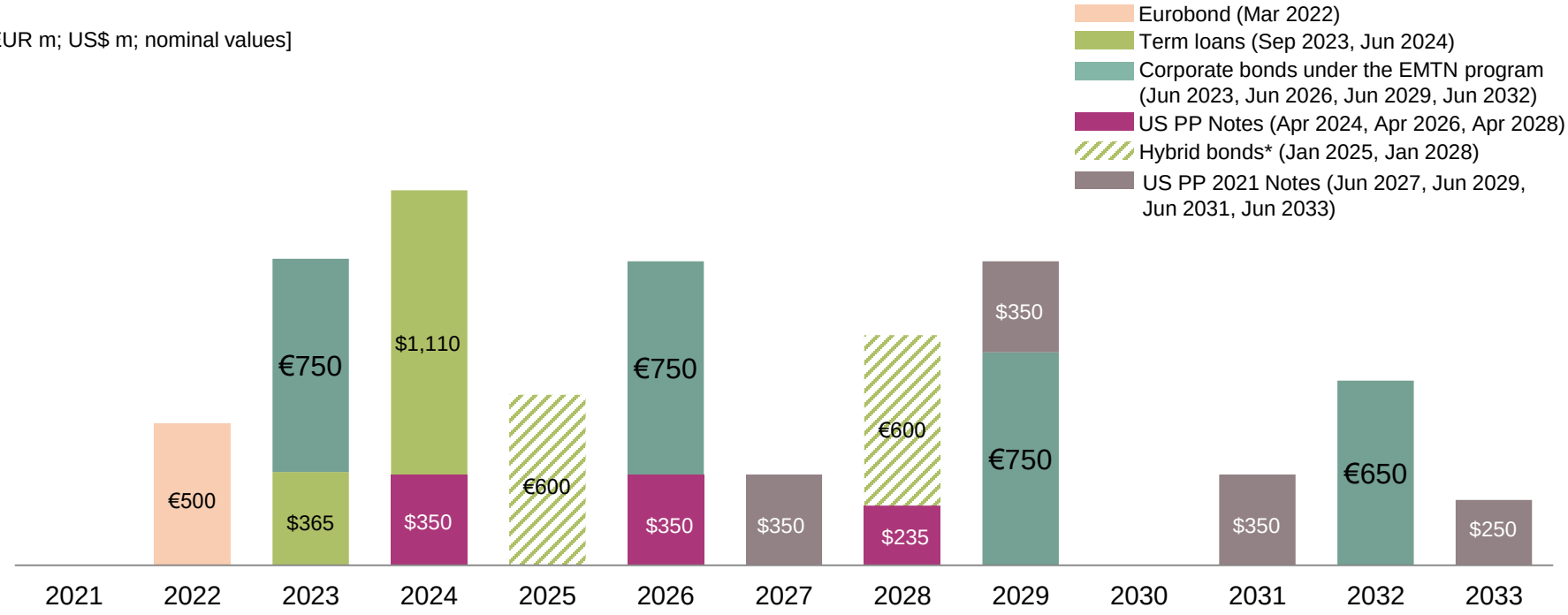
* For definition please see page "Notes".

Liquidity development



Maturity profile

[EUR m; US$ m; nominal values]



Graph excludes pre-existing Cypress convertibles of ~$382m repayment value, maturing latest 2022, and additional debt with maturities between 2021 and 2023 totaling €6m.
* 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.

Part of your life. Part of tomorrow.

Glossary (1 of 2)

ABB	accelerated book building
ABS	anti-blocking system
AC	alternating current
AC-DC	alternating current - direct current
AD	automated driving
ADAS	advanced driver assistance system
AEB	automatic emergency braking
AFS	advanced frontlight system
AI	artificial intelligence
AR	augmented reality
ASP	average selling price
BEV	battery electric vehicle
BGA	ball grid array
BLE	Bluetooth Low Energy
BMS	battery management system
BoM	bill of material
BT	Bluetooth
CL	contactless
CPU	central processing unit
CRC	cyclical redundancy check
DC	direct current
DC-DC	direct current - direct current
DIF	dual-interface (contact-based and contactless)
DIY	do it yourself
DPM	digital power management
eCall	emergency call

ECC	error correction code
ECU	electronic control unit
EPS	electric power steering
eSIM	embedded subscriber identity module
ESS	energy storage system
EV	electric vehicle
FHEV	full hybrid electric vehicle
FPGA	field programmable gate array
G2M	go-to-market
GaN	gallium nitride
GPS	global positioning system
GPU	graphics processing unit
HEV	mild and full hybrid electric vehicle
HMI	human machine interaction
HSM	hardware security module
HST	high-speed train
HVAC	heating, ventilation, air conditioning
HW	hardware
IC	integrated circuit
ICE	internal combustion engine
IGBT	insulated gate biploar transistor
IoT	Internet of Things
IPM	intelligent power module
IVN	in-vehicle networking
iPoI	image processing line
IRFPoIP	International Rectifier

Glossary (2 of 2)

IVN	in-vehicle networking
LCD	liquid crystal display
LDO	low dropout voltage regulator
LED	light-emitting diode
LSEV	low-speed electric vehicle
LSPS	LS Power Semitech Co. Ltd.
µC	microcontroller
Mb	megabit
MCU	microcontroller unit
MEMS	micro electro-mechanical systems
MHA	major home appliances
MHEV	mild hybrid electric vehicle
MIMO	multiple input, multiple output
micro-hybrid	vehicles using start-stop systems and limited recuperation
mild-hybrid	vehicles using start-stop systems, recuperation, DC-DC conversion, e-motor
MOSFET	metal-oxide silicon field-effect transistor
MPU	microprocessor unit
OBC	on-board charger
OEM	original equipment manufacturer
P2S	Infineon‘s strategic product-to-system approach
PAS	photo-acoustic spectroscopy
PFC	power factor correction
PHEV	plug-in hybrid electric vehicle
PMIC	power management IC
PoI	point-of-load
PSoC	programmable system-on-chip

PTC	positive temperature coefficient
PV	photovoltaic
RF	radio frequency
rhs	right-hand scale
Si	silicon
SiC	silicon carbide
SiGe	silicon germanium
SMD	surface mounted device
SMPS	switch-mode power supply
SNR	signal-to-noise ratio
SoC	system-on-chip
SOTA	software over-the-air
SPI	serial peripheral interface
SRAM	static random access memory
SW	software
TAM	total addressable market
TCO	total cost of ownership
ToF	time-of-flight
TPM	trusted platform module
UPS	uninterruptible power supply
USB	universal serial bus
V2X	vehicle-to-everything communication
VR	virtual reality
VSD	variable speed drive
Wi-Fi	wireless fidelity
xEV	all degrees of vehicle electrification (EV, HEV, PHEV)

Disclaimer

Disclaimer

This presentation contains forward-looking statements about the business, financial condition and earnings performance of the Infineon Group.
These statements are based on assumptions and projections resting upon currently available information and present estimates. They are subject to a multitude of uncertainties and risks.
Actual business development may therefore differ materially from what has been expected.
Beyond disclosure requirements stipulated by law, Infineon does not undertake any obligation to update forward-looking statements.

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Financial calendar

Date	Location	Event
1 Sep 2021	Chicago → virtual	Jefferies Annual Semiconductor Conference
2 Sep 2021	Frankfurt → virtual	Commerzbank Corporate Conference
2 Sep 2021	London → virtual	dbAccess European TMT Conference
5 Oct 2021	London // virtual	Infineon Capital Markets Day “IFX Day 2021”
10 Nov 2021*		Q4 FY21 and FY 2021 Results

* preliminary

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 =	NOPAT / Capital Employed = ('Income from continuing operations' – 'financial income' – 'financial expense') / 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')* / 'revenue'* x 90 *without debtors with credit balances

Book-to-bill = Orders received / Revenue in Euro per quarter

Orders received contains order backlog and external customer forecast. External customer forecast includes consignment stock forecast by customers. Not included are internal consignment replenishment orders.

Orders received does not include unconfirmed orders received. Unconfirmed demand will be reported as orders received and in book-to-bill when it gets confirmed.

Orders received may not coincide with the IFRS 15 definition of a contract with a customer.

Like-for-like calculation in Q3 FY21: In the light of continued strong order intake, Infineon has temporarily switched from automatic to manual order confirmation. As a result, comparatively fewer orders are being confirmed. To provide a comparable view, the book-to-bill figure has been adjusted by assuming the same confirmation rate of newly received orders as in the previous quarter.

ESG footnotes:

1) This figure considers manufacturing, transportation, function cars, flights, materials, chemicals, water/waste water, direct emissions, energy consumption, waste, etc. and is based on internally collected data and externally available conversion factors. All data relate to the 2020 fiscal year. Manufacturing service providers are not included.
2) This figure is based on internally established criteria, which are explained in the explanatory notes. The figure relates to the calendar year 2019 and considers the following fields of application: automotive, LED, induction cookers, server, renewable energy (wind, photovoltaic), mobile phone chargers as well as drives. 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 the technologies concerned, based on internal and external experts' estimations.
3) Calculation based on average polycrystalline photovoltaic cells and the average yearly solar radiation of central Germany.
4) Based on the average electricity consumption of private households in Germany and official energy conversion factors.
5) Calculation based on average passenger capacity and direct flight route using externally available data and conversion factors.

For further reading

ATV Business Update Call
Peter Schiefer
5 October 2020

https://www.infineon.com/2020atvcall

IPC Business Update Call
Dr. Peter Wawer
6 May 2021

https://www.infineon.com/2021ipccall

CSS Business Update Call
Thomas Rosteck
3 March 2021

https://www.infineon.com/2021csscall

PSS Business Update Call
Andreas Urschitz
1 July 2021

https://www.infineon.com/2021psscall

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