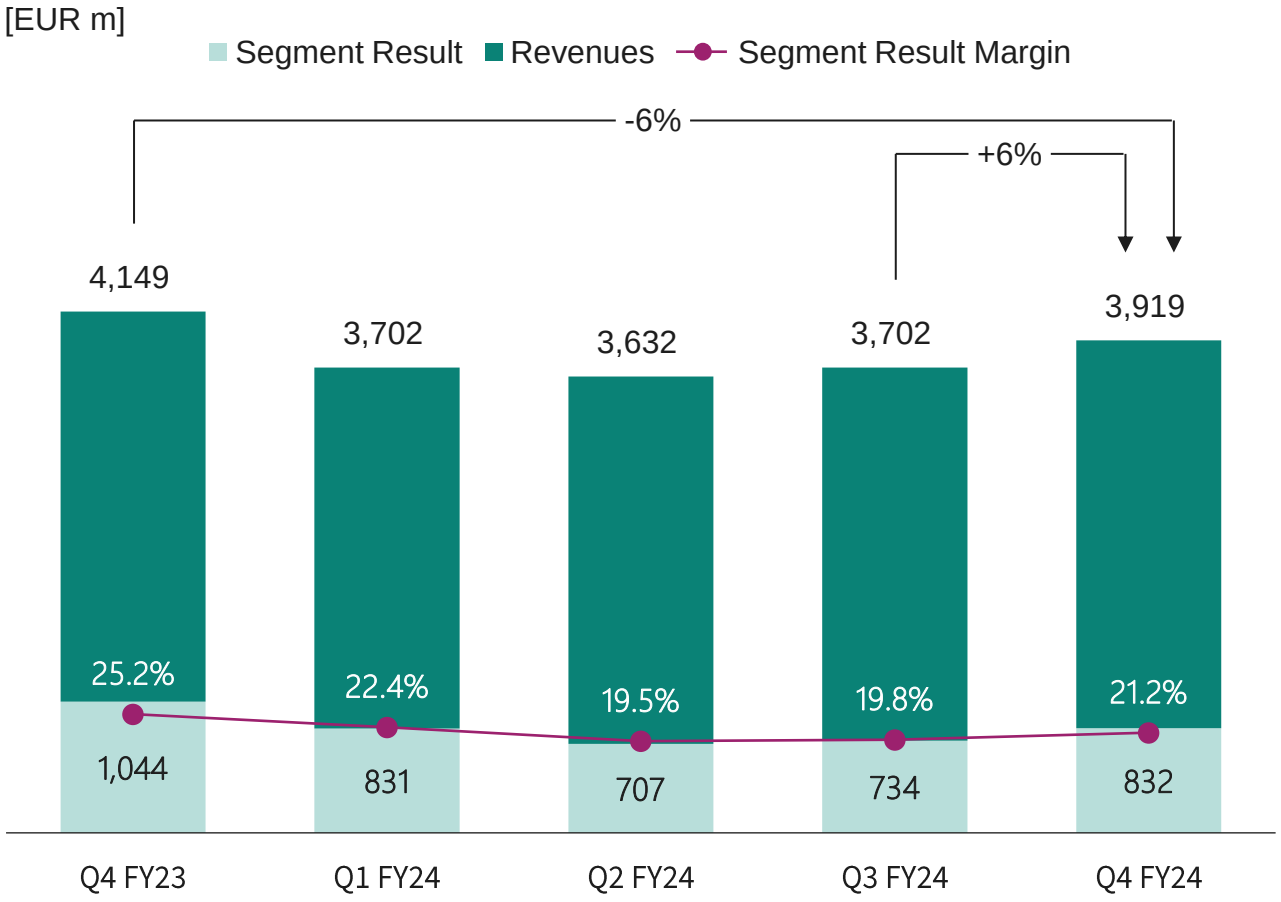


Fourth Quarter FY 2024 Analyst Call

Infineon Technologies AG
Investor Relations

Group financial performance

Revenues and Segment Result

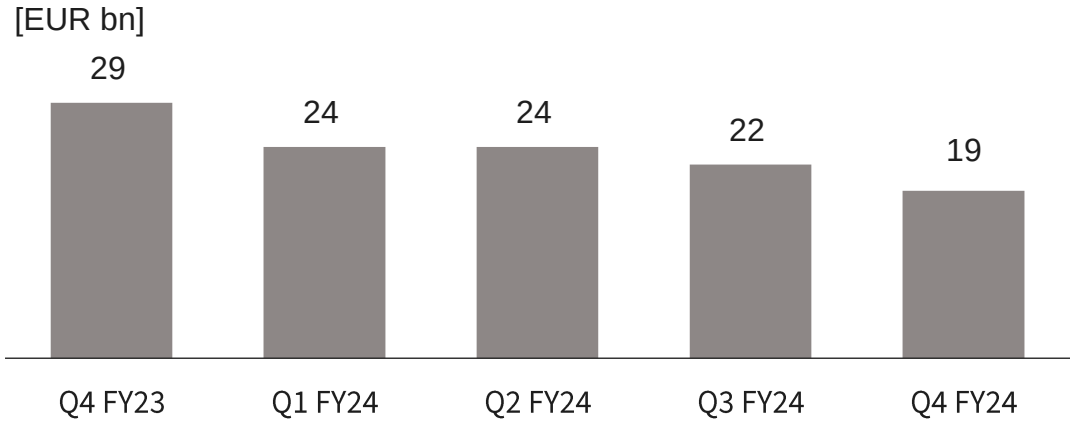


USD exchange rate

Average revenue exchange rate

	Q4 FY23	Q3 FY24	Q4 FY24
ø USD/EUR	1.09	1.08	1.10

Order backlog[1]

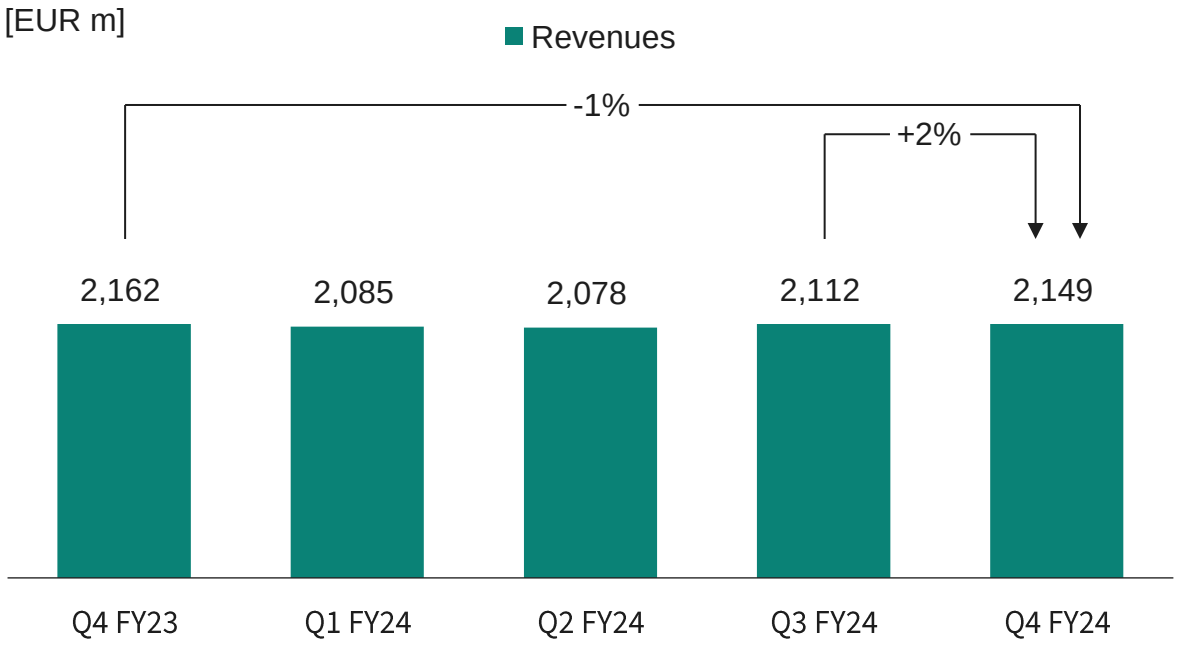


[1] See notes for definition

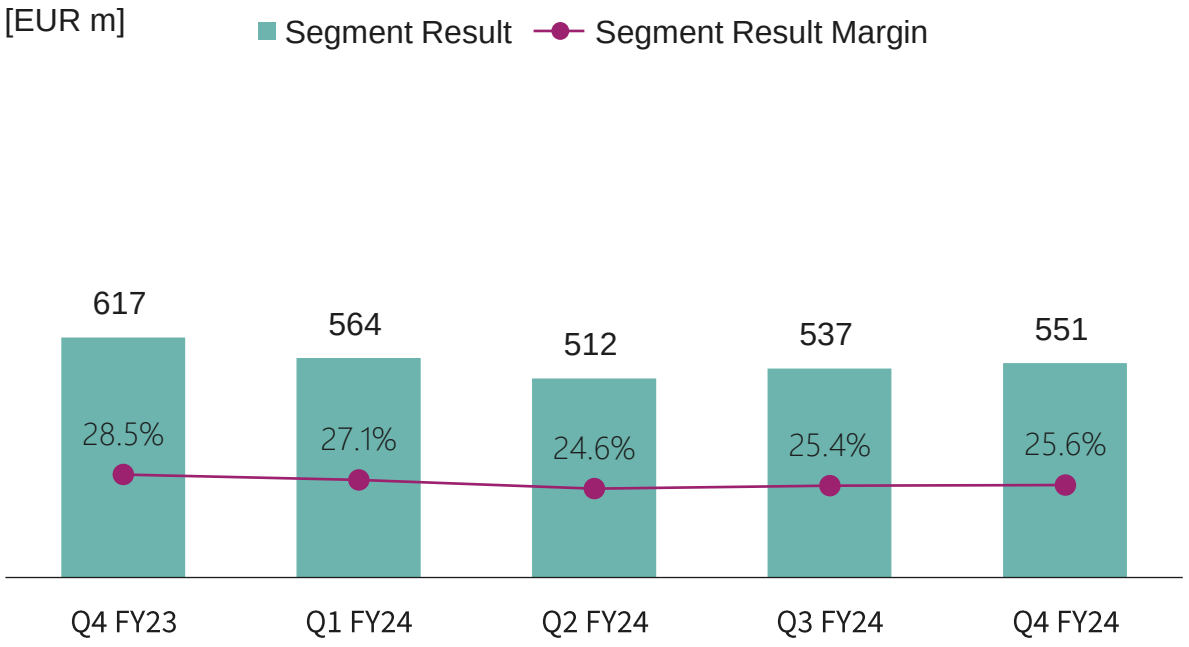
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Automotive (ATV)

Revenues



Segment Result

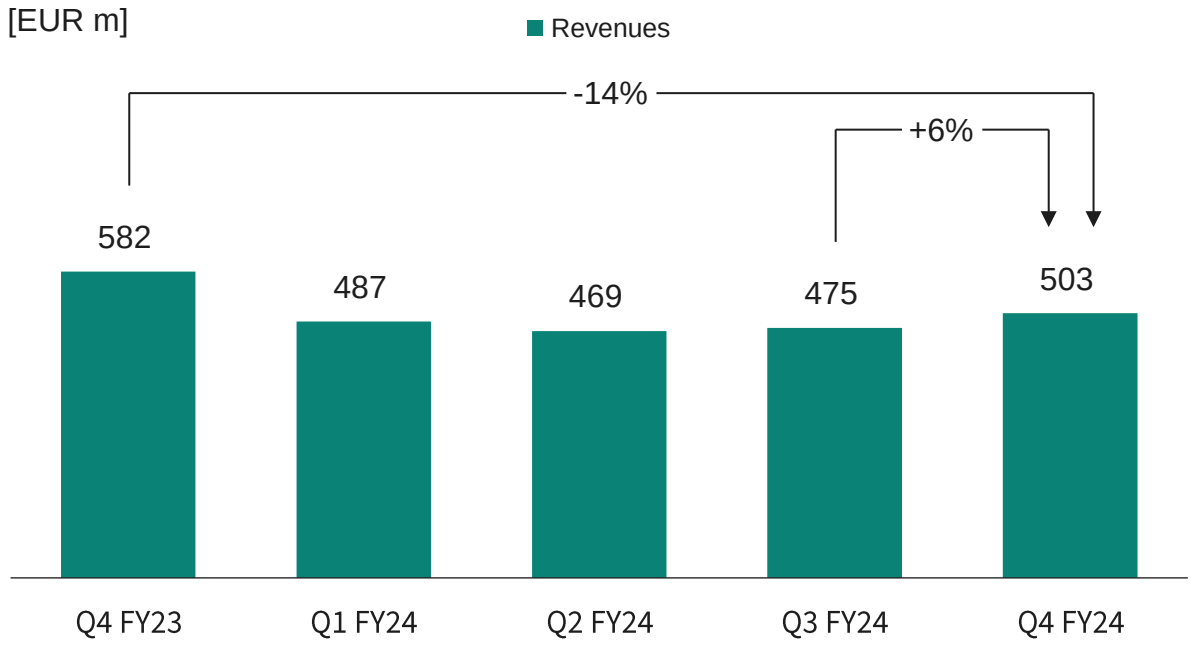


- Slight revenue increase driven by higher volumes, particularly in xEV and MCU.
- In FY24, Infineon grew the automotive business by 2 percent y-o-y, due to a broad portfolio, balanced regional presence and market share gains.
- Intensified inventory reduction efforts across the value chain driven by macroeconomic uncertainty and challenging market environment.

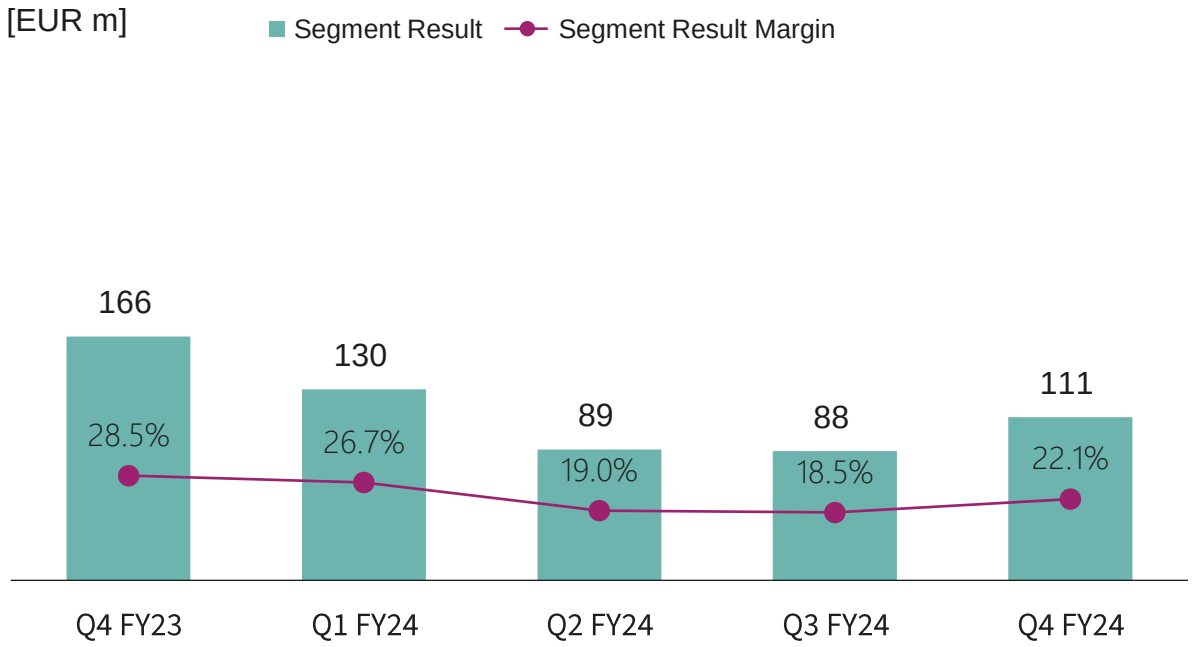
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Green Industrial Power (GIP)

Revenues



Segment Result



- Seasonal revenue uptick due to renewable energy generation and transportation.
- Demand for decarbonization-related applications remains strong but is dampened by high inventory levels.
- Prolonged phase of muted development expected for core industrial applications.

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Infineon is the leader across all power semiconductor technologies – unparalleled portfolio and know-how

Si

World's thinnest silicon power wafer with **20 µm** on **300 mm**

- Broadest Si-power portfolio in the market
- Unmatched quality and leading in all figures of merit (FOM)
- Best price/performance ratio

CoolMOS™ OptiMOS™

SiC

World's most competitive 200 mm silicon carbide power fab

- Broadest portfolio covering auto and industrial applications
- Leading trench performance
- High reliability and robustness in extreme conditions
- Smaller system size

CoolSiC™

GaN

World's first 300 mm gallium nitride power wafer

- Enabling cost parity with silicon
- Highest efficiency at the highest frequency enabling smallest system size
- Allow functional integration

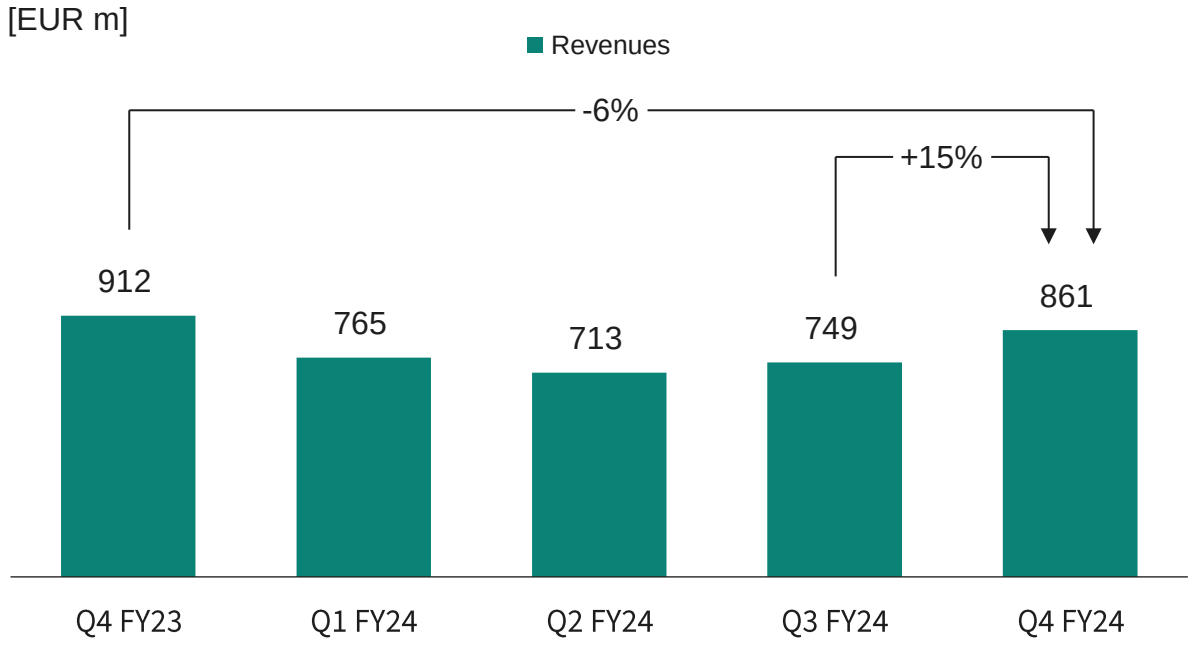
CoolGaN™

Infineon is strengthening its position as the industry's innovation leader leading the way in all three power semiconductor materials

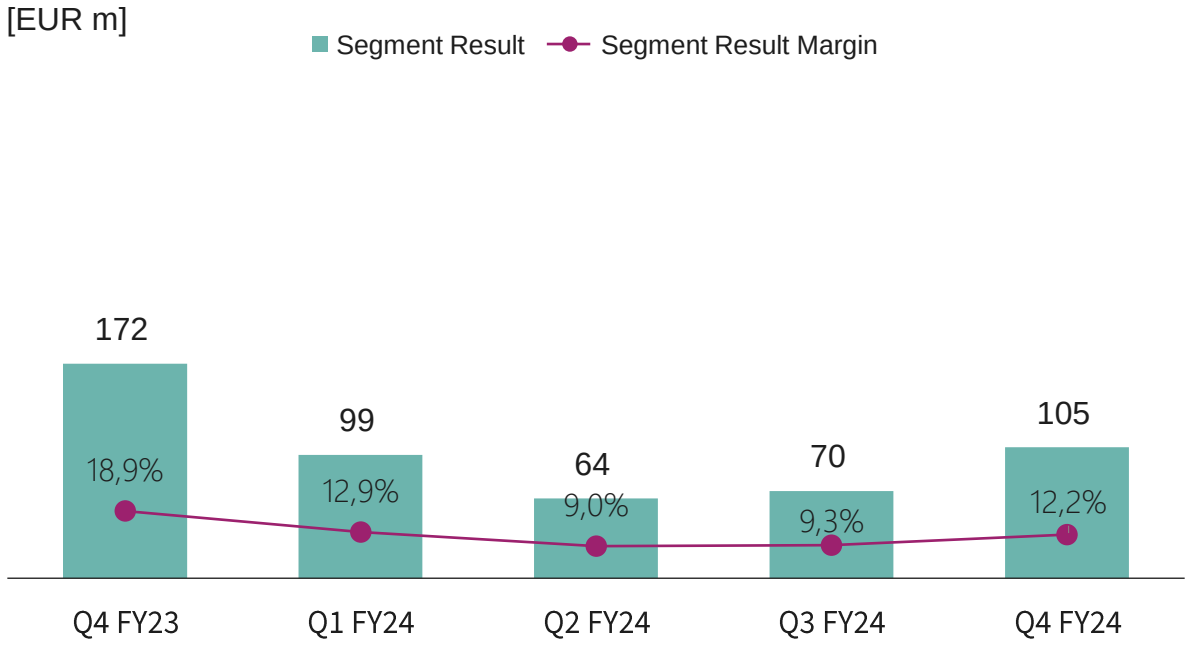
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Power & Sensor Systems (PSS)

Revenues



Segment Result

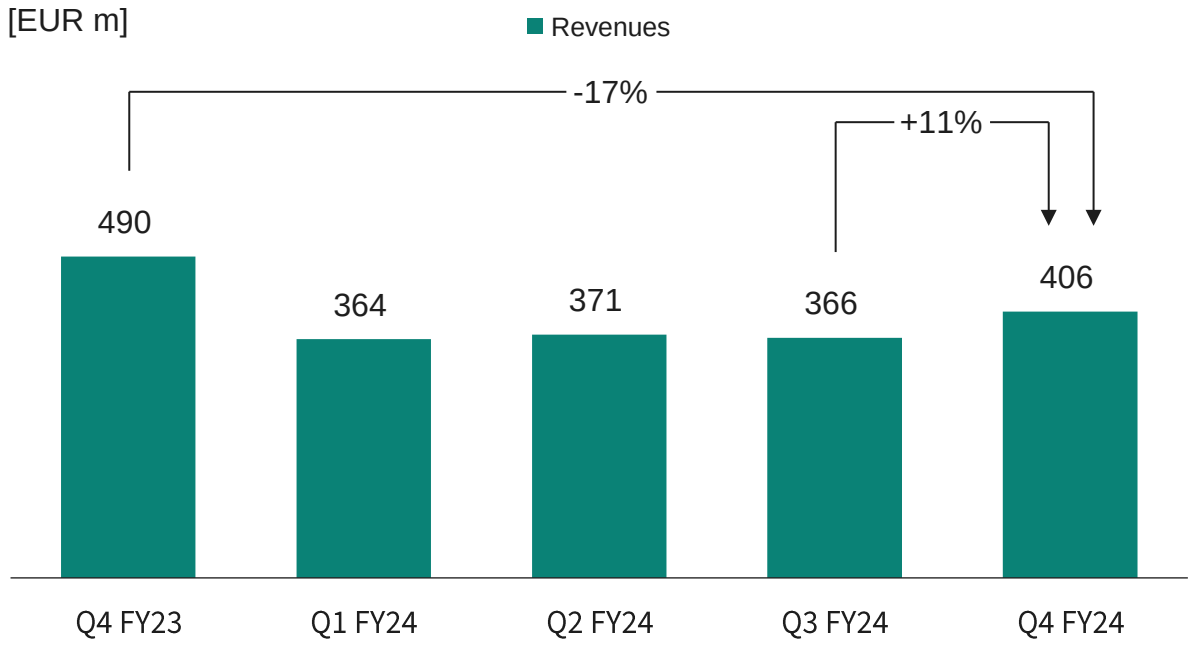


- Growth across all business lines – AI power solutions up 50% q-o-q.
- Consumer, compute, communications have bottomed out. Cyclical market recovery slower than anticipated. Working down of inventories continuing.
- Power solutions for AI servers are booming – Infineon is uniquely positioned addressing the entire power flow from grid to core.

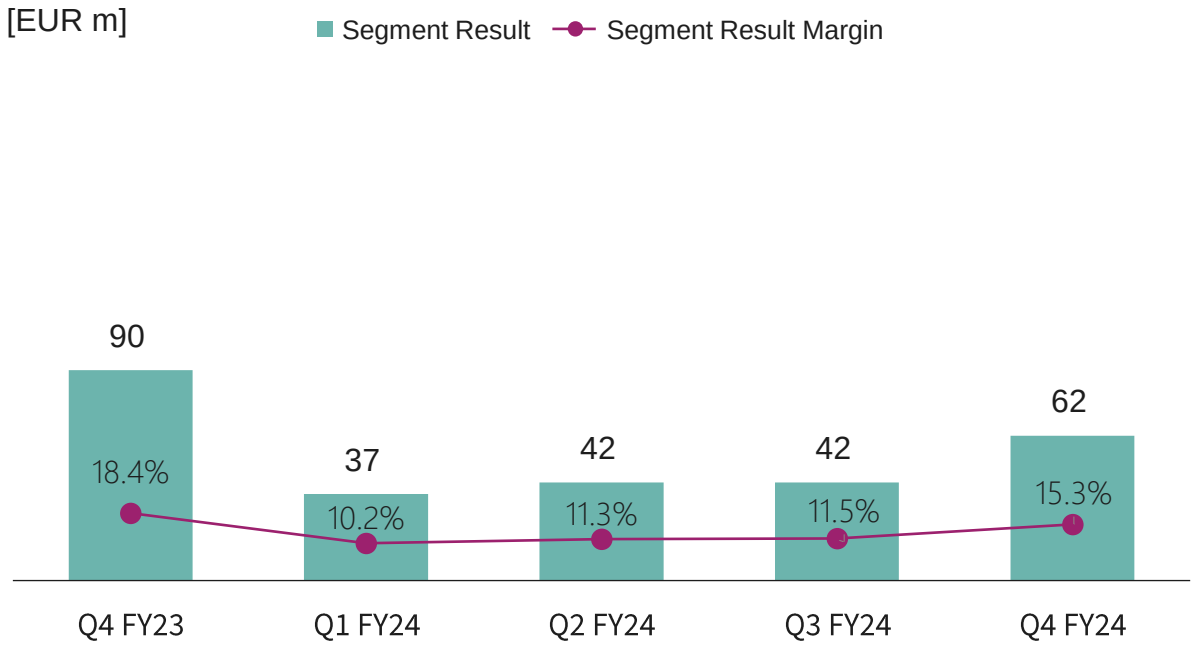
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Connected Secure Systems (CSS)

Revenues



Segment Result



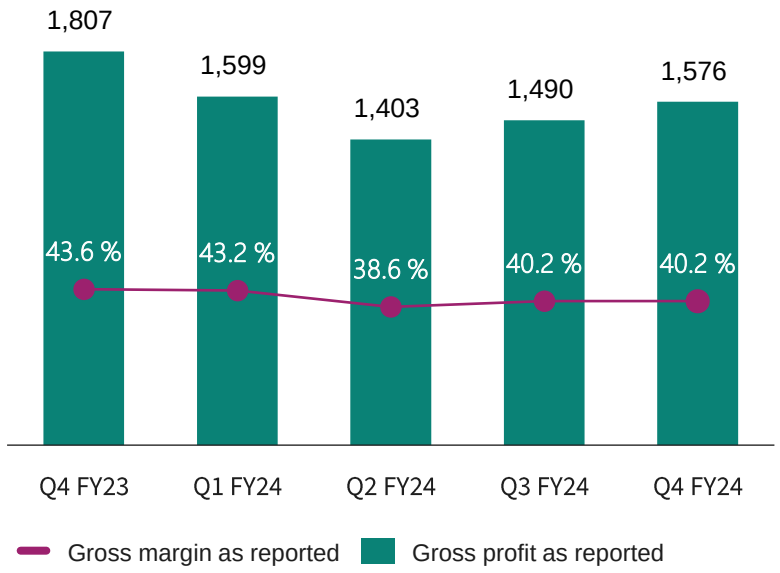
- Revenue increase driven by connectivity, authentication, and identity solutions, as well as general-purpose microcontrollers.
- Most IoT and security markets have bottomed out, yet recovery remains sluggish due to macroeconomic uncertainties.
- Structural growth driven by advancements in Edge AI, including the introduction of DEEPCRAFT™ and the launch of new ready models.

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Gross margin and Opex

Gross profit

[EUR m]



Therein Non-Segment Result charges
[EUR m]

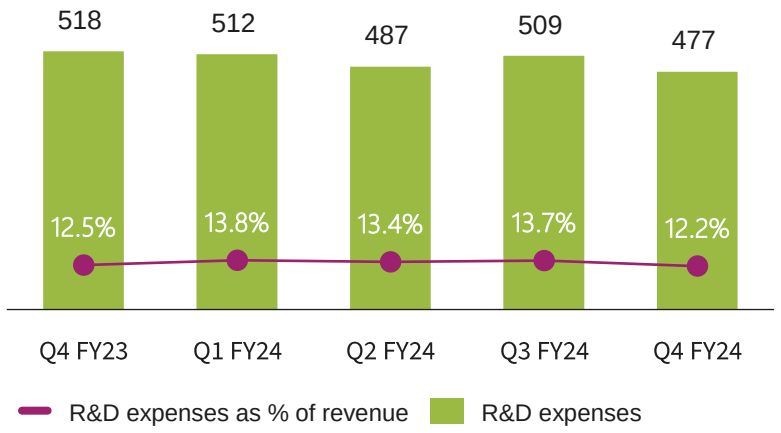
79	65	91	71	77

Adjusted gross margin

45.5%	44.9%	41.1%	42.2%	42.2%

R&D

[EUR m]

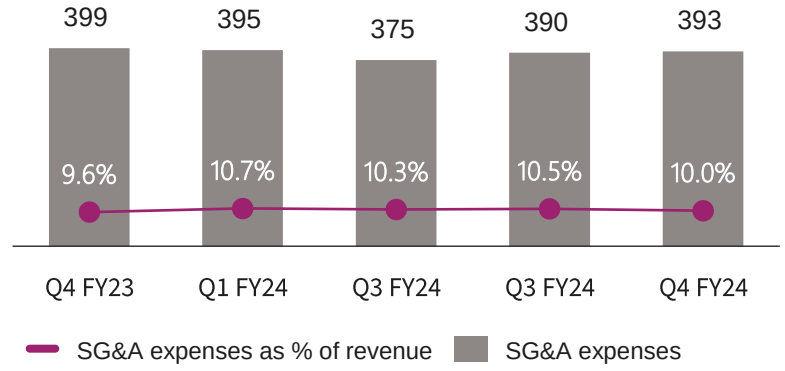


Therein Non-Segment Result charges
[EUR m]

12	16	18	15	14

SG&A

[EUR m]



Therein Non-Segment Result charges
[EUR m]

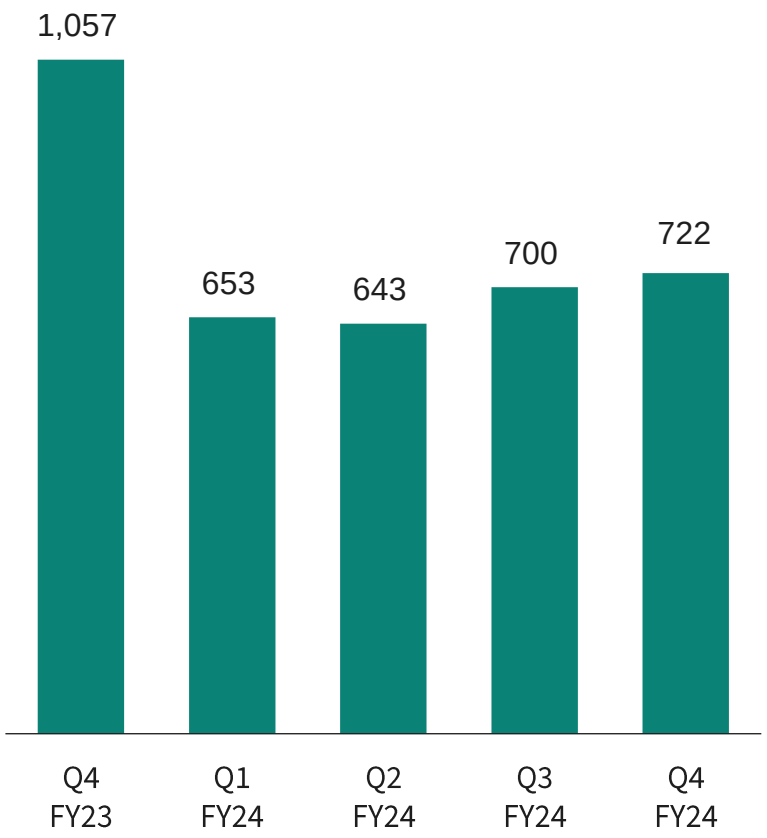
57	54	54	54	48

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Investments, Depreciation & Amortization and Free Cash Flow

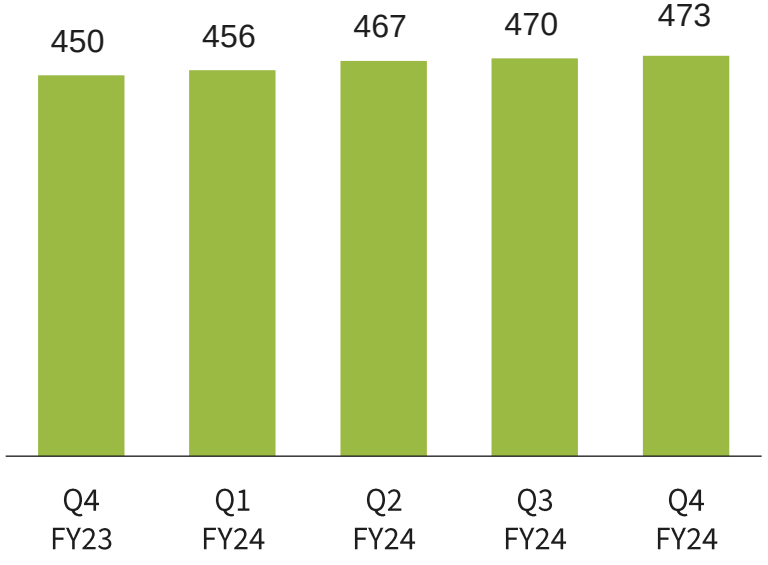
Investments

[EUR m]



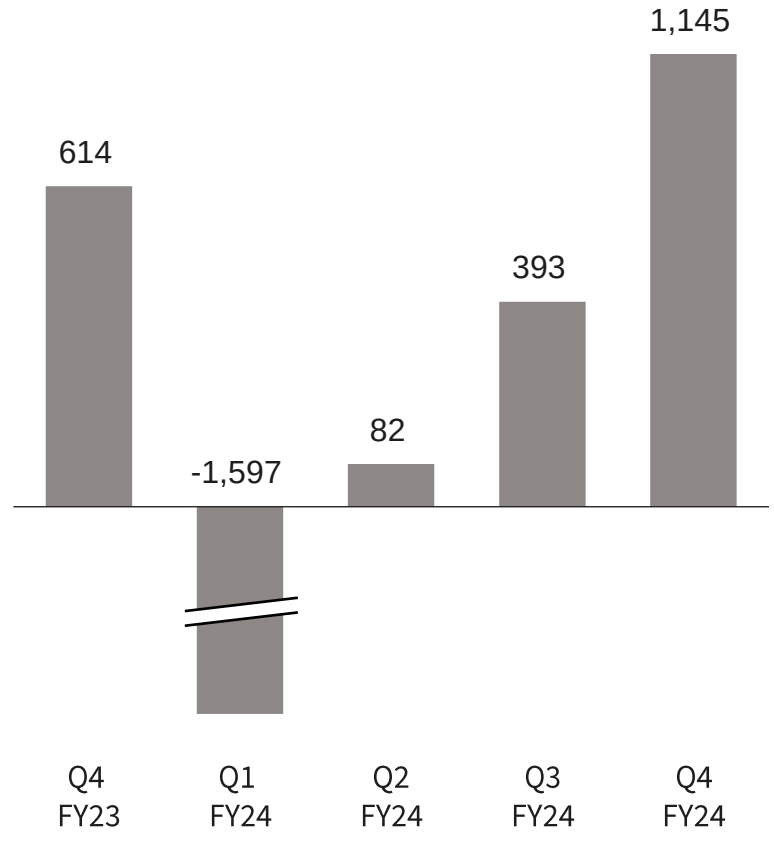
Depreciation & Amortization

[EUR m]



Free Cash Flow

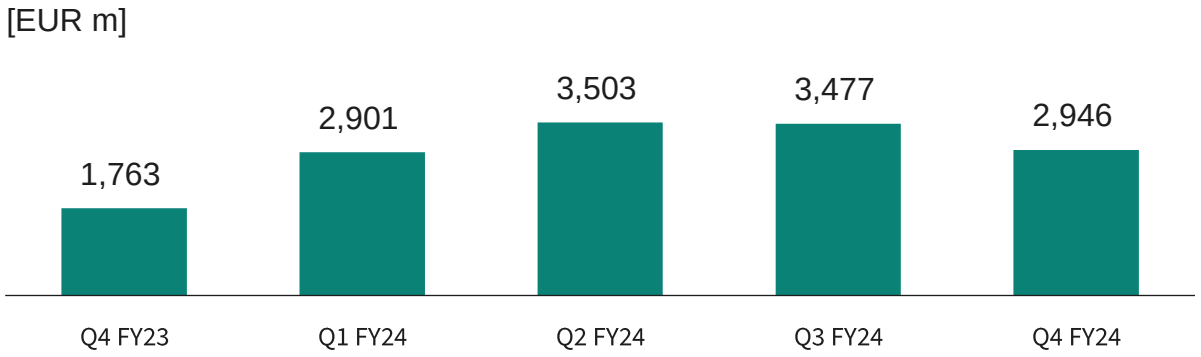
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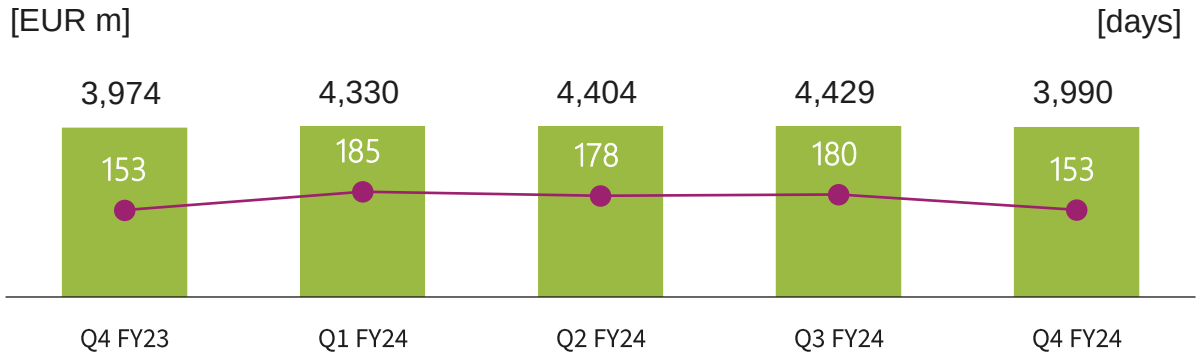
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Working capital, in particular trade working capital components

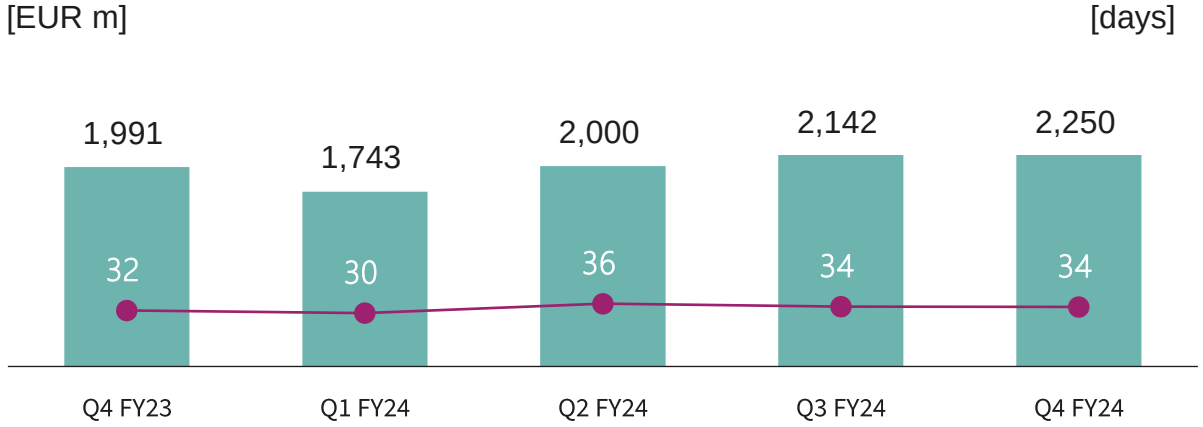
Working capital[1]



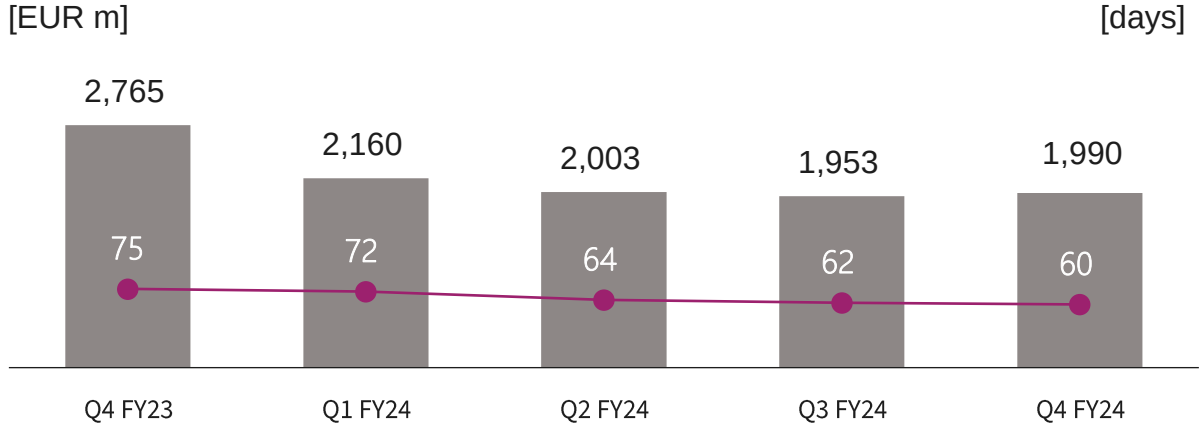
Inventories



Trade receivables



Trade payables

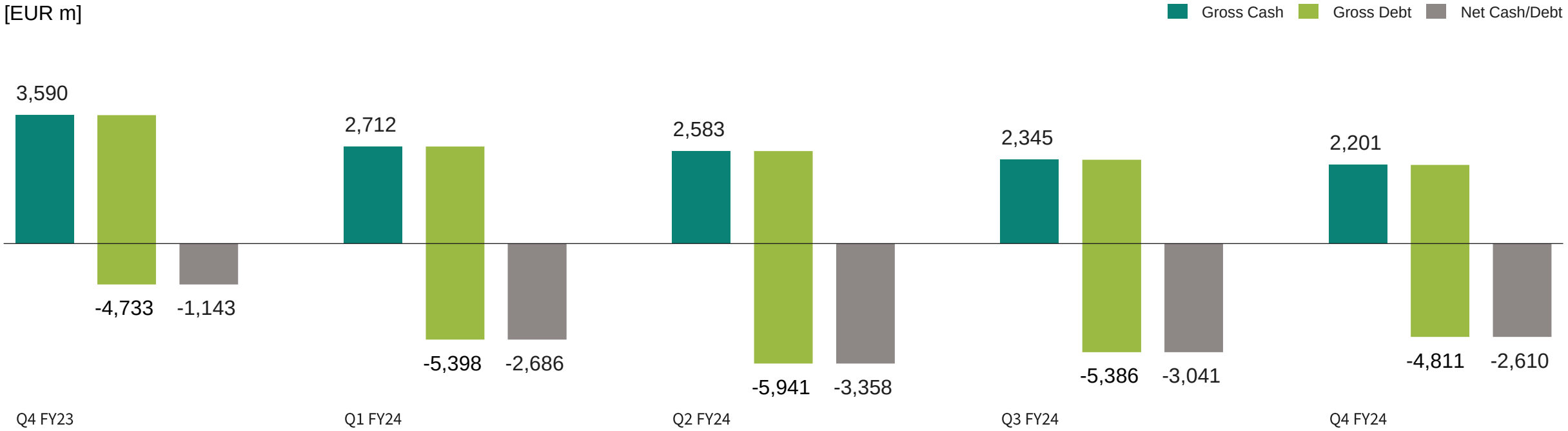


[1] See notes for definition

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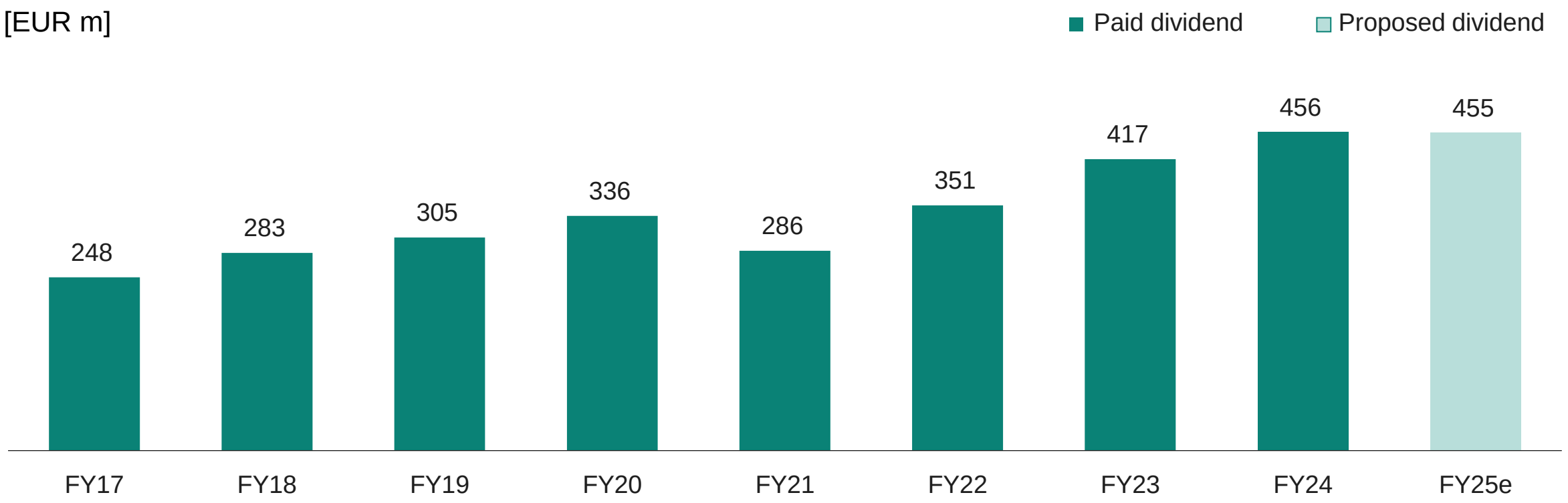
Development of liquidity and debt

Capital structure



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Total cash return to shareholders via dividends



- Proposed dividend for FY24: €0.35 per share
- Proposed dividend payout of €455m in FY25

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Outlook for Q1 FY25 and FY25

	Outlook Q1 FY25[1]	Outlook FY25[1]
Revenue	~€3.2bn	slightly down versus prior year
Adj. Gross Margin		~40%
Segment Result Margin	mid-teens	mid-to-high teens
FCF/adj. FCF		~€900m/~€1.7bn
Investments		~€2.5bn
D&A		~€2.0bn[2]

[1] Based on an assumed average exchange rate of $1.10 for €1.00
[2] Including the amortization of approximately 370 million Euros from purchase price allocations

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Key points

Sequential uptick in revenue and earnings

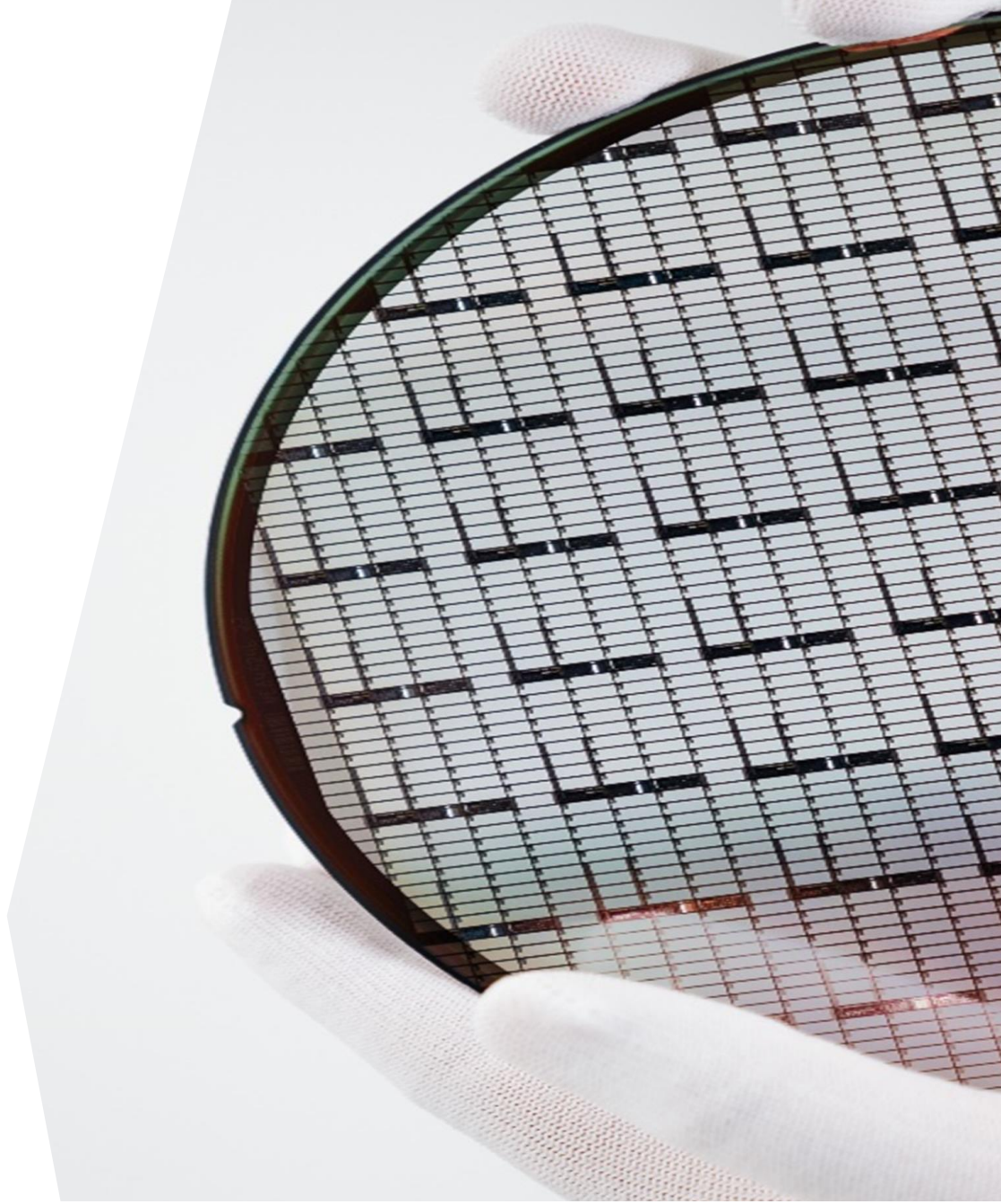
Q4 FY24 – €3.9bn revenue, 21.2% Segment Result Margin

Focus on what we can control

- Most end markets have bottomed, but inventory corrections affect our business at present
- Cycle management: exert OpEx and CapEx discipline; control fab loadings.
- Structural improvement: Step Up ensuring a strong foundation for future success
- Industry leadership solidified through technological breakthroughs: ultra-thin silicon wafers; leading SiC offering; GaN on 300mm.

Outlook FY25

- Slight revenue decline in comparison to FY24
- Segment Result Margin in the mid to high teens %
- Adj. Free Cash Flow ~ €1.7bn



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Questions & Answers




Infineon

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Beyond disclosure requirements stipulated by law, Infineon does not undertake any obligation to update forward-looking statements.

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Notes

Order backlog = The total amount of orders received regardless of their current status

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' / 'revenue')[1] x 90

1 without debtors with credit balances

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