

Infineon to acquire Marvell's Automotive Ethernet business

Investor Relations
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A unique opportunity to further strengthen our number one position in automotive MCUs and boost system capabilities

#1 automotive semiconductor company
and
global leader in automotive **MCUs**

#1 automotive **Ethernet leader**
with **complete portfolio**
for in-vehicle network

Automotive Ethernet
business owned by
MARVELL

Accelerate software-defined vehicle (SDV) transition
by zonal architecture built on Ethernet-based networks

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Infineon global #1 automotive semiconductor provider – again gaining share in MCUs

Infineon's market position in key product segments

#1
Total automotive semiconductor market in 2024

Infineon	**13.5%**
NXP	10.5%
STMicro	8.8%

#1
Automotive power semis

Infineon	**29.2%**
STMicro	20.1%
Texas Instr.	10.1%

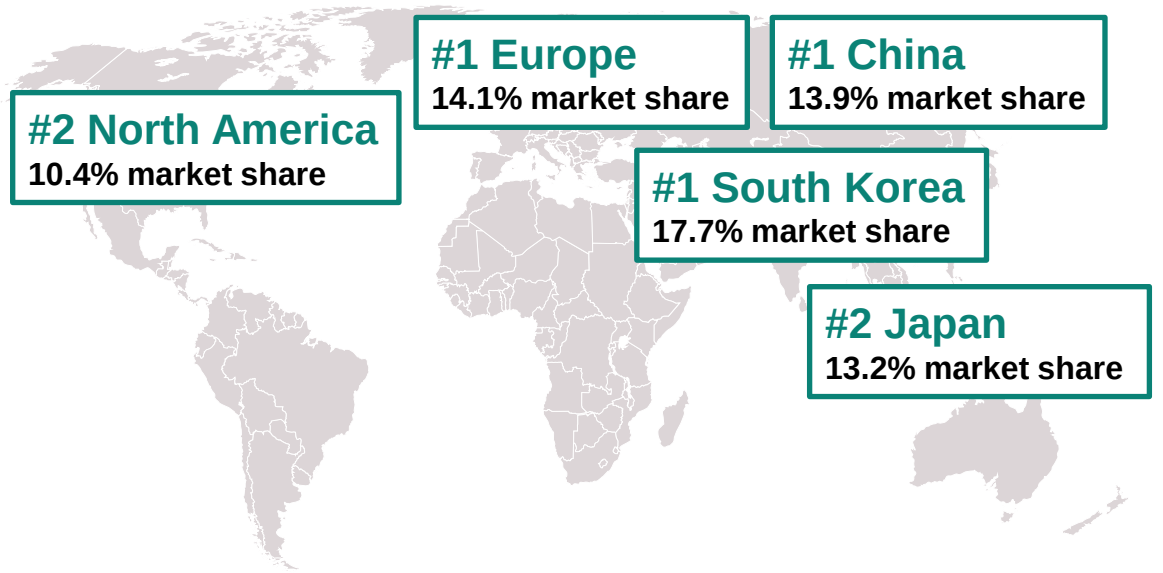
#1
Automotive MCUs

Infineon	**32.0%**
Renesas	23.4%
NXP	20.4%

#2
Automotive Sensors[1]

Bosch	18.5%
Infineon	**15.5%**
NXP	13.4%

Infineon has strong market share across all regions



TechInsights: *Automotive Semiconductor Vendor Market Share 2024,* March 2025.
[1]S&P Global: *Automotive Semiconductor Market Shares 2023,* May 2024.

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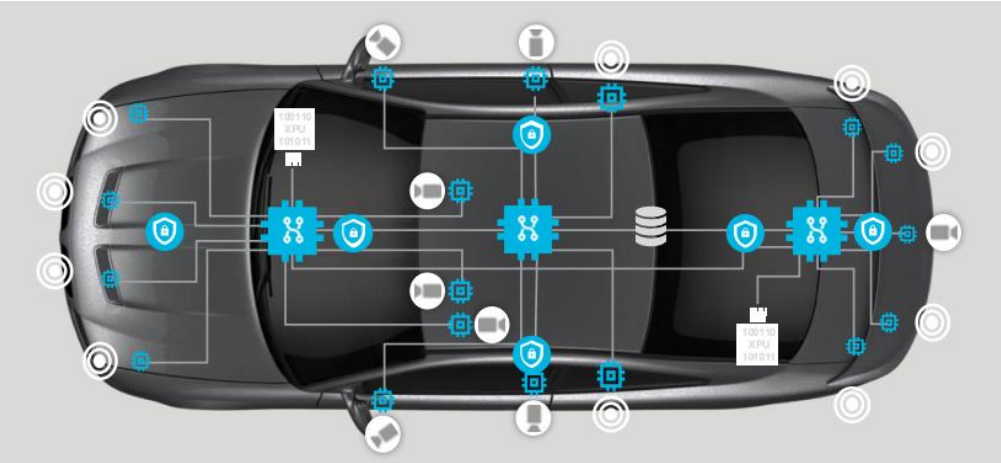
Marvell is the automotive Ethernet leader with complete portfolio of PHYs, bridges and switches for in-vehicle network



Brightlane™ product focus

Brightlane™ – key products:
- Switches
- Bridges
- PHYs

Asset-light analog/mixed-signal ICs with differentiated software stack

MARVELL Brightlane™

Strong global presence at 8 of 10 top OEMs and all major Tier 1s

#1 market position based on long history of dedicated R&D in automotive Ethernet

~25% revenue CAGR until 2030
~$4bn lifetime design-win revenue volume

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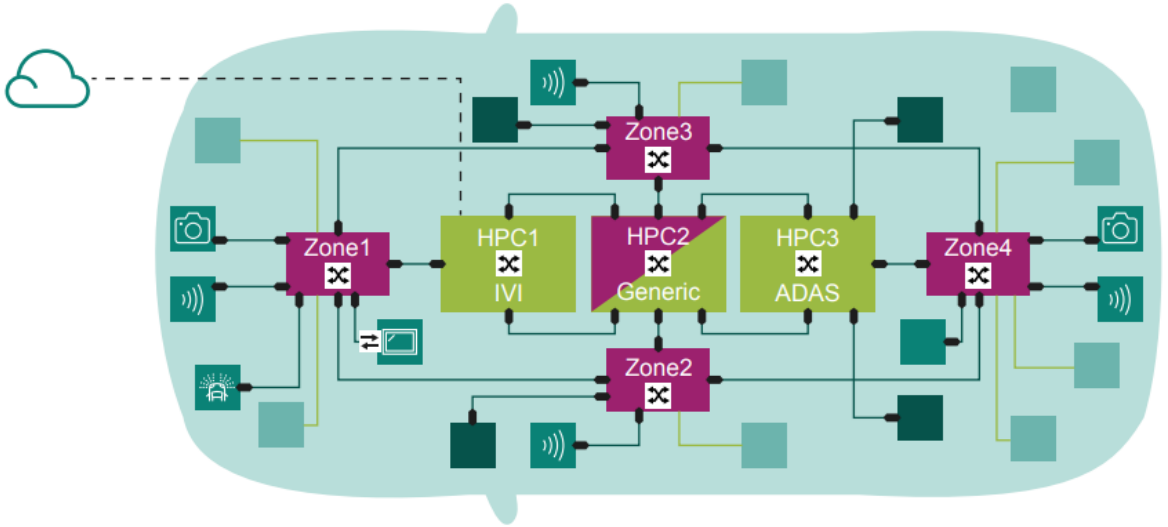
Ethernet capabilities allow for larger scope in SDVs, higher BoM, faster T2M for customers – strongly supporting our P2S play

Components of hierarchical E/E architectures:



High Performance Computing (HPC)

Complex sensors & actuators

Simple sensors & actuators

Zone controller

Control ECU

Scope of Acquisition

PHY

Bridge

Switch

Ethernet

Low-bandwidth network

Key benefits of the transaction for Infineon:

- Strengthens Infineon's **market-leading MCU business** and **enhances offerings for zonal architectures** in the context of **software-defined vehicles**
- Expands the scope of Infineon's MCU portfolio with **high-performance networking** capabilities
- Highly complementary to IFX's current portfolio, **extending our reach** within the **vehicle ecosystem**
- Highly **integrated chip solutions**, developed by a team of hundreds of **highly skilled employees**
- **Combined expertise – supported by Infineon global reach**

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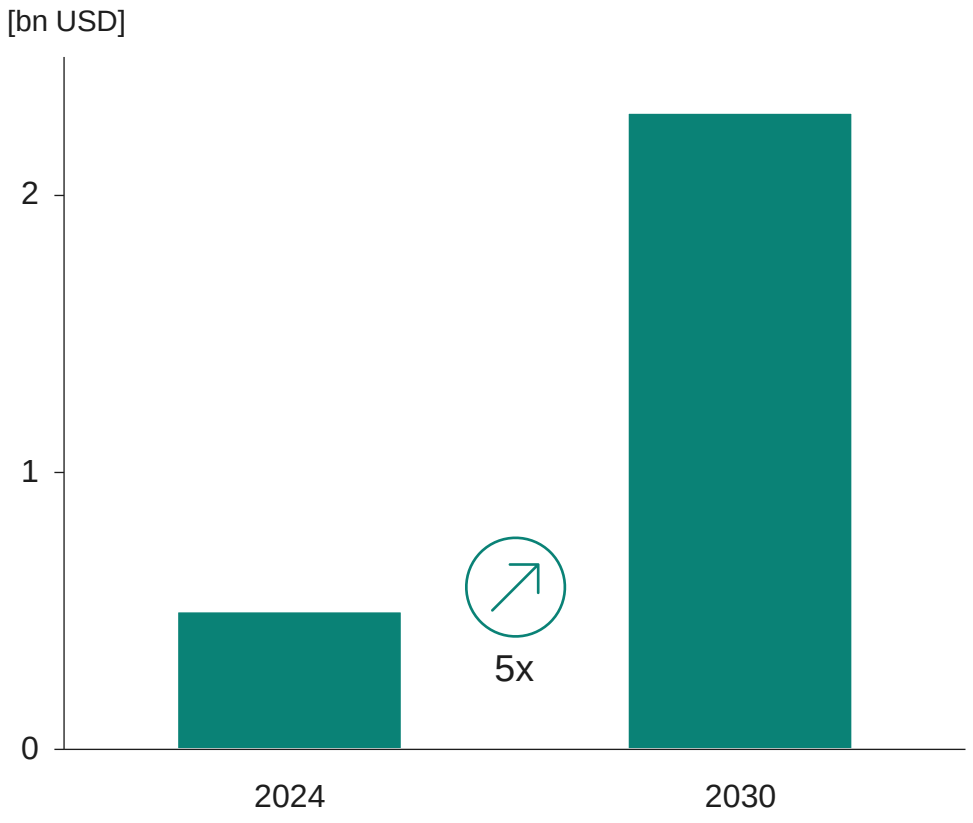
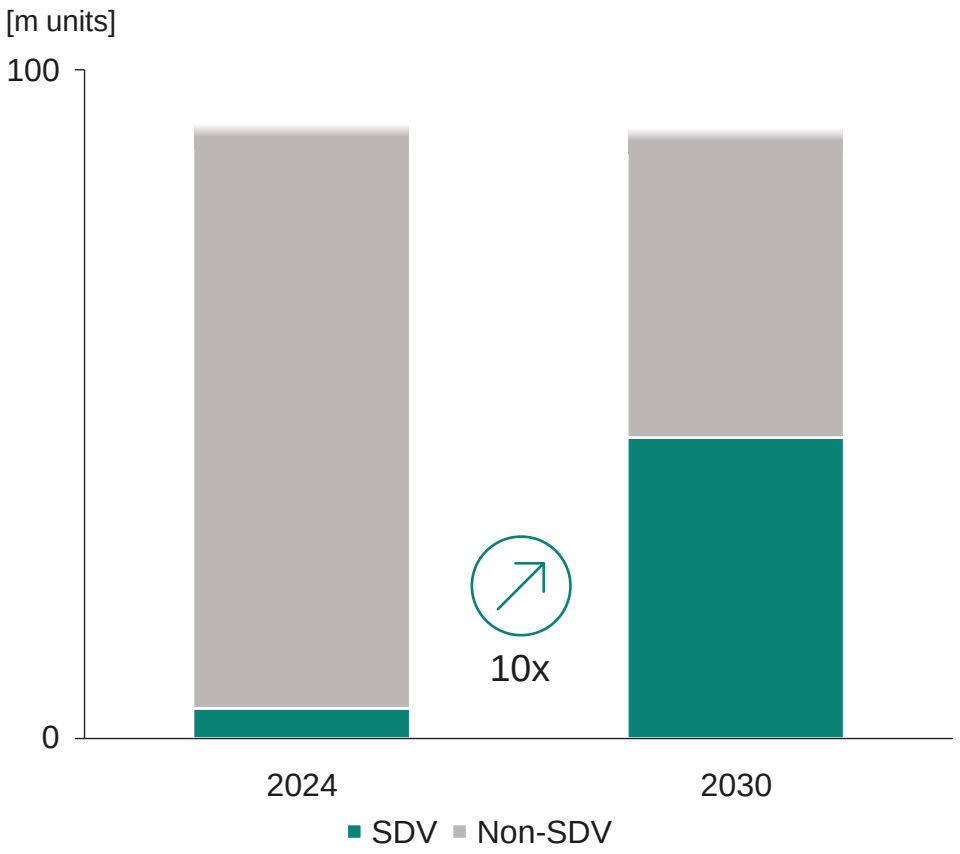
Ethernet became the de-facto standard in automotive and is expected to see high growth driven by advanced E/E architectures

Automotive Ethernet TAM



Marvell estimates based on TechInsights.

E/E architecture forecast



S&P Global Mobility: *Automotive Semiconductor Market Tracker,* Dec 2024.

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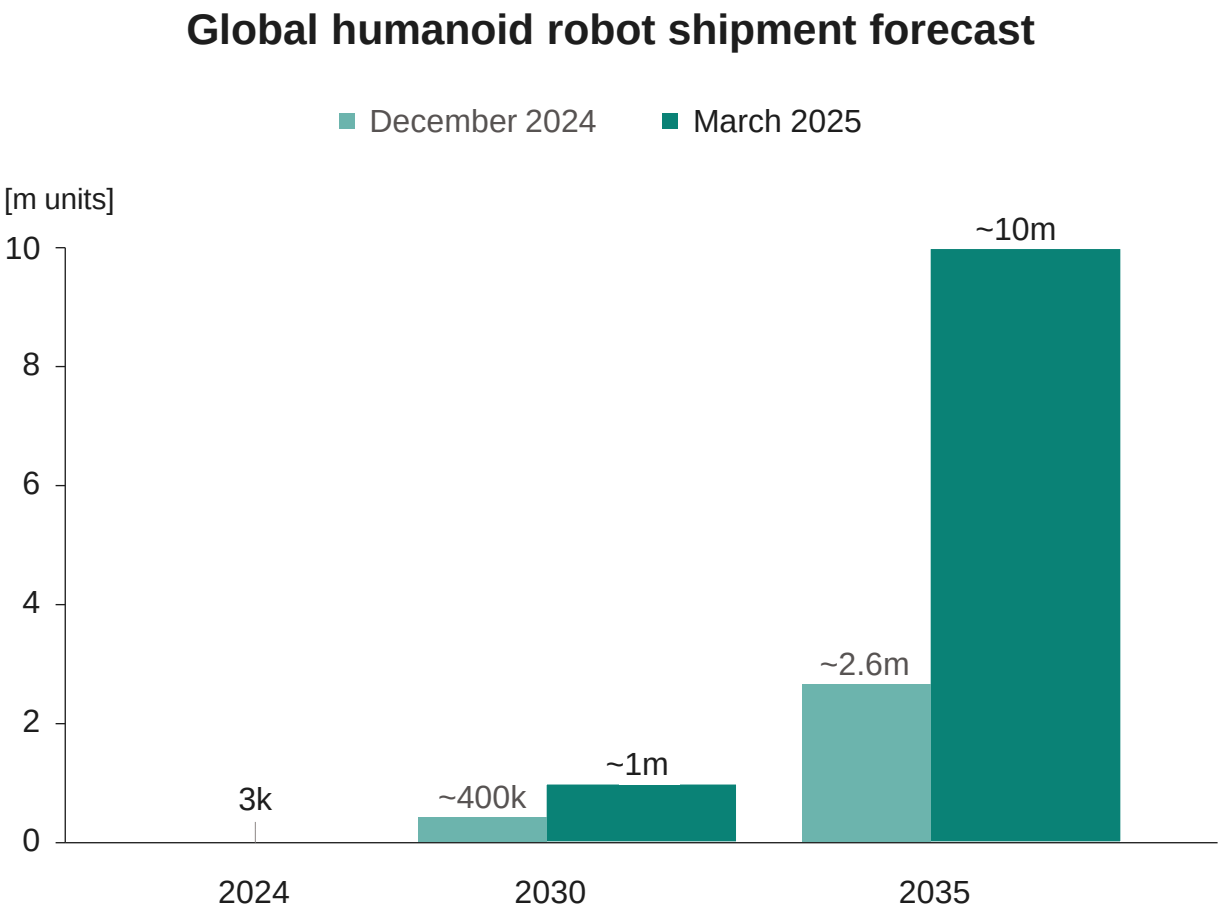
Physical AI applications including humanoid robots offer significant potential for Ethernet





BofA Global Research, December 2024 / March 2025.

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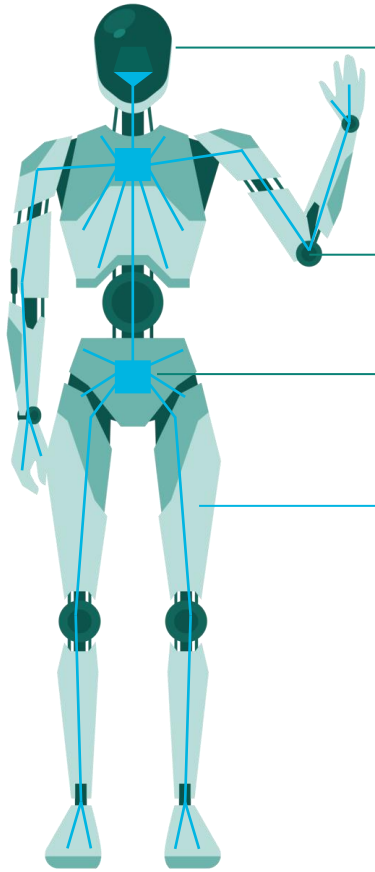
Ethernet is a key extension to Infineon's comprehensive portfolio for humanoid robots and other forms of physical AI



Sensors	Internal sensors for actuation and external sensors for orientation and interaction, e.g. radar
GaN power	High-frequency motor control based on CoolGaN™ enabling compact joints
Microcontroller	Low-latency real-time capable, secure and functionally safe MCUs
Ethernet	Single-Pair Ethernet ideal for space and weight constrained applications
Further elements	Wireless connectivity (WiFi, Bluetooth), power management, battery management, security ICs, memory

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Compelling financial profile of the acquisition: highly accretive to ATV and supporting profitable growth of Infineon

Key benefits of the transaction – highly accretive to ATV:

Standalone 2025e revenue: $225m to $250m

Gross margin: ~60%

Revenue synergies enabled by reach and cost synergies by scale contributing to financial accretion

Transaction parameters:

- ~$2.5bn purchase price, all-cash transaction
- Financed from existing liquidity, plus additional debt; acquisition financing from banks in place
- Clear commitment to investment grade rating and our conservative finance policy
- PMI will follow proven script, to be integrated into ATV division
- Customary regulatory approvals, closing expected within 2025

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Key take-aways

A unique opportunity to expand our market-leading position in the automotive MCU landscape

- 2025e revenue of $225m - $250m, gross margin ~60%
- Complete Ethernet product portfolio for in-car communications, covering switches, bridges and PHYs
- #1 market position with strong OEM presence
- ~25% CAGR / ~€4bn Euro design-win pipeline

Highly complementary to current Infineon portfolio

- Expand Infineon MCU business with high-performance networking promoting further profitable content growth
- Enhance offer for zonal architectures in software-defined vehicles
- High growth opportunities in areas like physical AI, including humanoid robots



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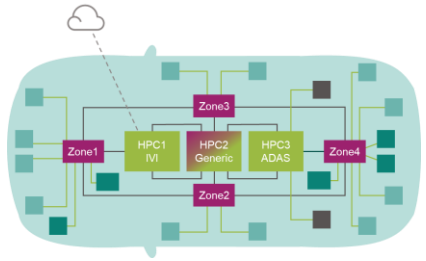
Infineon

Software-defined vehicles are enabled by safe/secure computing, high-speed vehicle networks, and intelligent power distribution

Slide from December 2024 automotive call

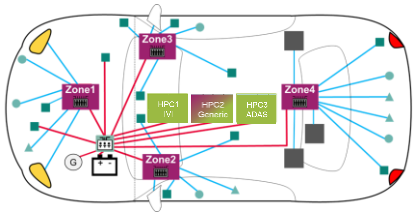
Advantages of software-defined vehicles

- new features in **safety and security**
- **standardization** of components
- **reduced complexity** and **cost** of wire harness
- monetization of **functions & data**
- new features in **comfort**, **connectivity** and **infotainment**
- **digital lifecycle** management



Safe and secure computing and high-speed vehicle network

- Evolution to hierarchical / centralized
- Application software decoupled from hardware
- Management of real-time communication in each zone
- **Automotive Ethernet as key differentiator**



Intelligent power distribution

- Evolution from centralized to decentralized
- Power distribution safety element for
  - freedom from interference
  - system availability up to ASIL-C for ADAS
  - fail-operational of ASIL-D for AD and x-by-wire

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