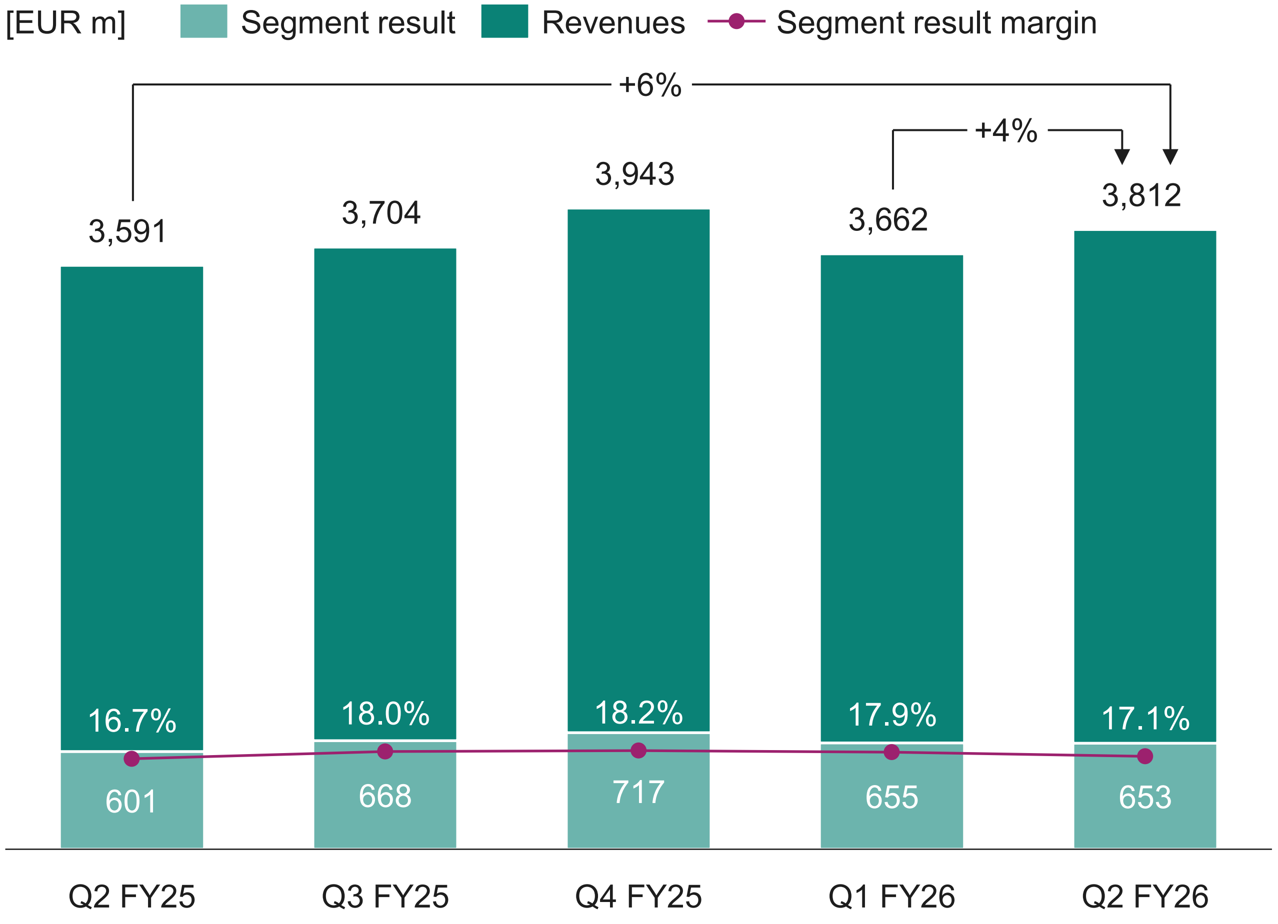
Second Quarter FY 2026 Analyst Call

Infineon Technologies AG
Investor Relations

Group financial performance

Revenues and Segment Result

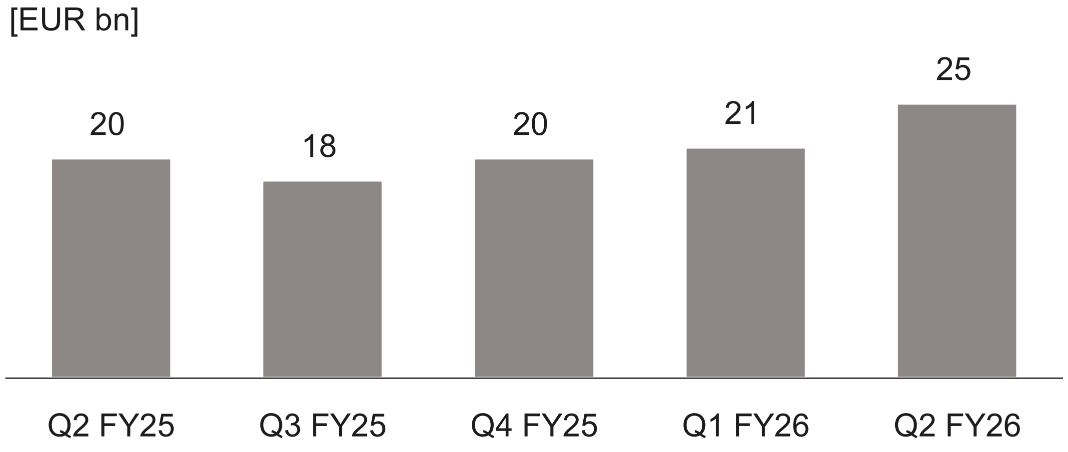


USD exchange rate

Average revenue exchange rate

	Q2 FY25	Q1 FY26	Q2 FY26
ø USD/EUR	1.05	1.16	1.17

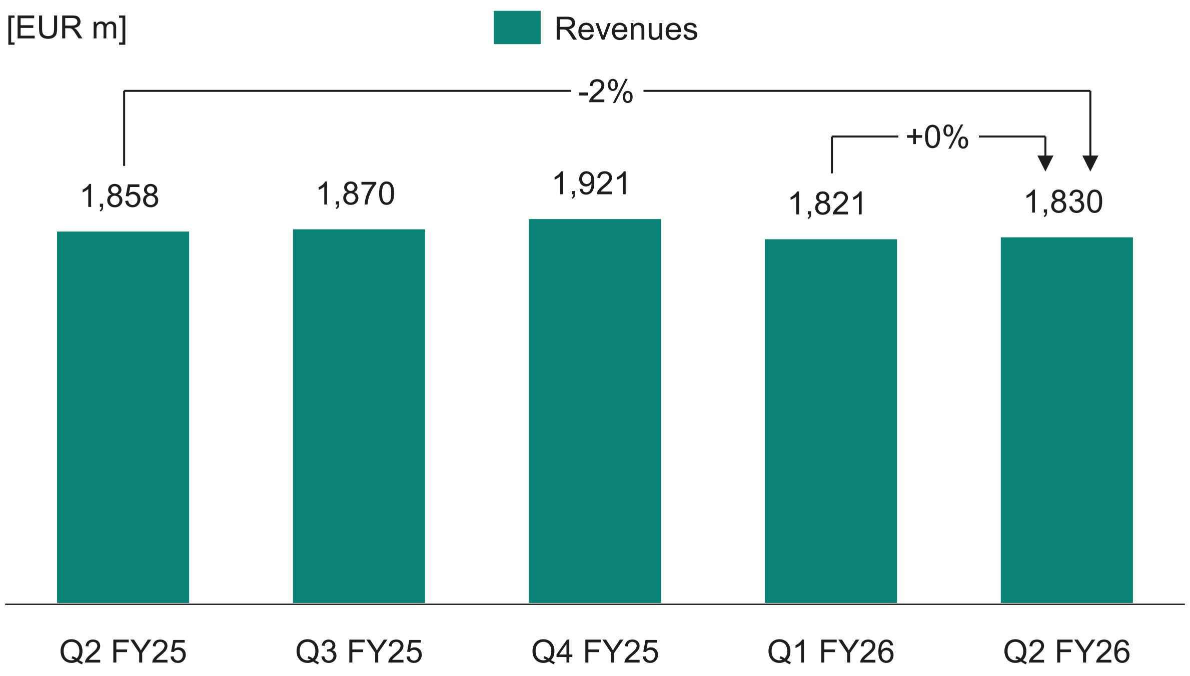
Order backlog[1]



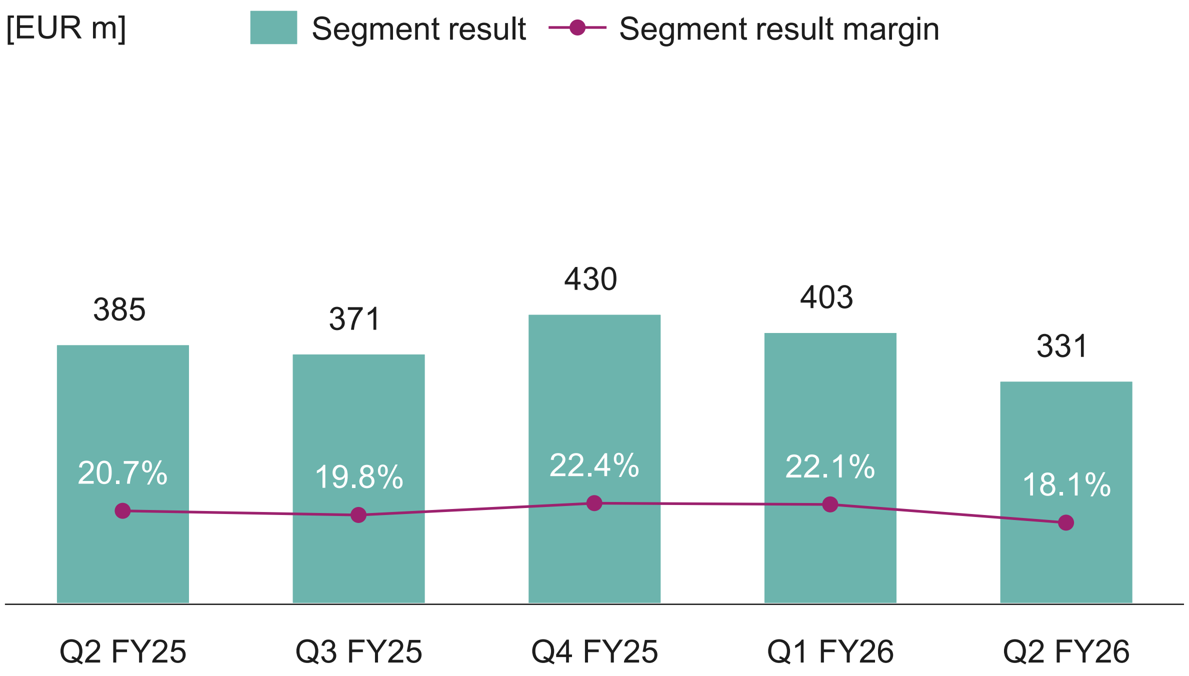
[1] See notes for definition

Automotive (ATV)

Revenues



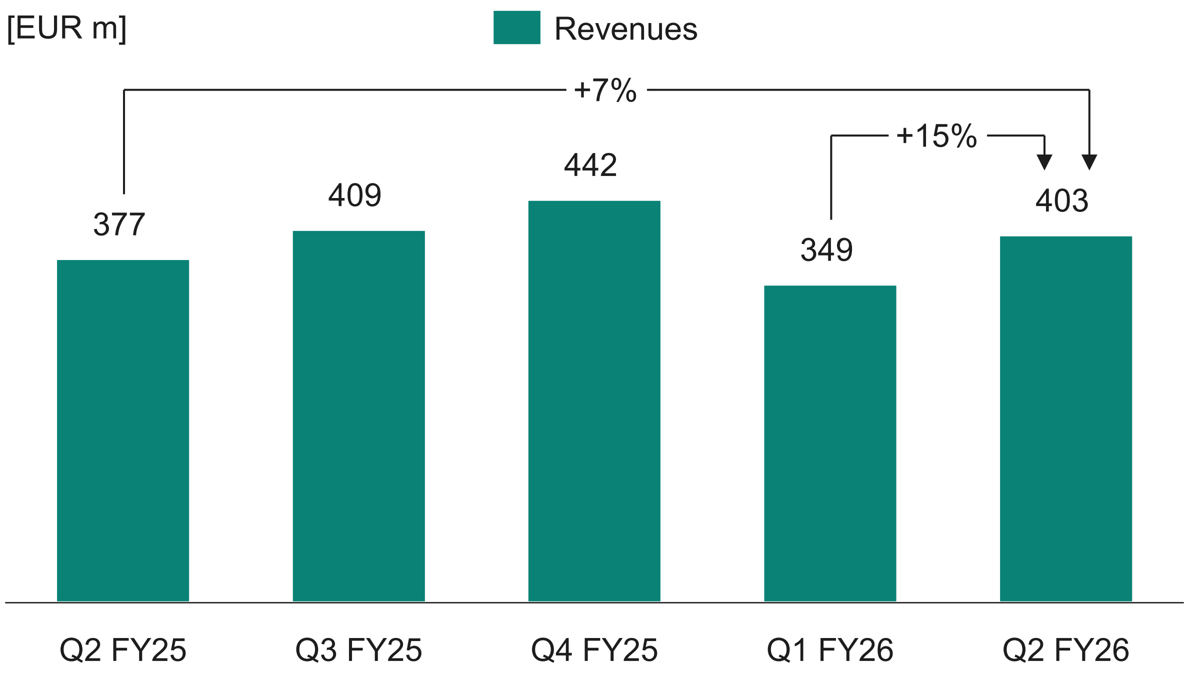
Segment Result



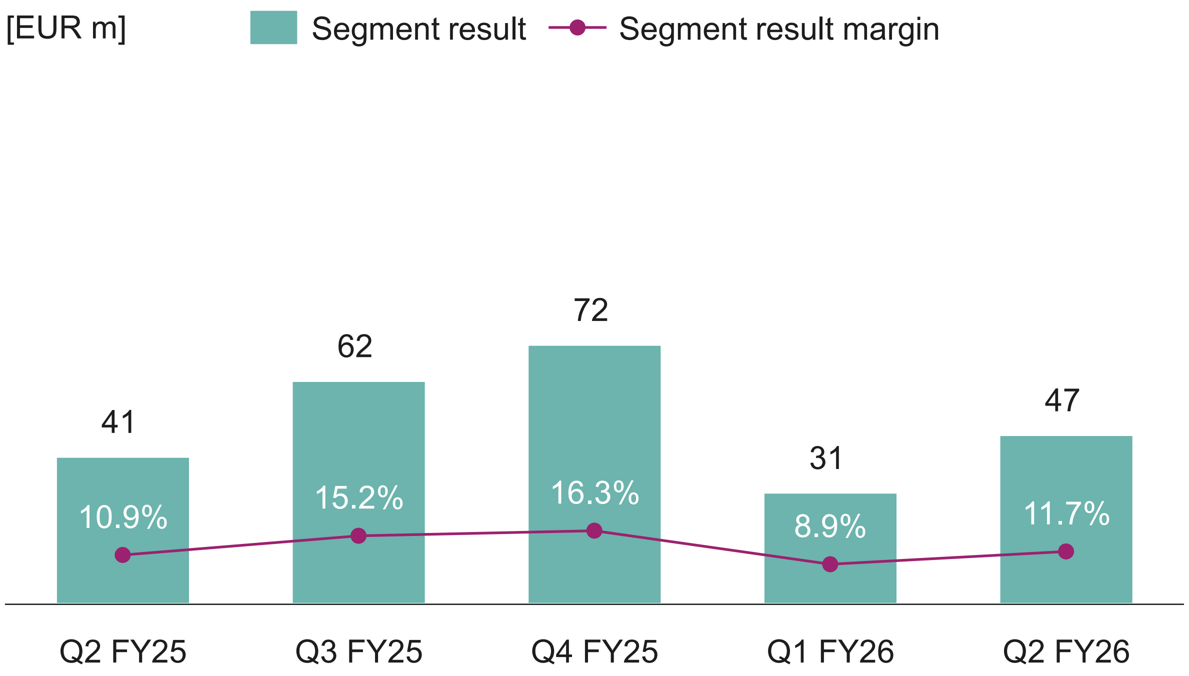
- Constant revenue q-o-q; volume growth offset by low single-digit price declines.
- Segment result margin down sequentially, driven by negative impacts of high-voltage business for electric drivetrains and price adjustments.
- Structural content growth of automotive semis continuing: SDV proliferation accelerating; e-mobility trend intact, yet slower growth than anticipated
- High-voltage power components business for electric drivetrains a drag on growth and margins – refocusing underway

Green Industrial Power (GIP)

Revenues[1]



Segment Result[1]

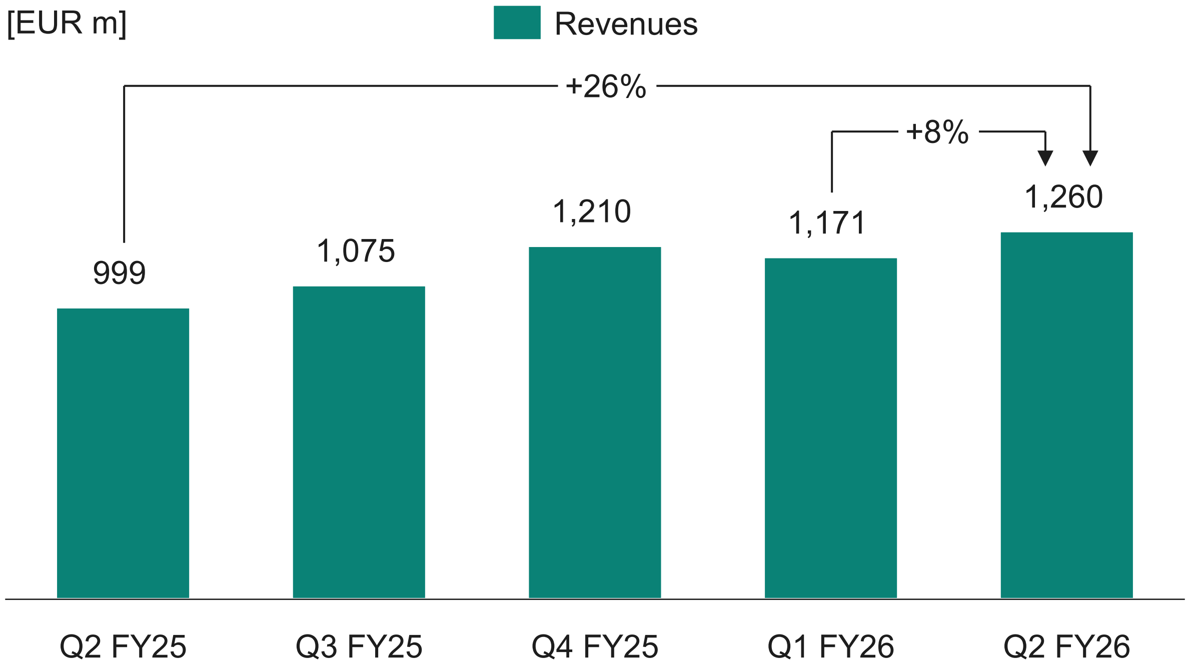


- Revenue growth mainly driven by power infrastructure, HVAC and home appliances.
- Segment result improved, driven by volume fall-through and lower idle costs, outweighing price adjustments.
- Improving industrial market sentiment. Strong structural growth drivers, including grid modernization, AI data center build-outs, support mid-term outlook.

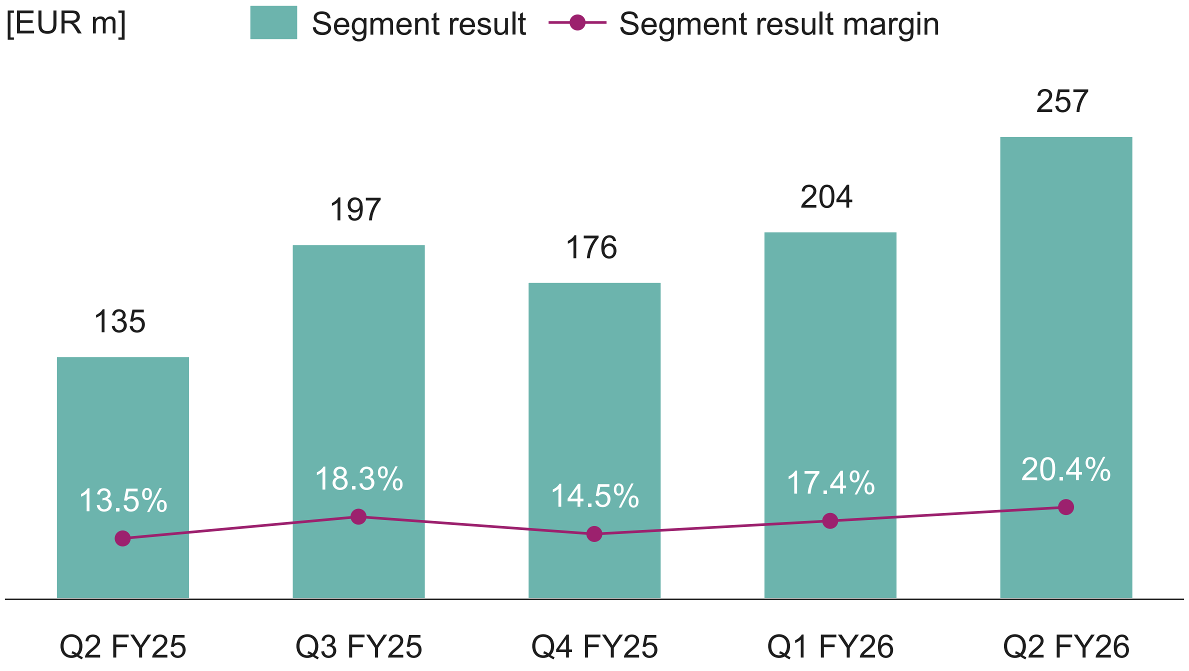
[1] Figures have been historically restated to reflect "Power Drivers & Signal ICs" product line transfer of from GIP to PSS

Power & Sensor Systems (PSS)

Revenues[1]



Segment Result[1]

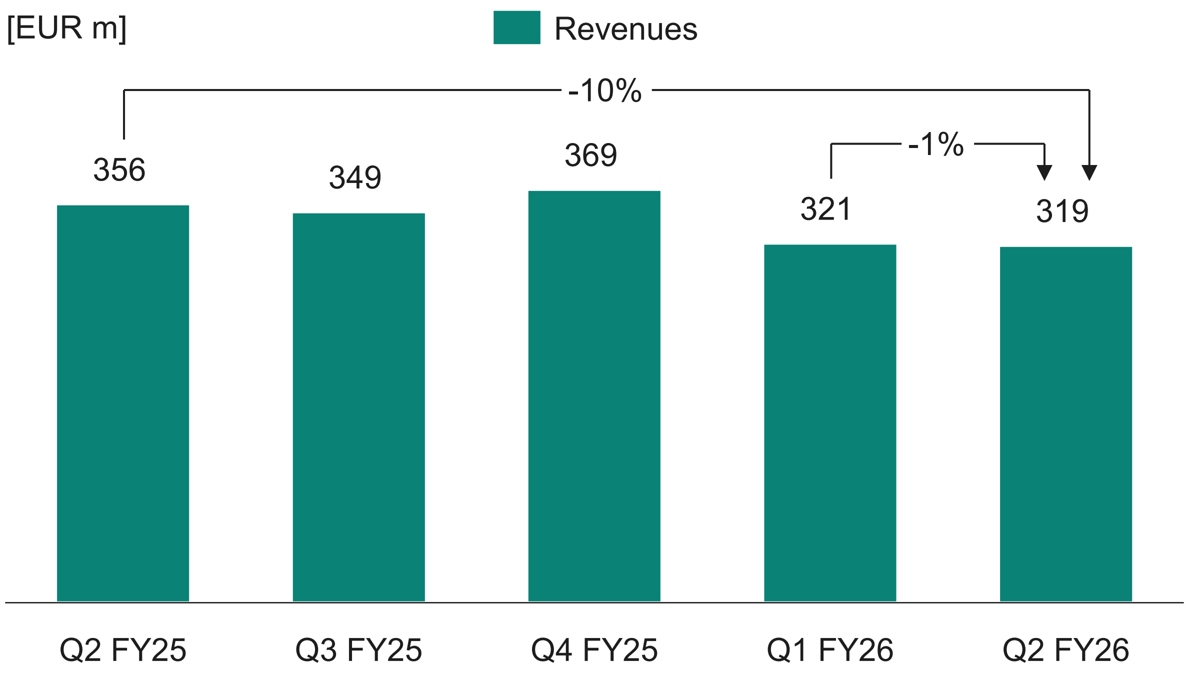


- Strong revenue growth driven by AI power as well as radar sensor business.
- Further segment result margin expansion reflecting profitable growth path of PSS, driven by AI and adjacent areas.
- We reconfirm our FY26 AI revenue target of around €1.5bn and project AI revenues of around €2.5bn in FY27 (irrespective of adverse fx).
- AI power content per kilowatt in the range of $100–250, with the avg. today of $175, reflecting broad platform representation and more complex AI rack configurations.

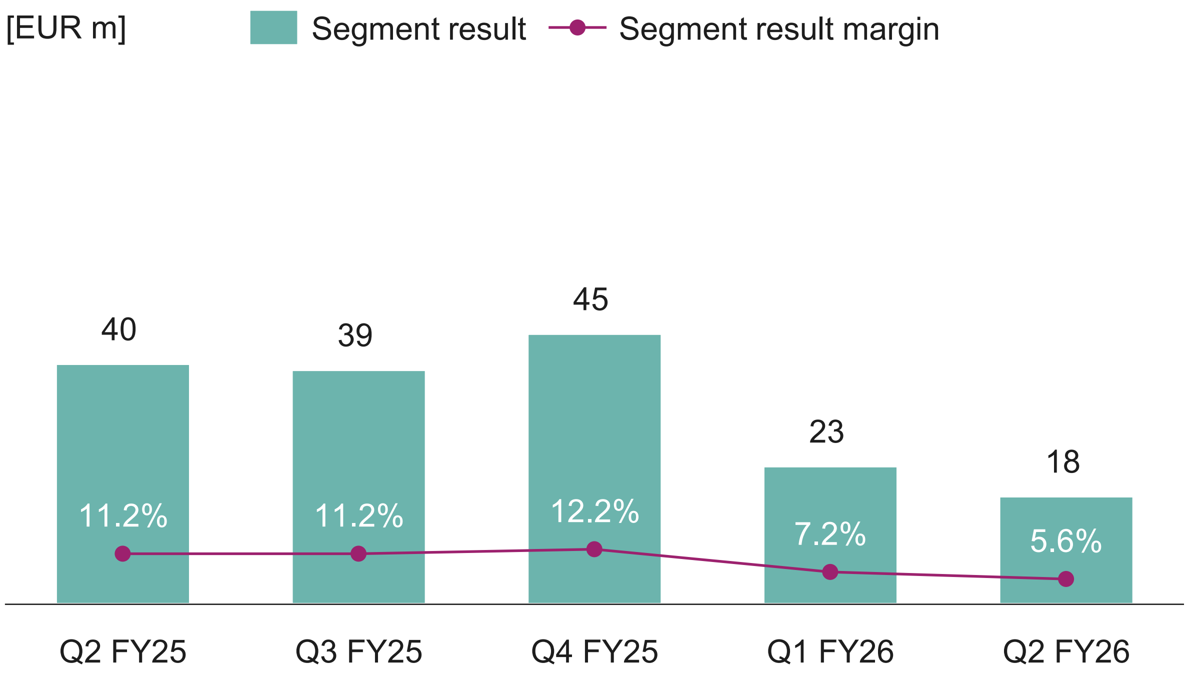
[1] Figures have been historically restated to reflect "Power Drivers & Signal ICs" product line transfer of from GIP to PSS

Connected Secure Systems (CSS)

Revenues



Segment Result



- Rising volumes in IoT-related microcontroller and connectivity solutions, offset by negative effects from identification solutions.
- IoT markets are in the early innings of a gradual recovery, with improving momentum across consumer and industrial applications.
- Growing design-win momentum for edge AI-enabling microcontrollers and secure elements.

From 4 to 3 divisions: New organizational structure to bring innovative system-level solutions to customers faster

From…

ATV	GIP	PSS	CSS

…to:

Automotive (ATV)

Power Systems (PS)

Edge Systems (ES)

<u>Focus applications (examples)</u>

Automotive (ATV):
- SDV
- E-mobility

Power Systems (PS):
- Power infrastructure
- AI Datacenter

Edge Systems (ES):
- Robotics & Edge AI
- Smart home

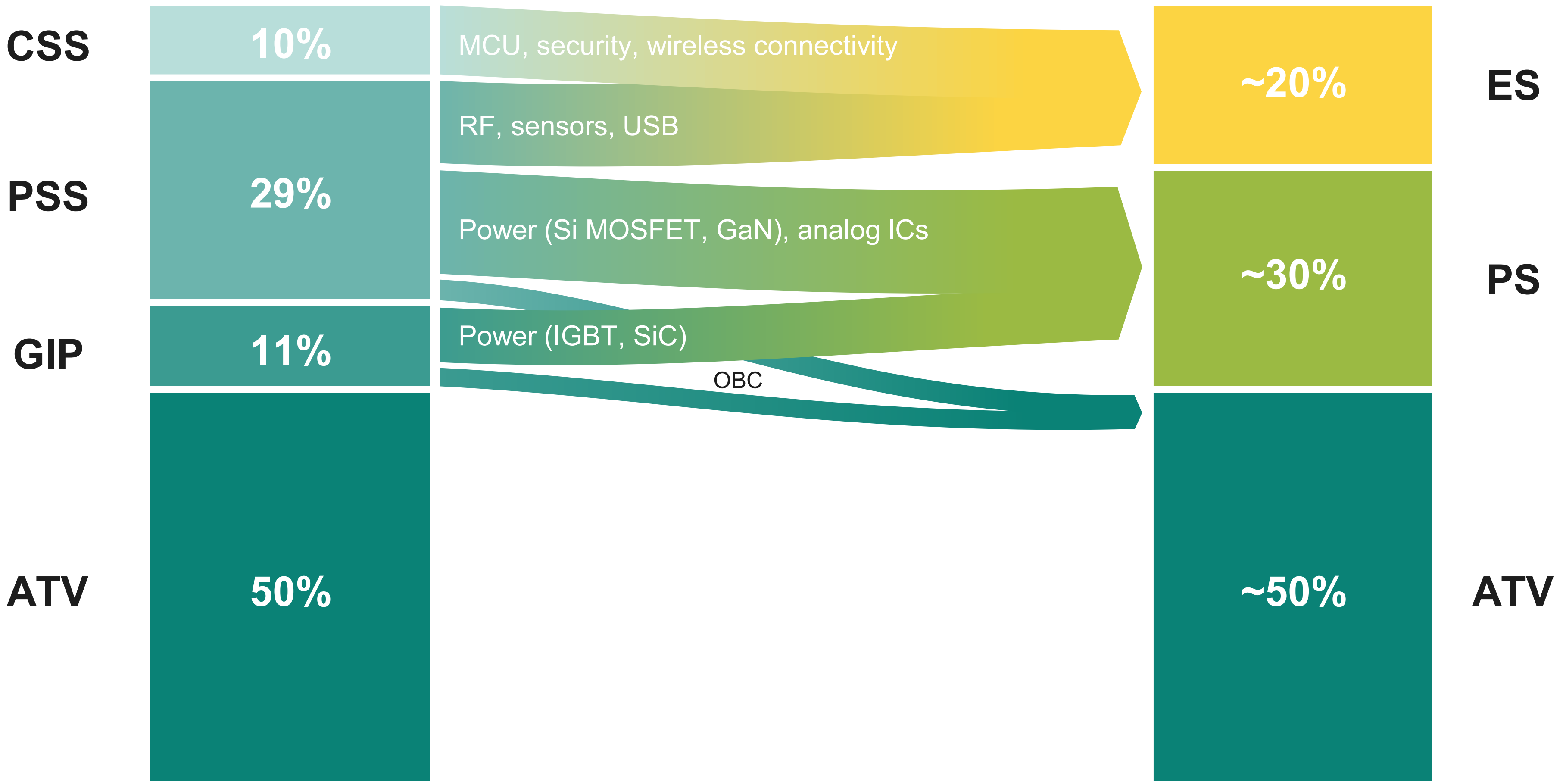
Clearer ownership
of focus applications

Reduced complexity
streamlines decision-making

Further accelerate
innovation-to-customer value

Well-balanced and simplified business setup

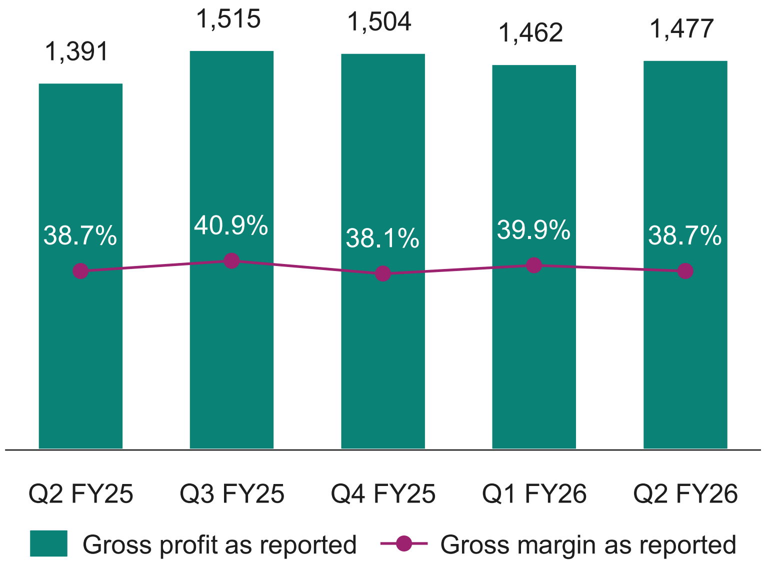
FY25 revenue of €14.7bn as reported and pro forma



Gross margin and Opex

Gross profit

[EUR m]



Therein Non-Segment Result charges
[EUR m]

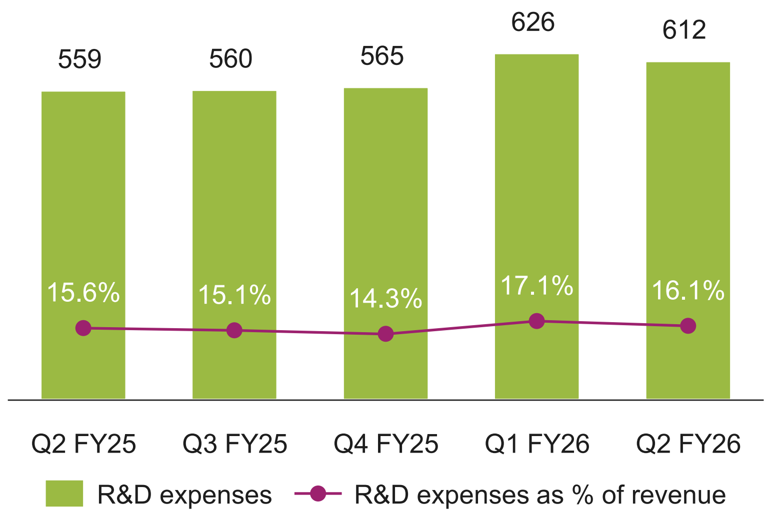
76	76	99	113	85

Adjusted gross margin [1]

40.9%	43.0%	40.7%	43.0%	41.0%

R&D

[EUR m]

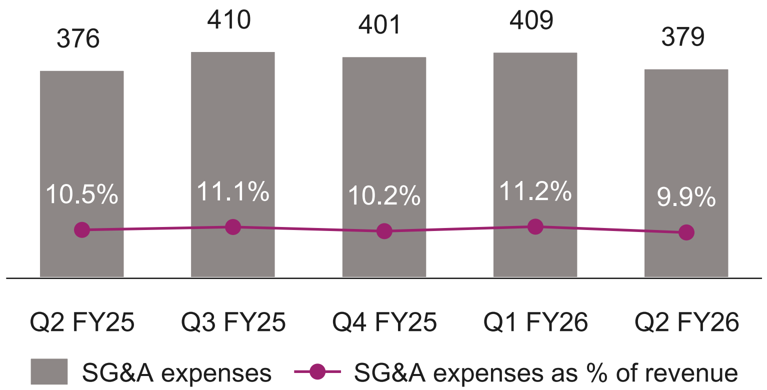


Therein Non-Segment Result charges
[EUR m]

14	18	17	35	29

SG&A

[EUR m]



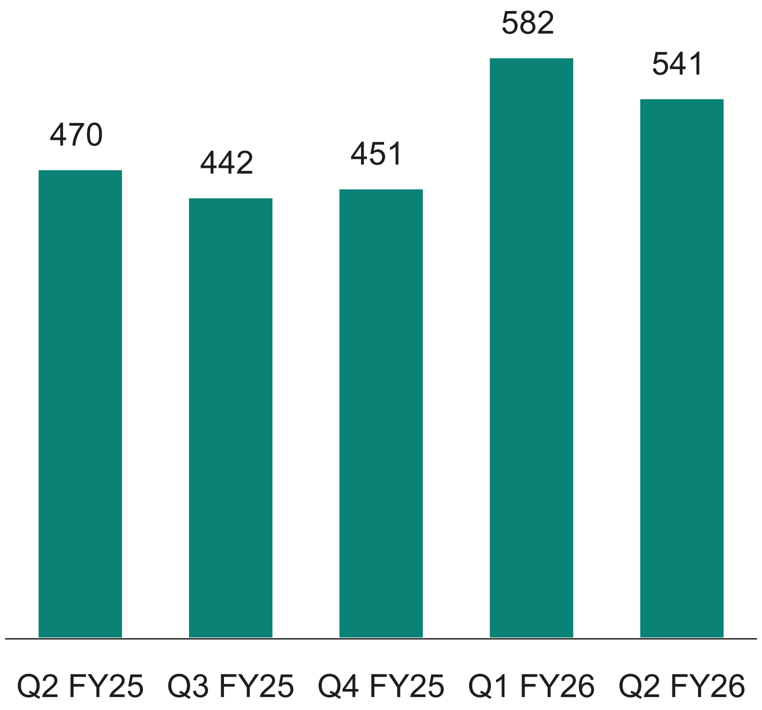
Therein Non-Segment Result charges
[EUR m]

53	50	67	77	52

Investments, Depreciation & Amortization and Free Cash Flow

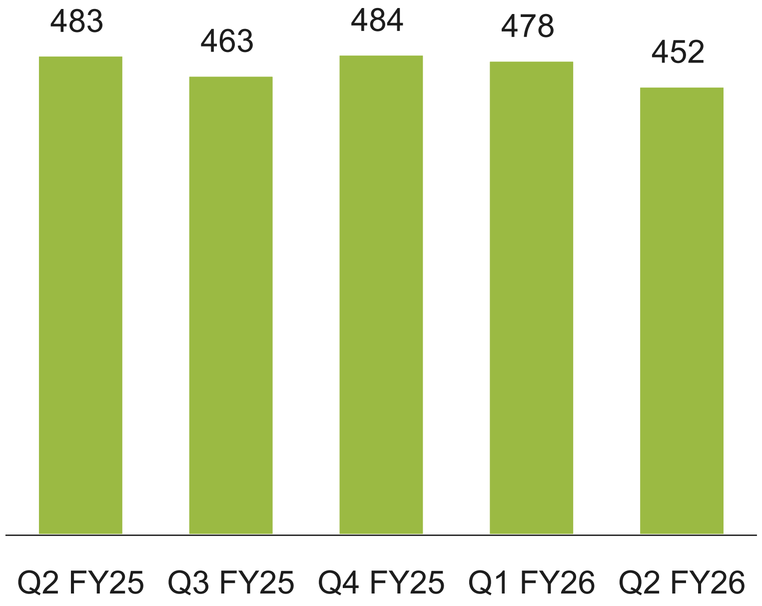
Investments

[EUR m]



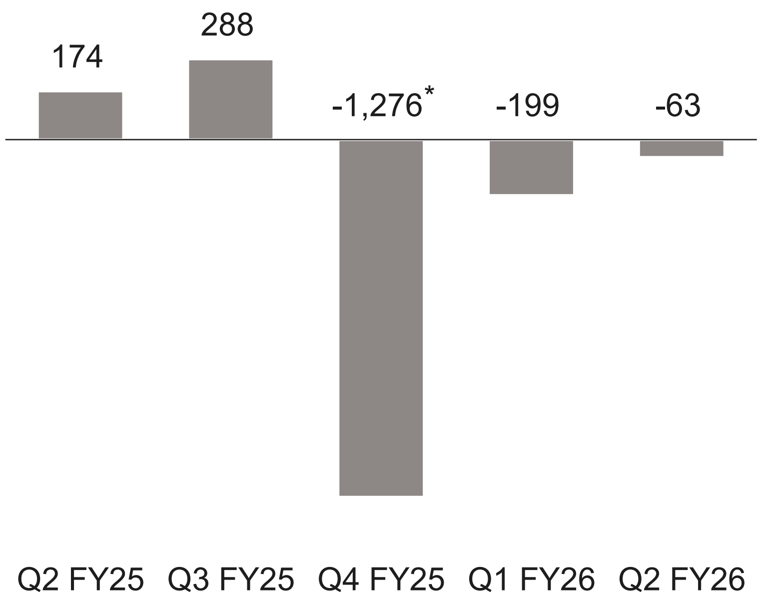
Depreciation & Amortization

[EUR m]



Free Cash Flow

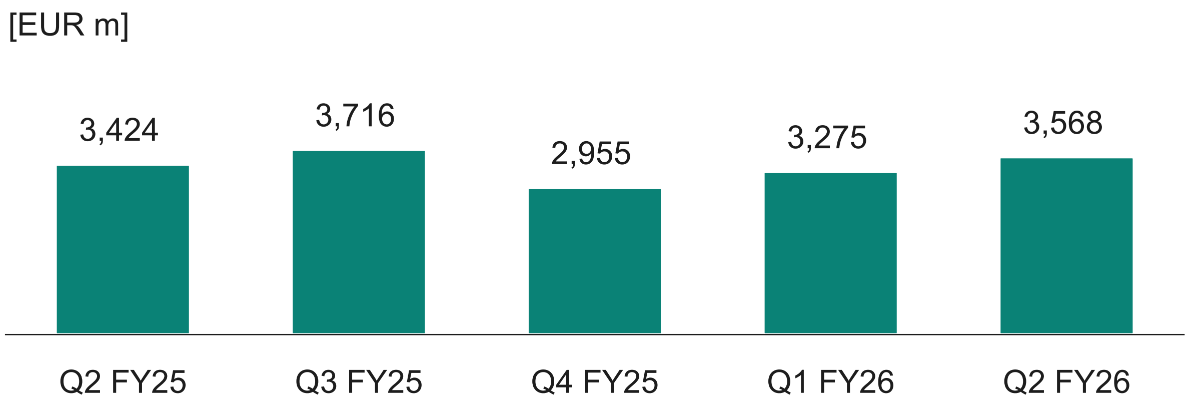
[EUR m]



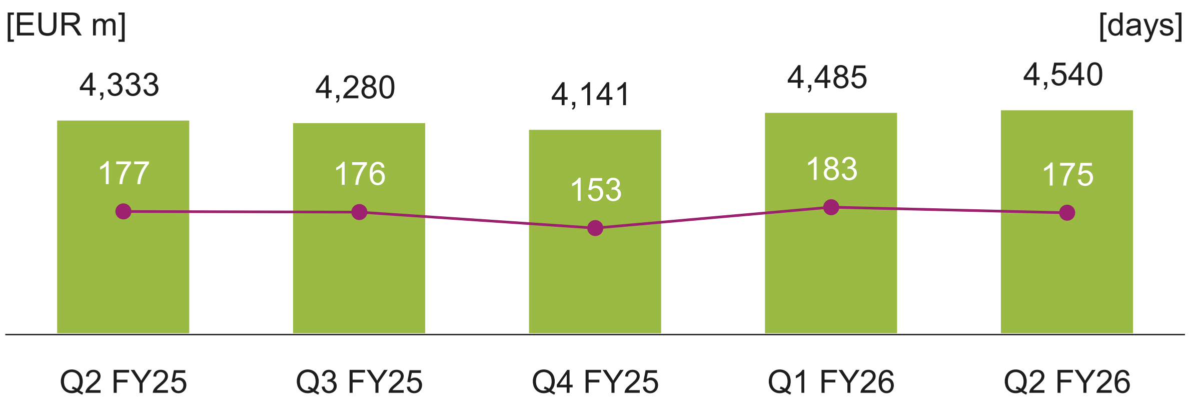
*FCF incl. 2,180m acquisition related outflows for Marvell's automotive Ethernet business

Working capital, in particular trade working capital components

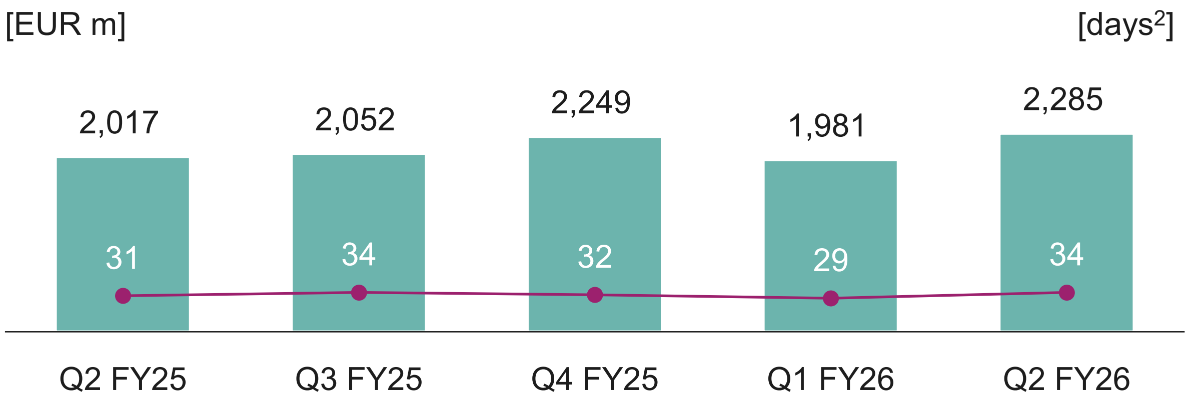
Working capital[1]



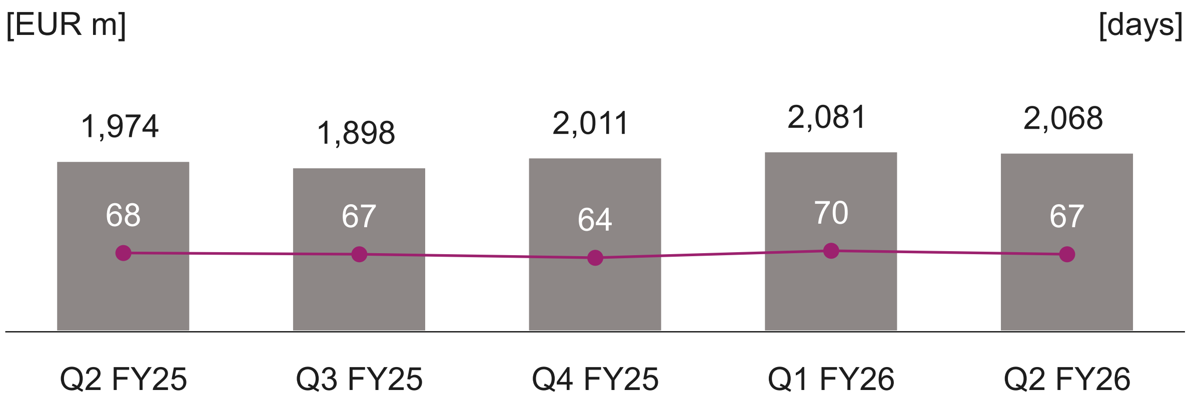
Inventories



Trade receivables



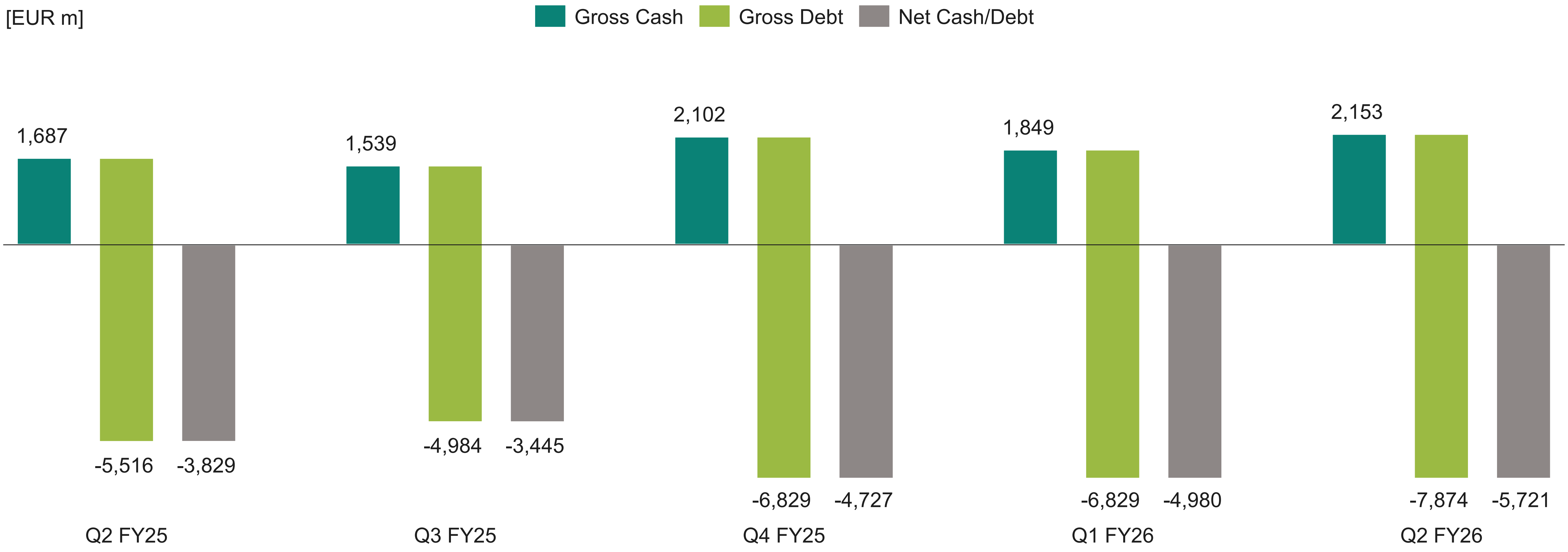
Trade payables



[1] See notes for definition
[2] The calculation of DSO was adjusted effective 1 October 2025. The adjustment increases the transparency and informative value of the key figure and improves its comparability. The figures for the comparative periods have been adjusted accordingly.

Development of liquidity and debt

Capital structure



Outlook for Q3 FY26 and FY26

	Outlook Q3 FY26[1]	Outlook FY26[1]
Revenue	~€4.1bn	significantly up vs. prior year
Adj. Gross Margin		low-to-mid 40s %
Segment Result Margin	high-teens %	~20%
FCF / Adj. FCF		~€1.25bn/ ~€1.65bn
Investments		~€2.7bn
D&A		~€2.0bn[2]

[1] Based on an assumed average exchange rate of $1.17 for €1.00
[2] Including the amortization of approximately 400 million Euros from purchase price allocations

Key points

Q2: Fully in line with guidance

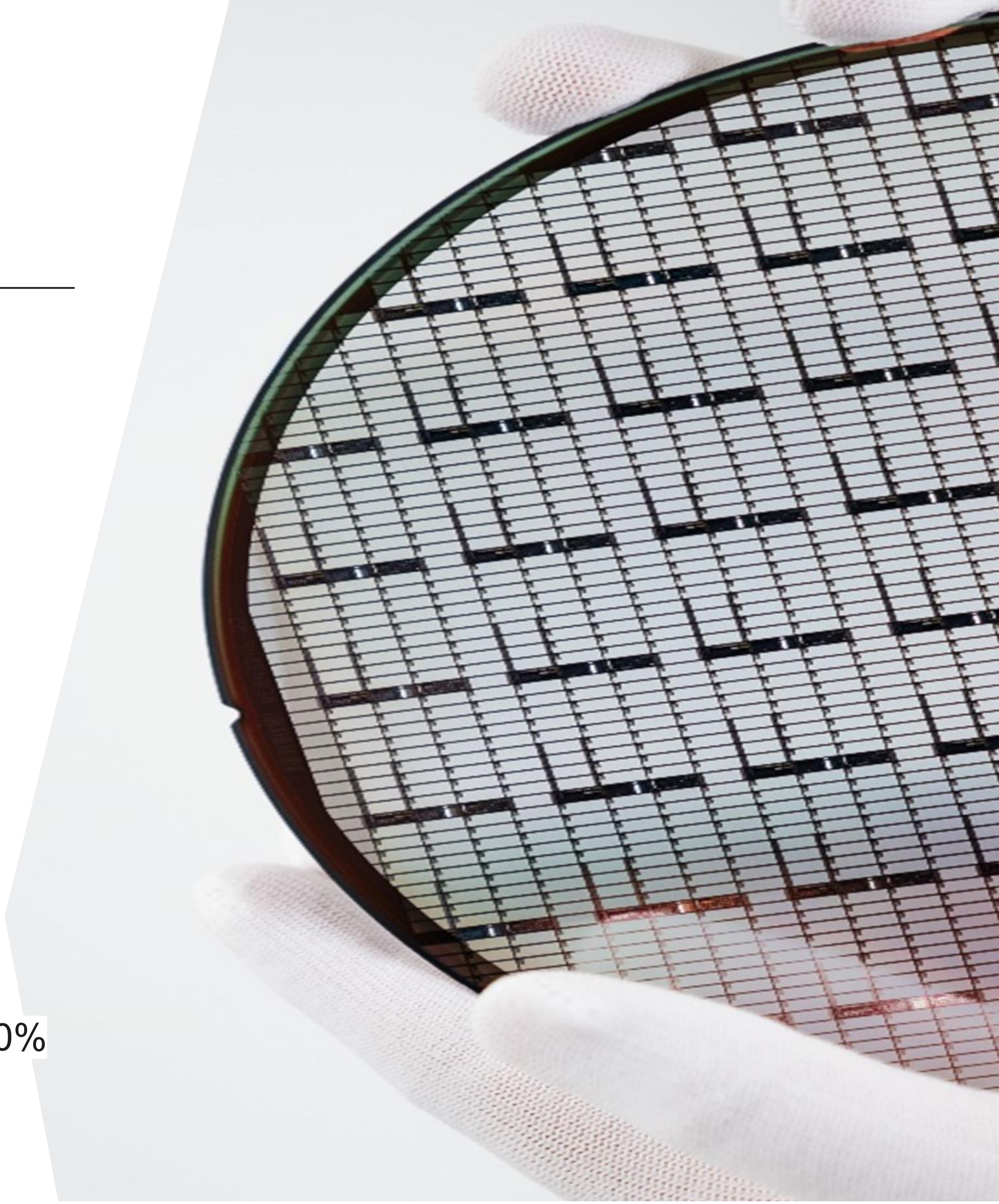
– €3.8bn revenue, 17.1% Segment Result Margin

Broader upcycle in sight

– Business indicators point to a broader upcycle across more and more target markets. Momentum differs across applications:
  – AI exceptionalism persists, benefitting also our industrial business.
  – Automotive directionally improving, driven by structural trends. Accelerating adoption of software-defined vehicles. E-mobility progressing slower than expected.
  – High-voltage drivetrain components face increasing market pressure -> we are refocusing the business

Outlook FY26 raised; streamlined org setup coming

– Significant revenue growth y-o-y; Adj. GM low-to-mid 40s%, SRM ~20%
– Adj. Free Cash Flow ~€1.65bn
– As of Q4: from 4 to 3 divisions (ATV,PS, ES)



Questions & Answers

Infineon

Disclaimer

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

Notes

Investments = 'Investments in property, plant and equipment' + 'Investments in other intangible assets and capitalized developments costs'

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

Working Capital = ('Total current assets' – 'Cash and cash equivalents' – 'Financial investments' – 'Assets classified as held for sale') – ('Total current liabilities' – 'Short term financial debt and current portion of long-term financial 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 obligation' + 'contract assets') / 'revenue' x 90