Press release

Infineon Austria – Fiscal Year 2021: Digitalization and Electrification as Growth Drivers

- Annual revenue increased by 25 percent to around EUR 3.9 billion
- Investments primarily in new chip plant, first customers supplied
- Strengthening of outstanding competencies for new semiconductor materials
- All time high of employees, around 250 vacancies
- Purchasing volume in Austria increased
- "Tech for Green": Smart technologies drive climate reversal

Villach, 30 November 2021 - The Infineon Technologies Austria Group (Infineon Austria) grew strongly in all key figures in the past 2021 fiscal year (closing date: 30 September 2021). The Austrian subsidiary of the German semiconductor group generated revenues of EUR 3.898 billion. The previous year's figure (revenue 2020: EUR 3.109 billion) was thus expanded by 25 percent. Earnings before tax amounted to around EUR 361 million, a significant increase of around EUR 165 million or 84 percent compared to the previous year (earnings before tax 2020: EUR 196 million). The growth is due to the high demand for microelectronics in all markets. Digitalization and electrification in particular are key factors in this development. Nevertheless, the environment remains challenging due to the Corona pandemic and delays along the entire supply and value chain. Globally, demand for microelectronics currently continues to exceed supply, leading to a longer-term chip shortage.

Sabine Herlitschka, CEO of Infineon Technologies Austria AG: "Infineon Austria reports a very successful fiscal year 2021. With the construction of the new high-tech chip factory, Infineon has shown courage and consistence at exactly the right time. Chips are currently one of the most demanded goods in the world and we have been able to supply beyond existing production since the start of production in the new chip factory in August. Our long-term strategic focus on digitalization and sustainable technologies is paying off. What's more, with 'Tech for Green' we are making significant contributions to the energy transition and thus to achieving the climate targets. The climate summit in Glasgow has once again made it clear that it is no longer a matter of setting a course, but of implementing it more quickly and in a very concrete way. We are supporting this with our technologies, products and processes in all areas of the company. "

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Investments in strategic topics for the future
In fiscal year 2021, investments were increased by 20 percent and amounted to EUR **464 million** (previous year: EUR 386 million). Investments were made primarily in property, plant and equipment for the new, fully automated chip factory for 300-millimeter power semiconductors in Villach, production capacity and infrastructure for new semiconductor materials (silicon carbide, gallium nitride) and as well as in research, development and innovation projects.

Oliver Heinrich, CFO of Infineon Technologies Austria AG: "Infineon makes an important contribution to the Group's success from Austria. With the expansions at the Austrian sites in the last two years, we are excellently positioned in research and development, production as well as in the marketing of our products and system solutions. We are not resting on our laurels: With a view to the capacities at our sites as well as the required skilled workers, we will continue to act actively and with foresight, also taking into account the dynamics of the markets.

Strong increase in purchasing volume
Infineon Austria's purchasing volume in the past fiscal year amounted to EUR **804 million** (previous year: EUR 536 million). Purchases in Austria accounted for about 40 percent or EUR 310 million (previous year: EUR 217 million). The share of Carinthian business partners amounted to EUR 176 million (previous year: EUR 138 million). The construction of the new Villach chip factory thus also generated a high level of value added in Austria.

Number of employees increased, new all-time high
As of 30 September 2021, Infineon Austria employed a total of **4,820 persons** (previous year: 4,517 persons). With more than 300 new employees and thus an increase of about seven percent, the workforce is at a new all-time high. The shortage of skilled workers as a growth-limiting factor has been nothing new for years: experts in the field of new semiconductor materials are in high demand. With currently around 250 vacancies, specialists are highly demanded in the fields of electrical engineering, physics, chemistry, process engineering, IT and software or maintenance.

With a total of about **2,100 employees in research & development,** the previous year's figure (1,960 persons) was expanded. Infineon Austria thus employs about one fifth of the R&D workforce of the entire group.

Around 58 percent of all employees have an academic background. Infineon Austria employspeople from 73 nations. With currently 85 persons, the company also has a record number of apprentices, about a quarter of whom are female.

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Research & development will continue to be intensively pursued
Infineon Austria expanded its expenditures for **research, development and innovation** in the fiscal year 2021 to **EUR 516 million**, compared to the previous year (EUR 498 million). This is EUR 18 million or four percent more than in the previous fiscal year and corresponds to a research quota of 13 percent of total revenues (previous year: 16 percent).

The **Infineon development center Graz is expanding its development activities.** As one of four locations worldwide, it will in future develop highly demanded, particularly fast, performant and energy-efficient microcontrollers for use in household appliances, power tools, e-charging stations and batteries for e-bikes, in solar systems or industrial robots and automation systems. For this purpose, up to 50 employees will be gradually recruited by the end of 2022.

The **Infineon development center Linz won the Upper Austrian Innovation Award 2021** in the category of large companies with its project "Radar-based Driving Assistance Systems for All Vehicle Classes". Radar technology is essential for vehicle safety , but until now it has been an expensive additional functionality. The innovations from Infineon Linz make it possible to implement particularly compact radar-based assistance systems that are also 70 percent less expensive and twice as powerful.

Innovation factory in Villach as part of a virtual mega factory with Dresden
In fiscal year 2021, **8.72 billion chips** were produced in Villach. The new, fully automated chip factory for production on 300-millimeter thin wafers in Villach started production in August 2021 and was officially opened in September 2021. Production will be gradually ramped up over the next four years. Infineon is the global market leader in the field of power semiconductors and is now ideally equipped to meet demand with its two 300-mm sites in Villach and Dresden. The two sites form a virtual mega-factory, the "One Virtual Fab".

Next innovative leap: New semiconductor materials
Infineon Austria has also been the global competence center for new semiconductor materials such as silicon carbide and gallium nitride since 2017. They are another key to a more climate-friendly world. These semiconductor materials switch electricity even more efficiently and enable even smaller components. They are already in use today in a variety of applications such as solar panels, electric cars, data centers and charging stations. As a global pioneer in solutions based on these new semiconductor materials, Infineon is further investing in research and development, and is also driving their volume production.

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Thomas Reisinger, Operations board member of Infineon Technologies Austria AG: "The chip shortage has once again underlined the strategic value of our in-house production. As an innovation factory, the Villach production site has now become an important part of a mega-factory. By merging the two 300-mm sites in Villach and Dresden into a virtual factory, we are taking another step forward. We are increasing productivity and creating additional flexibility for our customers. This is because we can quickly move production volumes for different products between the sites and thus react even faster to changes in demand. This is a clear competitive advantage, not only in times like these. By rapidly setting up production lines for new semiconductor materials, we are expanding our portfolio for even more energy-efficient application areas."

“Tech for Green” and Sustainability

The power semiconductors (energy-saving chips) produced in Villach in the fiscal year 2021 will save around 7 million tons of CO_2 emissions over their lifetime. The need for sustainable solutions is becoming increasingly urgent, not only in view of the latest targets set at the climate summit in Glasgow (COP26). Intelligent technology is a key lever for achieving climate targets and making a major contribution to the energy transition. With Villach's focus on power electronics and new semiconductor materials, concrete solutions are ready to achieve the climate goals.

Social commitment and investment in sustainable technologies

Especially in difficult times, it is all the more important to increasingly assume social responsibility. The Infineon Education Fund was established in 2019 and is now endowed with EUR 78,000 in the fiscal year 2022. This amount supports two learning cafés of Caritas Carinthia in Villach and Spittal an der Drau as well as a newly added learning café in Graz. Infineon thus enables around 75 children and young people to receive free learning support.

In summer 2022, the new hydrogen plant at the Villach site is expected to go into operation, producing green hydrogen from renewable energy sources. The recycling of this hydrogen in public bus transport is being evaluated as part of a research project. The first buses are to be used in the Villach region as early as 2023.

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Key Figures Fiscal Year 2021 (as of 30 September 2021)

Infineon Technologies Austria Group incl. Austrian affiliates	FY 2020	FY 2021	Change
Revenue in € M	3,109	3,898	+ 25 %
Earnings before tax in € M	196	361	+ 84 %
Employees	4,517	4.820	+ 7 %
Total investments in € M	386	464	+ 20 %
R&D expenditure in € M (in % of revenue)	498 (16 %)	516 (13 %)	+ 4 %
Overall purchasing volume in € M thereof in Austria and thereof in Carintha	536 217 138	804 310 176	+ 50 % + 43 % + 28 %

About Infineon Austria

Infineon Technologies Austria AG is a group subsidiary of Infineon Technologies AG, a world-leading provider of semiconductor solutions that make life easier, safer and greener. Microelectronics from Infineon reduce the energy consumption of consumer electronics, domestic appliances and industrial facilities. They make a major contribution to the convenience, security and sustainability of vehicles, and enable secure transactions in the Internet of Things.

Infineon Austria pools competencies for research and development, production as well as global business responsibility. The head office is in Villach, with further branches in Graz, Klagenfurt, Linz and Vienna. With 4,820 employees from 73 countries (including 2,100 in research and development), in the financial year 2021 (ending in September) the company achieved a turnover of € 3.9 billion. With a research expenditure of € 516 million, Infineon Austria is one of the strongest research company in Austria.

Further information at www.infineon.com/austria

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