Table of Contents

- Infineon at a Glance
- Growth Drivers
- Results and Outlook

Disclaimer:
This presentation contains forward-looking statements about the business, financial condition and earnings performance of the Infineon Group (excluding International Rectifier).

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.
Average Cycle Financial Targets

**Revenue Growth:**
\(~8\%\)

**Segment Result Margin:**
\(~15\%\)

**Investment-to-Sales:**
\(~13\%\)
Revenue Split by Segment

Q1 FY15 revenue: EUR 1,128m

ATV €518m
CCS €132m
IPC €190m
PMM €280m
OOS+C&E* €8m

*Other Operating Segments; Corporate and Eliminations.
Tight Customer Relationships are Based on System Know-how and App Understanding

ATV
- Autoliv
- BOSCH
- Continental
- DELPHI
- DENSO
- HITACHI
- HELLA
- LEAR
- Magneti Marelli
- HYUNDAI
- Mando
- OMRON
- TRW
- Valeo

IPC
- ABB
- ALSTOM
- BOMBARDIER
- Goldwind
- CSR
- Schneider Electric
- Rockwell Automation
- SEMIKRON
- SIEMENS
- SMA
- SUNGROW
- TOSHIBA
- YASKAWA
- Vestas

PMM
- AAC Acoustic Technologies
- ARTESYN Embedded Technologies
- Delta
- DELL
- HP
- Ericsson
- Emerson
- LITEON
- LG
- Huawei
- IBM
- OSRAM
- MuRata
- Samsung
- Quanta Computer
- TRIDONIC
- ZTE

CCS
- Gemalto
- GPO
- HP
- Microsoft
- OBERTHUR TECHNOLOGIES
- Safran
- Watchdata

EMS partners
- Flextronics
- Foxconn

Distribution partners
- Arrow
- Avnet
- JST
- Rutronik
- Yamaichi
Infineon Holds Top Positions in All Major Product Categories

**Automotive semiconductors**
- Total market in 2013: $25.1bn
- Source: Strategy Analytics, April 2014

- Renesas: 13.3%
- Infineon: 9.6%
- STMicro: 7.9%
- Freescale: 7.4%
- NXP: 6.5%

**Power semiconductors**
- Total market in 2013: $15.4bn
- Source: IHS Inc., September 2014

- Infineon: 12.3%
- Mitsubishi: 7.2%
- Toshiba: 6.0%
- STMicro: 5.8%
- Fairchild: 5.5%

**Smart card ICs**
- Total market in 2013: $2.48bn
- Source: IHS Inc., July 2014

- Infineon: 21.7%
- NXP: 32.3%
- STMicro: 17.9%
- Samsung: 16.5%
- SHHIC: 6.4%

Automotive semiconductors incl. semiconductor sensors.
Microcontroller-based smart card ICs.

Discrete power semiconductors and power modules.
Table of Contents

- Infineon at a Glance
- Growth Drivers
- Results and Outlook
Growth in Car Production and Content-per-Car Continues Unabated

**Global car production (cars ≤ 6t)**

- 2014: 87.4 m
- 2015: 89.4 m
- 2016: 92.8 m
- 2017: 96.1 m
- 2018: 99.2 m

CAGR\(_{(13-17)} = 3.2\% \)

- Europe: +2.3%
- North America: +3.8%

**Semiconductor value per car**

<table>
<thead>
<tr>
<th>Region</th>
<th>2013 [USD]</th>
<th>2018 [USD]</th>
<th>CAGR</th>
</tr>
</thead>
<tbody>
<tr>
<td>World</td>
<td>327</td>
<td>369</td>
<td>+2.4%</td>
</tr>
<tr>
<td>China</td>
<td>218</td>
<td>281</td>
<td>+5.2%</td>
</tr>
<tr>
<td>North America</td>
<td>429</td>
<td>487</td>
<td>+2.6%</td>
</tr>
<tr>
<td>Europe</td>
<td>419</td>
<td>492</td>
<td>+3.3%</td>
</tr>
<tr>
<td>Japan</td>
<td>455</td>
<td>513</td>
<td>+2.4%</td>
</tr>
</tbody>
</table>


LITIX™: Infineon Automotive LED drivers

LED rear lighting

- High level of integration reduces system complexity
- Increased reliability by precise current control and diagnostics

LED front lighting

- Highly efficient DC/DC controller and converter
- Broadest flexibility for DC/DC topologies in the market

Design-Wins

- Several premium and volume OEMs
- Ramping now to an annual run-rate of > 100m pieces over five years
Wide Adoption of Premium Features, ADAS and CO₂ Reduction Drive ATV’s Growth

Vehicle production

Semiconductor content per car

CO₂ reduction

ADAS*

Comfort, Premium

~4% p.a.

2 – 4% p.a.

ATV:

~8% p.a.

* ADAS: Advanced Driver Assistance Systems.
Sources: IHS Inc., Strategy Analytics, Infineon. All figures refer to mid-term compound annual growth rate of the respective market.
Drives, Home Appliances and Others Show Strongest Growth Rates

<table>
<thead>
<tr>
<th>Market Segment</th>
<th>Expected Growth Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Drives</td>
<td>&gt; 10% p.a.</td>
</tr>
<tr>
<td>Renewables</td>
<td>&gt; 5% p.a.</td>
</tr>
<tr>
<td>Traction</td>
<td>~5% p.a.</td>
</tr>
<tr>
<td>Home Appliances</td>
<td>&gt; 10% p.a.</td>
</tr>
<tr>
<td>Others</td>
<td>&gt; 10% p.a.</td>
</tr>
</tbody>
</table>

Expected growth of market segments

IPC: ~10% p.a.

Sources: IHS Inc., Infineon. All figures refer to mid-term compound annual growth rate of the respective market.
PMM Aims to Outgrow Its Core Markets

Sources: IHS Inc., ABI Research, Infineon. All figures refer to mid-term compound annual growth rate of the respective market.
CCS is Well Positioned to Grow Faster Than the Market

High-end Mobile Communications | Payment | Government Identification | IoT Security

Expected growth of market segments

- ~0% p.a.
- ~5% p.a.
- ~10% p.a.
- ~20 - 25% p.a.

CCS: 6 – 9% p.a.

All figures refer to security microcontrollers.
Sources: IHS Inc., Infineon. All figures refer to mid-term compound annual growth rate of the respective market.
Expected Growth Broadly In Line With Historical Averages

<table>
<thead>
<tr>
<th>ATV</th>
<th>IPC</th>
<th>PMM</th>
<th>CCS</th>
</tr>
</thead>
<tbody>
<tr>
<td><img src="image1.png" alt="ATV Image" /></td>
<td><img src="image2.png" alt="IPC Image" /></td>
<td><img src="image3.png" alt="PMM Image" /></td>
<td><img src="image4.png" alt="CCS Image" /></td>
</tr>
<tr>
<td>~8% p.a.</td>
<td>~10% p.a.</td>
<td>~10% p.a.</td>
<td>6-9% p.a.</td>
</tr>
</tbody>
</table>

Infineon: ~8% p.a.

Sources: IHS Inc., Strategy Analytics, ABI Research, Infineon. All figures refer to mid-term compound annual growth rate of the respective market.
Table of Contents

- Infineon at a Glance
- Growth Drivers
- Results and Outlook
Q1 FY15 Was Seventh Consecutive Quarter of Year-On-Year Growth

Revenue and Segment Result

<table>
<thead>
<tr>
<th>[EUR m]</th>
<th>Q1 FY14</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4 FY14</th>
<th>Q1 FY15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>984</td>
<td>1.051</td>
<td>1.110</td>
<td>1.175</td>
<td>1.128</td>
</tr>
<tr>
<td>Segment Result</td>
<td>116</td>
<td>146</td>
<td>170</td>
<td>188</td>
<td>169</td>
</tr>
<tr>
<td>Segment Result Margin</td>
<td>12%</td>
<td>14%</td>
<td>15%</td>
<td>16%</td>
<td>15%</td>
</tr>
</tbody>
</table>

FY14 revenue split by product category:
- Power
- embed. Control
- RF
- others

2015-01-29
Strong Y-Y-Growth in ATV, PMM and CCS; IPC Lagging Due to Global Economy

### ATV
- [EUR m] Q1 FY14: 452, Q2 FY14: 484, Q3 FY14: 510, Q4 FY14: 518, Q1 FY15: 518
- Growth: +15%

### IPC
- [EUR m] Q1 FY14: 179, Q2 FY14: 185, Q3 FY14: 200, Q4 FY14: 219, Q1 FY15: 190
- Growth: +6%

### PMM
- [EUR m] Q1 FY14: 238, Q2 FY14: 252, Q3 FY14: 271, Q4 FY14: 300, Q1 FY15: 280
- Growth: +18%

### CCS
- [EUR m] Q1 FY14: 108, Q2 FY14: 121, Q3 FY14: 123, Q4 FY14: 142, Q1 FY15: 132
- Growth: +22%

### Notes:
- Revenue, Segment Result, and Segment Result Margin are represented in the diagram.

Copyright © Infineon Technologies AG 2015. All rights reserved.
Guidance for Q2 FY15 and Total FY15

**Revenue**
- **Outlook Q2 FY15** (compared to Q1 FY15): Increase between 5% and 9%
- **Outlook FY15** (compared to FY14): Increase of 12% +/- 2%-points (prev.: “Increase of 8% +/- 2%-points”)

**Segment Result Margin**
- **Between 12% and 13%**
- **At the mid-point of the revenue guidance:** Between 14% and 15% (previously: “About 14%”)

**Investments in FY15**
- About €750m* (previously: “About €700m”)

**D&A in FY15**
- About €600m

* Including €60m to €70m for Kulim 2 and €21m for Qimonda IP.
ENERGY EFFICIENCY
MOBILITY
SECURITY

Innovative semiconductor solutions for energy efficiency, mobility and security.
G&A Increased Due to Non-Segment Result Expenses Related to Acquisition of IRF

1) Target range for SG&A: „Low teens percentage of sales“.
2) Target range for R&D: „Low to mid teens percentage of sales“.
Working Capital Increased Due to Qimonda Partial Settlement and EU Antitrust Payment

**Working capital***

<table>
<thead>
<tr>
<th>Q1 FY14</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
<th>Q1 FY15</th>
</tr>
</thead>
<tbody>
<tr>
<td>EUR m</td>
<td>-92</td>
<td>-75</td>
<td>-16</td>
<td>-52</td>
</tr>
</tbody>
</table>

**Inventories**

<table>
<thead>
<tr>
<th>Q1 FY14</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
<th>Q1 FY15</th>
</tr>
</thead>
<tbody>
<tr>
<td>EUR m</td>
<td>654</td>
<td>674</td>
<td>680</td>
<td>707</td>
</tr>
<tr>
<td>[days]</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

**Trade receivables**

<table>
<thead>
<tr>
<th>Q1 FY14</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
<th>Q1 FY15</th>
</tr>
</thead>
<tbody>
<tr>
<td>EUR m</td>
<td>452</td>
<td>529</td>
<td>553</td>
<td>581</td>
</tr>
<tr>
<td>[days]</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

**Trade payables**

<table>
<thead>
<tr>
<th>Q1 FY14</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
<th>Q1 FY15</th>
</tr>
</thead>
<tbody>
<tr>
<td>EUR m</td>
<td>515</td>
<td>560</td>
<td>531</td>
<td>648</td>
</tr>
<tr>
<td>[days]</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

* For definition please see page 26.
FY15 Investments Ratio excl. Kulim 2 and Qimonda IP Would Be Down to ~13%

For definition please see page 26.

** Including €60m to €70m for Kulim 2 and €21m for Qimonda IP.
Proposal of Dividend of €0.18 Will Increase Capital Returns by €202m in February 2015

Total gross capital returns history

In November 2013, a new €300m capital returns program with a maturity until Sep 2015 was started.

Per 31 Dec 2014, put options for buyback of 1.5m shares outstanding.

After acquisition of International Rectifier, currently no intention to issue new options or to buyback shares.
Gross Cash and Net Cash Excluding International Rectifier

**Liquidity Development**

<table>
<thead>
<tr>
<th>[EUR m]</th>
<th>Gross Cash</th>
<th>Debt</th>
<th>Equity-linked</th>
<th>Net Cash</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 FY14</td>
<td>2279</td>
<td>193</td>
<td>188</td>
<td>38*</td>
</tr>
<tr>
<td>Q2</td>
<td>2198</td>
<td>2048</td>
<td>2010</td>
<td>188</td>
</tr>
<tr>
<td>Q3</td>
<td>2263</td>
<td>2073</td>
<td>190</td>
<td>2263</td>
</tr>
<tr>
<td>Q4 FY14</td>
<td>2418</td>
<td>2232</td>
<td>186</td>
<td>2418</td>
</tr>
<tr>
<td>Q1 FY15</td>
<td>2107</td>
<td>1917</td>
<td>190</td>
<td>2107</td>
</tr>
</tbody>
</table>

* The remaining outstanding convertible bonds were converted by the end of January 2014.

Gross cash and Net cash negatively affected in the amount of EUR 343m in Q1 FY15 by:
- a) payment of EUR 83m due to the EU antitrust fine, and
- b) EUR 260m for the partial settlement with the Qimonda insolvency administrator
Target: 'RoCE Above WACC' Over the Cycle

RoCE* history

<table>
<thead>
<tr>
<th>Quarter</th>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 FY13</td>
<td>5%</td>
<td>17%</td>
<td>24%</td>
</tr>
<tr>
<td>Q2</td>
<td>7%</td>
<td>21%</td>
<td>24%</td>
</tr>
<tr>
<td>Q3</td>
<td>16%</td>
<td>17%</td>
<td>24%</td>
</tr>
<tr>
<td>Q4</td>
<td>27%</td>
<td>20%</td>
<td>18%</td>
</tr>
</tbody>
</table>

WACC: low teens %

Capital Employed* history

<table>
<thead>
<tr>
<th>Quarter</th>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 FY13</td>
<td>2239</td>
<td>2274</td>
<td>2216</td>
</tr>
<tr>
<td>Q2</td>
<td>2216</td>
<td>2159</td>
<td>2194</td>
</tr>
<tr>
<td>Q3</td>
<td>2159</td>
<td>2194</td>
<td>2232</td>
</tr>
<tr>
<td>Q4</td>
<td>2194</td>
<td>2232</td>
<td>2327</td>
</tr>
<tr>
<td>Q1 FY14</td>
<td>2327</td>
<td>2452</td>
<td>2969</td>
</tr>
</tbody>
</table>

* For definition please see page 26.
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')

Please note:
All positions in ' ' refer to the respective accounting position and therefore should be applied with the positive or negative sign used in the relevant accounting table.

DOI (days of inventory; quarter-to-date) =
('Net Inventories' / 'Cost of goods sold') * 90

DSO (days sales outstanding; quarter-to-date) =
('Trade receivables' / 'revenue') * 90

DPO (days payables outstanding; quarter-to-date) =
('Trade payables' / ['Cost of goods sold' + 'Purchase of property, plant and equipment']) * 90
January 2015: Infineon is listed in the Sustainability Yearbook for the fifth consecutive year and, according to RobecoSAM, among the top 15% most sustainable companies worldwide.

11 September 2014: Infineon was listed in the Dow Jones Sustainability Index for the fifth consecutive year.

September 2014: Infineon was listed in the STOXX® Global ESG Leaders Indices, which serves as an indicator of the quality of Infineon’s performance in the governance, social and environmental areas (ESG).

Infineon was added to the FTSE4Good Index Series in 2001 and has been confirmed as a member since then.
## Financial Calendar

<table>
<thead>
<tr>
<th>Date</th>
<th>Location</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>12 Feb 2015</td>
<td>Munich</td>
<td>Annual General Meeting</td>
</tr>
<tr>
<td>05 May 2015*</td>
<td></td>
<td>Q2 FY15 Results</td>
</tr>
<tr>
<td>02 Jun 2015</td>
<td>Zurich</td>
<td>DZ Bank Sustainability Conference</td>
</tr>
<tr>
<td>30 Jul 2015*</td>
<td></td>
<td>Q3 FY15 Results</td>
</tr>
<tr>
<td>22 Sep 2015</td>
<td>Munich</td>
<td>Baader Investment Conference</td>
</tr>
<tr>
<td>23 Sep 2015</td>
<td>Munich</td>
<td>Berenberg Bank and Goldman Sachs German Corporate Conference</td>
</tr>
<tr>
<td>11 – 13 Nov 2015</td>
<td>Barcelona</td>
<td>Morgan Stanley TMT Conference</td>
</tr>
<tr>
<td>26 Nov 2015*</td>
<td></td>
<td>Q4 FY15 and FY 2015 Results</td>
</tr>
<tr>
<td>30 Nov – 03 Dec 2015</td>
<td>Scottsdale, AZ</td>
<td>Credit Suisse TMT Conference</td>
</tr>
</tbody>
</table>

* preliminary
Institutional Investor Relations Contacts

Dr. Jürgen Rebel  
Corporate Vice President  
Investor Relations  
📞 +49 89 234-21626  
✉️ juergen.rebel@infineon.com

Joachim Binder  
Senior Director  
Investor Relations  
📞 +49 89 234-25649  
✉️ joachim.binder@infineon.com

Holger Schmidt  
Manager  
Investor Relations  
📞 +49 89 234-22332  
✉️ holger.schmidt@infineon.com