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

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.
Leadership in system understanding will foster future growth and profitability

**Competitive advantages**

- System leader in Automotive
- #1 and technology leader in Power
- Leader in Security Solutions

**Average-cycle financial targets**

- Revenue Growth: ~8%
- Segment Result Margin: ~15%
- Investment-to-Sales: ~13%
Infineon’s revised capital structure targets are reflected in the Corporate Credit Rating of **BBB** (outlook: „stable“) assigned by S&P’s in February 2016.
Infineon takes advantage of favorable capital markets to optimize its debt profile

1. Refinancing of the EUR tranche
   March 2015: Infineon’s first Eurobonds replace €800m bridge financing

2. Refinancing of the USD tranche
   April 2016: Infineon’s first US-Private Placement replaces $934m term loan

- Maturity profile significantly improved
- Investor basis broadened

EUR Bridge Aug 2016
Eurobond Sep 2018
USD term-loan Aug 2019
Eurobond Mar 2022
8Y-USPP Notes Apr 2024
10Y-USPP Notes Apr 2026
12Y-USPP Notes Apr 2028

[EUR m; USD m]
Automotive and power are the two major pillars of Infineon’s businesses.

Q2 FY16 revenue: EUR 1,611m

Revenue split by Segment

- ATV: ~42%
- PMM: ~31%
- IPC: ~16%
- CCS: ~11%
- OOS + C&E: ~0%

Power represents ~60% of revenue

<table>
<thead>
<tr>
<th>Segment</th>
<th>Power (EUR m)</th>
<th>Non-Power</th>
</tr>
</thead>
<tbody>
<tr>
<td>ATV</td>
<td>670</td>
<td></td>
</tr>
<tr>
<td>IPC</td>
<td>265</td>
<td></td>
</tr>
<tr>
<td>PMM</td>
<td>496</td>
<td></td>
</tr>
<tr>
<td>CCS</td>
<td>180</td>
<td></td>
</tr>
</tbody>
</table>

[Copyright © Infineon Technologies AG 2016. All rights reserved.]
Infineon holds top position in each of its core markets

<table>
<thead>
<tr>
<th>Automotive semiconductors</th>
<th>Power semiconductors</th>
<th>Smart Card ICs</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total market in 2015:</strong></td>
<td><strong>Total market in 2014:</strong></td>
<td><strong>Total market in 2014:</strong></td>
</tr>
<tr>
<td>$27.4bn</td>
<td>$16.2bn</td>
<td>$2.63bn</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Company</th>
<th>Automotive Market</th>
<th>Power Market</th>
<th>Smart Card Market</th>
</tr>
</thead>
<tbody>
<tr>
<td>NXP</td>
<td>14.2%</td>
<td></td>
<td>30.5%</td>
</tr>
<tr>
<td>Infineon</td>
<td>10.4%</td>
<td>7.0%</td>
<td>23.9%</td>
</tr>
<tr>
<td>Renesas</td>
<td>10.3%</td>
<td>5.9%</td>
<td>16.0%</td>
</tr>
<tr>
<td>STMicro</td>
<td>7.7%</td>
<td>5.7%</td>
<td>15.2%</td>
</tr>
<tr>
<td>Texas Instr.</td>
<td>7.0%</td>
<td>5.4%</td>
<td>6.7%</td>
</tr>
<tr>
<td>Infineon (incl. IRF)</td>
<td>19.2%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mitsubishi</td>
<td>7.0%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>STMicro</td>
<td>5.9%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fairchild</td>
<td>5.7%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Toshiba</td>
<td>5.4%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>NXP</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Infineon</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Samsung</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>STMicro</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SHHIC</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Automotive semiconductors incl. semiconductor sensors.
Source: Strategy Analytics, April 2016

Discrete power semiconductors and power modules.
Source: IHS Inc., September 2015

Microcontroller-based smart card ICs.
Source: IHS Inc., July 2015
Tight customer relationships are based on system know-how and app understanding.

<table>
<thead>
<tr>
<th>ATV</th>
<th>IPC</th>
<th>PMM</th>
<th>CCS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Autoliv</td>
<td>BOSCH</td>
<td>ARTHESYN EMBEDDED TECHNOLOGIES</td>
<td>gemalto</td>
</tr>
<tr>
<td>Continental</td>
<td>BOMBARDIER</td>
<td>BOEING</td>
<td>security to be free</td>
</tr>
<tr>
<td>BYD</td>
<td>Danfoss</td>
<td>DELL</td>
<td>GPO</td>
</tr>
<tr>
<td>DELPHI</td>
<td>CSR</td>
<td>Delta</td>
<td>Lenovo</td>
</tr>
<tr>
<td>HELLA</td>
<td>EMERSON</td>
<td>ERICSSON</td>
<td>Lenovo</td>
</tr>
<tr>
<td>HITACHI</td>
<td>Eaton</td>
<td>HUAWEI</td>
<td>LG</td>
</tr>
<tr>
<td>Inspire the Next</td>
<td>Midea</td>
<td>IBM</td>
<td>LG</td>
</tr>
<tr>
<td>LEAR CORPORATION</td>
<td>Rockwell Automation</td>
<td>LITEON</td>
<td>Lenovo</td>
</tr>
<tr>
<td>Midea</td>
<td>Schneider Electric</td>
<td>mura</td>
<td>Lenovo</td>
</tr>
<tr>
<td>SIEMENS</td>
<td>SunGrown</td>
<td>nmRata</td>
<td>Lenovo</td>
</tr>
<tr>
<td>TOSHIBA</td>
<td>Vestas</td>
<td>OSRAM</td>
<td>Lenovo</td>
</tr>
<tr>
<td>YASKAWA</td>
<td></td>
<td>samsung</td>
<td>Lenovo</td>
</tr>
</tbody>
</table>

**EMS partners**

- FLEXTRONICS
- FOXCONN

**Distribution partners**

- Mouser
- AVNET
- JCT
- MACNICA
- RUTRONIK ELECTRONICS WORLDWIDE
- SA
- TOMEN ELECTRONICS
- WEIKENG

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Table of Contents

1. Infineon at a Glance
2. Growth Drivers
3. Results and Outlook
Infineon benefits from industrial, auto and security, the by far fastest growing segments

| Semiconductor Industry Segment | CAGR 2015–2020 | Total Market Value*
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Industrial</td>
<td>8.4%</td>
<td>$42bn*</td>
</tr>
<tr>
<td>Automotive</td>
<td>5.8%</td>
<td>$29bn*</td>
</tr>
<tr>
<td>Chip Card ICs**</td>
<td>4.6%</td>
<td>$3.1bn*</td>
</tr>
<tr>
<td>Total Semi Market</td>
<td>2.5%</td>
<td>$347bn*</td>
</tr>
<tr>
<td>Consumer</td>
<td>1.8%</td>
<td>$45bn*</td>
</tr>
<tr>
<td>Data Processing</td>
<td>1.7%</td>
<td>$108bn*</td>
</tr>
<tr>
<td>Communications</td>
<td>0.4%</td>
<td>$123bn*</td>
</tr>
</tbody>
</table>

Source: IHS Inc., Worldwide Semiconductor Shipment Forecast, April 2016
* In calendar year 2015
** CAGR 2015 – 2019; Source: IHS, “Smart Cards Semiconductors”, August 2015
Infineon is system leader in automotive; making cars clean, safe and smart

#2 with market share gains in power and sensors:
› #1 in power semiconductors*
› #2 in sensors*
› #3 in microcontrollers* (#1 in powertrain**) 

Most balanced portfolio with sensors, microcontrollers and power for system approach

Leader in electric drivetrain and CO₂ reduction
- making cars clean

Leader in ADAS
- making autonomous driving safe and reliable

Leading product portfolio of sensors and security ICs for individual convenience and connectivity
- making cars smart

Focus on sustainable high-bill-of-material areas:
powertrain, safety/ADAS/autonomous cars, body

* Source: Strategy Analytics, April 2016
** own estimate.
Infineon biggest market share winner in „Sensors“ driven by radar sensor chips

Infineon covers the entire control loop

Infineon’s position 2015

<table>
<thead>
<tr>
<th>Product Category</th>
<th>Market Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sensors (#2)</td>
<td>11.9%</td>
</tr>
<tr>
<td>μC (#3)</td>
<td>8.6%</td>
</tr>
<tr>
<td>Power (#1)</td>
<td>25.2%</td>
</tr>
</tbody>
</table>

2015 automotive semiconductor market by product category ($27.4bn)

- Infineon achieved biggest market share gains in „Sensors“ of 0.4%-points driven by pressure sensors, magnetic sensors and primarily radar sensor chips
- Infineon increased market share in „Power“ by 0.4%-points resulting in a new all-time-high market share of 25.2%

* „others“ include: opto, small-signal discrete, logic ICs, non-power analog, memory, and other components.

Source: Strategy Analytics, April 2016.
Four megatrends are shaping the automotive market, significantly increasing the semi content per vehicle.

<table>
<thead>
<tr>
<th>ADAS/Autonomous driving</th>
<th>xEV/eMobility</th>
</tr>
</thead>
<tbody>
<tr>
<td>› From ADAS to semi-automated and finally autonomous driving</td>
<td>› Mandated CO₂ reductions make electrification of powertrain inevitable</td>
</tr>
<tr>
<td>› Every world region is striving for “0-accident”</td>
<td></td>
</tr>
<tr>
<td>› Advanced connectivity is driven by making the car part of the Internet</td>
<td>› Increased connectivity and software content increase risk exposure to hackers</td>
</tr>
<tr>
<td>› The car will be fully connected (V2I, V2V, in-vehicle)</td>
<td>› Internal/external connectivity must be secured</td>
</tr>
</tbody>
</table>

Connectivity

Advanced security
Infineon is the market leader in radar, > 15 million chips shipped already

Vision Zero + Autonomous Driving

2015 radar sensor market share*

- Infineon: 43%
- NXP: 21%
- STM: 36%

Innovations for driver, road and pedestrian safety

“ATLAS” IC
1st SiGe 77 GHz Transceiver

Mid-Range Radar
1st 77 GHz product in eWLB package

Dual-Chip Radar Solution
1st complete System solution: 400 GHz RF, µC, power supply

Next Generation Dual-Chip Radar Solution
600 GHz RF, AURIX™ 3rd Gen, power supply

Single-Chip Radar Solution (CMOS)

2009

Today

> 2022

Semiconductor content itemized to automation levels

**Average ADAS semiconductor content per level of automation**

- **Level 2**
  - Camera: 40%
  - Radar: 60%
  - Lidar: 45%
  - Sensor Fusion: 35%
  - Total BOM: $100

- **Level 3**
  - Camera: 45%
  - Radar: 35%
  - Lidar: 12%
  - Sensor Fusion: 8%
  - Actuators: $400
  - Total BOM: $400

- **Level 4**
  - Camera: 40%
  - Radar: 25%
  - Lidar: 5%
  - Sensor Fusion: 20%
  - Actuators: 10%
  - Total BOM: $550

Source: Infineon estimates
Semiconductor content of EV/HEV vehicles falls right into Infineon's core competence

Average semiconductor content

EV/HEV: China shows strong momentum; Infineon is well positioned globally.

1. Mass Market OEM
2. Mass Market OEMs
3. Premium OEM

- Focus
- LaCrosse, Regal, Malibu
- Kangoo Twingo
- Zoe
- A3 e-tron
- Q5 A6
- S-Class
- B-Class
- E-Class
- S-Class
- 335i - 535i
- 2 series - x3
- Panamera
- Cayenne
- 508RHX 3008
- i3, i8

- V60, S60, XC90
- Passat, Golf Jetta
- e-Golf
- e-up

1. Mass Market OEM
2. Mass Market OEMs
3. Premium OEM

- Optima/Sonata Grandeur
- Soul EV
- FCEV
- WEV
- EV50 EJ02
- China Hybrid Bus

- Hyundai
- KIA

- Ray EV ix35
- ix35
- H1 Tong Yue
- Ray EV
- Hyundai
- KIA

- China

SOP = Start of Production

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ADAS, CO₂ reduction and adoption of premium features drive Infineon growth

Vehicle production

Drivers for semiconductor content per car

CO₂ reduction
- ~2% growth p.a.
- Further growth in Western Europe, US, Korea and China
- Electro-mobility gaining momentum, especially in China
- Driven by legislation
- Improvements of ICE (e.g. electric steering, electric pumps and motors)
- Adoption of EV/HEV

Advanced safety
- Current: crash avoidance
- Next: assisted Driving
- Future: autonomous driving

Comfort, premium
- Premium cars are early adopters of high-end comfort and safety features
- Trickling down to mid-range

~8% p.a. through-cycle growth
Infineon is #1 and technology leader in power semiconductors

#1 in the market*

Broadest product and technology portfolio

Addressing broadest range of applications

300mm thin-wafer manufacturing for power semiconductors

System leader with digitalization of the control loop and functional integration

Leader in next-generation power semiconductor materials GaN and SiC

As system leader in power Infineon offers solutions to a wide spectrum of applications

Covering the entire power chain

Main IPC markets

Generation

Transmission

Consumption

Main PMM power markets

System competence for highest reliability and highest efficiency

<table>
<thead>
<tr>
<th>Controllers</th>
<th>Drivers</th>
<th>MOSFETs/IGBTs</th>
<th>Modules</th>
<th>Stacks</th>
</tr>
</thead>
</table>
| › Primarion, CHiL  
› .dp digital power™  
› Power ICs  
› XMC™ µC family | › MOSFET driver  
› IGBT driver  
› galvanic isolation | › low-voltage MOSFETs  
› medium-volt. MOSFETs  
› high-voltage MOSFETs  
› discrete IGBTs | › low-power  
› mid-power  
› high-power | › IGBT stacks |

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Infineon continuously improved market share in power while competitors remained flat.

**Development on Infineon’s market share and relative market share*** in the total power semiconductor market**

*The relative market share is defined as the proportion of the market share held by the market leader (in all years presented for Infineon) compared to the market share of the second largest competitor in the relevant year.

** Including International Rectifier.

Source: IHS Inc., several reports from 2004 through 2015
IRF and LSPS lift Infineon to top-5 position in fast-growing IPM market for the first time

IGBT components* (discretes and modules)
total market in 2014: $4.45bn

<table>
<thead>
<tr>
<th>Company</th>
<th>Market Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Infineon (incl. IRF)</td>
<td>26.5%</td>
</tr>
<tr>
<td>Mitsubishi</td>
<td>21.6%</td>
</tr>
<tr>
<td>Fuji Electric</td>
<td>12.8%</td>
</tr>
<tr>
<td>Semikron</td>
<td>7.3%</td>
</tr>
<tr>
<td>Fairchild</td>
<td>4.3%</td>
</tr>
</tbody>
</table>

therein: IPMs
total market in 2014: $1.26bn

<table>
<thead>
<tr>
<th>Company</th>
<th>Market Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mitsubishi</td>
<td>46.1%</td>
</tr>
<tr>
<td>Fuji Electric</td>
<td>11.9%</td>
</tr>
<tr>
<td>Semikron</td>
<td>9.5%</td>
</tr>
<tr>
<td>On Semi</td>
<td>8.6%</td>
</tr>
<tr>
<td>Infineon (incl. IRF)</td>
<td>7.1%</td>
</tr>
</tbody>
</table>

Discrete standard MOSFETs
total market in 2014: $5.83bn

<table>
<thead>
<tr>
<th>Company</th>
<th>Market Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Infineon (incl. IRF)</td>
<td>27.8%</td>
</tr>
<tr>
<td>Renesas</td>
<td>10.5%</td>
</tr>
<tr>
<td>Fairchild</td>
<td>9.2%</td>
</tr>
<tr>
<td>STMicro</td>
<td>8.6%</td>
</tr>
<tr>
<td>Toshiba</td>
<td>7.7%</td>
</tr>
</tbody>
</table>

* The market for IGBT components ($4,448m) includes discrete IGBTs ($947m), Standard IGBT modules ($1,908m), CIB/PIM ($333m), and IPMs ($1,260m).

Increasing VSD penetration drives power semiconductors in major home appliances

- Biggest home appliances market for IGBT modules is room air conditioning
- Efficiency programs led and still lead to higher variable speed drive (VSD) penetration rate
- Increasing VSD penetration is the key driver for semi growth in MHA

Power semiconductors in home appliances

- [US$ m]
  - 2015: 1,196
  - 2020: 2,080
  - CAGR\textsubscript{(15-20)} = 11.7%

VSD penetration development

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2020</th>
<th>CAGR</th>
</tr>
</thead>
<tbody>
<tr>
<td>washing machines</td>
<td>40</td>
<td>84</td>
<td>10.6%</td>
</tr>
<tr>
<td>fridges/freezers</td>
<td>24</td>
<td>62</td>
<td>20.9%</td>
</tr>
<tr>
<td>dish washer</td>
<td>10</td>
<td>23</td>
<td>18.1%</td>
</tr>
<tr>
<td>room air conditioners</td>
<td>71</td>
<td>113</td>
<td>9.7%</td>
</tr>
</tbody>
</table>

PMM: Infineon provides best-in-class power MOSFETs for Chinese charging infrastructure

- China to build nationwide charging station network to charge 5m electric vehicles expected by 2020:
  - > 12,000 charging stations*
  - > 4.5m charging points*

- 10 kW .. 15 kW per module
- 7 .. 10 modules

⇒ in total ~100 kW per charging point with > 100 power MOSFETs

* According to the „Electric Vehicle Charging Infrastructure Guidelines“, August 2015.

PFC = Power Factor Correction
PWM = Pulse Width Modulation

Total power semiconductor content per charging point: $200 .. $300
**Efficiency and digitalization are main market drivers for power applications**

<table>
<thead>
<tr>
<th>IPC</th>
<th>PMM</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Drives</strong></td>
<td><strong>AC-DC</strong></td>
</tr>
<tr>
<td><strong>Renewables</strong></td>
<td><strong>DC-DC</strong></td>
</tr>
<tr>
<td><strong>Traction</strong></td>
<td></td>
</tr>
<tr>
<td><strong>MHA</strong></td>
<td></td>
</tr>
</tbody>
</table>

- Energy efficiency
- Legislation
- Growing share of renewable energies as part of the energy generation mix
- Growing population in metropolitan areas
- Fast and efficient mass transport system
- Energy efficiency
- Growing VSD penetration
- Energy efficiency
- Charging time
- Compactness (power density)
- DPM
- Energy efficiency
- Compactness (power density)
- DPM
- Brushless DC motors

DPM = Digital Power Management  
MHA = Major Home Appliances  
VSD = Variable Speed Drive
Infineon is the leader in security solutions for the connected world

#2 in microcontroller-based smart card ICs*

Complete portfolio of hardware, software, services and turn-key solutions

Infineon Security Partner Network (ISPN)
⇒ easy implementation of proven semiconductor-based security for manufacturers of connected devices and systems

Leading in growth segments payment, government ID, connected car, and IoT

*Source: IHS Inc., July 2015
Most recent design-wins underline Infineon’s #1 position in embedded digital security

Most recent design-wins for OPTIGA™ TPM

› Notebooks
  – Lenovo ThinkPad
  – Microsoft Surface Book
› Tablets
  – Microsoft Surface Pro 4
› Smart home hub
  – Google OnHub
› Server
› IT management platform
  – Huawei
› IP protection and licencing services
  – Wibu Systems

Most recent design-wins for OPTIGA™ Trust

› 3D glasses
› Motorcycle controller
› Arcade gaming machines
› USB memory cable

Infineon is market leader in embedded secure microcontrollers with 31% market share*!

## Infineon and partners demonstrate IoT security at RSA Conference 2016

### Infineon OPTIGA™ TPM becomes the center of IoT security

<table>
<thead>
<tr>
<th>Cisco</th>
<th>Huawei</th>
</tr>
</thead>
</table>
| › With Cisco, OPTIGA™ TPM supports protection against  
  › rogue device attacks  
  › snooping  
  › device compromise |
| › Huawei’s IoT management platform validates the integrity of devices by using the Remote Attestation feature of the OPTIGA™ TPM |

<table>
<thead>
<tr>
<th>Wibu-Systems</th>
<th>GlobalSign</th>
</tr>
</thead>
</table>
| › Infineon’s hardware-based security supports Wibu-Systems’ CodeMeter™ solutions for  
  › licencing services  
  › IP protection |
| › GlobalSign’s management tool securely provisions IoT devices with PKI (public key infrastructure) certificates |
CCS is well positioned to grow faster than the market as leader in security solutions.

### Payment
- Transition to chip-based payment cards in China and the US
- Growth of mobile payment

### Government Identification
- Adoption of electronic governmental documents (national ID cards, passports, health cards, etc.)
- Emergence of multi-application cards

### IoT Security
- Rise of smart homes, connected cars, automated industries etc.
- Increasing need for IT security
- Growth of M2M communication
- Authentication

### High-end Mobile Communications
- Greater adoption of NFC technologies for mobile payment and other applications

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Infineon’s long-term growth is based on sustainable growth drivers

<table>
<thead>
<tr>
<th>ATV</th>
<th>IPC</th>
<th>PMM</th>
<th>CCS</th>
</tr>
</thead>
</table>
| › CO₂ reduction  
› Advanced Driver Assistance Systems | › Energy efficiency  
› Automation  
› Productivity increase | › Energy efficiency  
› Power density  
› BLDC motors  
› Mobile device and LTE growth | › Security as a function  
› Mobile payments  
› Authentication  
› Internet of Things |

~8% p.a. through-cycle growth

Courtesy: BMW Group
Table of Contents

1. Infineon at a Glance
2. Growth Drivers
3. Results and Outlook
ATV, IPC and PMM driving year-on-year growth

Revenue and Segment Result*

<table>
<thead>
<tr>
<th>[EUR m]</th>
<th>Q2 FY15</th>
<th>Q3 FY15</th>
<th>Q4 FY15</th>
<th>Q1 FY16</th>
<th>Q2 FY16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>1,483</td>
<td>1,586</td>
<td>1,598</td>
<td>1,556</td>
<td>1,611</td>
</tr>
<tr>
<td>Segment Result</td>
<td>13%</td>
<td>15%</td>
<td>18%</td>
<td>14%</td>
<td>14%</td>
</tr>
<tr>
<td>Segment Result Margin</td>
<td>198</td>
<td>245</td>
<td>286</td>
<td>220</td>
<td>228</td>
</tr>
</tbody>
</table>

* Including International Rectifier from 13 January 2015.
**Strong growth in ATV due to ADAS and electro-mobility**

<table>
<thead>
<tr>
<th>ATV*,**, [EUR m]</th>
<th>IPC*,**, [EUR m]</th>
<th>PMM*,**, [EUR m]</th>
<th>CCS**, [EUR m]</th>
</tr>
</thead>
<tbody>
<tr>
<td>598 621 613 614</td>
<td>241 269 271 249 265</td>
<td>464 517 535 510 496</td>
<td>182 172 181 173 180</td>
</tr>
<tr>
<td>72 79 102 81 94</td>
<td>18 30 39 23 26</td>
<td>75 98 110 79 74</td>
<td>33 35 38 35 36</td>
</tr>
</tbody>
</table>

* Including International Rectifier from 13 January 2015.
** The business with XMC industrial microcontrollers developed by ATV and CCS was transferred to PMM and IPC with effect from 1 October 2015. The previous year’s figures have been adjusted accordingly.
## Guidance for Q3 FY16 and total FY16

<table>
<thead>
<tr>
<th>Revenue</th>
<th>Outlook Q3 FY16* (compared to Q2 FY16)</th>
<th>Outlook FY16* (compared to FY15)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Increase of 2% +/- 2%-points</td>
<td>Increase of 12% +/- 2%-points</td>
</tr>
<tr>
<td></td>
<td>At the mid-point of the revenue guidance:</td>
<td>(prev.: Increase of 13% +/- 2%-points**)</td>
</tr>
<tr>
<td></td>
<td>16%</td>
<td>At the mid-point of the revenue guidance:</td>
</tr>
<tr>
<td></td>
<td></td>
<td>between 15% and 16%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(prev.: 16% at the mid-point of the previous revenue guidance**)</td>
</tr>
</tbody>
</table>

**Investments in FY16**
- About €850m

**D&A in FY16**
- About €850m***

* Based on an assumed average exchange rate of $1.15 for €1.00.
** Based on an assumed average exchange rate of $1.10 for €1.00.
*** Including D&A on tangible and intangible assets from purchase price allocation of International Rectifier.
Part of your life. Part of tomorrow.
Infineon’s Revenue Development (excl. IRF) Outperformed Total Semi Market

Based on Infineon’s portfolio (excl. Other Operating Segments and Corporate & Eliminations) per end of 2015 fiscal year.

Based on market development assumptions FY99’s revenue figures for some smaller product categories have been derived from the FY00’s revenue figures.

Scale indexed to the Infineon FY99 revenue.

Source: Infineon; WSTS (World Semiconductor Trade Statistics), November 2015
SG&A still includes noticeable acquisition-related costs that are incrementally declining.

* Target range for SG&A: "Low teens percentage of sales".
** Target range for R&D: "Low to mid teens percentage of sales".
Inventories started to decline correspondent to normal seasonal pattern

**Working capital**

<table>
<thead>
<tr>
<th></th>
<th>Q2 FY15</th>
<th>Q3</th>
<th>Q4</th>
<th>Q1 FY16</th>
<th>Q2</th>
</tr>
</thead>
<tbody>
<tr>
<td>EUR m</td>
<td>759</td>
<td>631</td>
<td>550</td>
<td>761</td>
<td>911</td>
</tr>
</tbody>
</table>

**Inventories**

<table>
<thead>
<tr>
<th></th>
<th>Q2 FY15</th>
<th>Q3</th>
<th>Q4</th>
<th>Q1 FY16</th>
<th>Q2</th>
</tr>
</thead>
<tbody>
<tr>
<td>EUR m</td>
<td>1,012</td>
<td>1,040</td>
<td>1,129</td>
<td>1,190</td>
<td>1,165</td>
</tr>
</tbody>
</table>

* For definition please see page 43.

**Trade receivables**

<table>
<thead>
<tr>
<th></th>
<th>Q2 FY15</th>
<th>Q3</th>
<th>Q4</th>
<th>Q1 FY16</th>
<th>Q2</th>
</tr>
</thead>
<tbody>
<tr>
<td>EUR m</td>
<td>739</td>
<td>729</td>
<td>742</td>
<td>669</td>
<td>757</td>
</tr>
</tbody>
</table>

* DSO*

**Trade payables**

<table>
<thead>
<tr>
<th></th>
<th>Q2 FY15</th>
<th>Q3</th>
<th>Q4</th>
<th>Q1 FY16</th>
<th>Q2</th>
</tr>
</thead>
<tbody>
<tr>
<td>EUR m</td>
<td>677</td>
<td>747</td>
<td>802</td>
<td>759</td>
<td>690</td>
</tr>
</tbody>
</table>

* DPO*
Investments on target of ~13% of sales; D&A stable at ~13% of sales

* For definition please see page 43.
Dividend of €0.20 has increased capital returns by €225m in February 2016

Total gross capital returns history

- Increase of dividend from €0.18 to €0.20.
- Payout of €225m on 19 Feb 2016.
Net cash decreased due to €225m dividend cash out

Free Cash Flow from continuing operations was €45m
Small decrease in debt due to net repayment of €4m and currency valuation effects
RoCE expected to increase in FY16 vs FY15

RoCE* history

FY14: 20%
FY15: 13%

WACC: low teens %

Capital Employed* history

*[For definition please see page 43.]
Notes

**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

**DPO (days payables outstanding; quarter-to-date)** =

('Trade payables' / ['Cost of goods sold' + 'Purchase of property, plant and equipment']) * 90

**DSO (days sales outstanding; quarter-to-date)** =

('Trade receivables' / 'revenue') * 90
Infineon is a long-standing member of Europe's leading sustainability indices

Infineon’s most recent achievements

› Sep 2015: 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.

› Dec 2015: In the Carbon Disclosure Project (CDP) climate change report, Infineon achieved a placing among the best companies in the Information Technology sector.

MEMBER OF
Dow Jones Sustainability Indices

In Collaboration with RobecoSAM

› Jan 2016: Infineon is listed in the Sustainability Yearbook for the sixth consecutive year and, according to RobecoSAM, among the top 15% most sustainable companies worldwide.

› Sep 2015: Infineon was listed in the Dow Jones Sustainability Index for the sixth consecutive year. Additionally, Infineon was accepted into the World Index for the first time and as the only European semiconductor company.
## Financial calendar

<table>
<thead>
<tr>
<th>Date</th>
<th>Location</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>01 Jun 2016</td>
<td>Zurich</td>
<td>Berenberg TMT Conference</td>
</tr>
<tr>
<td>08 – 09 Jun 2016</td>
<td>Berlin</td>
<td>Dt. Bank German, Suisse &amp; Austrian Conference</td>
</tr>
<tr>
<td>15 – 16 Jun 2016</td>
<td>Paris</td>
<td>Exane European CEO Conference</td>
</tr>
<tr>
<td>20 Jun 2016</td>
<td>London</td>
<td>JPMorgan CEO Conference</td>
</tr>
<tr>
<td>02 Aug 2016*</td>
<td>Frankfurt</td>
<td>Q3 FY16 Results</td>
</tr>
<tr>
<td>01 Sep 2016</td>
<td>Frankfurt</td>
<td>Commerzbank Sector Week</td>
</tr>
<tr>
<td>19 Sep 2016</td>
<td>Munich</td>
<td>Berenberg Bank and Goldman Sachs German Corporate Conference</td>
</tr>
<tr>
<td>21 Sep 2016</td>
<td>Munich</td>
<td>Baader Investment Conference</td>
</tr>
<tr>
<td>16 – 17 Nov 2016</td>
<td>Barcelona</td>
<td>Morgan Stanley TMT Conference</td>
</tr>
<tr>
<td>23 Nov 2016*</td>
<td></td>
<td>Q4 FY16 and FY 2016 Results</td>
</tr>
<tr>
<td>29 – 30 Nov 2016</td>
<td>Scottsdale, AZ</td>
<td>Credit Suisse TMT Conference</td>
</tr>
</tbody>
</table>

* preliminary
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