



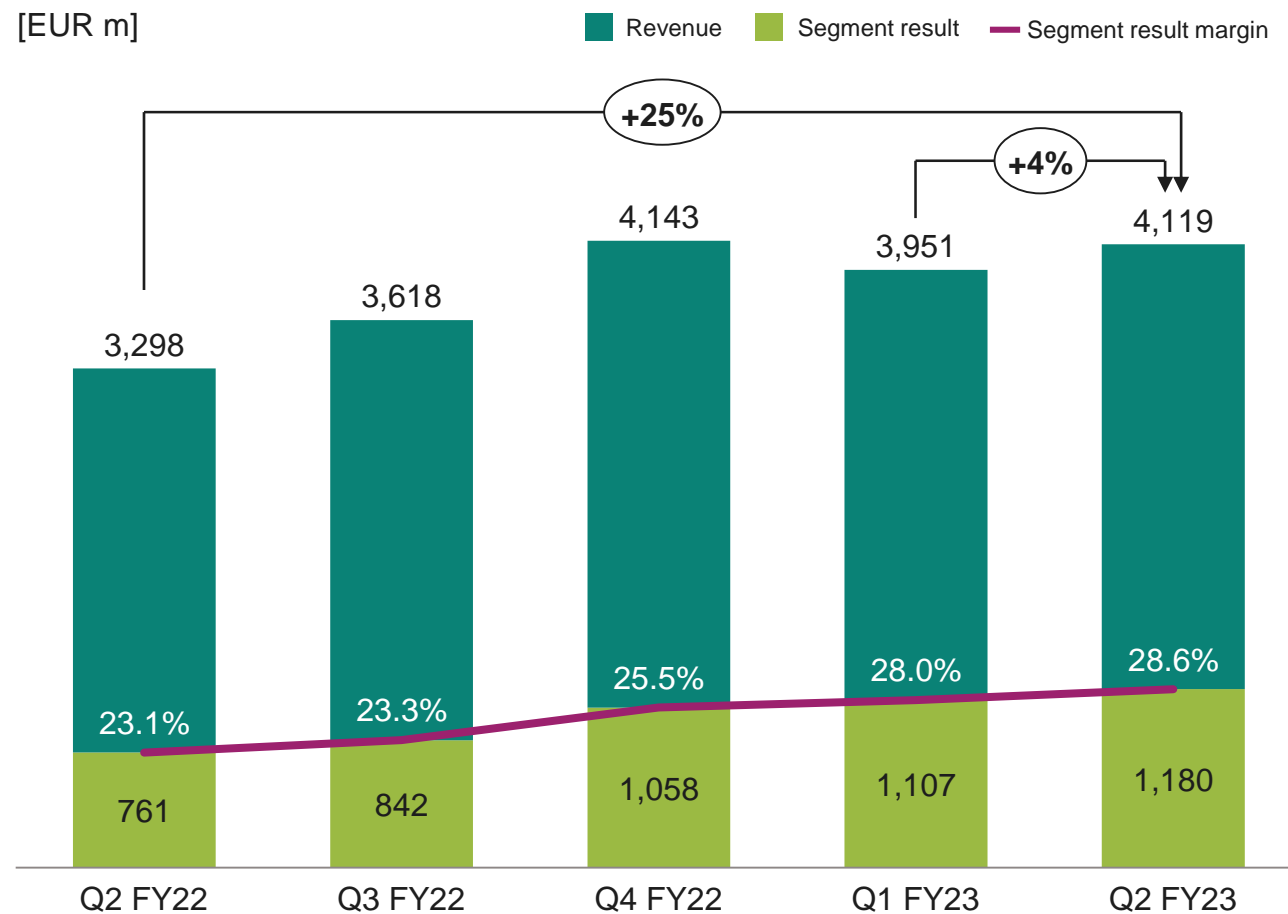
Second Quarter FY 2023 Analyst Call

Infineon Technologies AG
Investor Relations



Group financial performance

Revenues and segment result

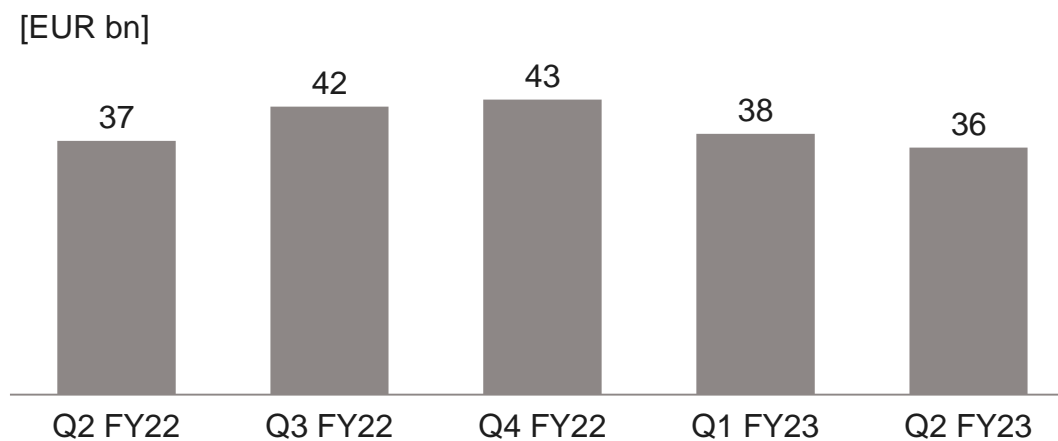


USD exchange rate

Average revenue exchange rate

| | <u>Q2</u> <u>FY22</u> | <u>Q1</u> <u>FY23</u> | <u>Q2</u> <u>FY23</u> |
|-----------|--------------------------|--------------------------|--------------------------|
| ∅ USD/EUR | 1.12 | 1.02 | 1.08 |

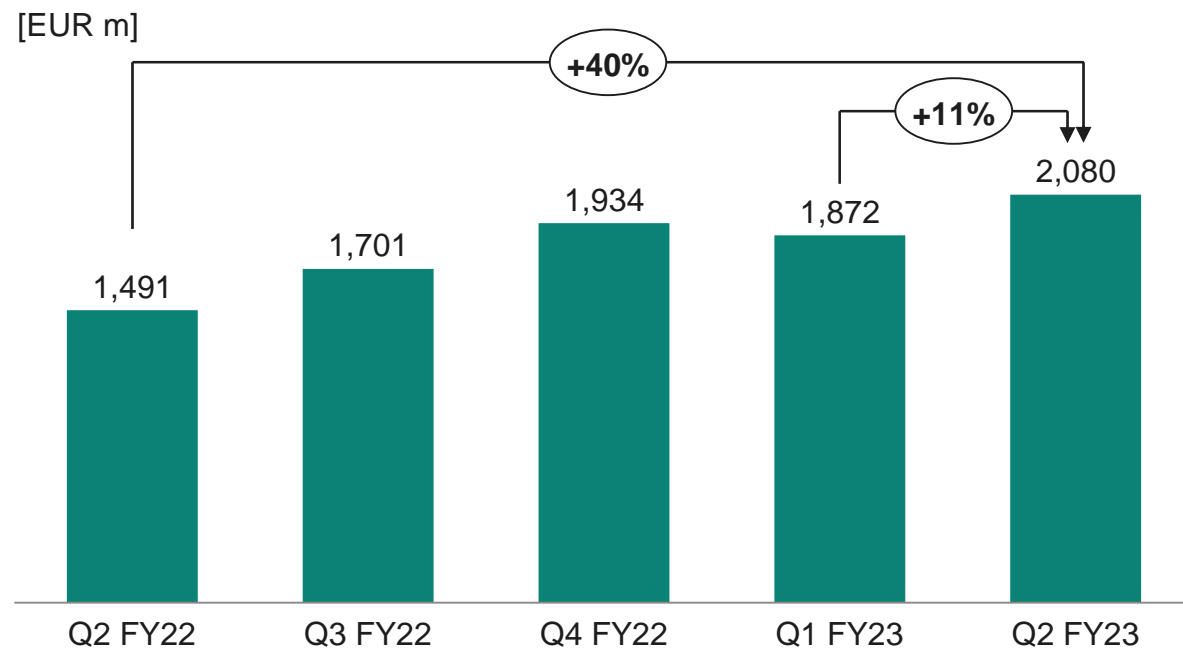
Order backlog¹



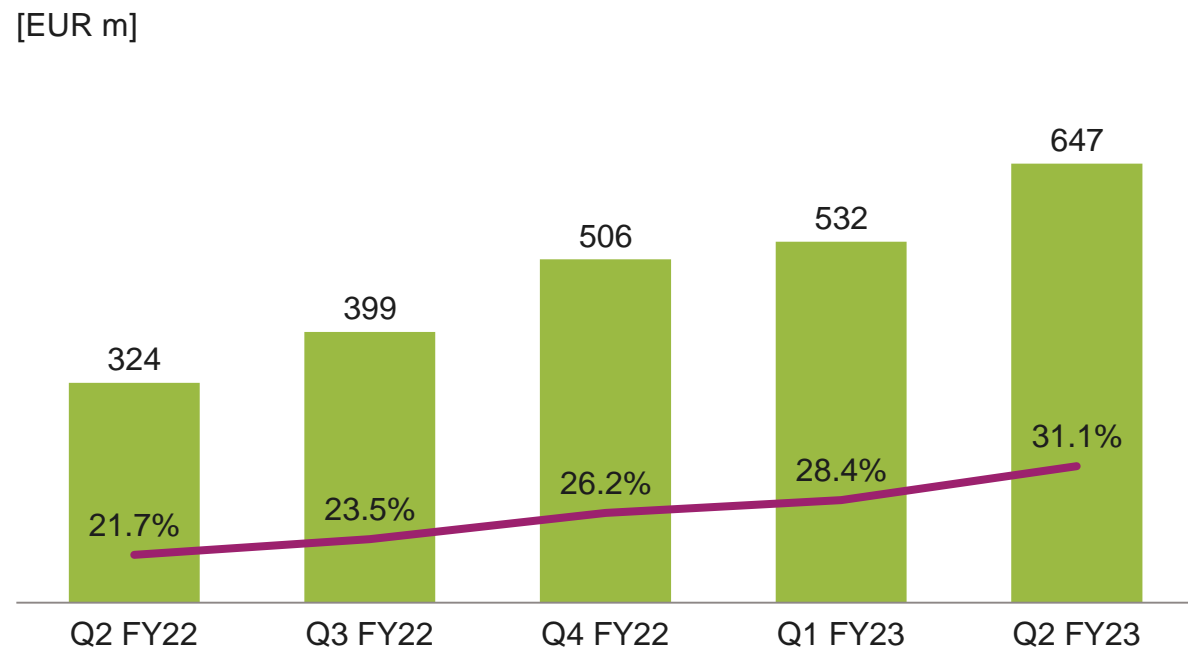
¹ See notes for definition

Automotive (ATV)

Revenues



Segment Result

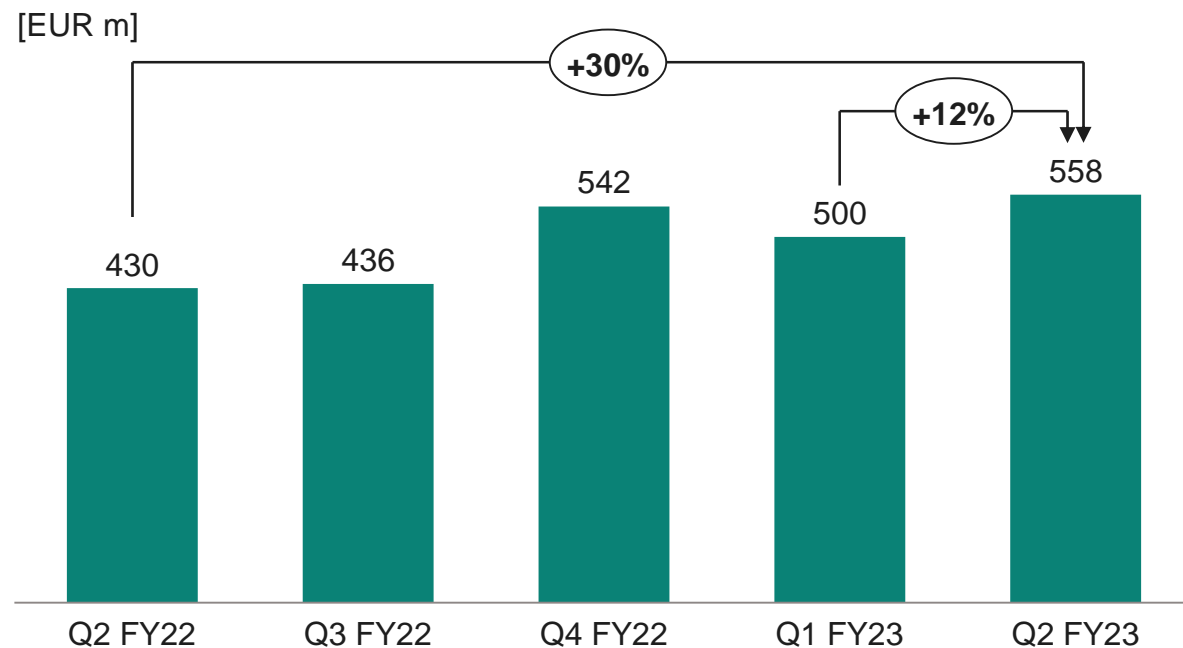


- Record revenues and segment result – ATV crossed the 2bn EUR quarterly turnover mark for the first time ever
- All product groups, especially microcontrollers, specialty memories, and power components contribute to this success
- ATV continues to be the global market leader in automotive power, and moves up to a second place position in automotive microcontrollers¹
- The exposure to the structural megatrends e-mobility, ADAS and new E/E architectures supports our business' resilience

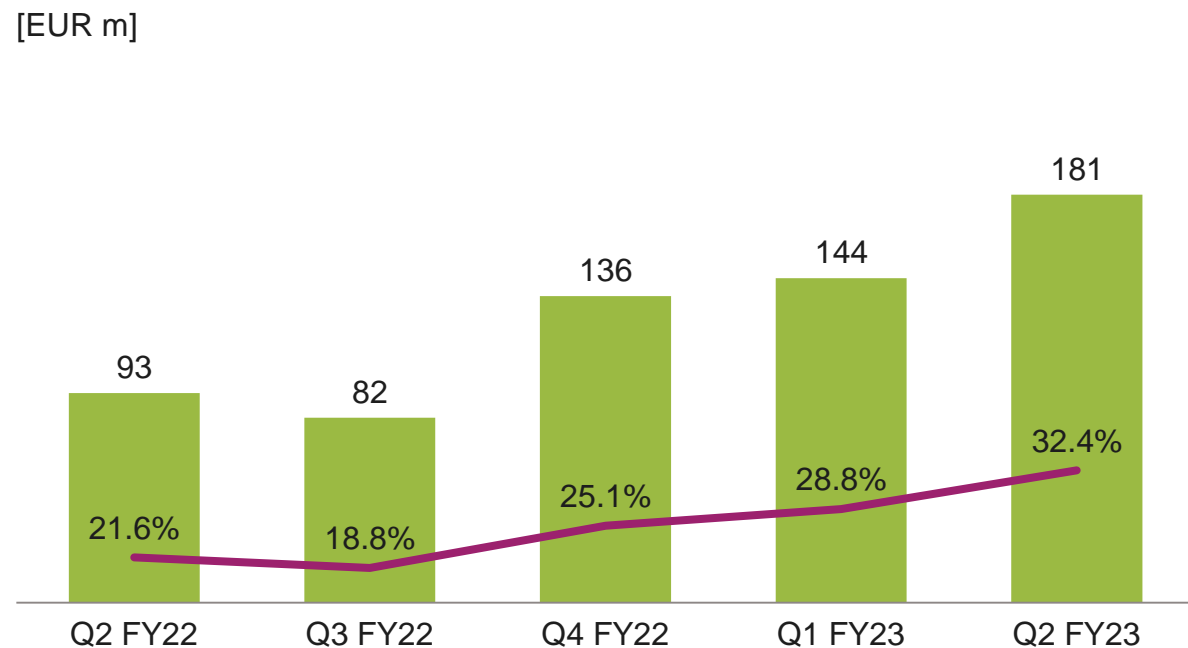
¹TechInsights (formerly Strategy Analytics): *Automotive Semiconductor Vendor Market Shares 2022*. April 2023

Green Industrial Power (GIP)

Revenues



Segment Result

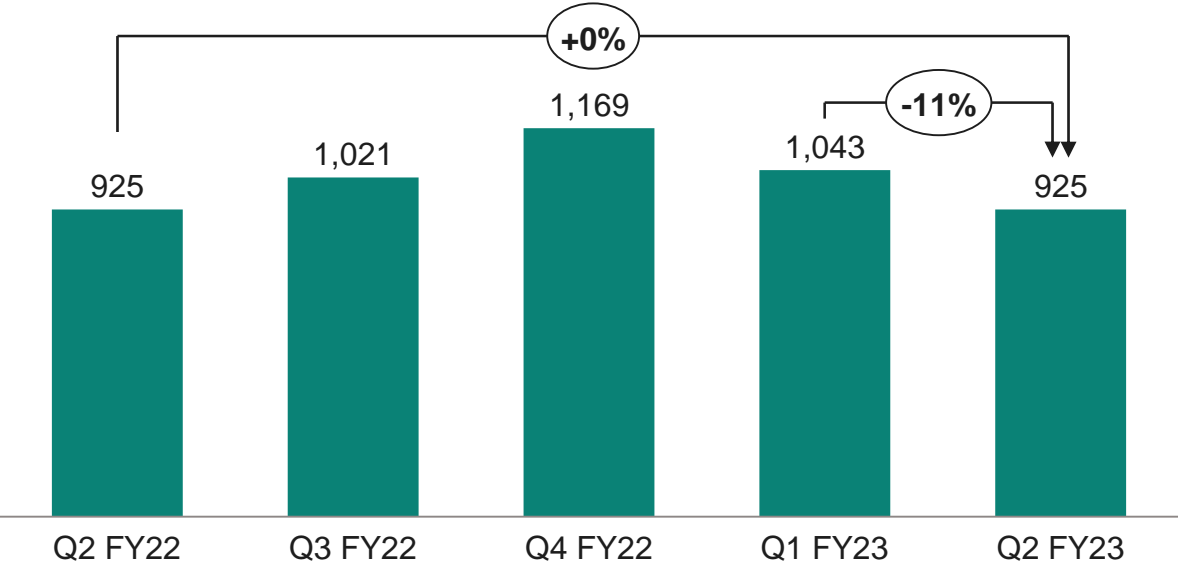


- The division has been renamed "Green Industrial Power" (GIP), originally IPC, to reflect above-average growth in the fields of renewable energy and energy infrastructure
- In Q2 FY23, revenue and segment result reached an all-time high – all product groups contributed to this achievement
- Decarbonization-related demand overcompensates macro-driven weakness in home appliances; general-purpose drives going back to long-term growth rates

Power & Sensor Systems (PSS)

Revenues

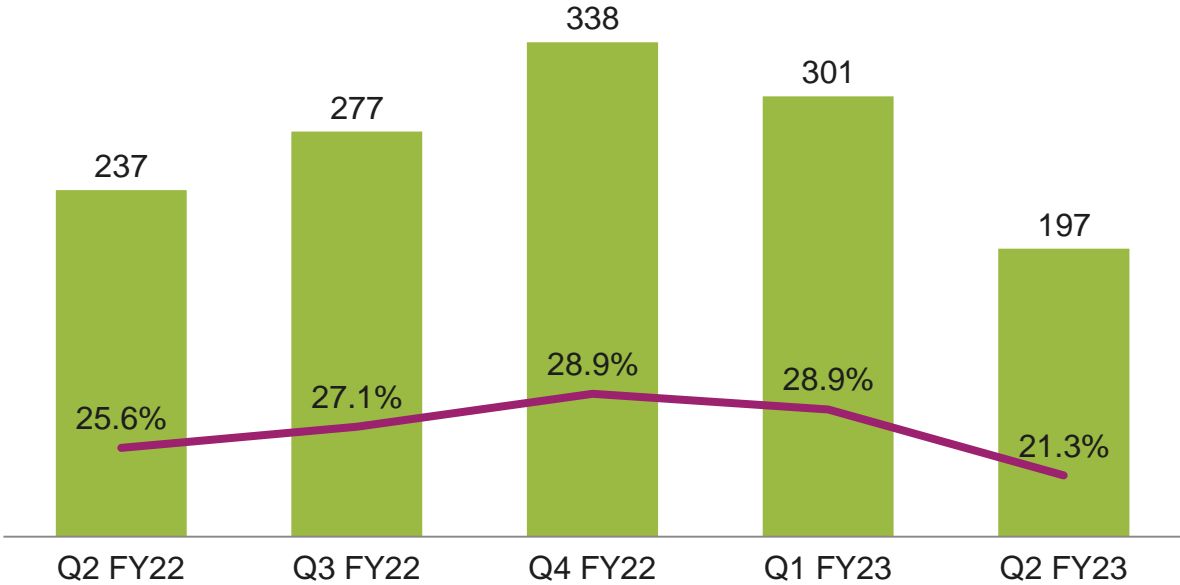
[EUR m]



Segment Result

[EUR m]

— Segment result margin

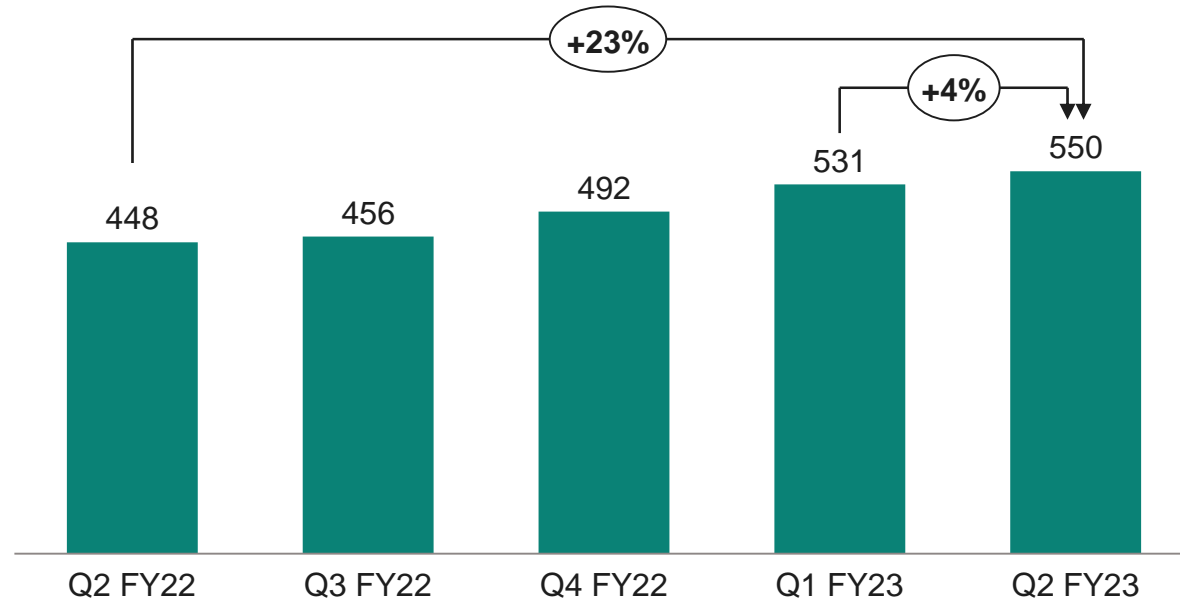


- Revenue step down was driven by the well-known softness in consumer, computing and communications applications
- Higher idle costs weigh on margin development
- Underlying long-term trends remain strong, especially demand for gallium nitride-based solutions

Connected Secure Systems (CSS)

Revenues

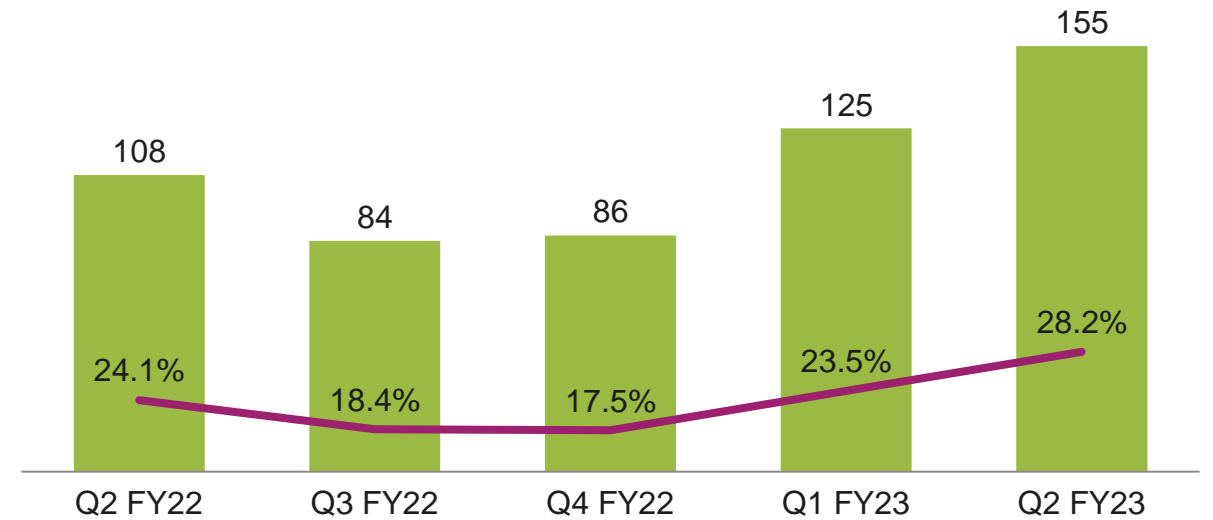
[EUR m]



Segment Result

[EUR m]

— Segment result margin

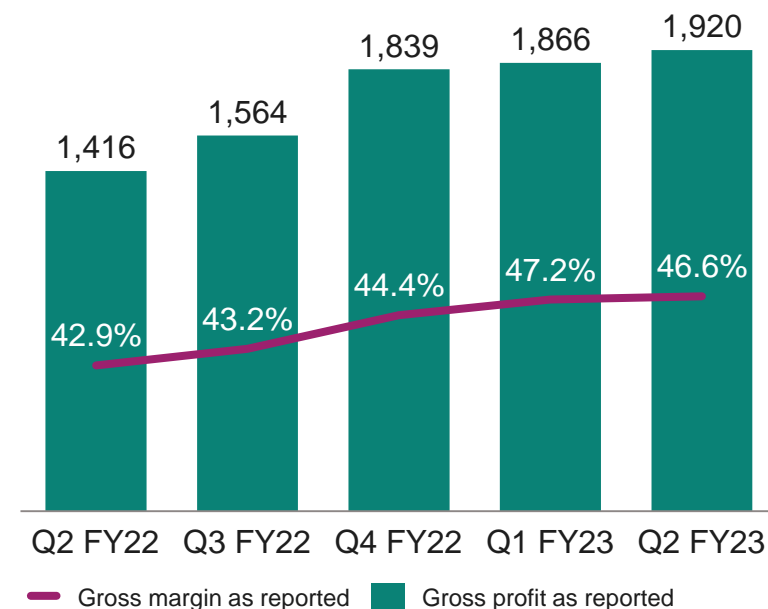


- Record revenue and segment result
- Revenue growth primarily driven by payment applications, embedded security and general-purpose microcontrollers
- Strong segment result was supported by pricing and higher volumes overcompensating negative currency developments
- Demand for smartcard ICs remains high – long-term growth opportunities for consumer as well as industrial IoT applications undiminished

Gross margin and Opex

Gross profit

[EUR m]



Therein non-segment result charges

[EUR m]

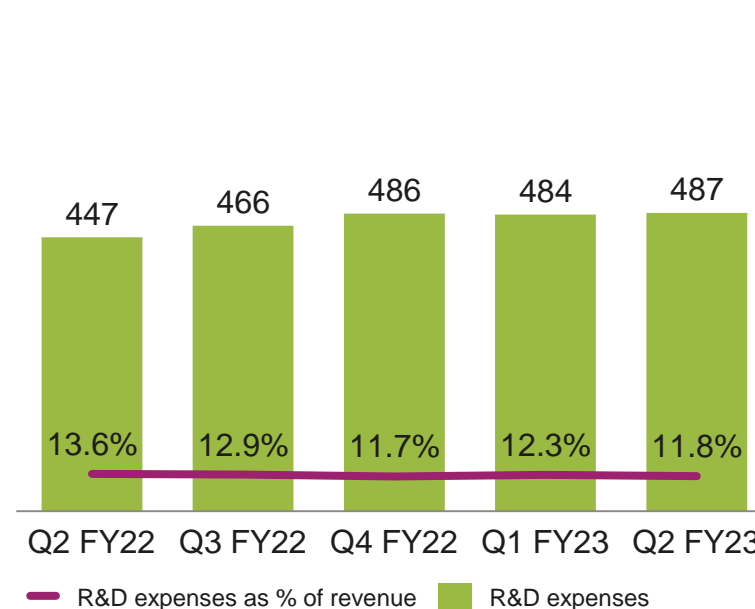
| | | | | |
|----|----|----|----|----|
| 82 | 78 | 81 | 76 | 81 |
|----|----|----|----|----|

Adjusted gross margin

| | | | | |
|-------|-------|-------|-------|-------|
| 45.4% | 45.4% | 46.3% | 49.2% | 48.6% |
|-------|-------|-------|-------|-------|

R&D

[EUR m]



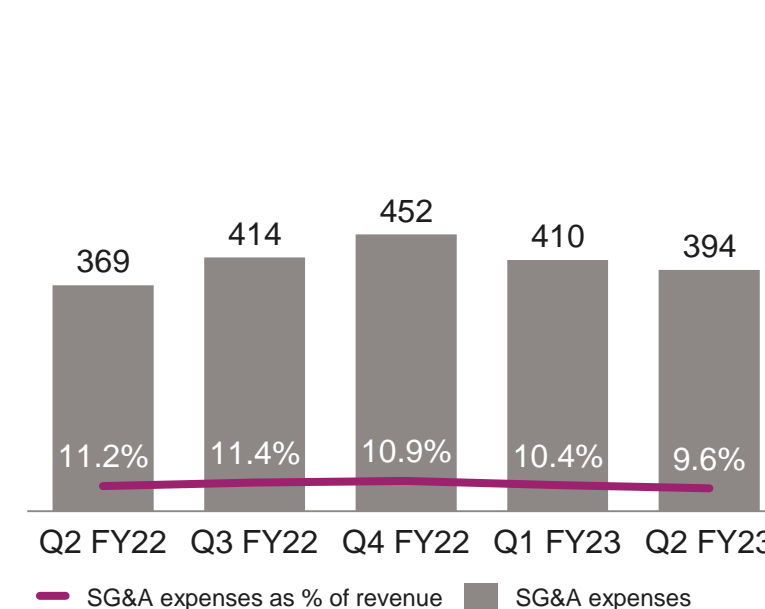
Therein non-segment result charges

[EUR m]

| | | | | |
|---|---|----|----|---|
| 6 | 7 | 12 | 10 | 8 |
|---|---|----|----|---|

SG&A

[EUR m]



Therein non-segment result charges

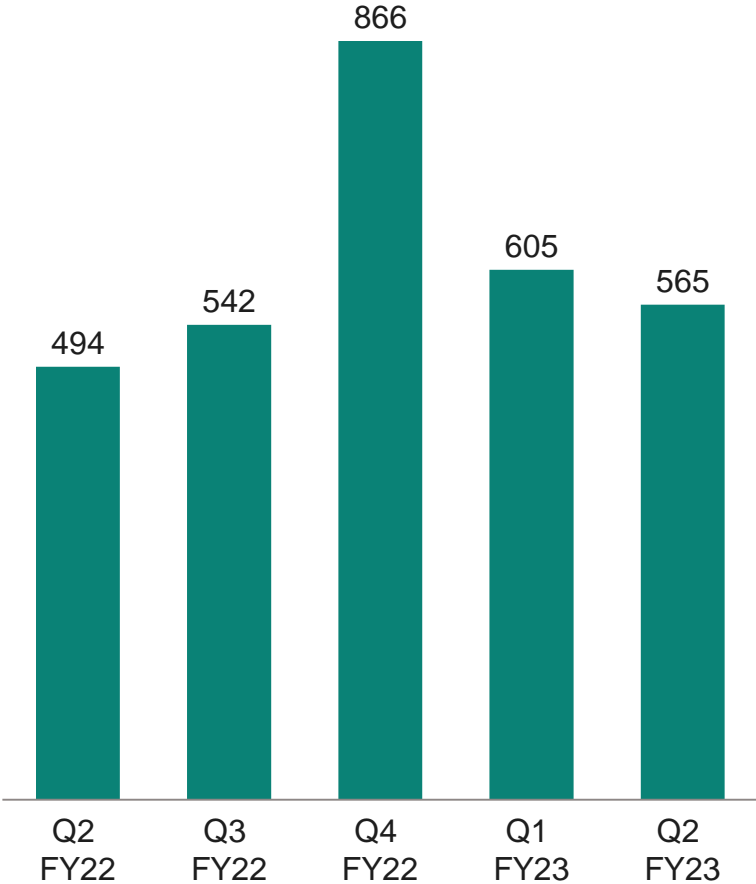
[EUR m]

| | | | | |
|----|----|----|----|----|
| 50 | 62 | 56 | 53 | 54 |
|----|----|----|----|----|

Investments, Depreciation & Amortization and Free Cash Flow

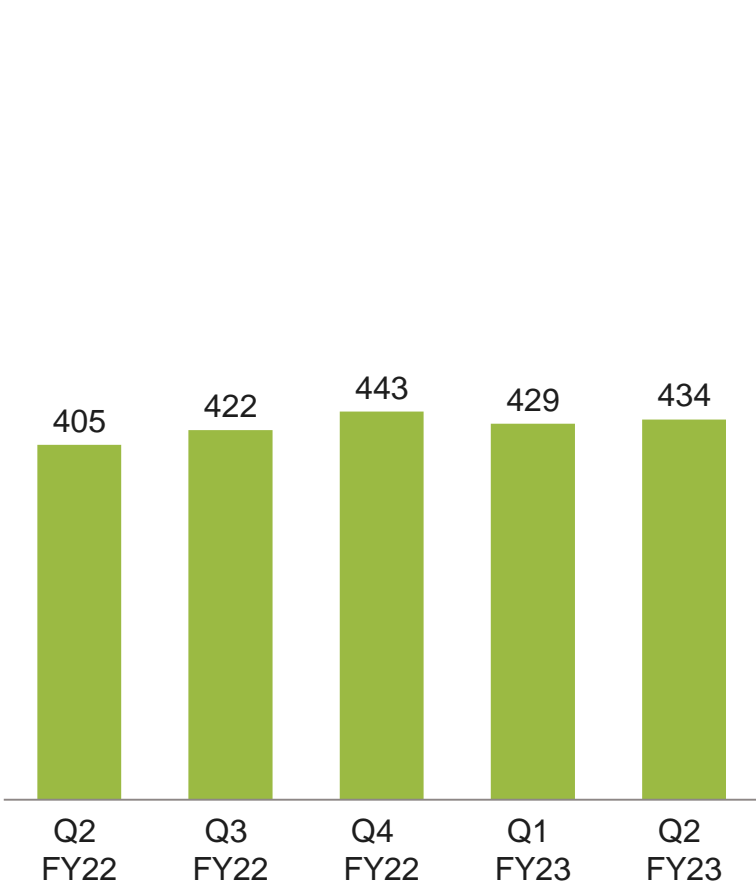
Investments

[EUR m]



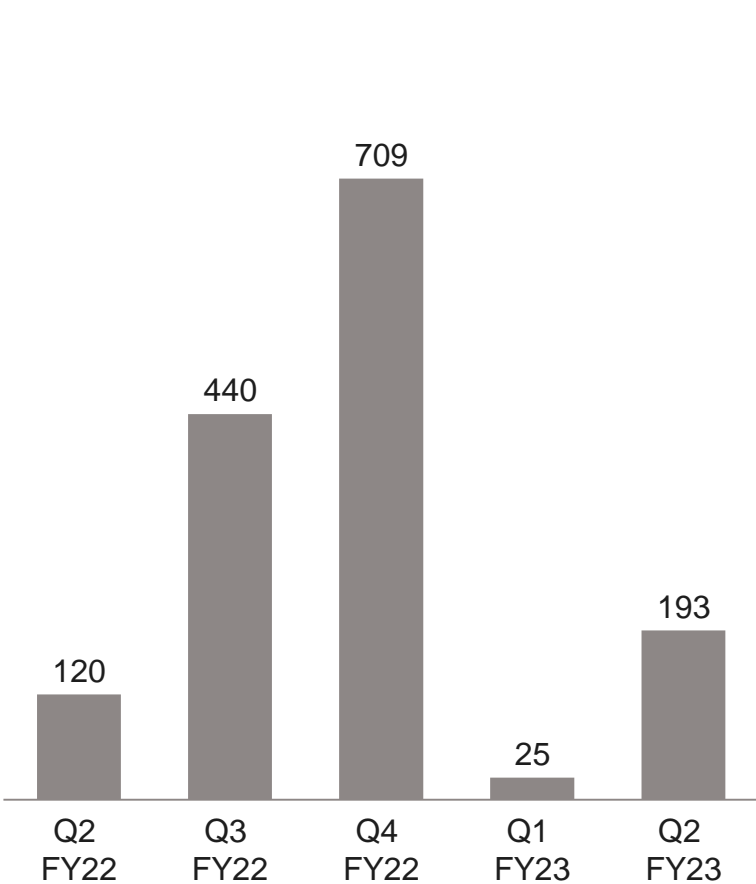
Depreciation & Amortization

[EUR m]



Free Cash Flow

[EUR m]



Liquidity development

Historical liquidity development

[EUR m]



■ Gross Cash ■ Gross Debt ■ Net Cash/Debt

Outlook for Q3 FY23 and FY23

| | Outlook Q3 FY23¹ | Outlook FY23¹ |
|------------------------------|---------------------------------------|------------------------------------|
| Revenue | ~€4.0bn | €16.2bn +/-€300m |
| Adj. Gross Margin | | ~47% |
| Segment Result Margin | ~26% | ~27% |
| FCF/adj. FCF | | ~€1.1bn/~€1.8bn |
| Investments | | ~€3.0bn |
| D&A | | ~€1.8bn ² |

¹ Based on an assumed average exchange rate of \$1.10 for €1.00

² Including the amortization of around 450 million Euros from purchase price allocations

Key points

2023 fiscal year continued on a very strong trajectory

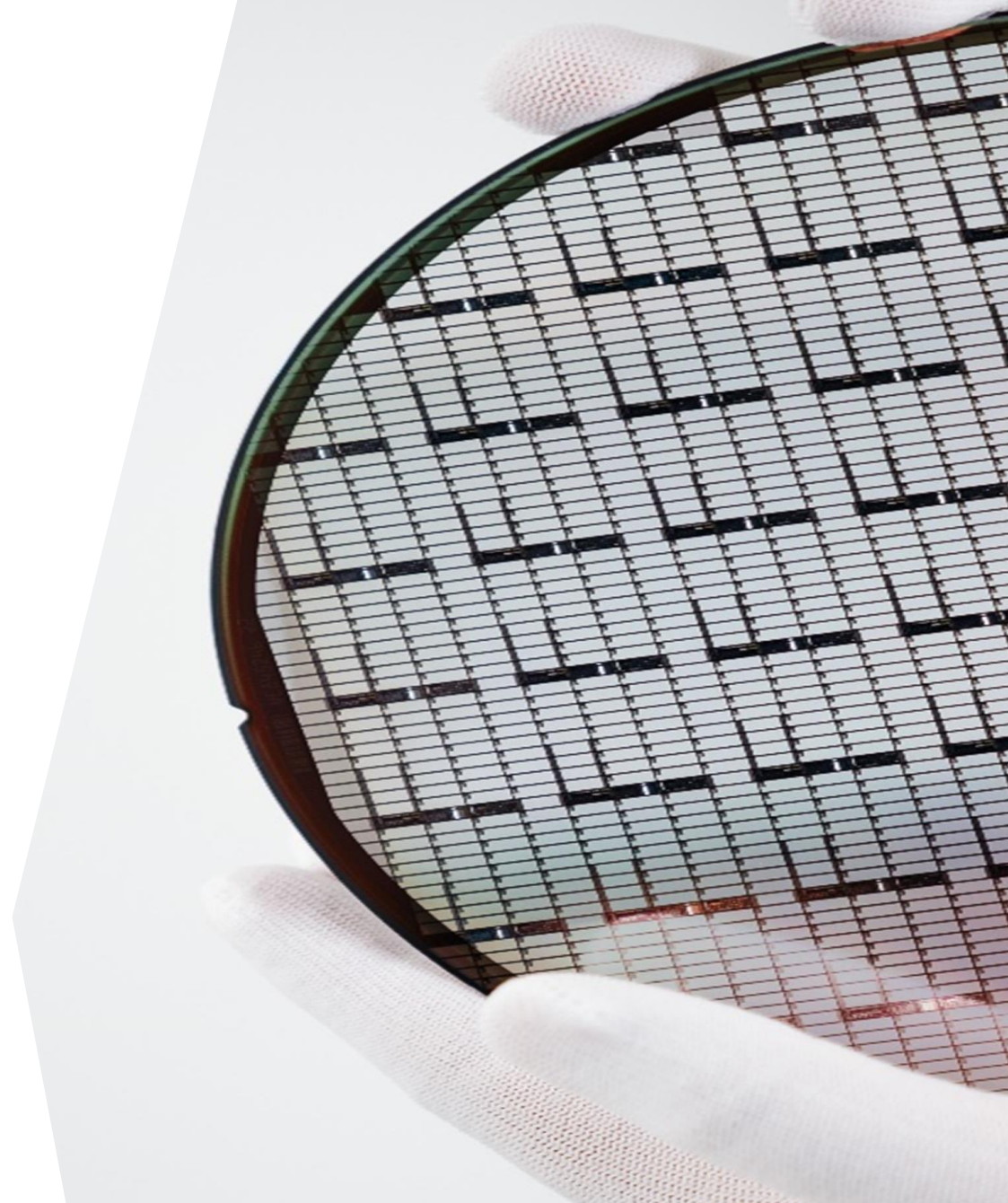
Q2 FY23 – €4.1bn revenue, 28.6% Segment Result Margin

Consistently navigating a challenging environment

- Market dynamics in key application areas like automotive and industrial, in particular e-mobility and renewables, remain robust
- Weakness in consumer, computing and communications business

Outlook FY23 – meaningfully upgrading our annual outlook, absorbing currency headwinds

- Revenue of €16.2bn +/- €300m
- Segment Result margin of ~ 27%
- Adj. Free Cash Flow ~ €1.8bn



Questions & Answers





Disclaimer

Disclaimer

This presentation contains forward-looking statements and/or assessments about the business, financial condition performance and strategy of the Infineon Group. These statements and/or assessments are based on assumptions and management expectation resting upon currently available information and present estimates. They are subject to a multitude of uncertainties and risks, many of which are partially or entirely beyond Infineon's control. Infineon's actual business development, financial condition, performance and strategy may therefore differ materially from what is discussed in this presentation. Beyond disclosure requirements stipulated by law, Infineon does not undertake any obligation to update forward-looking statements.

Notes

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

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')

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' / 'revenue')¹ x 90

¹ without debtors with credit balances