Semiconductors are essential building blocks for a climate-neutral and digitalized world. We at Infineon see the global challenges as a strong driver to contribute to a better future. We are driving decarbonization and digitalization together with our partners. The great importance of semiconductors as a basic technology for entire economic sectors is now recognized everywhere; political attention and appreciation for the semiconductor industry have grown significantly.

Infineon expects revenue growth in the double-digit percent range and increasing profitability through the semiconductor cycle. Demand for semiconductors will increase strongly in the important markets for electromobility, driver assistance systems, renewable energies, data centers and the Internet of Things. Market researchers expect double-digit growth rates. Infineon is broadly positioned in all these key markets.

As a leading provider of semiconductor solutions for power systems and IoT, Infineon makes the transformation to a better world possible. Infineon is the clear number one in the market for power semiconductors and is a pioneer in the development of power systems. These systems reduce energy loss and lower CO₂ emissions. They are indispensable for taking green energy and energy efficiency to the next level. They are also increasingly used in data centers, consumer electronics and electric vehicles.

The Internet of Things makes the way we live, work, produce and consume easier. Every IoT device needs powerful microelectronics. As a leading technology partner, Infineon offers customers smart, energy-efficient and secure IoT solutions from a single source. We make the IoT work!

Infineon is implementing its strategy even more rigorously and continues to develop. We are strengthening our strengths, building new competencies and investing. To this end, we have defined clear strategic guidelines and instruments:

- We are expanding our leading positions in power systems and IoT. With our "From product thinking to system understanding" approach, we translate what is technologically possible into marketable products that create the best benefit for our customers. Software is a component that will increasingly make the difference. We are continuing to expand our software portfolio.
- **We bring semiconductor innovations to our customers faster.** We use digital interfaces to support our customers from initial contact to project implementation and beyond. We also invest consistently in technology leadership. The compound semiconductors silicon carbide and gallium nitride are particularly important in this respect.

- **We want to generate sustainable profitable growth and are creating the conditions to do so.** We place a special focus on developing talent within the company, attracting the best young talents on the market to Infineon and inspiring young people to shape decarbonization and digitalization with us. Furthermore, we are consistently expanding our manufacturing capacities in areas where we have a sustainable differentiating factor. Plans are underway to build another plant for analog/mixed-signal technologies and power semiconductors at our Dresden, Germany site. Last summer, we laid the cornerstone for the first phase of a third manufacturing module for compound semiconductors at our Kulim, Malaysia site. Work is progressing well, and we are completely on schedule.

- **We are prepared for short-term market downturns.** Our key markets are driven by different factors and have different business cycles. We monitor the early indicators for our business constantly and very closely and we can act quickly and flexibly if demand weakens in submarkets.

- **We are pioneers in sustainability by conviction.** Our products and solutions create a significant net ecological benefit. We want to further reduce our own CO₂ footprint and are making good progress toward our goal of making Infineon carbon neutral by 2030.

- **We are continuing to develop our corporate culture.** Our "SPIRIT" project promotes behaviors that will give us additional tailwind on our profitable growth course.

- **Infineon is moving into new dimensions.** In November 2022, we significantly raised our long-term financial targets through the semiconductor cycle. Infineon has completed a record fiscal year 2022 and has successfully started the new fiscal year. Nevertheless, the challenging general conditions will place high demands on us in the coming quarters.