

Infineon Technologies AG

Infineon Technologies AG: Decision to change target operating model

Infineon Technologies AG / Key word(s): Strategic Company Decision

Infineon Technologies AG: Decision to change target operating model

08-Jun-2018 / 14:24 CET/CEST

Disclosure of an inside information acc. to Article 17 MAR of the Regulation (EU) No 596/2014, transmitted by DGAP – a service of EQS Group AG.

The issuer is solely responsible for the content of this announcement.

Infineon Technologies AG (“Company”) has decided to change its target operating model, which sets average targets for revenue growth, segment result margin and investment-to-sales ratio over the cycle.



In view of the current strength of the order book and based on a euro/US dollar ex-change rate of 1.20, the Company expects revenue to grow at least in the coming 2019 fiscal year by a minimum of 10 percent. For the fiscal years following this phase of accelerated growth, the Company assumes that revenue will grow at an average annual rate of 9 percent, corresponding to an investment-to-sales ratio of 15 percent. Any increase/decrease in planned revenue growth will, for each percentage point, cause a slightly less pronounced change in the investment-to-sales ratio.

In addition to the investment-to-sales ratio described above, further investments in the low three-digit million euro range in total are planned over the coming years to enable the Company to exploit additional business opportunities and react appropriately to structural changes. Furthermore, the Company intends to invest a total of approximately EUR700 million in front-end cleanrooms and certain larger-scale office buildings during the coming five-year planning period. Of the investments in Villach (Austria) that have recently been announced, this figure includes the 300 mm cleanroom and the research and development building. Implementation of these measures on the stated scale will temporarily result in an investment-to-sales ratio well above the ratio envisaged in the target operating model.

The aim of these measures is to ensure the availability of the necessary production capacity up to about the middle of the next decade. It is currently forecast that, by that time, more than half of the power semiconductors produced by the Company will be manufactured on 300 mm wafers (in Dresden (Germany) and Villach).

Irrespective of the amount of additional investment activity, Infineon plans to gradually raise the segment result margin from its current target level of 17 percent.

Contact:

Alexander Foltin, Investor Relations, phone: +49 89 234-23766 , fax: +49 89 234-9559847 

08-Jun-2018 CET/CEST The DGAP Distribution Services include Regulatory Announcements, Financial/Corporate News and Press Releases.

Archive at www.dgap.de

Language:	English
Company:	Infineon Technologies AG Am Campeon 1-15 85579 Neubiberg Germany
Phone:	+49 (0)89 234-26655
Fax:	+49 (0)89 234-955 2987
E-mail:	investor.relations@infineon.com
Internet:	www.infineon.com
ISIN:	DE0006231004
WKN:	623100
Indices:	DAX
Listed:	Regulated Market in Frankfurt (Prime Standard); Regulated Unofficial Market in Berlin, Dusseldorf, Hamburg, Hanover, Munich, Stuttgart, Tradegate Exchange
End of Announcement	DGAP News Service