



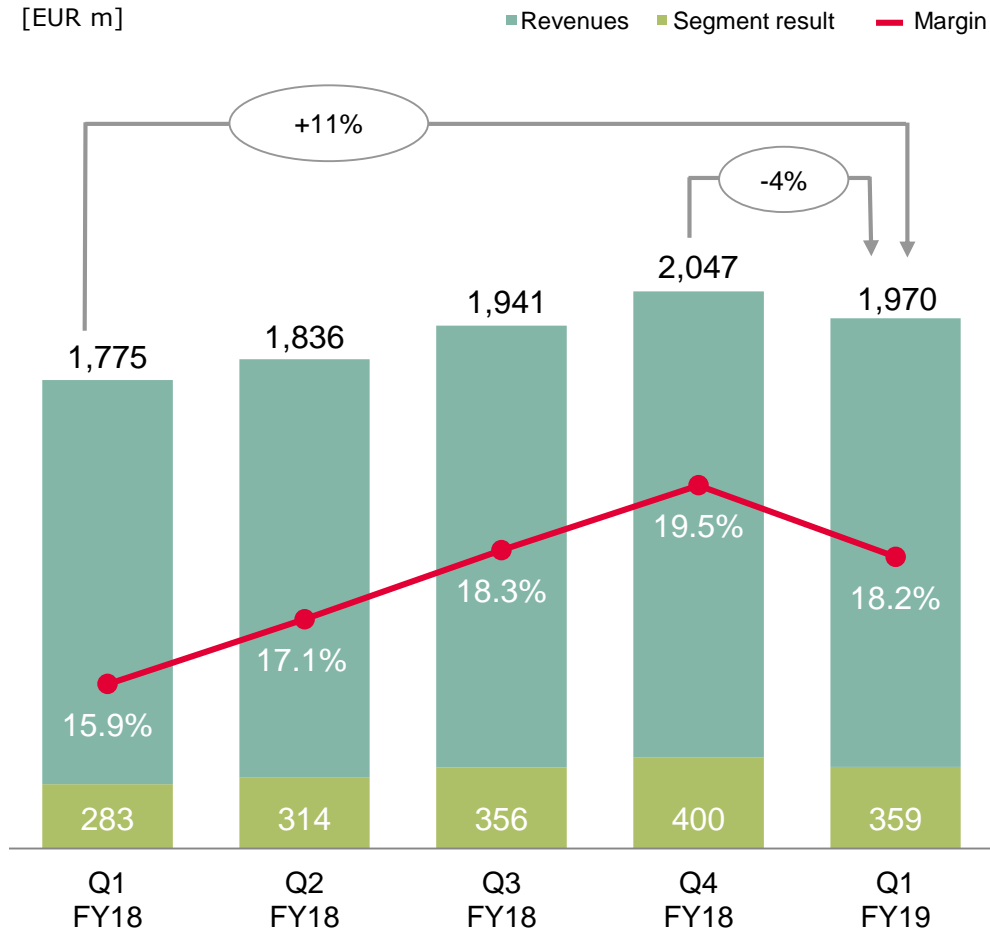
First Quarter FY 2019 Analyst Call

Infineon Technologies AG
Investor Relations



Group financial performance

Revenues and segment result



*See appendix for definition

USD impact on revenue

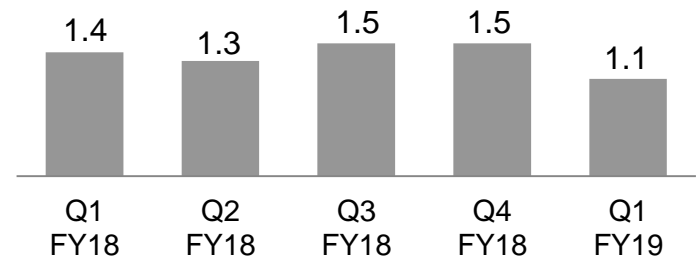
Average exchange rate

| | Q1 FY18 | Q4 FY18 | Q1 FY19 |
|-----------|------------|------------|------------|
| ∅ USD/EUR | 1.18 | 1.16 | 1.14 |

Revenue development

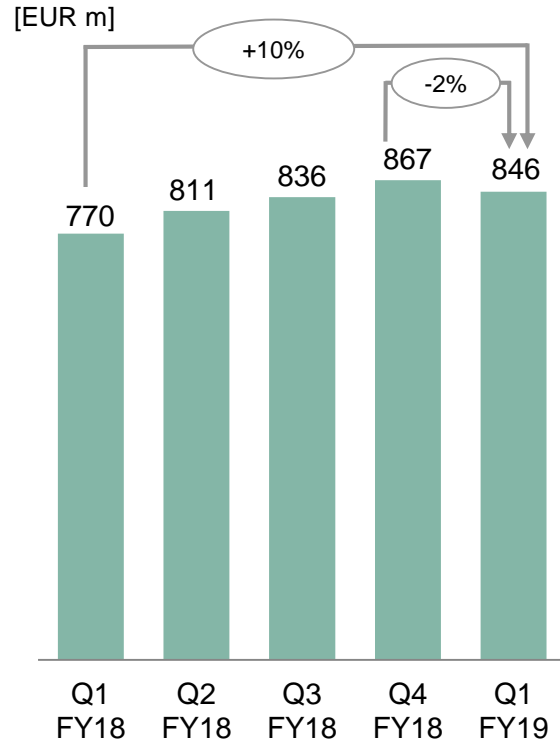
| | q-q | y-y |
|-------------------|-----|------|
| As reported | -4% | +11% |
| At const. USD/EUR | -5% | +9% |

Book-to-bill*

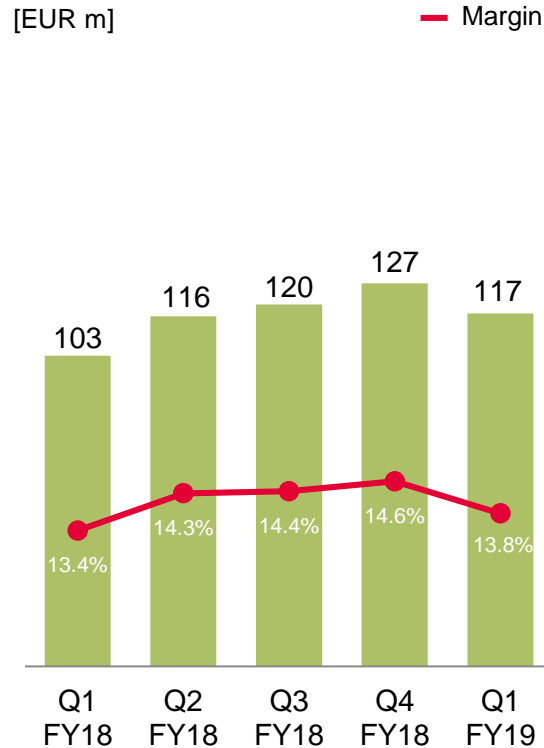


Automotive (ATV)

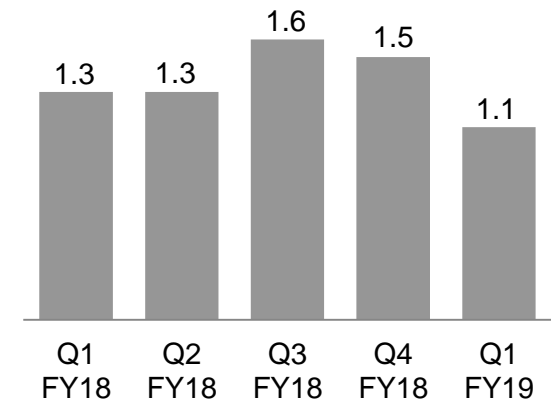
Revenues



Segment Result



Book-to-Bill

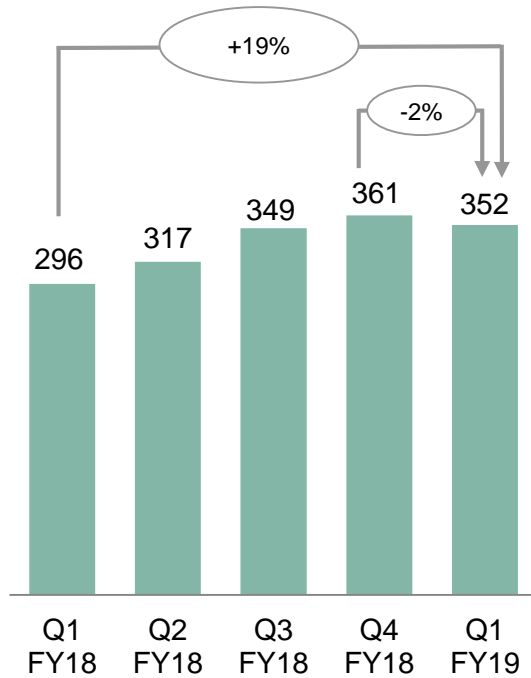


- > Deceleration of global car market affects classic automotive applications, e.g. engine management, body, and safety functions
- > Strong ongoing momentum for solutions in the areas of electrification and ADAS
 - > 2nd generation of AURIX™ becoming a prime choice for the connected car with several encouraging design-wins

Industrial Power Control (IPC)

Revenues

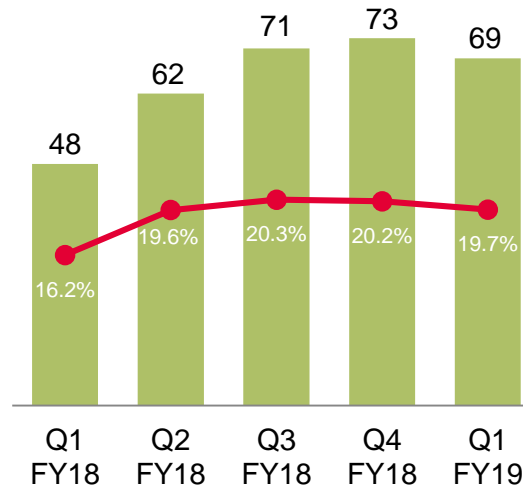
[EUR m]



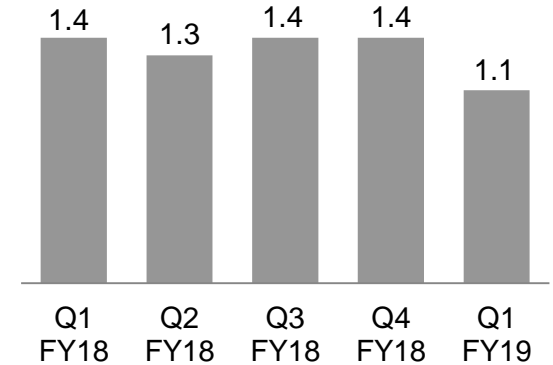
Segment Result

[EUR m]

— Margin



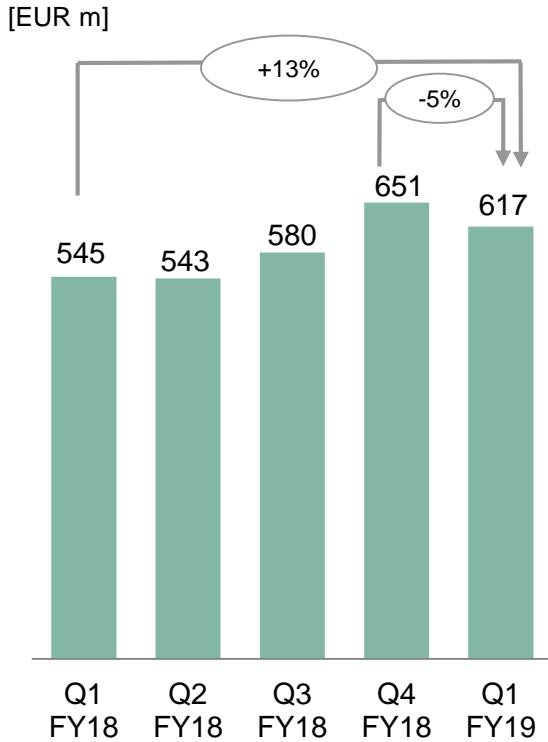
Book-to-Bill



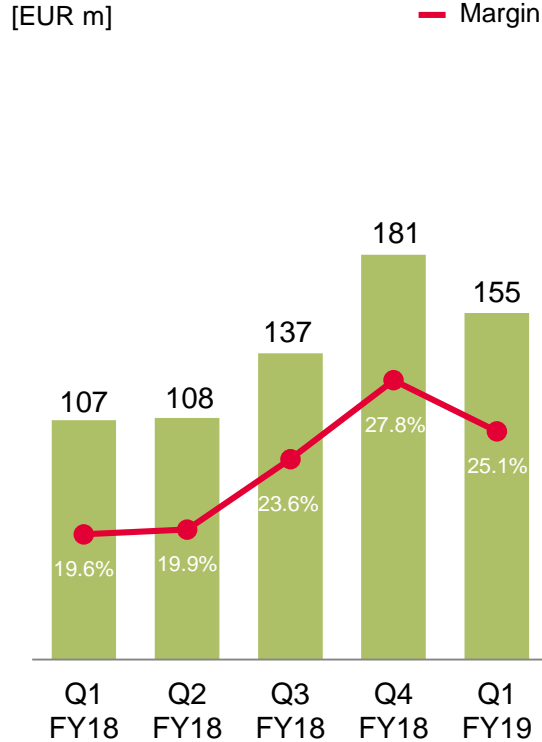
- > Industrial drives and home appliances with typical seasonal declines
- > Renewable energy and traction proving quite resilient
- > Economic environment leads to an overall cautious market sentiment for industrial applications

Power Management & Multimarket (PMM)

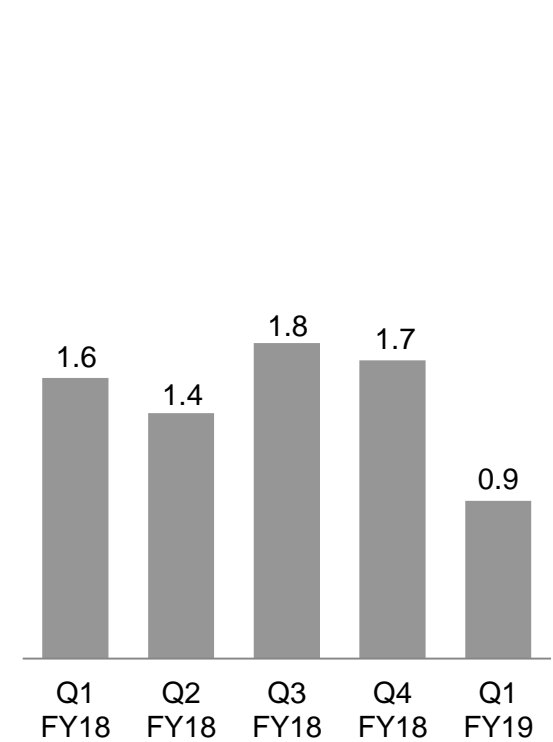
Revenues



Segment Result



Book-to-Bill

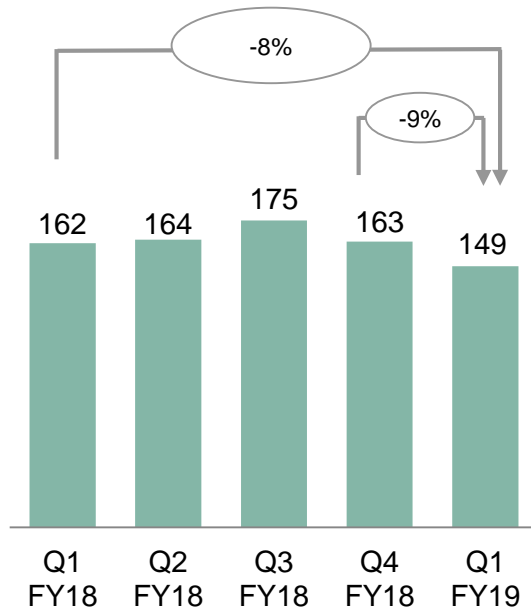


- > Challenging market environment; business activity and order patterns are temporarily subdued
 - > Lower demand for standard MOSFETs and power stages for servers, softer smartphone market
- > AC-DC power supplies still seeing healthy demand and rising sales volumes, e.g. for telecommunications infrastructure
- > Structural trends remain intact, e.g. big data, AI, and cloud computing

Digital Security Solutions (DSS)

Revenues

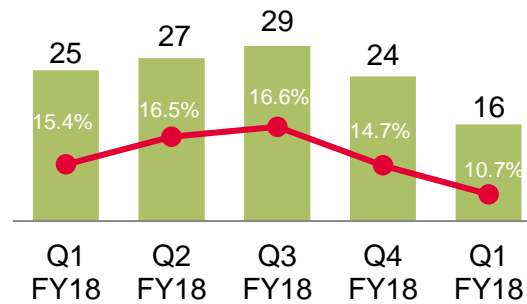
[EUR m]



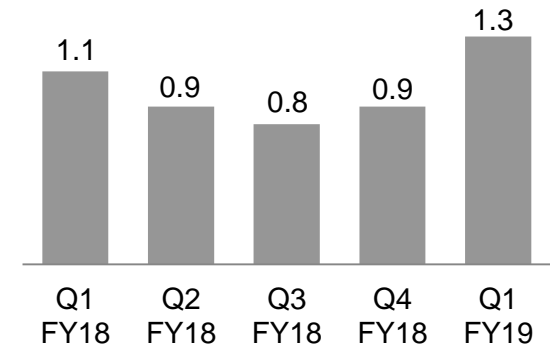
Segment Result

[EUR m]

— Margin



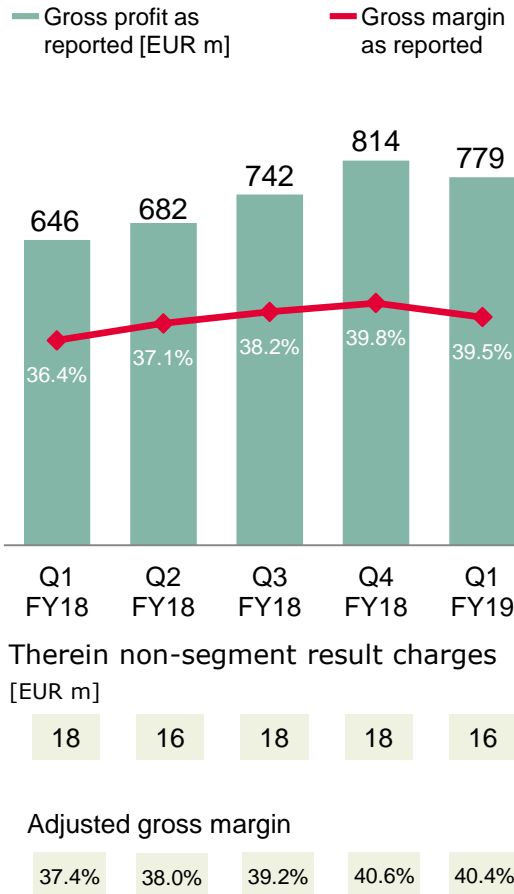
Book-to-Bill



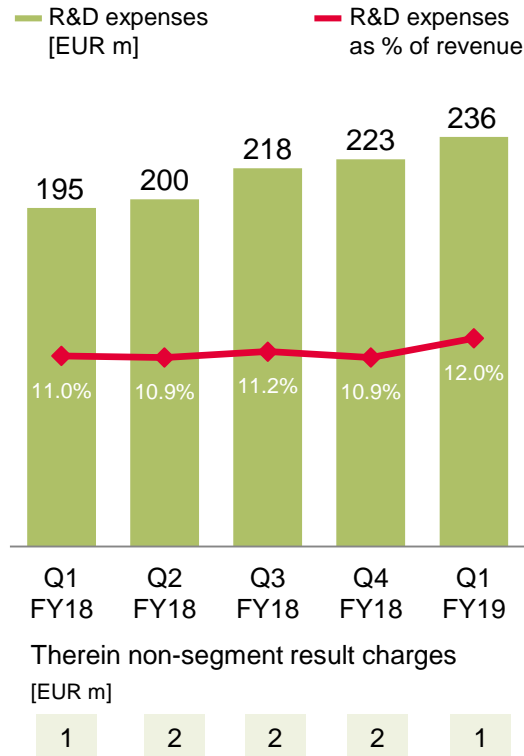
- > Inventory adjustment measures at major smart card customers; typical seasonality in consumer authentication projects
- > Ongoing transition from traditional, card-based applications to higher value security solutions

Gross margin and Opex

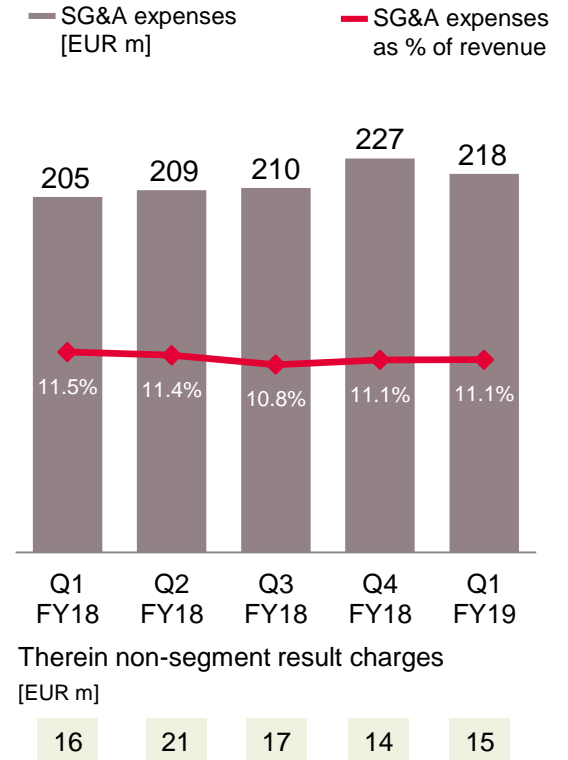
Gross profit



R&D



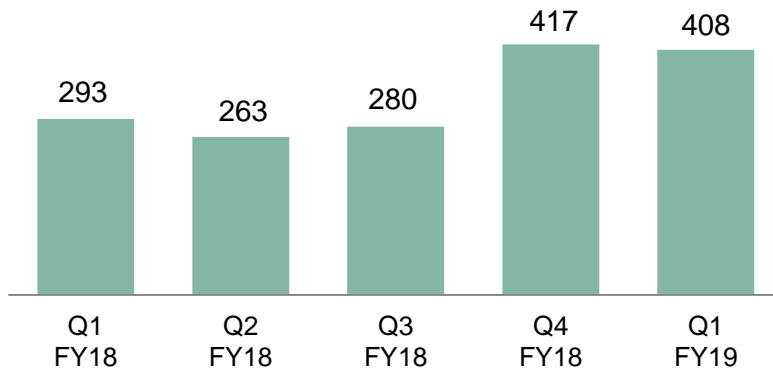
SG&A



Investments, D&A, FCF and RoCE

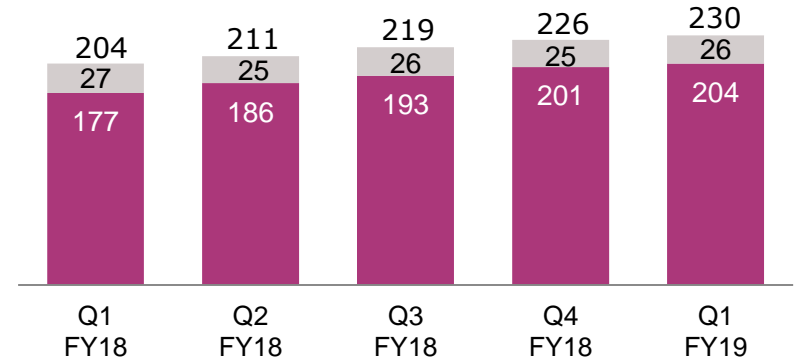
Investments

[EUR m]



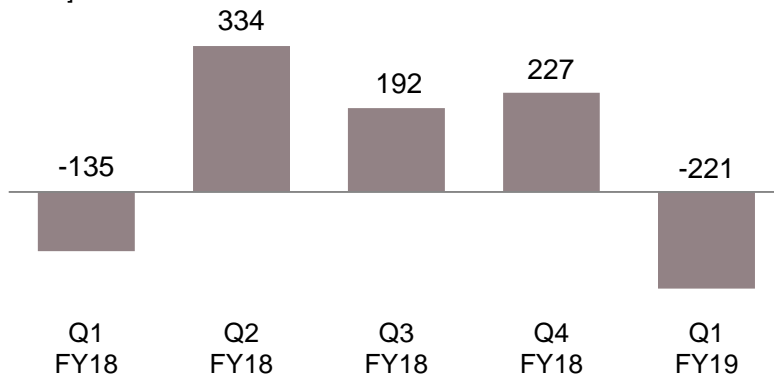
D&A

— Segment Result-related D&A [EUR m] — Non-SR-related D&A [EUR m]



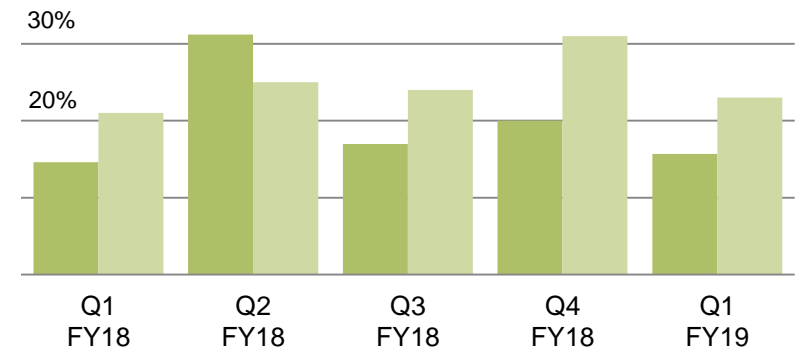
FCF from continued operations

[EUR m]



RoCE

— RoCE as reported — RoCE (excl. PPA, Deferred Tax Effects, and RF Power sale)



Outlook for Q2 FY19 and FY19

| | Outlook Q2 FY19* (compared to Q1 FY19) | Outlook FY19* (compared to FY18) |
|-----------------------|---|---|
| Revenue | Stable +/- 2%-points | Increase of ~9% (prev.: Increase of 11% +/- 2%-points) |
| Segment Result Margin | At the mid-point of the revenue guidance: ~16% | ~17.5% (prev.: ~18%) |
| Investments in FY19 | | ~€1.5bn (prev.: ~€1.6bn – €1.7bn) |
| D&A in FY19 | | ~€1.0bn** |

* Based on an assumed average exchange rate of \$1.15 for €1.00

** Including D&A on tangible and intangible assets from purchase price allocation of about €90m

Key points

Q1 FY19 came in as predicted:

- › Revenue in line: +11% y-y / -4% q-q
- › Segment result slightly better: 18.2%

Structural trends countervail macro uncertainties

- › More pronounced slowdown than anticipated in several end markets
- › Resilient power semi business driven by structurally rising content

Continued confidence in structural growth drivers

- › Expected growth rate above industry's average
- › Investment adjustments to protect margins

Questions & Answers



Appendix: Book-to-bill ratio - Definition

Book-to-bill = Orders received / Revenue in Euro per quarter

- Orders received contains order backlog and external customer forecast
External customer forecast includes consignment stock forecast by customers
Not included are internal consignment replenishment orders
- Orders received does not include unconfirmed orders received
Unconfirmed demand will be reported as orders received and in book-to-bill when it gets confirmed
- Orders received may not coincide with the IFRS 15 definition of a contract with a customer

Disclaimer

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.



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