

Presseinformation

Infineon Austria Financial Year 2016: Growth at all levels

- Infineon Group moves product lines from International Rectifier to Austrian subsidiary with effect from August 2016
- Global business responsibility for energy-saving chips extended
- 29 percent increase in turnover, positive market development in product business
- Result from ordinary business activities up by 4 percent compared to previous year, exceptionally high investments
- R&D expenditure exceeds €400 million for the first time
- Personnel numbers up by 4 percent to 3,625 employees
- 16.3 billion chips produced in Villach, high production utilisation
- Industry 4.0: major impetus for development throughout Europe

Vienna, 6 December 2016 – The recently completed financial year 2016 (accounting reference date 30 September) was one of the most successful in the history of the Infineon Technologies Austria Group (Infineon Austria). The Austrian subsidiary of the German semiconductor group grew on all levels.

Turnover achieved a new peak at **€1,839.5 million**, exceeding the previous year's figure (turnover 2015: €1,427.1 million) by €412.4 million or 29 percent. The strong growth results from the positive market development in the global energy-saving chips product market. Infineon Austria's responsibility for this area of business was further expanded during the takeover of the US semiconductor manufacturer International Rectifier by the Infineon Group. With effect from August 2016 the Group transferred global responsibility for five product lines from the former competitor. This expansion provided additional support for the strong sales growth in August and September 2016. Infineon Austria thus now operates as the headquarters for the global market activities of eleven product lines in total.

“Over the past few years Infineon Austria has very successfully spurred on the expertise in research and development, production and in particular the worldwide market activities in power electronics”, said Sabine Herlitschka, CEO of Infineon Technologies Austria AG. “The Group has now recognised this performance with additional business responsibility in this segment. Strengthened by this trust we will now be even more persuasive on the world market with innovative and competitive solutions for energy-efficient technologies from Austria.”

“In addition to our existing expertise, we have thus greatly expanded our head office areas, and we now coordinate the global marketing and product business for energy-saving chip products from Villach”, explains Oliver Heinrich, CFO of Infineon Technologies Austria AG. “We are working closely here with our colleagues in the USA, our headquarters in Munich and a wide customer base in Asia.”

The **result from ordinary business activities** was **€158.5 million**, an increase of €6.4 million or around 4 percent compared with the previous year (result from ordinary business activities 2015: €152.1 million).

Exceptionally high investments

Investments totalling €357 million were made. Around two thirds of this (€223.1 million) served to finance intangible assets due to the extended business responsibility. A further €133.9 million was invested, mainly in plant for the manufacture of energy-saving chips in 300-millimetre thin wafer technology. On a comparable basis, these investments were therefore 20 percent higher than the previous year's figure (investments 2015: €111.6 million).

Milestone: Expenditure on R&D exceeds €400 million for the first time

In the financial year 2016, Infineon Austria **spent €412 million on research, development and innovation**. This is €49 million or 13.5 percent more than the previous financial year and corresponds to a research quota of 22 percent of total turnover, making Infineon one of the most research-oriented industrial companies in Austria.

“This high research expenditure is an investment in the future innovative capability and market strength of Infineon, and in the expertise at the site in Austria”, emphasised Sabine Herlitschka. “Speed and flexibility in achieving the right fit are crucial factors in making our customers even more successful in their markets. We will achieve this through the even closer interlacing of research and development in the context of our Industry 4.0 activities at our Villach site”.

Personnel: New all-time high

As per the accounting reference date, Infineon Austria employed a total of **3,625 people** at the sites in Villach, Klagenfurt, Graz, Linz and Vienna, 132 more employees than the previous year (up by 4 percent). The company thus once again exceeded the record level it recorded in the 2015 financial year. The expansion in personnel took place in particular in Research and Development and in the headquarters functions of the areas that have global business responsibility. Around 50 percent of employees have an academic education.

1,426 people work in Research and Development, which means a further increase of over 12 percent compared with the previous year (1,269 people). Infineon Austria thus employs over a fifth of the R&D workforce of the entire Group.

Development-focussed production

In the financial year 2015 **16.3 billion chips were produced** in Villach, around 5 percent higher than the previous year's volume (2015: 15.5 billion chips). The focus is on the consistent further development of the innovative 300-mm thin wafer technology for energy-efficient power semiconductors. The production volume was doubled in this area. An even closer interlacing of research and development will further shorten the product development times and make it possible to offer customer innovative solutions even faster.

Impetus for Austria as a location

A **study** undertaken in May 2016 by the Industriewissenschaftliches Institut IWI attests to Infineon Austria's above-average **positive impact** on **value creation** in Austria. Across the entire economy, the company enabled value creation of €1.45 billion and around 12,500 jobs in the domestic labour market. In the financial year 2016, Infineon Austria made **purchases** in the value of **€ 446 million** (previous year: €417 million). Of this €157 million was on purchases solely in Austria, corresponding to around 35 percent.

Market successes with Austrian expertise

Augmented reality for smartphones

With the PHAB2 Pro, Lenovo is the first manufacturer worldwide to offer a smartphone with spatial perception. This is made possible by the Google Tango technology and a 3D image sensor chip that was developed by Infineon in Graz. This chip enables a real-time three-dimensional image of the phone's surroundings based on the time of flight principle. Infineon is the only supplier worldwide to provide the image sensor chip in accordance with Google's specifications. The development was made in co-operation with pmdtechnologies, a worldwide leading provider of the Time-of-Flight (ToF) technology.

Thanks to these capacities, the smartphone is opening up new possibilities for augmented reality: motion tracking enables it to react to changes of position, the distance from objects is measured by depth perception, and spatial learning enables the device to recognise locations it has recorded once. The Lenovo PHAB2 Pro Smartphone has been available from retailers since November.

Sustainable mobility solutions

Infineon in Austria develops crucial technologies for the electronics in electric and hybrid vehicles. These include the electronic optimisation of the combustion engine to reduce CO₂ emissions, energy-efficient semiconductors for high-performance models, or intelligent transmission control electronics for electric vehicles. This expertise from Villach and Graz provides for smart solutions with both increased convenience and lower energy consumption. The result: in seven of the ten most-sold electric vehicles worldwide in 2015 the transmission is regulated by Infineon chips.

Excellence in research and education cooperation

As the largest microelectronics research unit in Austria, in the year that has just ended Infineon Austria also continued its intensive cooperation with research partners at home and abroad. In total, more than 130 research cooperation arrangements were implemented in the financial year 2016.

European project Semi40

The European research project Semi40, focussing on the further development of autonomous factories, was launched in May 2016 and is headed by Infineon Austria. The 37 partners from five countries and the volume of €62 million make it one of the largest Industry 4.0 projects in Europe. Infineon Austria is contributing significant expertise to the project through its pioneering role in Industry 4.0 in Austria. The “Industry 4.0 pilot area” in Villach offers ideal conditions for testing new production processes during live operation.

In the course of its R&D activities Infineon Austria maintains intensive cooperation with Austrian universities and research institutions. The many years of cooperation with Graz University of Technology have been expanded, especially in the areas of energy-efficient electronic systems, chip design, sensor technology and security. For the first time a joint summer school in Villach was organised with the TU Wien, and attended by 35 students and 16 professors. A joint research laboratory was set up with the Management Center Innsbruck.

Key financial figures for Infineon Technologies Austria – FY 2016

Infineon Technologies Austria incl. Austrian holdings	FY 2015	FY 2016	Change
Turnover in € million	1.427,1	1.839,5	+ 29 %
Result from ordinary business activities in € million	152,1	158,5	+ 4 %
Employees	3.493	3.625	+ 4 %
Overall investments in € million		357	
Tangible assets	111,6	133,9*	+ 20 %
Intangible assets		223,1	
R&D expenditures in € million (as a percentage of the overall turnover)	363 (25%)	412 (22%)	+ 13 %
Overall purchasing volume in € million	417	446	
thereof in Austria and thereof in Carinthia	161 101	157 98	+ 7 %

* compared to 2015

About Infineon Austria

Infineon Technologies Austria AG is a group subsidiary of Infineon Technologies AG, a world-leading provider of semiconductor solutions that make life easier, safer and greener. Microelectronics from Infineon reduce the energy consumption of consumer electronics, domestic appliances and industrial facilities. They make a major contribution to the convenience, security and sustainability of vehicles, and enable secure transactions in a connected world.

Besides Germany, Infineon Austria is the only subsidiary within the group that pools competencies for research and development, production as well as global business responsibility. The head office is in Villach, with further branches in Graz, Klagenfurt, Linz and Vienna. With around 3,600 employees from around 60 countries (including 1,400 in research and development), in the financial year 2016 (ending in September) the company achieved a turnover of € 1.8 billion. An R&D expense rate of more than €400 million makes Infineon Austria one of the strongest industrial research companies' in Austria.

Further information at www.infineon.com/austria

Contact and further information

Mag. Alexander Tarzi
Tel.: 051777-2954
Email: alexander.tarzi@infineon.com

Infineon Technologies Austria AG
Communications
Siemensstraße 2
9500 Villach

Infineon Technologies Austria AG
Communications
Mag. Alexander Tarzi
Tel.: +43 51777-2954
alexander.tarzi@infineon.com