

News Release

Infineon Austria opens building complex for Industry 4.0 in Villach

New buildings for research, development and production open at Infineon in Villach. Expansion focuses on shaping the development and production environment according to the principles of Industry 4.0.

VILLACH, October 29, 2015 – Today Infineon Villach officially celebrated the continuing development of the site with a focus on intelligent industrialization. A newly constructed building complex closely concentrating the interaction of research, development and production exemplifies the heart and mind of Industry 4.0 activities at Infineon Austria. The building complex was opened today in a gala ceremony attended by Austrian Federal Minister of Transport, Innovation and Technology Alois Stöger, Infineon Group CEO Reinhard Ploss, Carinthian Deputy Governor Gaby Schaunig, Villach mayor Günther Albel, Infineon Austria CEO Sabine Herlitschka and many guests of honor.

The expansion in Villach is being fueled by investments and research expenditures amounting to a total of 290 million Euros through 2017. Infineon Austria is strengthening its global competitive abilities and creating essential new jobs in Austria through the rigorous ongoing development of the site. Approximately 130 of the 200 new research and development positions to be created in the period between 2014 and 2017 have already been filled.

"Austria is a strong industrial country, and we've established ourselves as one of the most innovative production sites worldwide. The development towards Industry 4.0 gives us an excellent opportunity to make our business location even more competitive with innovative technologies. This is why my ministry is investing 125 million Euros annually in order to prepare our plant facilities for the newest possibilities and evolving production processes. I'm very pleased to see the research industry accompanying us on this path, contributing to the establishment of an intelligent research infrastructure. The Industry 4.0 Pilot Space will provide the Infineon site in Villach with an additional spurt of innovation and shows that Austria is already a frontrunner in Industry 4.0," said Technology minister Alois Stöger.

Infineon provides and applies Industry 4.0

The *Industry 4.0* concept has become the guiding vision for networked and knowledge-intensive production. Infineon is helping shape this worldwide process on two levels: First of all, Infineon develops and manufactures the microchips and sensor technologies used in intelligent factories. Second, Infineon rigorously and comprehensively applies Industry 4.0 technologies itself. "Digitalization, the connection of the real world with the world of the digital, is a central issue for Infineon. We have the right products and solutions for this connection, while at the same time we see an enormous potential in using digitalization to put us well ahead of the market. With Industry 4.0 we will accelerate innovation and improve productivity and quality. We intend to apply the solutions created in Villach throughout all of Infineon and in the network with customers and suppliers," emphasized Reinhard Ploss, CEO of Infineon Technologies AG.

"Industry 4.0 offers us a tremendous opportunity to retain and strengthen industrial production in Europe. In Villach we're making this a reality by linking development and production with 'Intelligence 4.0' in order to provide our customers around the world with innovative products even faster and more efficiently. At the same time we're creating tangible examples of the workplaces of the future. As an innovation site in the Infineon Group, we're demonstrating how knowledge-intensive production can look in everyday operations with 13 billion chips produced annually," says Sabine Herlitschka, CEO of Infineon Technologies Austria AG.

Evolutionary development

Villach has already implemented the initial elements of the intelligent factory. Products are permanently and uniquely localized in production, for example. Furthermore, every completed product reports back to the production units on measurement data from the manufacturing process it has just undergone. These data are then used to optimize the automatic conditions for subsequent products. As a result it has been possible to improve process stability in production by as much as 20 percent.

In the *Industry 4.0 Pilot Space*, special semiconductor production facilities, referred to as ion implantation systems, are concentrated within a defined area and are optimized in evolutionary steps. In the future sensor technologies will combine with communication and data processing systems to enable decision-making in production on an increasingly self-controlled basis. One such example is condition-oriented maintenance: As soon as a part requires maintenance, the machine in question reports the information and automatically initiates the necessary actions. Intelligent management of energy and resource consumption in the new buildings is also expected to provide cost savings of up to 15 percent compared to the previous systems.

Data for more precise planning and better decision making

In the future the increased intermixture of development and production will make it possible to investigate new products and processes in dynamic simulations, enabling even more exact planning. And the principle of networked production goes well beyond the gates of the Villach plant: Integration of suppliers and other sites in the overall process continues to intensify. Within the next three years real-time capable production planning and control is expected to reduce product throughput times at the Villach innovation factory by 15 percent compared to current throughput times.

Workplaces of the future

Appropriate technology isn't the only thing needed in order to fully leverage the potentials of networked production. It also calls for expert staff to operate this technology and integrate it in existing workflows. Here Infineon has already initiated targeted qualification measures for existing personnel, specifically in the form of continuing education in the area of mechatronics. New job profiles have also been defined. *Work Area Controllers* will monitor production and control systems using mobile control stations. Visual assistance systems such as tablets and smart glasses will help staff members handle information processing. On the whole, the range of assignments for production staff will become more valuable, and more interdisciplinary understanding will be necessary.

Facts and figures on the new construction:

- Total gross floor space of the entire building complex:
Approximately 17,000 m²
- Cleanroom production space: 1,800 m²
- Laboratory space: 1,900 m²
- Office/R&D space: 380 workstations
- Rapid construction: Started in January 2015,
complete in approximately 10 months
- R&D building occupancy: As of November 2015
- Approximately 50 companies involved in construction
- Emphasis on energy-efficient construction

About Infineon Austria

Infineon Technologies Austria AG is a Group subsidiary of Infineon Technologies AG, a leading worldwide provider of semiconductor solutions that make life easier, safer and greener. Microelectronics from Infineon cut energy consumption in everything from entertainment technologies and household appliances all the way to industrial facilities. They also make basic contributions to increased comfort, safety and sustainability in vehicles and make secure electronic transactions possible in an increasingly networked world.

Infineon Austria is the only Group site outside of Germany to combine expertise in research and development, production and global responsibility for business performance. Headquartered in Villach, Infineon Austria has branch offices in Klagenfurt, Graz, Linz and Vienna. With more than 3,300 employees (1,200 of which work in research and development) from over 60 countries, the company achieved revenues of 1.3 billion Euros in fiscal 2014 (ending in September). A research rate of 25 percent of overall revenue makes Infineon Austria the strongest research company in Austria.

More information available at www.infineon.com/austria

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