First Quarter FY 2025 Quarterly Update

Infineon Technologies AG
Investor Relations

Infineon at a glance

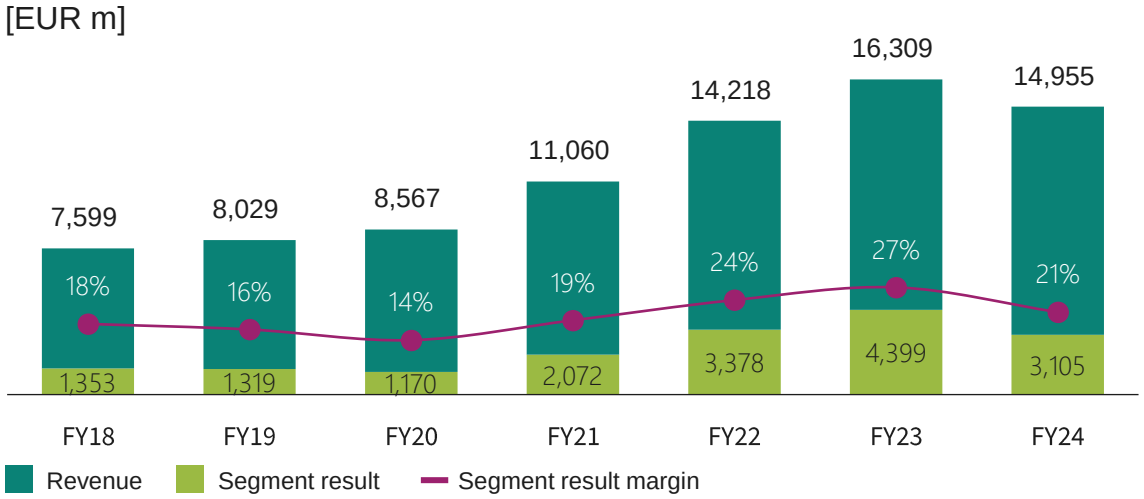
Addressing long-term high-growth trends

Energy
green and efficient

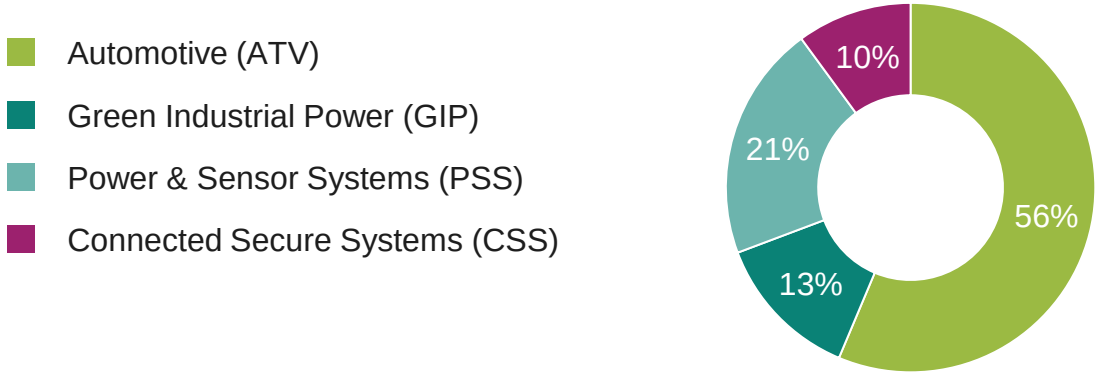
Mobility
clean and safe

IoT
smart and secure

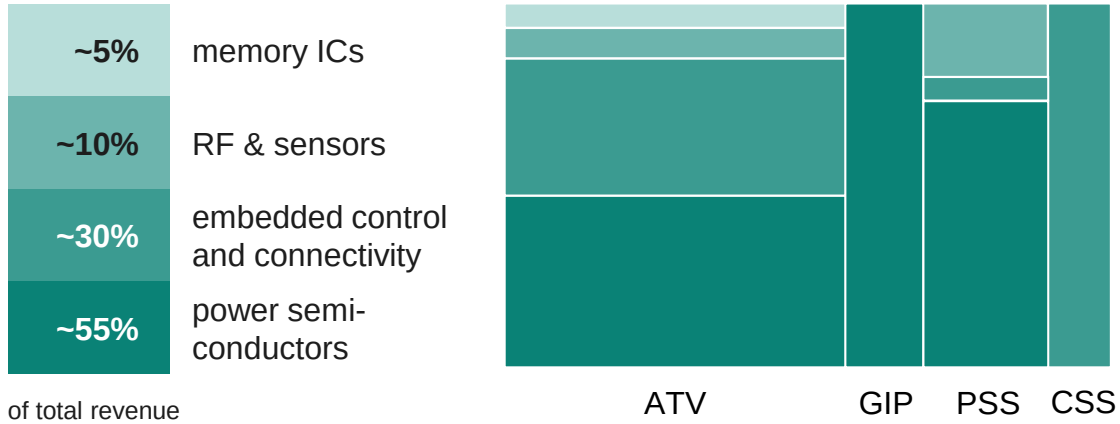
Financials



FY24 revenue by segment

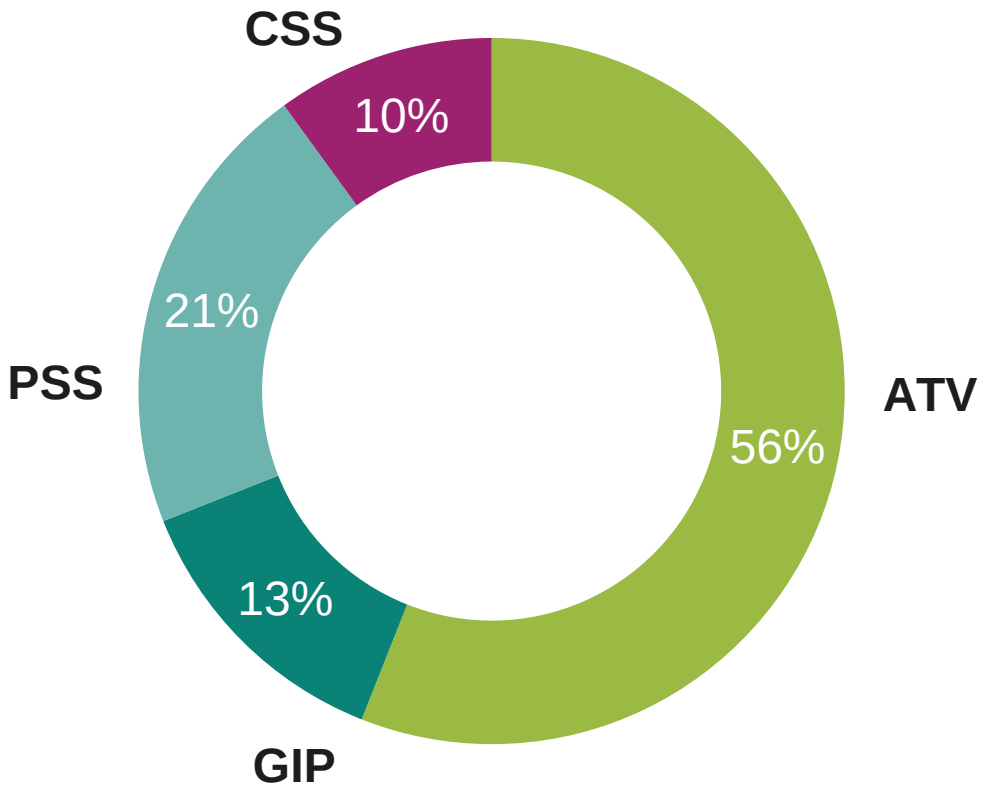


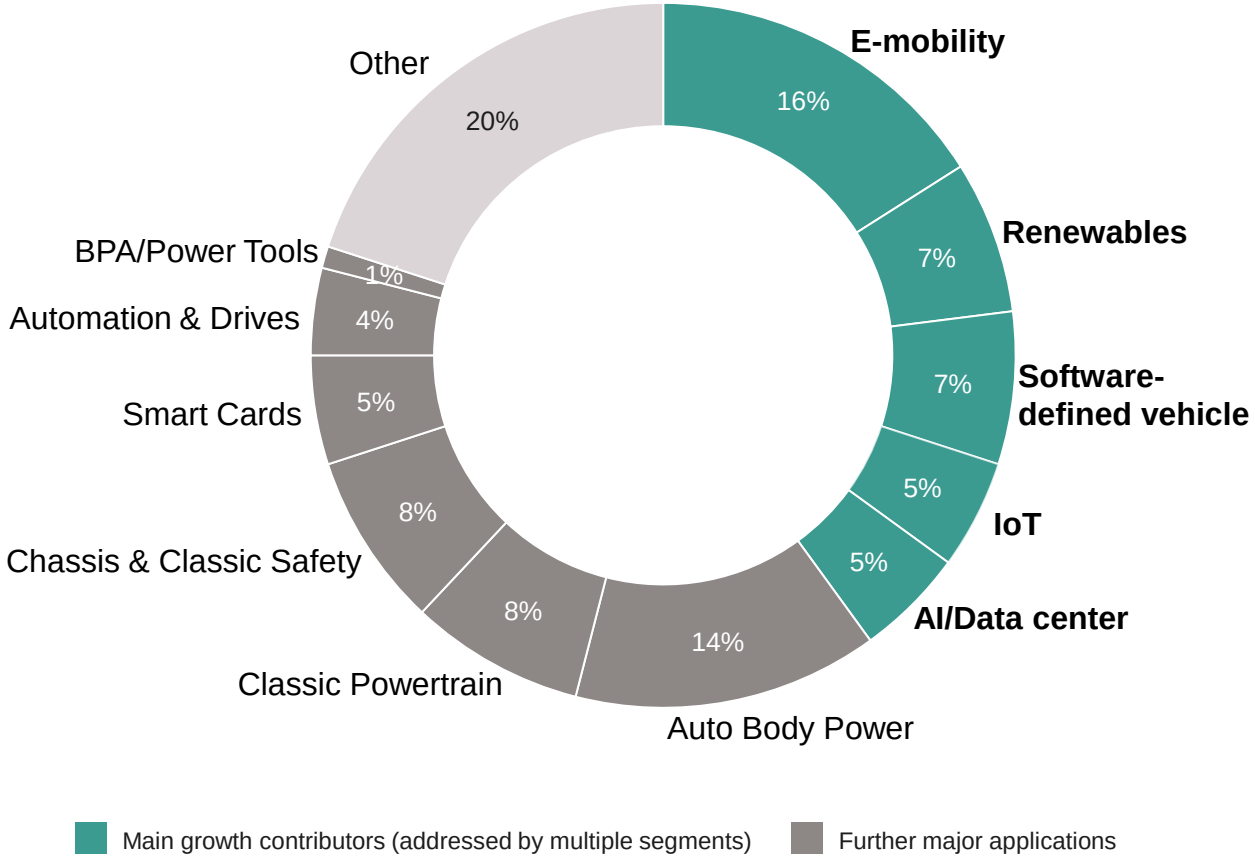
FY24 revenue by product category



Well-balanced portfolio among segments and key applications, highest growth coming from Decarbonization and Digitalization

FY24 revenue of €14,955m by segment and key application

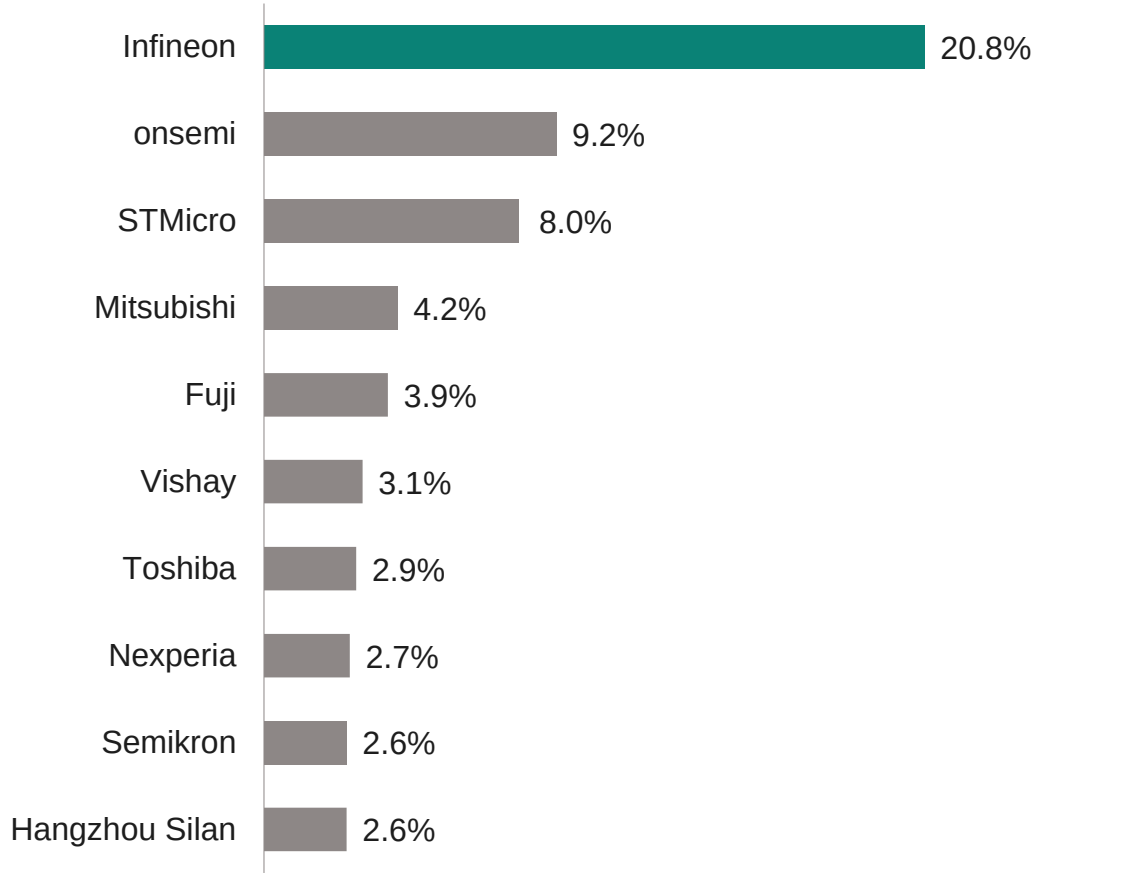




Infineon is a global player, clear #1 in power semiconductors, Automotive semis and automotive microcontroller markets

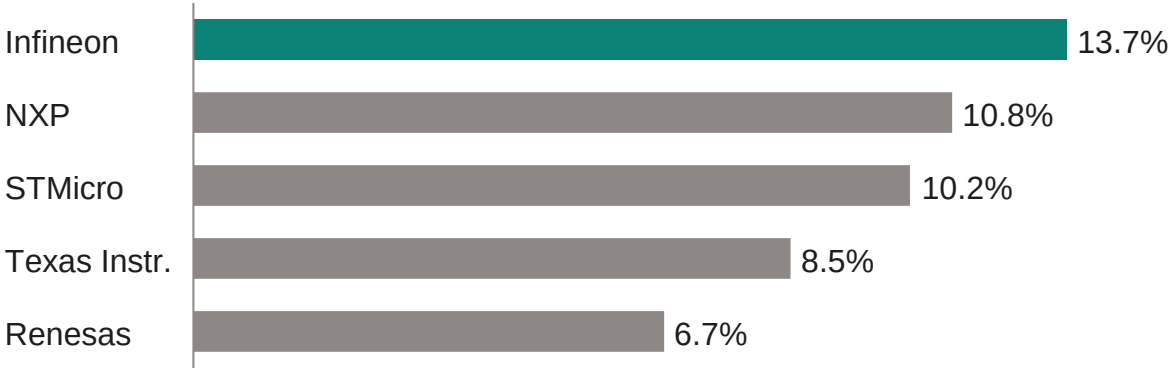
Power discretes and modules

2023 total global market: $35.7bn[1]

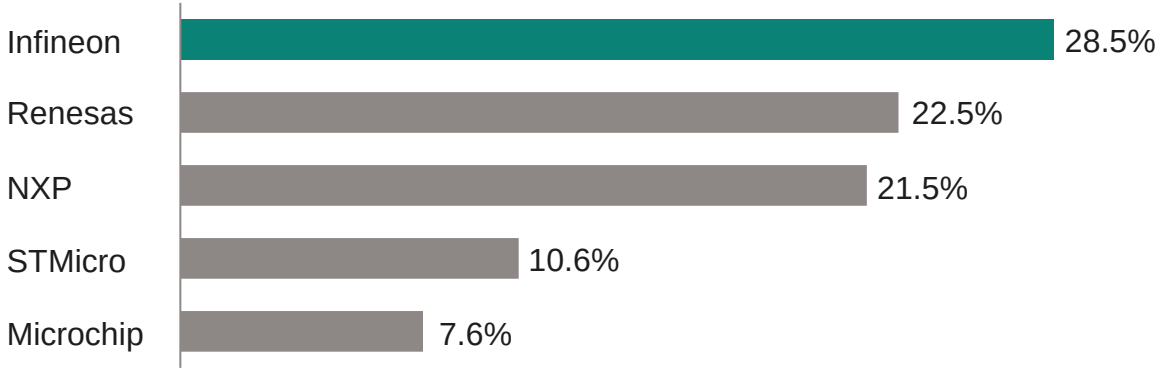


Automotive semiconductors

2023 total market: $69.2bn[2]



Automotive MCUs



1 Based on or includes research from Omdia: *Power Semiconductor Market Share Database – 2023.* October 2024. | Results are not an endorsement of Infineon Technologies AG. Any reliance on these results is at the third party's own risk. **2** Based on TechInsights: *Automotive Semiconductor Vendor Market Shares*. March 2024.

Our Target Operating Model: committing to ambitious financial goals and being the sustainability leader

Target Operating Model
through cycle

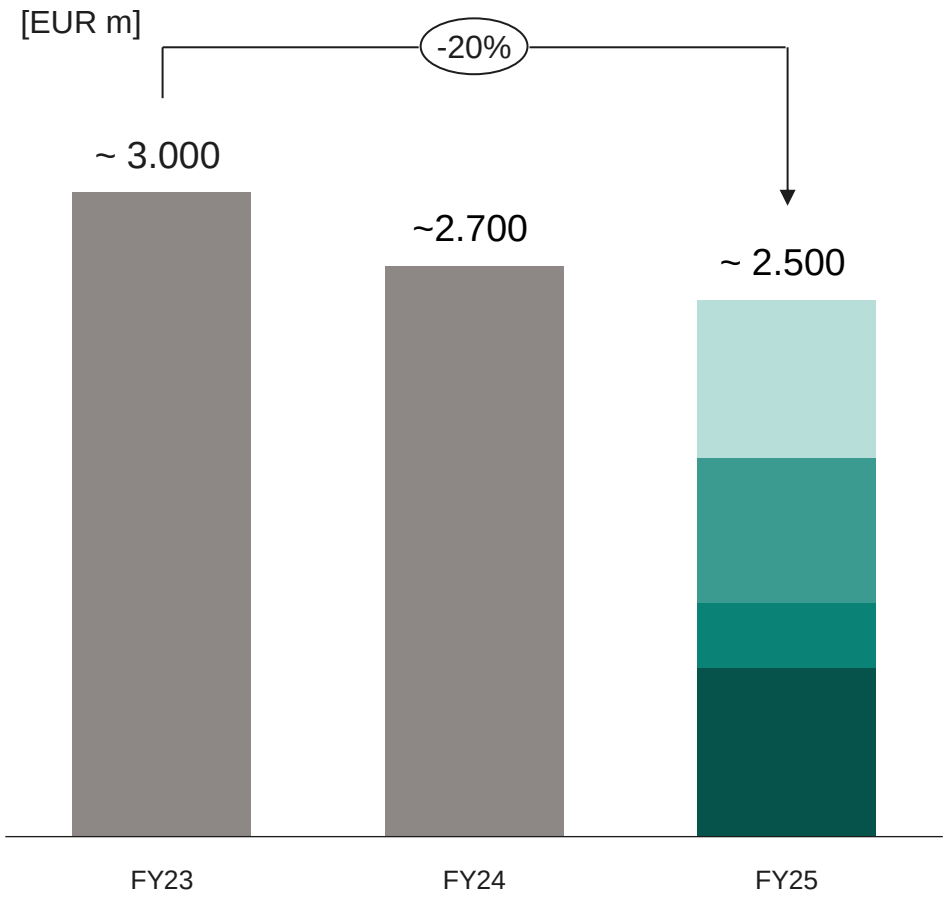
Revenue growth	**>10%**
Segment Result Margin	**25%**
Adj. Free Cash Flow Margin[1]	**10-15%**

Sustainability leader
CO_2 neutrality 2030

[1] Excluding major frontend buildings

Modular investment approach allows ramp-up in line with market demand to ensure long-term value creation

Infineon investments[1] FY 23-25



Strategic investments – shell construction

- Dresden M4

Capacity investments – key growth areas

- SiC/GaN: transition to 200mm/300mm
- Smart power and logic: enabling further growth for ”powering AI” and analog/mixed-signal products

Research and development

- IFRS capitalization of development cost

Basic investments

- Maintenance, process optimization, quality, IT

[1] Investments are defined as the total amount invested in property, plant and equipment and in other intangible assets, including capitalized development costs

Outlook for Q2 FY25 and FY25

	Outlook Q2 FY25[1]	Outlook FY25[1]
Revenue	~€3.6bn	flat to slightly up vs. prior year
Adj. Gross Margin		~40%
Segment Result Margin	mid-teens %	mid-to-high-teens %
FCF/adj. FCF		~€900m/~€1.7bn
Investments		~€2.5bn
D&A		~€2.0bn[2]

[1] Based on an assumed average exchange rate of $1.05 for €1.00
[2] Including the amortization of approximately 400 million Euros from purchase price allocations

Undisputed power systems leadership mastering all three key materials

- Reliable multi sourcing of raw materials
- World-scale fabs

Controller | **Driver IC** | **Power switch** (Si/SiC/GaN)

Software + Algorithms

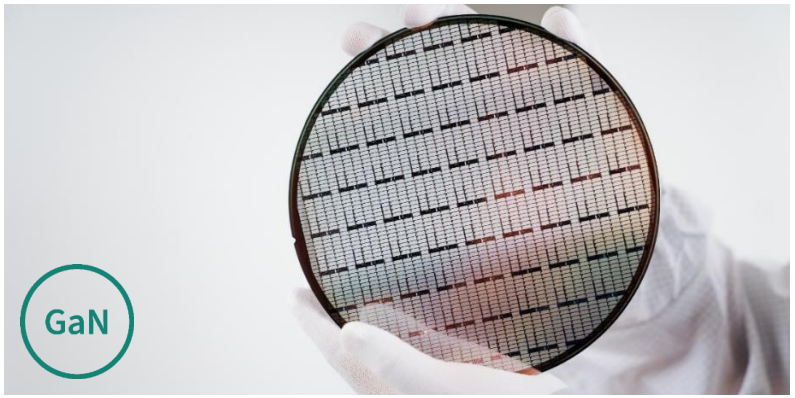
- Application understanding
- Packaging know-how and hybridization competence

Leadership in Power Systems across all materials and technologies

Silicon
Diode – MOSFET – IGBT – Driver – Controller

Silicon carbide
Diode – MOSFET

Gallium nitride
HEMT – Driver



Infineon is the leader across all power semiconductor technologies – unparalleled portfolio and know-how

Si

World's thinnest silicon power wafer with **20µm** on **300mm**

- Broadest Si-power portfolio in the market
- Unmatched quality and leading in all figures of merit (FOM)
- Best price/performance ratio

CoolMOS™ OptiMOS™

SiC

World's most competitive 200mm silicon carbide power fab

- Broadest portfolio covering auto and industrial applications
- Leading trench performance
- High reliability and robustness in extreme conditions
- Smaller system size

CoolSiC™

GaN

World's first 300mm gallium nitride power wafer

- Enabling cost parity with silicon
- Highest efficiency at the highest frequency enabling smallest system size
- Allow functional integration

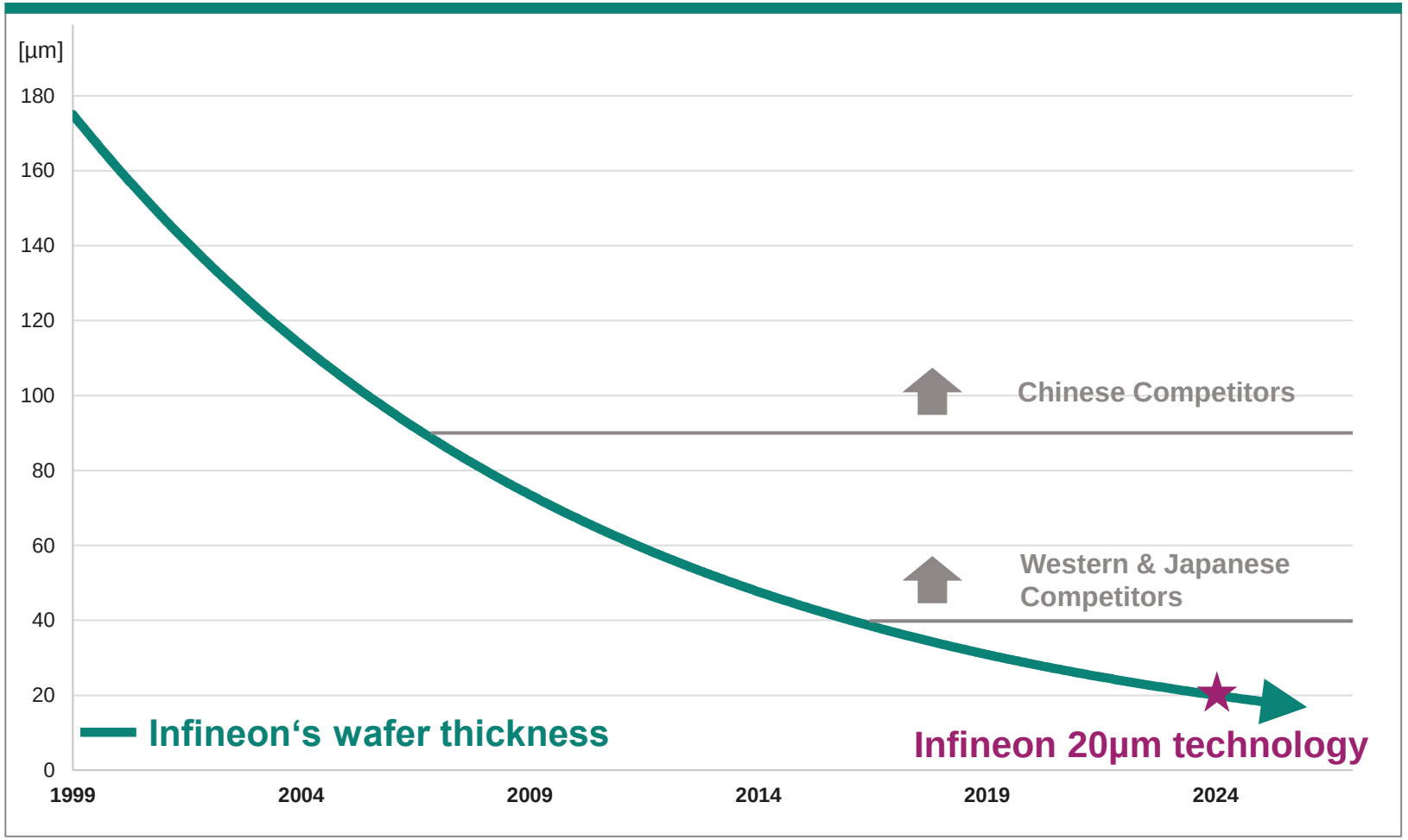
CoolGaN™

Infineon is strengthening its position as the industry's innovation leader leading the way in all three power semiconductor materials

Infineon presents the world's thinnest silicon power wafer paving the way for more energy efficient power systems

Si

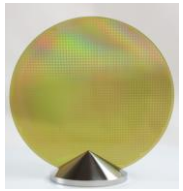
Infineon reduces wafer thickness from 40µm to 20µm



- Infineon pioneers 20µm process at high-scale production
- Halving thickness also halves resistance, reducing power loss by >15%
- Enables easy and robust signal routing from front to backside
- Technology qualified by customers and applied in Infineon's Integrated Smart Power Stages for DC-DC converter in AI servers

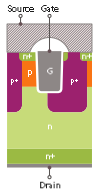
With opening Kulim 3, Infineon is on track to becoming the industry's most competitive provider of SiC technology

SiC



SiC raw material supplier network

- More than 6 qualified SiC wafer and boule suppliers
- Globally diversified and resilient



Superior trench technology

- 30% more chips per wafer than planar
- Unmatched reliability with zero field returns

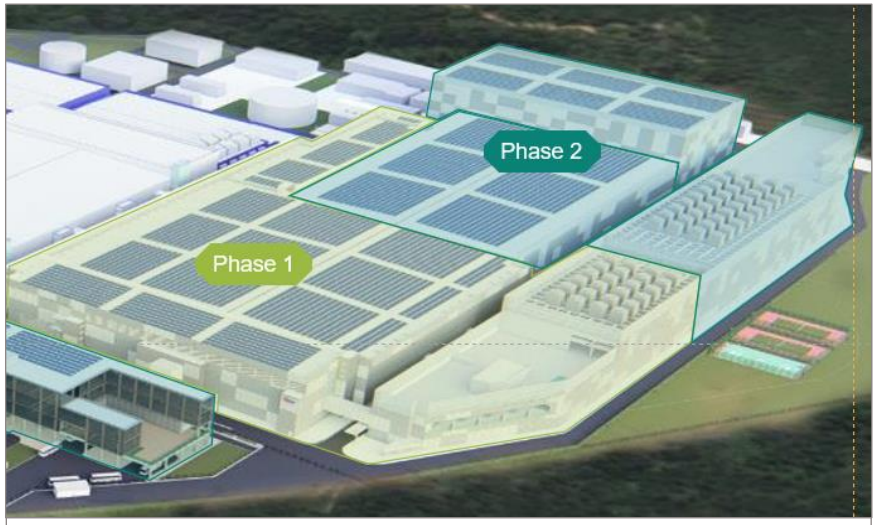
Packaging portfolio

- Best-in-class in-house packaging solutions
- .XT technology for highest power density

P2S

Deep system understanding

- Decades of experience
- Broadest portfolio: off-the-shelf plus customized solutions



Most competitive 200mm fab with industry-leading cost position.
Resilient setup together with Villach plant

Smart phase-over and ramp-up of 200mm volume production to enable next level of innovation for customer value with SiC

Villach **Kulim**

Pilot projects on track

- Qualification on selected high-volume technologies nearly finished
- SiC multi-sourcing strategy for raw materials in place
- Wafer yield equal or better to 150mm

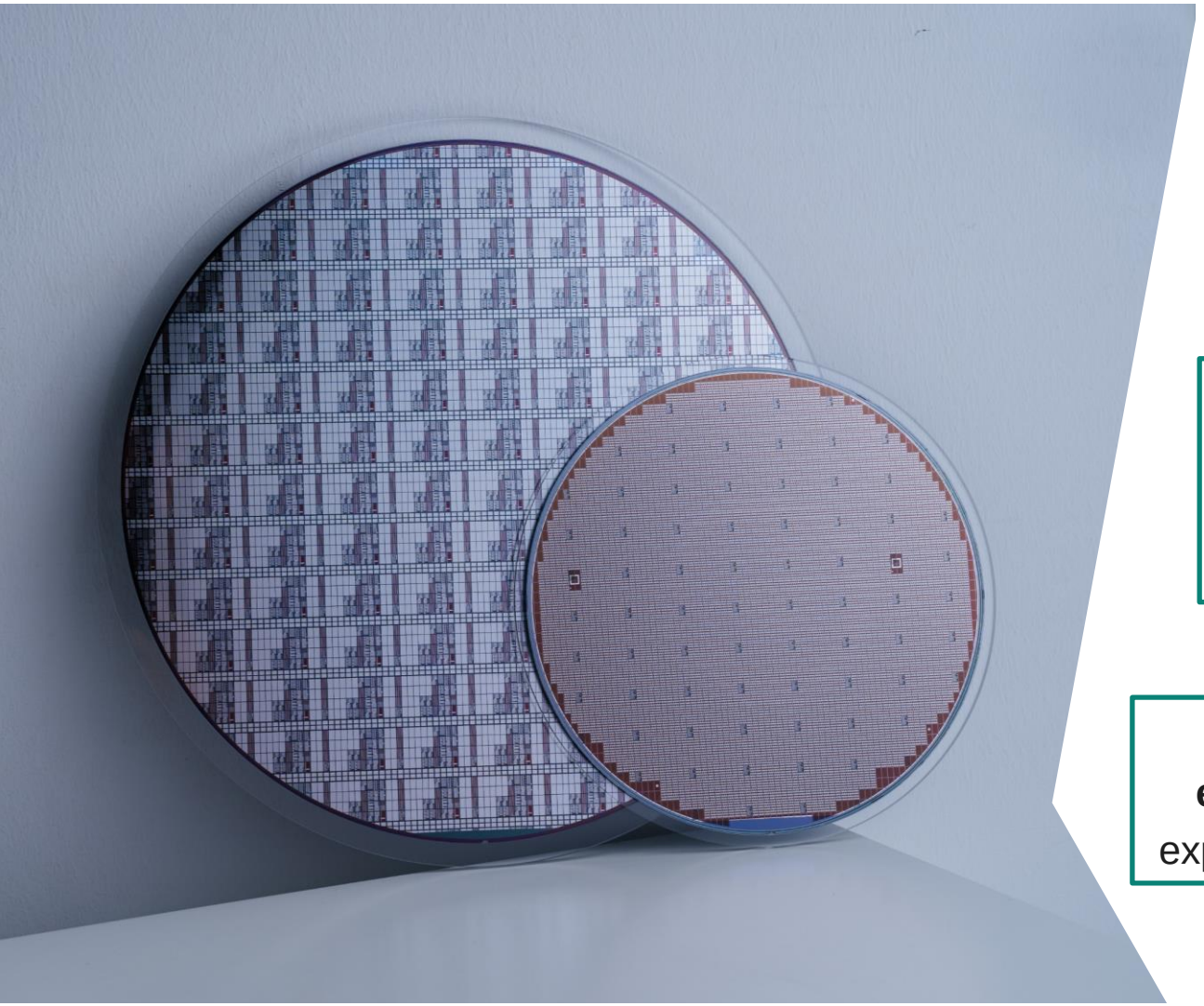
Smart 200mm phase-over

- Volume production in Villach and Kulim
- Cleanroom and tools already available
- Full transition to 200mm planned within 3 years after qualification

Timeline

- Product roll-out based on 200mm starting Q1 CY25
- Major new chip developments on 200mm

Infineon is a leader in GaN technology and can build on the industry's broadest IP portfolio and application expertise



Broadest IP portfolio in the market (~350 patent families)

Leading GaN product portfolio MV and HV applications

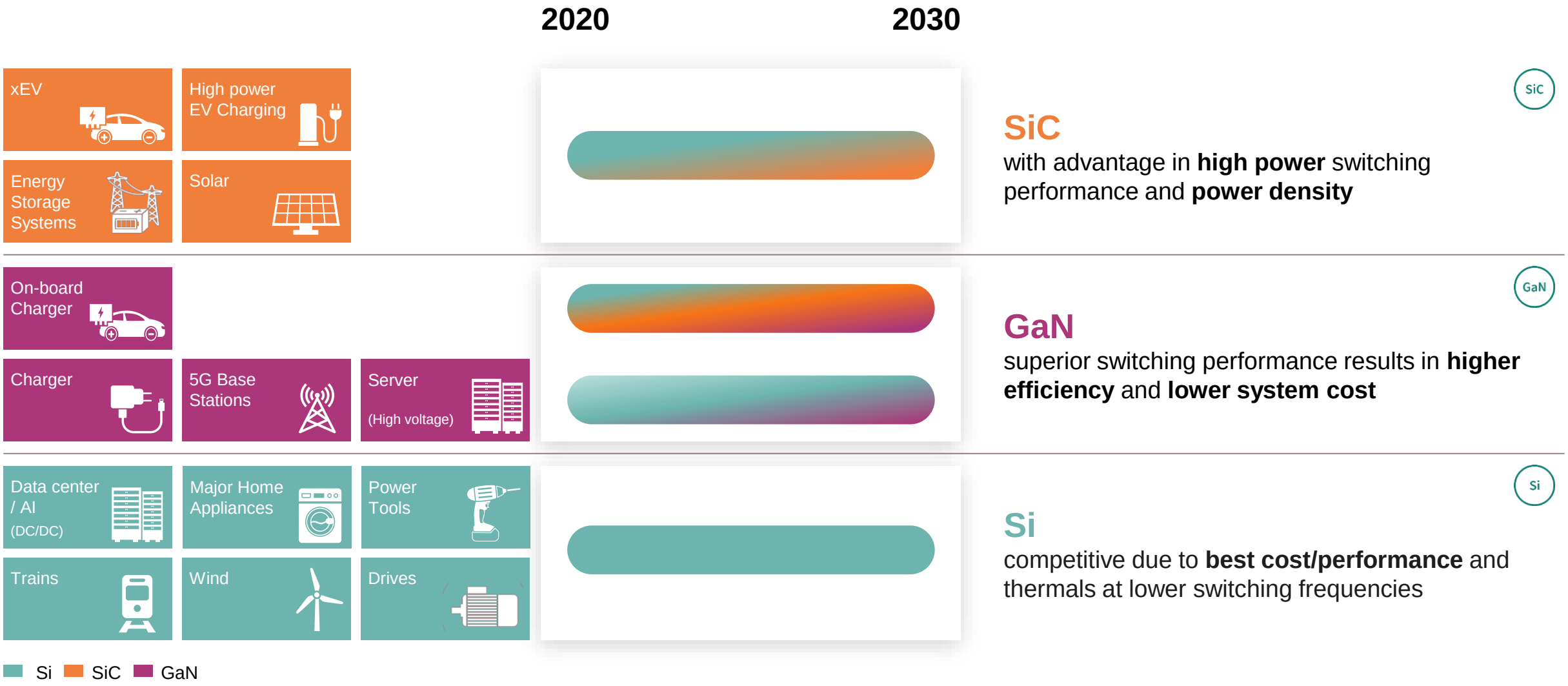
World's first 300mm GaN manufacturing process strengthens cost-effectiveness

Leadership in GaN

Proven application expertise with > 400 GaN experts and system know-how

Superior customer supply stability through dual-sourcing and scalability

Transition to WBG vastly differs by application with Si expected to remain technology of choice for many of them



SiC

SiC

with advantage in **high power** switching performance and **power density**

GaN

GaN

superior switching performance results in **higher efficiency** and **lower system cost**

Si

Si

competitive due to **best cost/performance** and thermals at lower switching frequencies

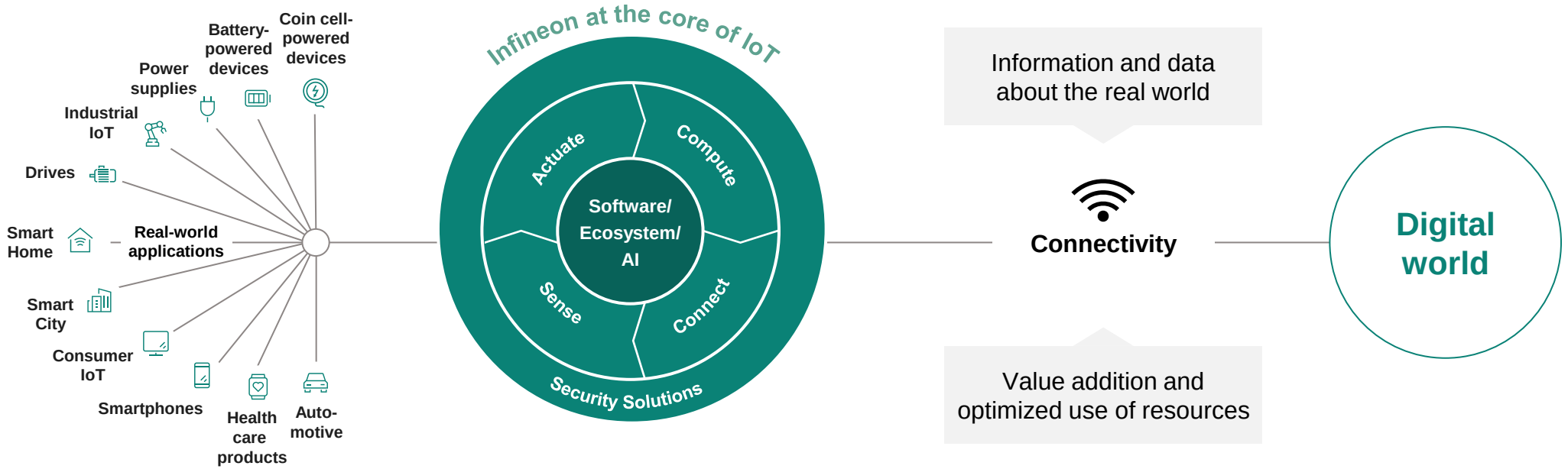
Infineon at the core of IoT – driving digitalization by serving strongly growing multi-application markets

Consumer IoT

Industrial IoT

Automotive IoT

Products: MCU – Connectivity (Wi-Fi, BLE, NFC) – Sensors – Security – Power supply & switches



ESG:
Targets and achievements

Our 2030 carbon neutrality goal is aligned with the Paris Climate Agreement's 1.5°C target

CO_2 burden[1]

2.9 million tons of CO_2 equivalents

Ratio

~1:45

CO_2 savings[2]

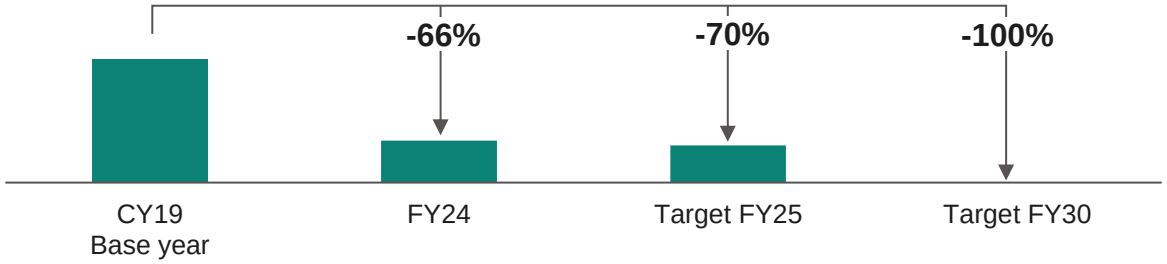
130 million tons of CO_2 equivalents

On the road to carbon neutrality[3] we achieved significant milestones by

- Using green electricity in Europe and North America and our main sites Kulim and Melaka in Malaysia
- Installation start of PFC abatement system in Austin

Infineon's CO_2 target[3] by 2025 and 2030

Net CO_2 emissions in million tons of CO_2 equivalents



Net ecological benefit: **CO_2 emissions reduction of more than 127 million tons**

[1, 2, 3] For further explanation see "ESG footnotes" in the appendix

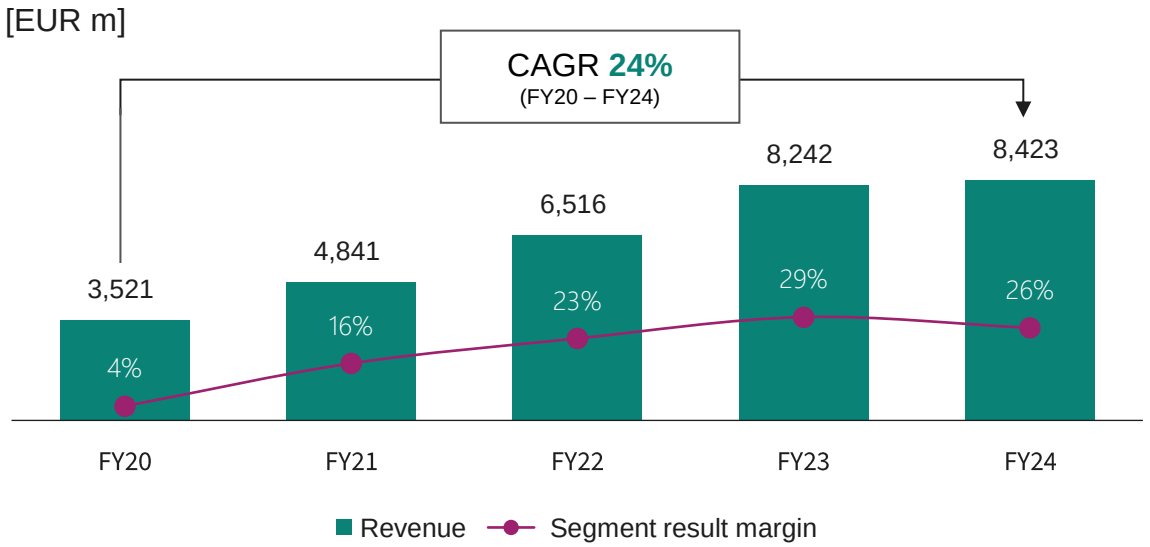
External recognitions confirm our engagement in contributing to a sustainable society

	Rating/Score	Scale	Date
MSCI ESG	AAA	CCC to AAA	05/2024
CDP	B climate scoring B water scoring	F to A	02/2024
Ecovadis	99th percentile “Platinum” award	0 to 100	06/2024
Dow Jones Sustainability™ Index	77 Dow Jones Sustainability™ World Index listing	0 to 100	12/2023
ISS ESG Corporate Rating	Prime Status	D- to A+	03/2023
FTSE4Good Index	Index member	–	06/2024
Sustainalytics	ESG industry top performer	–	01/2024

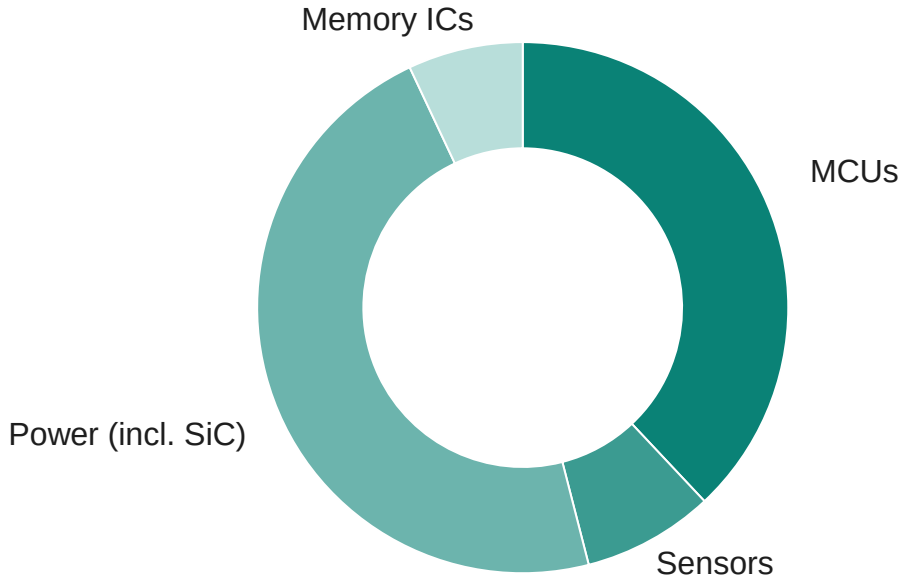
Automotive

ATV at a glance

ATV revenue and Segment Result Margin



FY24 revenue split by product group



Key customers

APTIV · Astemo · BorgWarner · BOSCH · BYD · Continental · DENSO · FORVIA
HYUNDAI MOTOR GROUP · KEBODA · Mando · MAGNA · SCHAEFFLER · Valeo · veoneer · ZF

Shift of EV growth and lower momentum of car production

Applications	Market outlook for CY25
Automotive	– Car demand is expected to remain flat. Although macroeconomic conditions are improving, headwinds remain, including e.g. dealer inventory adjustments and cautious consumer demand – Key regions Europe, Japan, South Korea and North America are expected to decline – China's car market is expected to shift more towards local OEMs
E-mobility	– Further growth of xEV expected in China, especially for PHEVs; however, xEV production will be still impacted by weak consumer demand and platform delays – EV adoption in the US likely to slow down – Potential for upside growth in Europe due to 2025 CO2 reduction target
Software-defined vehicle	– Further growth of higher ADAS/AD levels supported by xEV growth and more advanced E/E architecture platforms; majority of volume growth will come from Level 2 and Level 2+ – First small-scale robotaxi projects launched

Several strong content growth drivers for Infineon in xEV and software-defined vehicles, even at flat LV production

Structural trends fueling our growth

xEV

- Strong volume growth of BEVs and PHEVs
- Increasing share of SiC in traction inverters
- More kW per vehicle lead to higher BoM in inverter

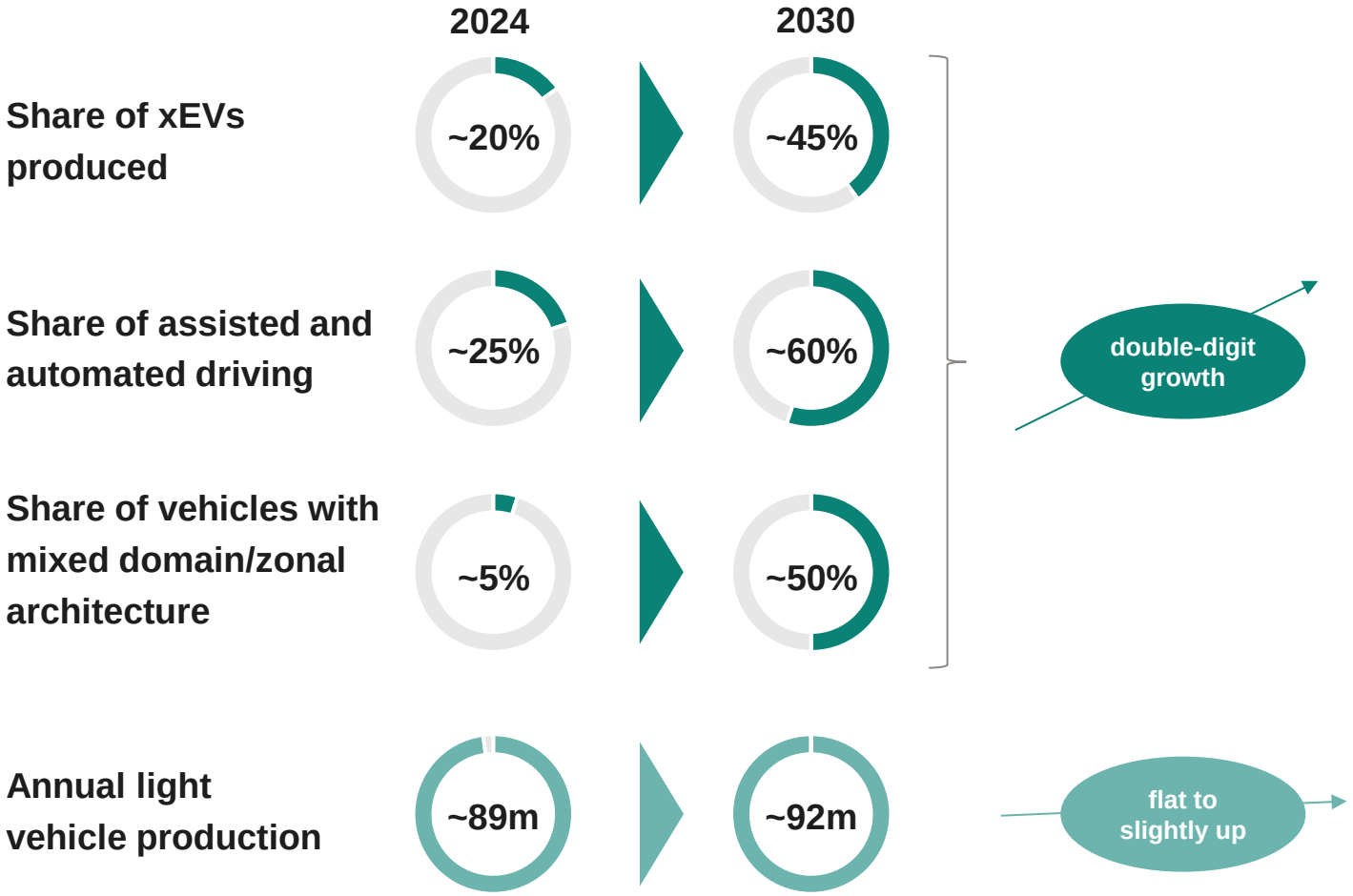
SDV

- Transformation of E/E architecture towards central computing with zonal controllers
- Smart switches for decentralized power distribution
- Software over the air
- Secure connectivity, cybersecurity indispensable
- Functional safety, dependable electronics, redundancy
- ADAS/AD: More sensors, more computing performance

Comfort and premium features

- More loads (motors, heating, cooling etc.)
- More elaborate lighting, both exterior (matrix light) and interior (instruments and ceiling)

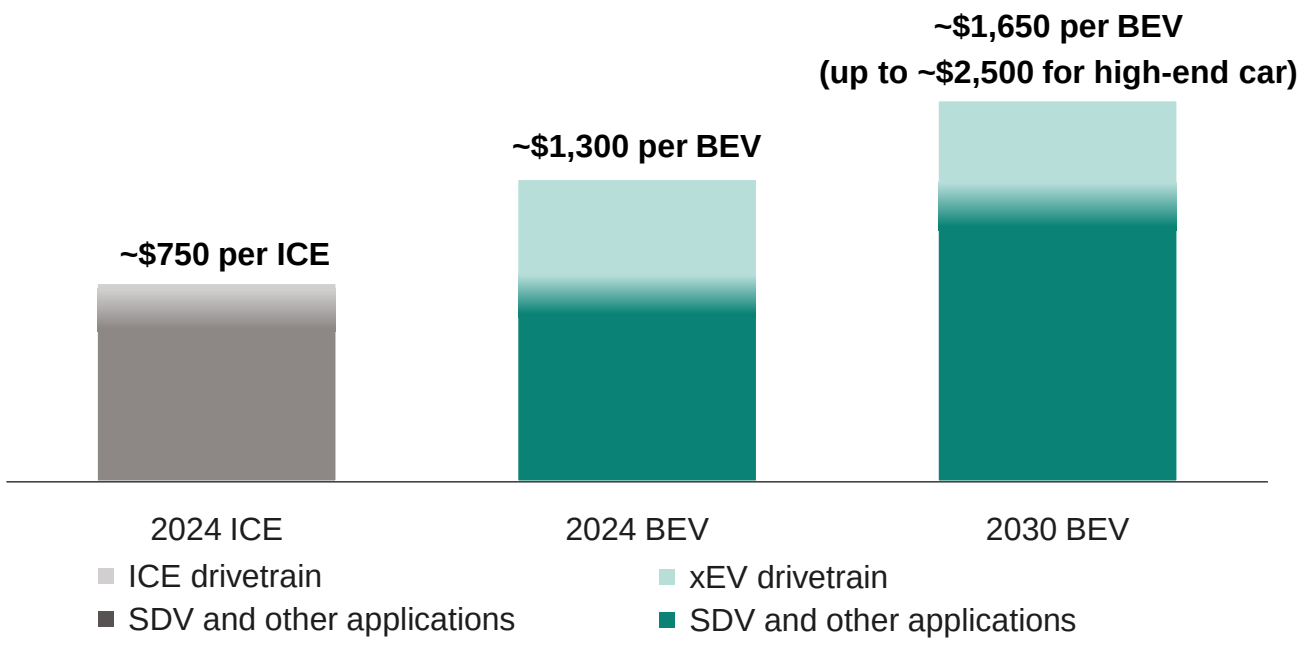
Overview of growth vectors until 2030



Infineon estimates

Infineon is the world leader in automotive semis, serving all key applications and benefiting strongly from content growth

Average semiconductor bill-of-material per car in 2024 and 2030



BEV market size growth (vehicle production)

Infineon estimate based on S&P Automotive Semiconductor Tracker - September 2024; October 2024

Semiconductors covered by Infineon

Drivetrain applications:

- Traction inverter, OBC, DC-DC, BMS, auxiliaries
- Drivers for BoM increase:
  - SiC and GaN replacing Si
  - more motors and stronger motors per car
    → slight increase in kW per car

SDV and other non-drivetrain applications:

- Domain/Zone
- SDV, incl. E/E architecture and ADAS
- Safety and advanced security
- Comfort and premium
- Connectivity and infotainment

With a growing xEV market and growing non-drivetrain BoM, Infineon profits twice

A very broad portfolio with >300 product families is backing the market leadership of Infineon in Automotive

Infineon ATV division revenue by product families:

Major categories[1]: AURIX™ families, CoolSiC™, IGBT 750V, IGBT 1200V, MOSFETs, PROFET™, Radar, TRAVEO™ – none more than ~10%

Unmatched customer value creation and portfolio resilience

Leading technologies	System competence (P2S)	Broadest portfolio

1 In alphabetical order

Number of power MOSFETs per car continues to increase, and drives accelerated growth for the leading portfolio

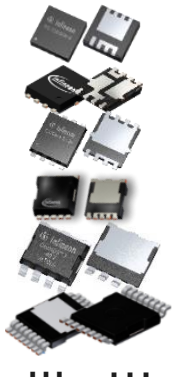
Examples of MOSFET applications

Power door
Power lift gate
Brake booster
Electric power steering
HV-LV DC-DC conversion
BMS
Transmission control
Windshield wiper
Electric parking brake
HVAC blower
Sunroof
Side mirror
Seat adjustment
Thermal management
12 V battery switch
Power supply protection

Latest portfolio with constant innovation

Technologies, packages and voltages

OptiMOS™ 7
OptiMOS™ 6
OptiMOS™ 5
OptiMOS™ T, T2, Gen 12.7

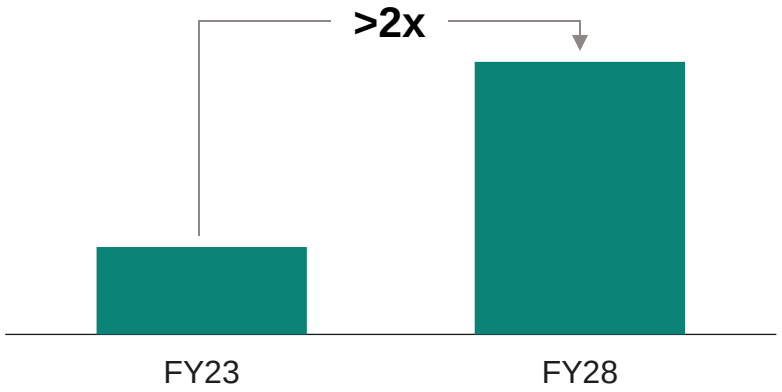


40V
60V
80V
100V
120V

New **OptiMOS™ 7** family with outstanding technical performance

- 100 to 180 MOSFETs are used per vehicle in ~90 different applications in all segments: body, chassis, safety, ADAS/AD, powertrain
- Infineon offers broadest portfolio (>600 products) and eco-system to address specific and high-margin applications:
  - embedded control, gate driver, MOSFETs, software, P2S
  - entire eco-system with digital twins
  - simulation environment (esp. for motor control)

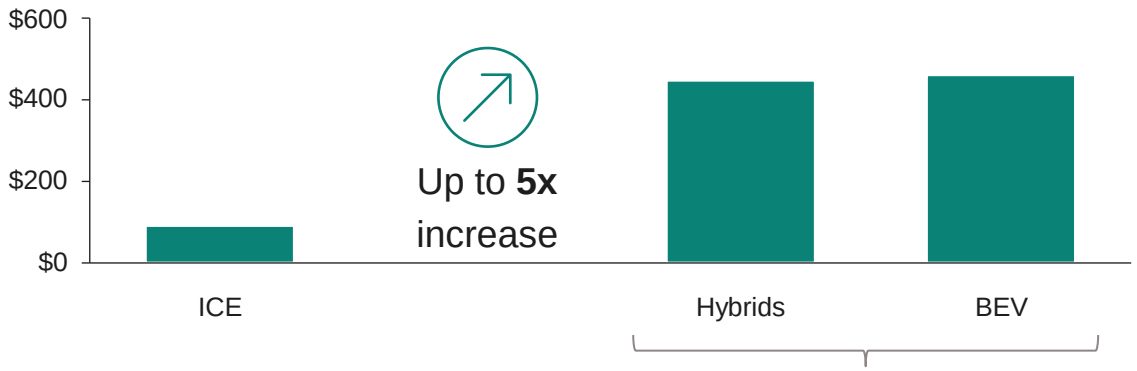
Infineon's revenue growth



Electromobility

xEV is a strong content growth driver for Infineon, even at flat LV production

Power semi content per vehicle for drivetrain only



Addressing further electric drivetrain end-markets

REEVs / EREVs

eTrucks

2/3-eWheelers

Based on S&P Automotive Semiconductor Tracker - September 2024. Infineon, October 2024

Infineon's power semiconductor offering

- Only player offering Si, SiC and GaN
- Addressing traction inverter, OBC, DC-DC converter, BMS, aux.
- Fusion modules seamlessly combine Si and SiC
- Technology leader in all three technology fields:

Si — **World's thinnest silicon power wafer** with **20µm** on **300mm**

SiC — **World's most competitive 200mm SiC** power fab

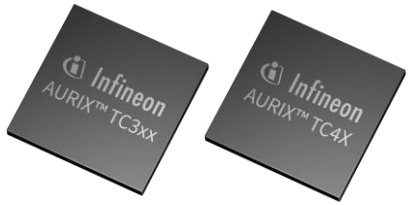
GaN — **World's first 300mm GaN** power wafer

Infineon has the right power semiconductor solution for all drivetrain applications in any drivetrain topology

Several design-wins at BYD for MCUs, PMICs, MOSFETs and sensors covering zone control units and steering applications

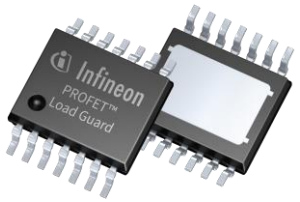
Supporting the latest car models of China's #1 NEV OEM with our broad range of leading semiconductors

TRAVEO™ MCUs



AURIX™ MCUs

Voltage regulators



PROFET™ family

OptiMOS™ 7 MOSFETs

TMR-based angle sensor

Body zone control unit

Seal 07 EV

Electric power steering

Seal U DMi

Rear wheel power steering

Denza Z9GT

Stellantis and Infineon are teaming up to advance innovation in power conversion/distribution for next-gen vehicle architectures

The two companies have signed major supply and capacity agreements as the foundation to develop the next-generation of power architecture, including:

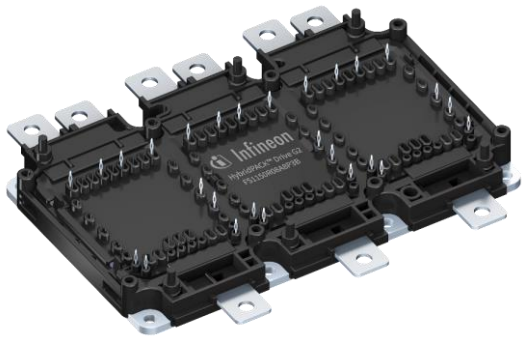
(1) CoolSiC™ power devices for high-efficient drivetrain solutions

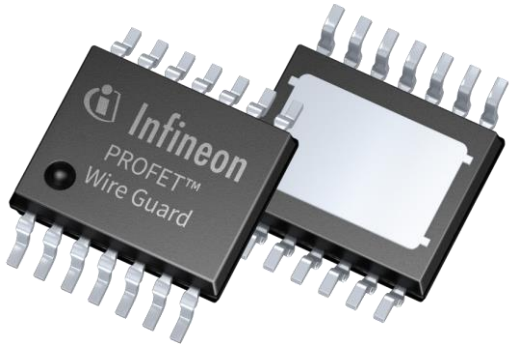
(2) AURIX™ MCUs targeting the 1st gen of the “STLA Brain” zonal architecture

(3) PROFET™ smart power switches with sensing and diagnosis functionality

Stellantis and Infineon are also implementing a Joint Power Lab to define the next-generation scalable power architecture enabling Stellantis’ software-defined vehicle

CoolSiC™ power devices	AURIX™ MCUs	PROFET™ smart power switches

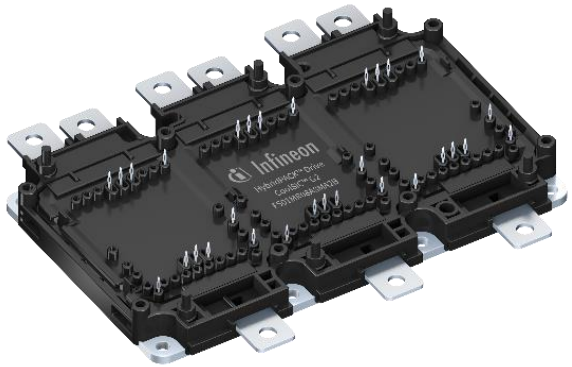




Xiaomi SU7 Max: Infineon contributes > 60 different components, incl. 2x HybridPACK™ Drive G2 CoolSiC™ 1200V power modules

Infineon provides system solutions with > 60 different components for more than 10 applications

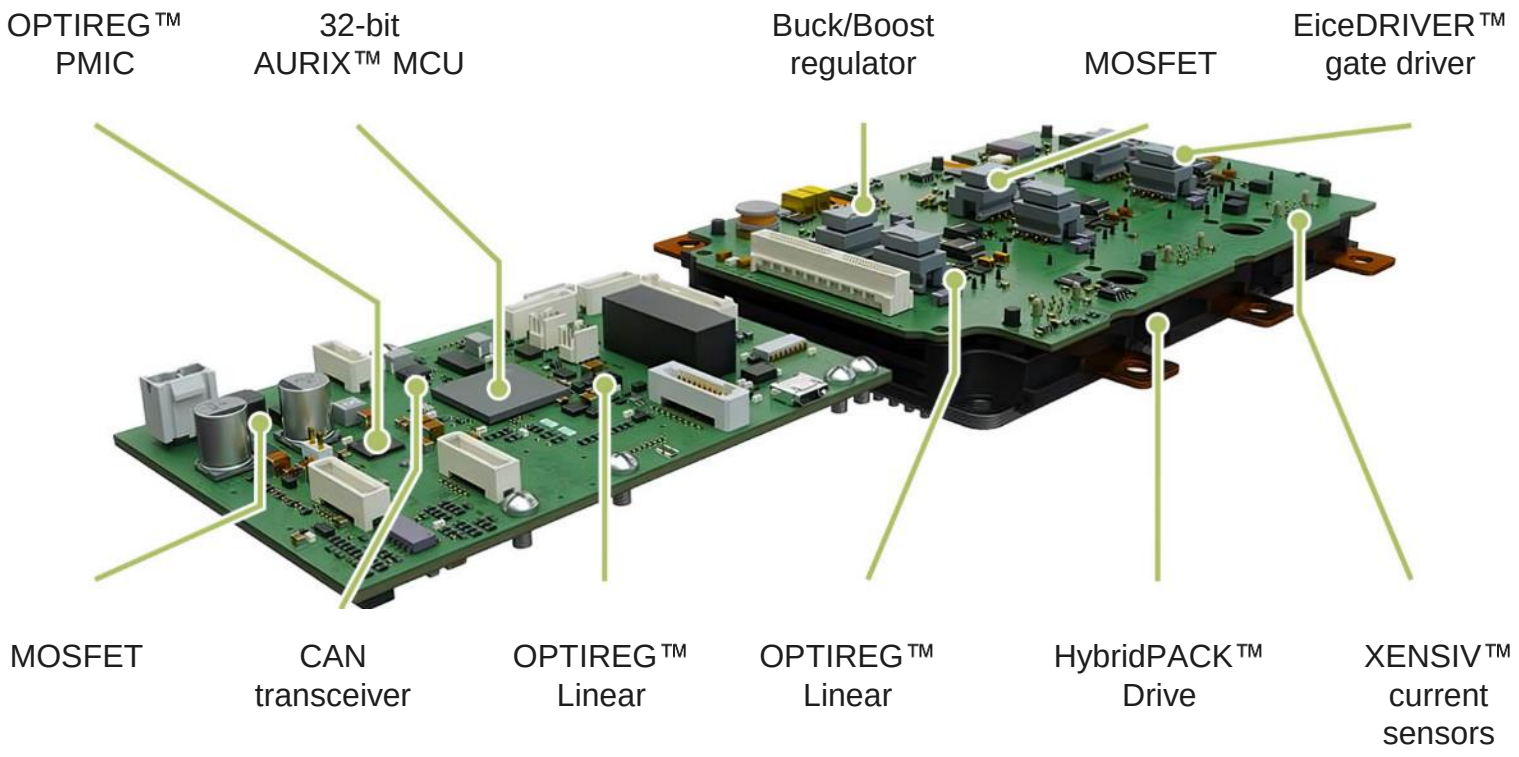
- **MCUs, PMICs:** AURIX™ TC3, TRAVEO™ T2G, and PSoC™ for zone controller, ADAS, xEV drivetrain, and suspension
- **2x HybridPACK™ Drive G2 CoolSiC™ 1200V** power modules or bare dies and gate drivers for traction inverter in Xiaomi SU7 Max
- **PROFET™** for E/E architecture
- **MOSFET**s, system basis chips, others



Courtesy of Xiaomi

Infineon’s broad product portfolio and system understanding enable higher BoM and allows for compact designs and fast T2M

Infineon inverter reference design, covering up to 95% of value



P2S (product-to-system approach)

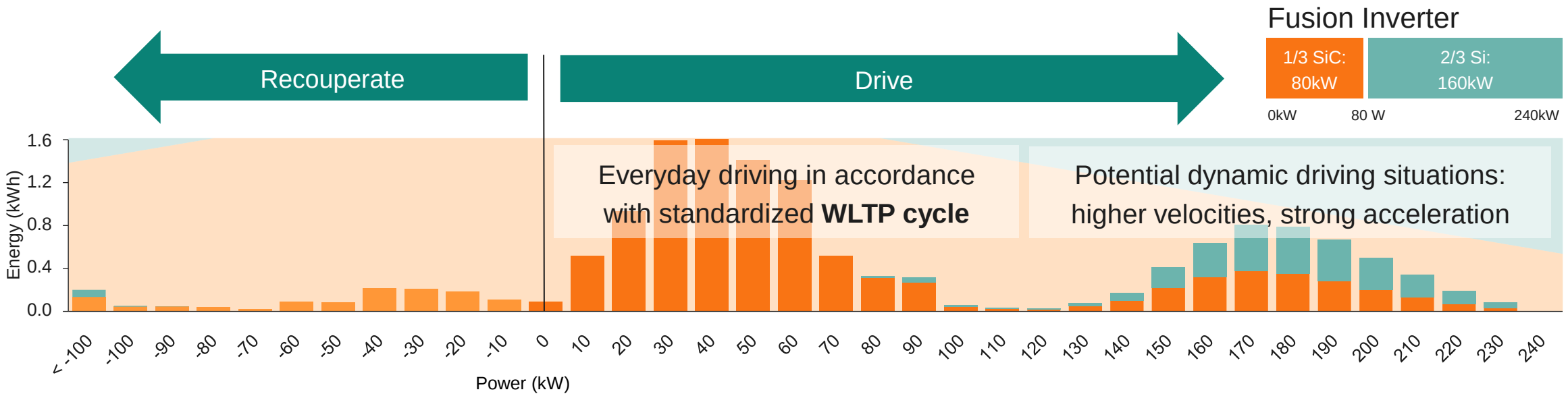
- Reference design for up to 300kW, further customization possible
- System solution for easy implementation
- Fast time-to-market (T2M)

Freedom of choice

- IGBT and SiC in 750/1,200V scale up to preferred power class
- HybridPACK™ Drive CoolSiC™ Gen2 continuous operation at 175°C
- EiceDRIVER™ gate driver Gen3 optimized for CoolSiC™
- Optimized 32-bit AURIX™ MCU

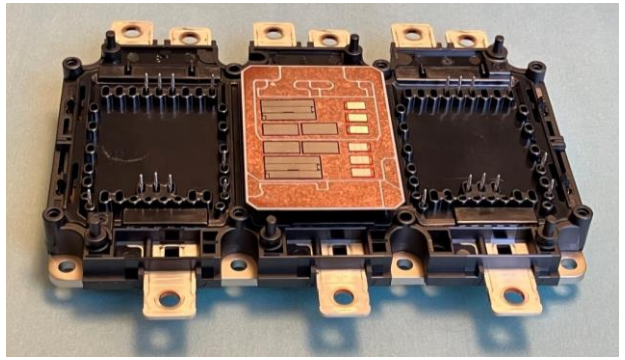
Infineon fusion modules offering unique cost-performance ratio, confirmed by cycle data for normal driving scenarios

Distribution of semiconductor usage in a typical car for an average driving scenario



Combining efficiency of SiC with cost-effectiveness of Si

- Typical car driving conditions usually allow for >90% SiC usage
- High power needed for higher velocities and strong accelerations only
- Unique Infineon solution without additional design-in complexity



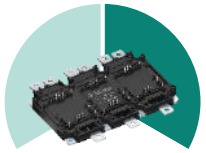
Competitive setup, unmatched portfolio breadth and our worldwide customer base lead to accelerated growth in SiC

Leading SiC technology and production efficiency

- Unrivaled productivity with most competitive fab and most diversified supplier network
- Superior trench technology and highest reliability
- Extensive packaging portfolio and complete system competence

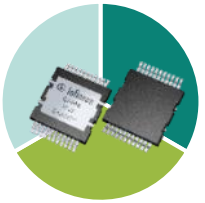
Most scalable SiC auto portfolio

650 V | 750 V | 1,200 V

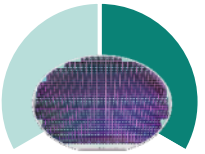


Module

DSC/SSC module



Discrete



Bare die

Continued strong SiC design-win momentum

BMW, BOSCH, 长安汽车 CHANGAN, CHERY, CHRYSLER, DELTA, FIAT, Ford, GENESIS, HOZON 合众汽车, HYUNDAI, INOVANCE Automotive, JOHN DEERE, KIA, LEAPMOTOR, LI, RAM, RIVIAN, SAIC, SCHAEFFLER, smart, STELLANTIS, US BEV OEM, TOYOTA, TOYOTA, Valeo, VINFAST, VW, mi, XPENG, ZF

Infineon AURIX™ TC4x with integrated PPU brings AI-on-the-edge to the battery

- **Battery cost**
- **Battery health**
- **Charging speed**
- **Safety concerns**
- **Range anxiety**
- **Resale value, residual value**
- **Cloud dependencies (latency, cost, stability)**

AURIX™ TC4x

PPU
(parallel processing unit)

High computing performance with complex and accurate BMS algorithms

- AI-based battery diagnostic on-the-edge
- temperature model, electro-chemical model
- lithium plating detection
- remaining useful life prediction
- with and without cloud-based updates
- Product-to-System!

Efficient battery cell utilization
- Higher capacity
- Less cells
- Lower battery cost

Faster charging
- Higher user experience

Assure longevity, extended guarantee
- Longer lifetime (in years, in km)
- More charging cycles

Detect and prevent thermal runaway

Accurate battery, health prediction

Trust in resale market
- Higher economic value (impacting insurances, fleets, OEMs, Tier1s, 2nd life market)

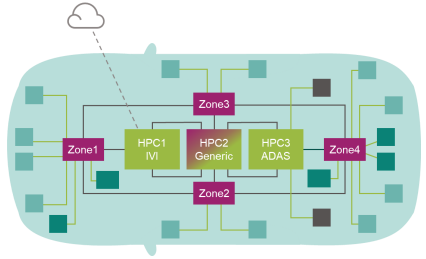
Open to partner up with further OEMs, Tier1s, insurance companies

Software-defined vehicle

Software-defined vehicles are enabled by safe/secure computing, high-speed in-vehicle networks, and intelligent power distribution

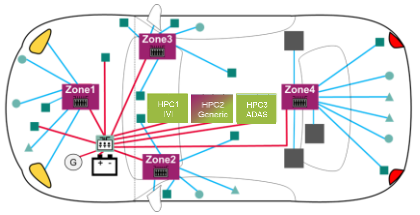
Advantages of software-defined vehicles

- **standardization** of components
- new features in **safety and security**
- **reduced complexity** and **cost** of wire harness
- monetization of **functions & data**
- new features in **comfort**, **connectivity** and **infotainment**
- **digital lifecycle** management



Safe and secure computing and high-speed in-vehicle network

- Evolution to hierarchical / centralized
- Application software decoupled from hardware
- Management of real-time communication in each zone

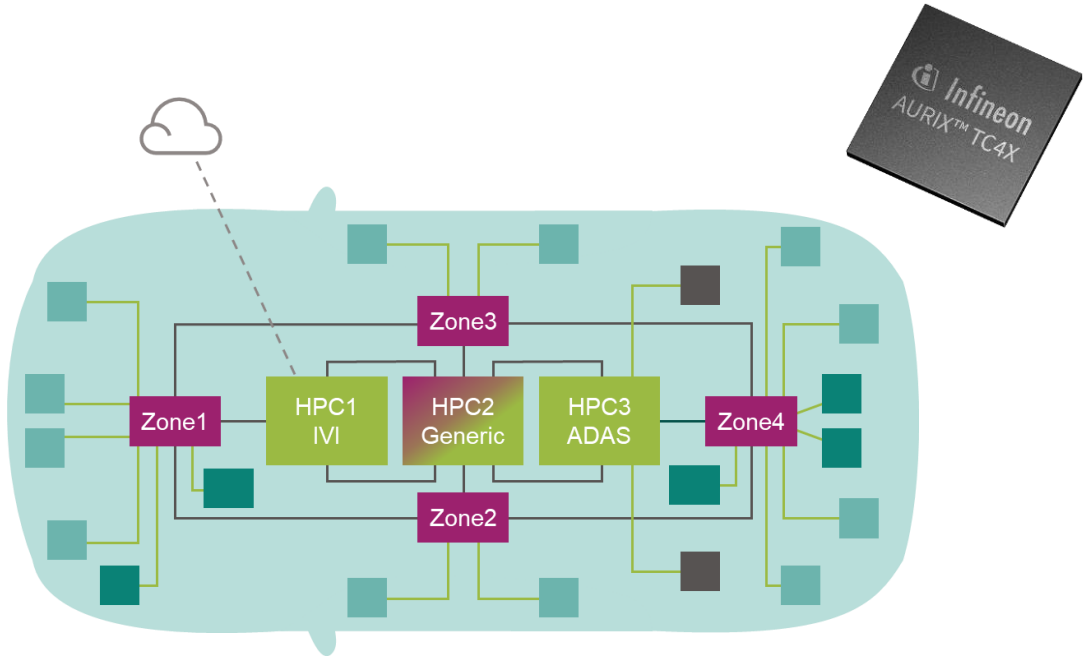


Intelligent power distribution

- Evolution from centralized to decentralized
- Power distribution safety element for
  - freedom from interference
  - system availability up to ASIL-C for ADAS
  - fail-operational of ASIL-D for AD and x-by-wire

Besides edge computing AURIX™ is driving the transition towards zonal architecture

Components of hierarchical E/E architectures



Control ECU

Complex sensors & actuators

Simple sensors & actuators

IVNs (in-vehicle networks):

service-oriented vehicle network

signal-based vehicle network

ADAS = advanced driver assistance system

HPC = high-performance computing

IVI = in-vehicle infotainment

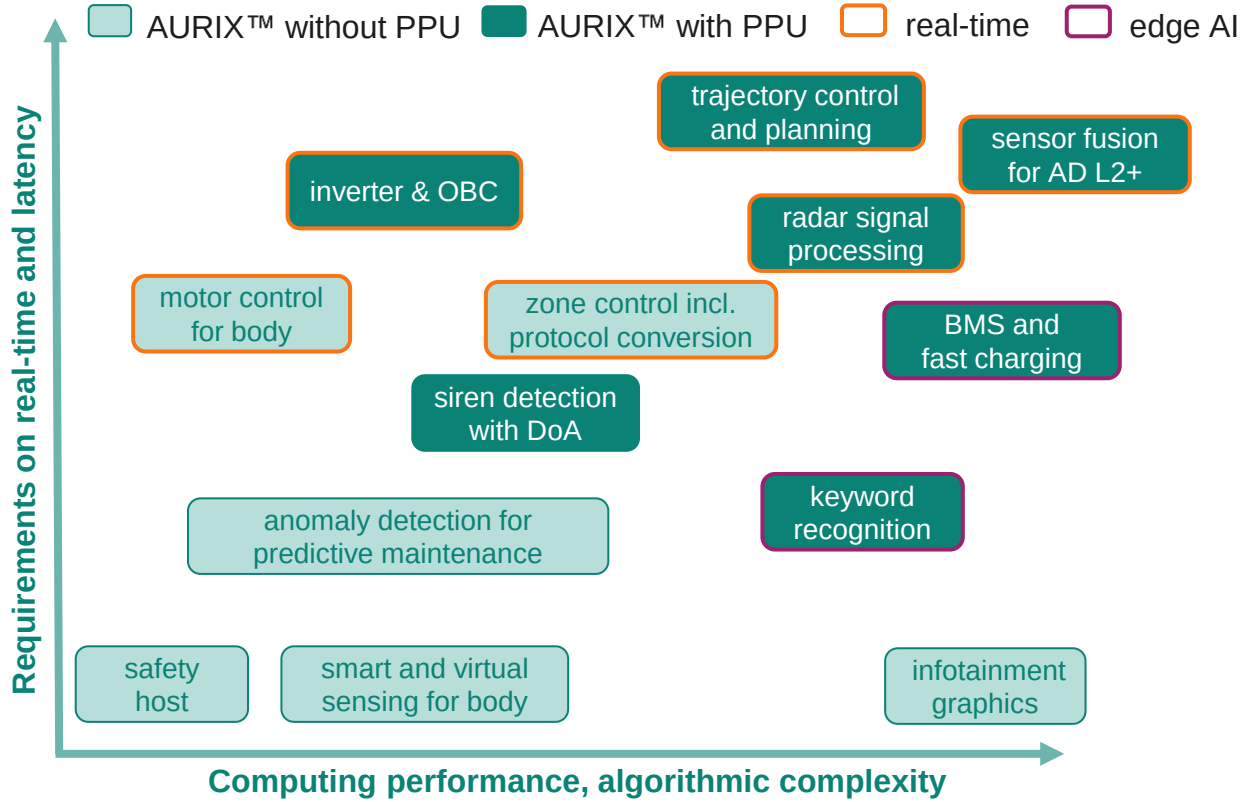
AURIX™ MCUs enable zone control units for SDV

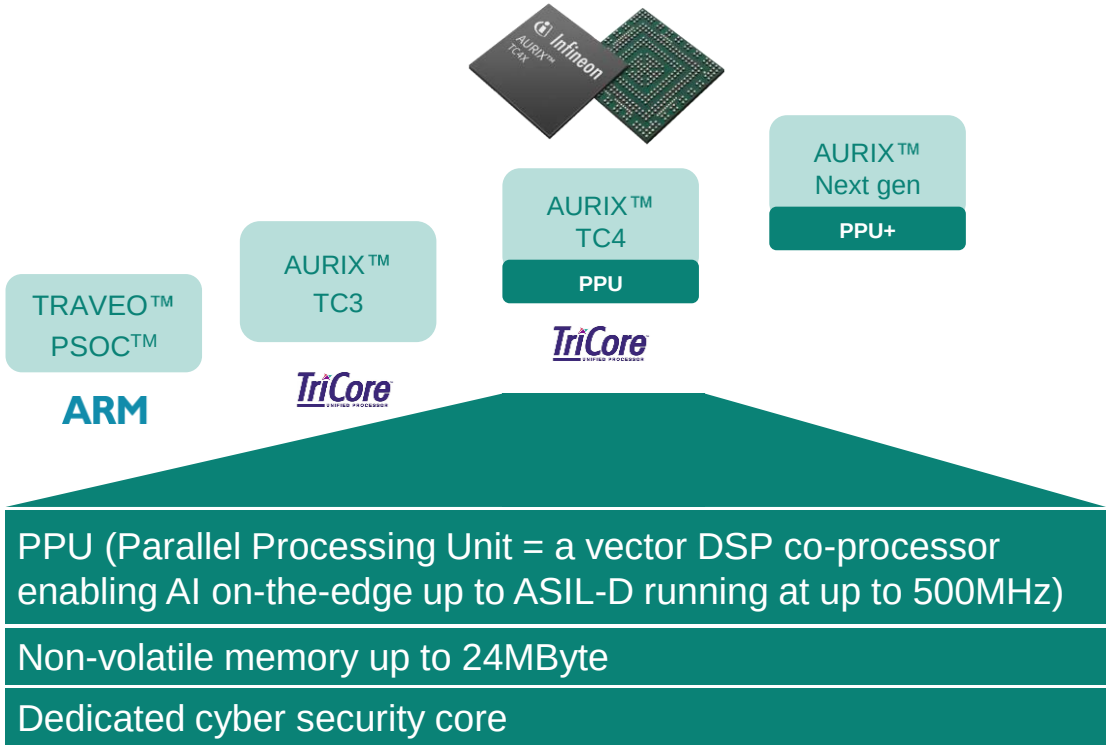
Strong performance and versatility	– High frequency, multi-core, large memory, data routing engine – Scalable MCU family
Rich connectivity	– Bridges and HW accelerators – High-speed interfaces
High safety and security	– ASIL-D functional safety – Asym. and sym. cryptography
Freedom from interference	– Hypervisor mode and virtual machines for efficient isolation and separation of applications

AURIX™ TC4x is already equipped for the requirements of the new E/E architectures

The Infineon AURIX™ family matches ideally all requirements in today's high-end applications

Map of application complexity and latency requirements





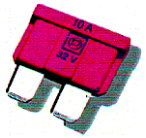
- Most of the real-time and safety-critical applications will not merge into a zone
- TC3 as safety host will remain the gold standard
- Emerging edge AI applications, fostered by imagimob acquisition

imagimob
An Infineon Technologies Company

Smart semiconductors in power distribution systems is key enabler for SDV while ensuring high availability and resilience

Infineon PROFET™ Wire Guard enables SDV

Relay replacement



Fuse replacement

Load status diagnostics

Switch

Protect

Diagnose

PROFET™ Wire Guard

Iso 26262 compliant

Fast failure isolation
(< 500 µs)

Central fuse box + many individual ECUs

- Big and heavy
- Complex wire harness
- High power loss
- Risk of interference

Decentral zone ECUs

- Light and small
- Simplified wire harness
- Power efficient
- Freedom from interference
- Design flexibility
- Enable ADAS/AD, x-by-wire

48V enables higher power demand features for future E/E architectures and automated driving

Demand of in-vehicle loads is sharply increasing and requires 48V architectures

- More high-power applications and the introduction of zonal E/E architectures drive the need for higher power capabilities
- 12V power systems are facing challenges
- Future-readiness for automated driving

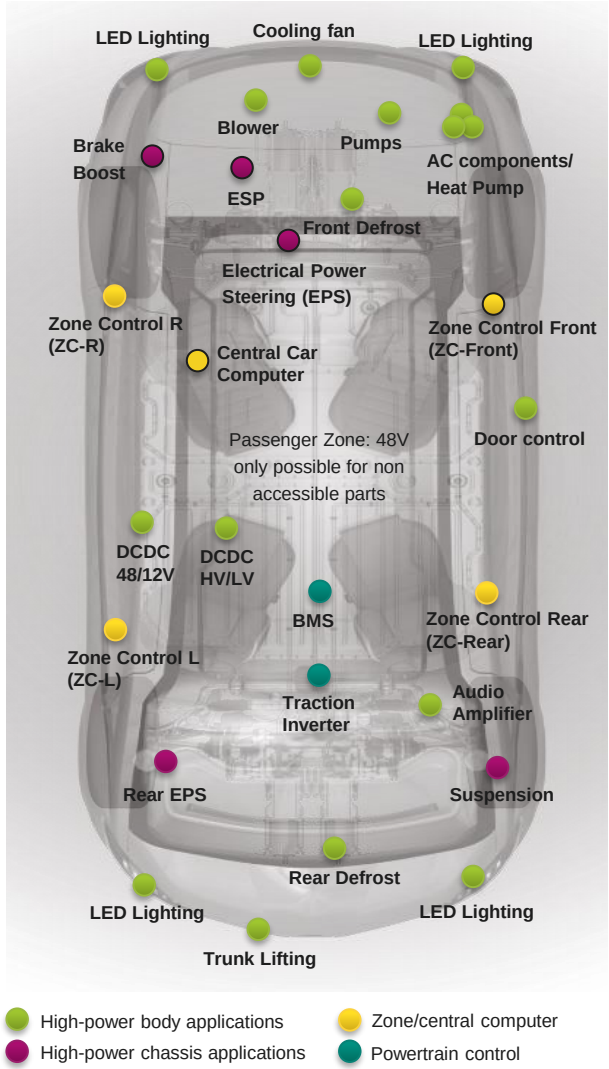
Present high-power features

– Body control	~1kW
– Chassis control	~1kW
– Powertrain control	~1kW
– Cockpit and ADAS control	~0.5kW
Power demand	**3-4kW**

around 3x

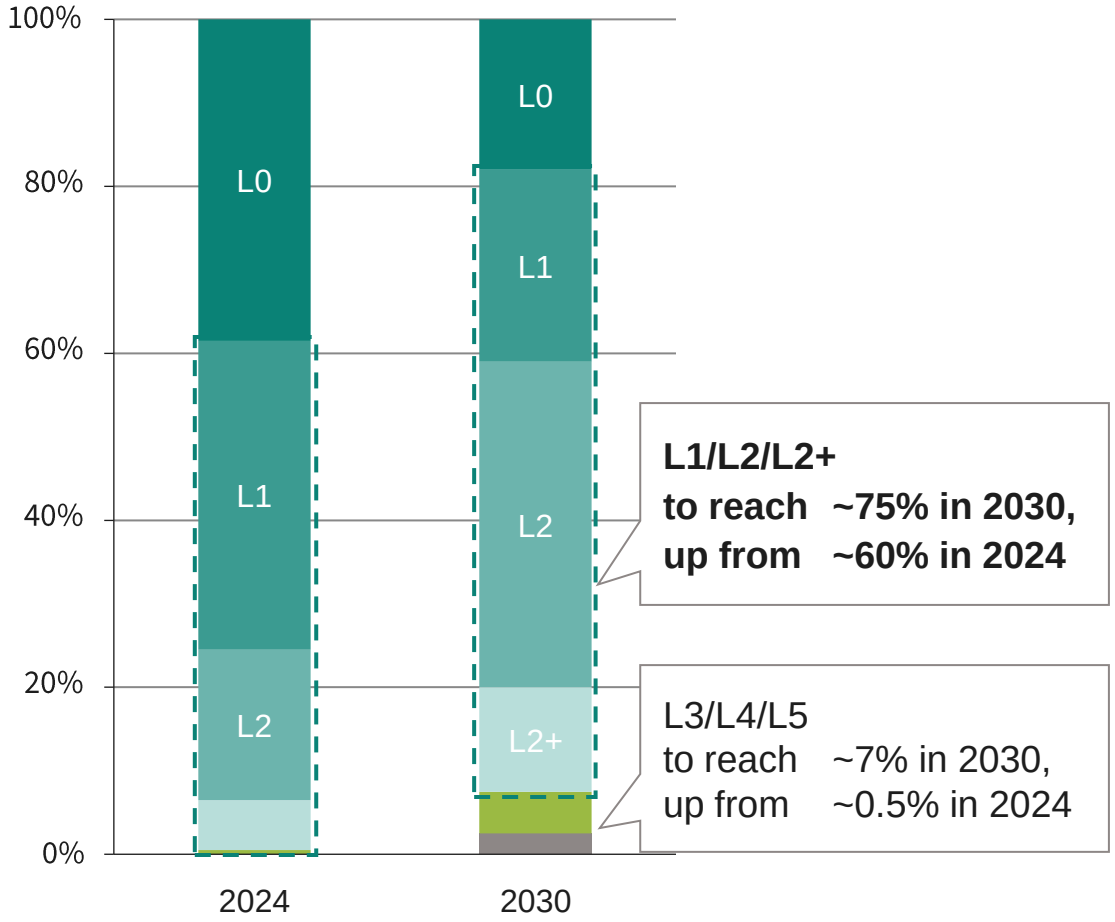
Future high-power features

– Steer-by-wire (EPS)	1-2kW
– Rear wheel steering	1-1.5kW
– Brake-by-wire (electro-mechanical brake)	1-2kW
– Active roll control	~3kW
– Active suspension	2-3kW
– Central computer	1-3kW
– Cockpit (infotainment)	0.5kW
Power demand	**9-12kW**



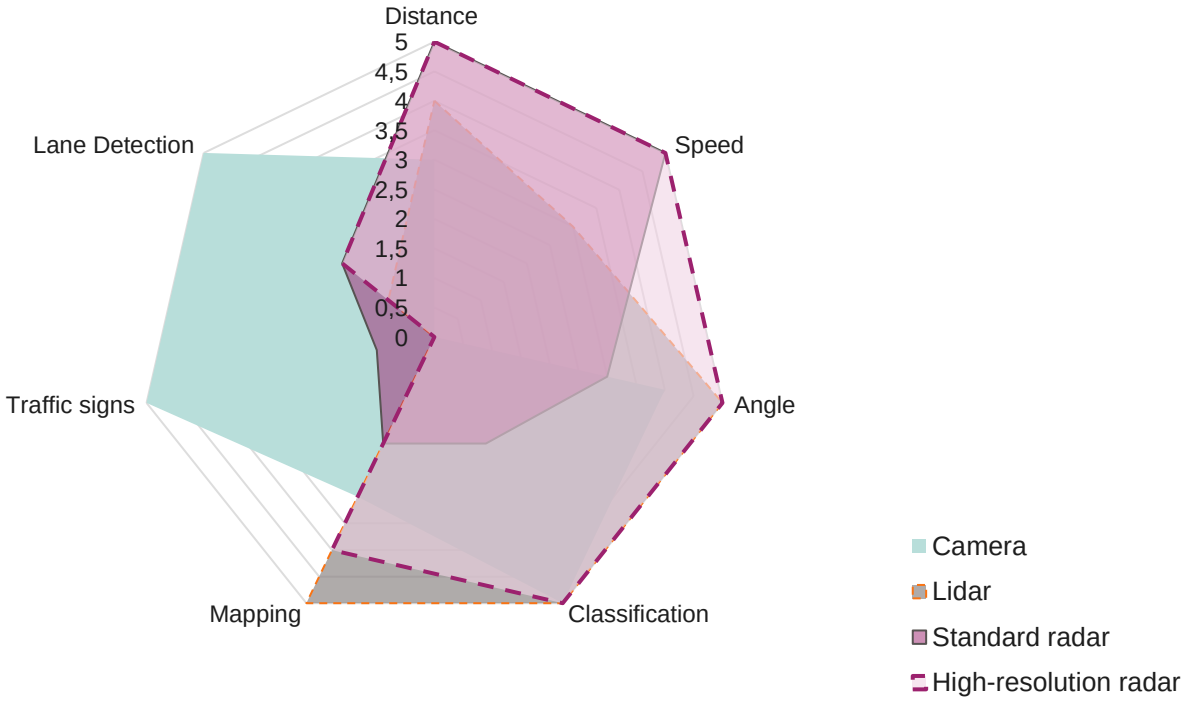
Growth of L1/L2/L2+ is the main driver of ADAS semiconductor content until 2030

Car production by degree of automation (SAE level)



Market research companies; Infineon

Radar is essential to meet decisive requirements of ADAS/AD

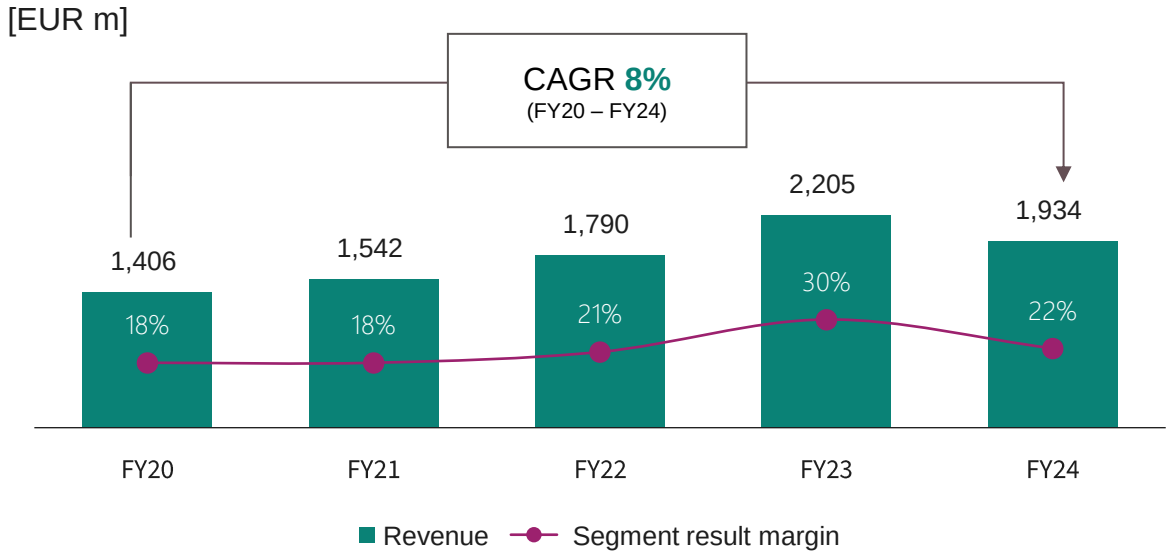


- Standard radar is **the** technology to detect distance and speed
- High-resolution radar significantly improves angle and classification

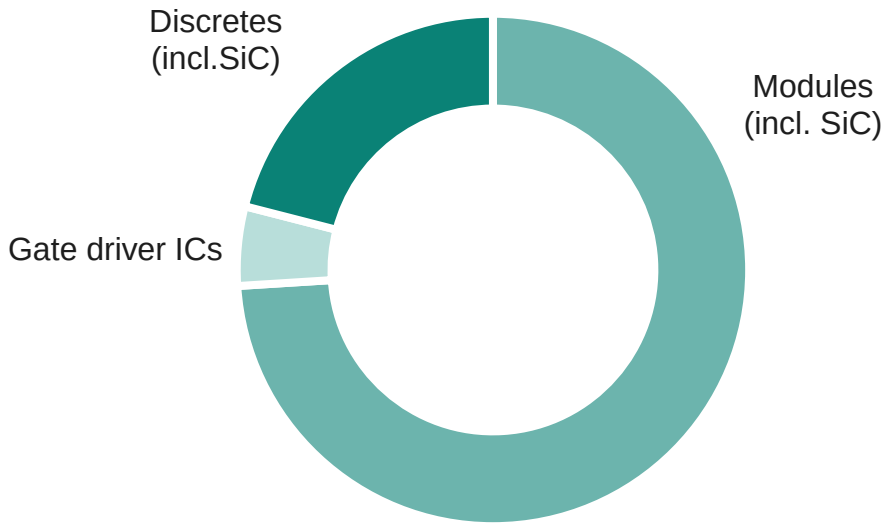
Green Industrial Power

GIP at a glance

GIP revenue and Segment Result Margin



FY24 revenue split by product group



Key customers

ABB, Alpitronic, ALSTOM, Bloomenergy, 中国中车 CRRC, GOLDWIND, INOVANCE, LG, Midea, OMRON, Rockwell Automation, Schneider Electric, SEMIKRON DANFOSS, SIEMENS, SMA, SUNGROW, Vestas, YASKAWA

Inventory correction in PV and Drives continues into 2025, growth in Power Infrastructure and Transportation

Applications % of FY24 segment revenue	Market outlook for CY25
 **~30%** Renewable Energy Generation	– PV: due to persistent high semi conductor inventories in value chain and price declines semi market for PV is expected to decline. Nevertheless new PV installations of ~585GW are expected to be added (yoy +8%). – Wind: 154GW additional capacity expected to be installed (yoy +22%) and serves as the base for double digit growth in semi demand.
 **~10%** Power Infrastructure	 – T&D: continuous investment by energy providers support semi demand. – UPS: robust demand is supported by (AI) datacenter growth. – Charging stations: Greater China market momentum supports double digit growth (although slowed EV adoption and high inventories in the EU). – ESS: demand growth momentum is underpinned by further government support (e.g. COP29 pledge)
 **~10%** Transportation	 – Trains and Traction: market is back to pre-COVID level. Double digit growth expected due electrification of locomotives and invest in infrastructure. – CAV: yoy double digit percentage growth expected.
 **~30%** Automation & Drives	– High inventories in the value chain and price pressure negatively impact semi demand growth. Improvement not before mid 2025.
 **~10%** Heating, Ventilation, Air condition	– Growth mainly supported by demand in residential aircon in Emerging markets. High inventory (EU, US) as well continuous weakness in Greater China housing sector continues to negatively impact semi demand growth.
 **~10%** Home Appliance	– Consumer sentiment needs further improvement for sustainable demand recovery. Not expected before end of CY25.

Huge potential along entire green energy chain until 2030 according to IEA Net Zero scenario

Generation

Photovoltaic	**+4,600GW**
Wind power	**+1,900GW**

Infrastructure

Grid network	**$600bn annual investments**
Grid storage	**+900GW**
EV charging	**+185m chargers (public and private)**
Electrolysis	**+560GW**

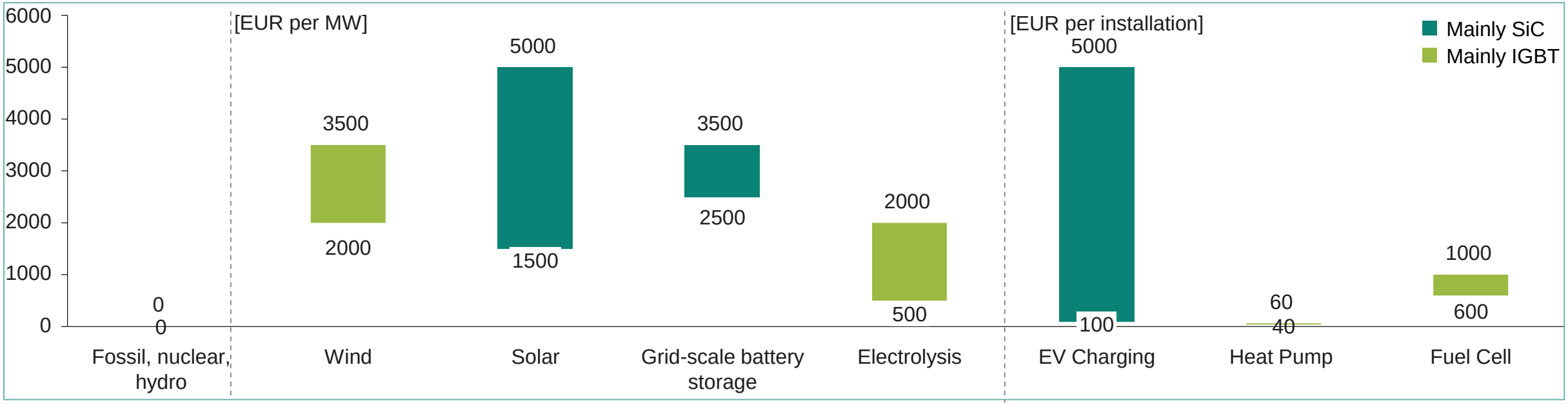
Consumption

Heat pump	**+420m units**
H_2 Fuel cell[1]	**+200k FC EV +200k FC Trucks**
eAviation | eMarine	

Note: Based on Net Zero Scenario (IEA) | Source: IEA - World Energy Outlook, October 2023, **1** Internal Analysis

Green energy generation provides large business opportunities

Power semiconductor content by application

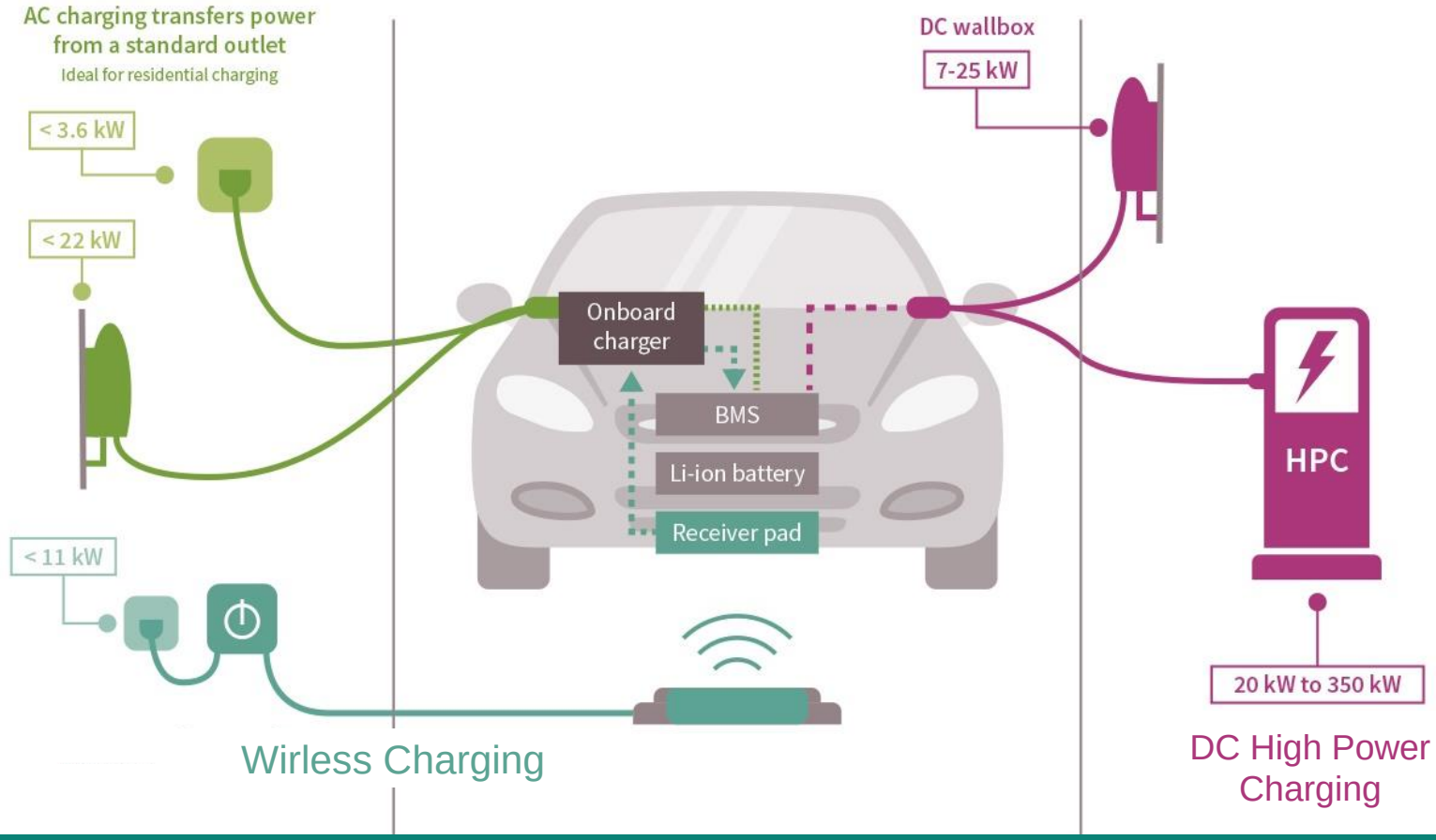


Additions in 2022[1)]	**74**[GW]	**220**[GW]	**12**[GW]	**<1**[GW]	**~6m**[inst.]	**22m**[inst.]	**5k**[inst.]
CAGR 2023 – 30	**16%**	**23%**	**56%**	**92%[2)]**	**31%**	**16%**	**42%**

[1] IEA: World Energy Outlook, October 2023; Sector Tracking reports October 2023; internal Analysis
[2] Based on 270 GW pipeline (midpoint), >100% based on NZE requirements of 560GW

EV charging is a key strategic application for Infineon
We cover the full ecosystem from AC to high power DC charging

Connectivity solutions	Automotive systems	High power industrial systems

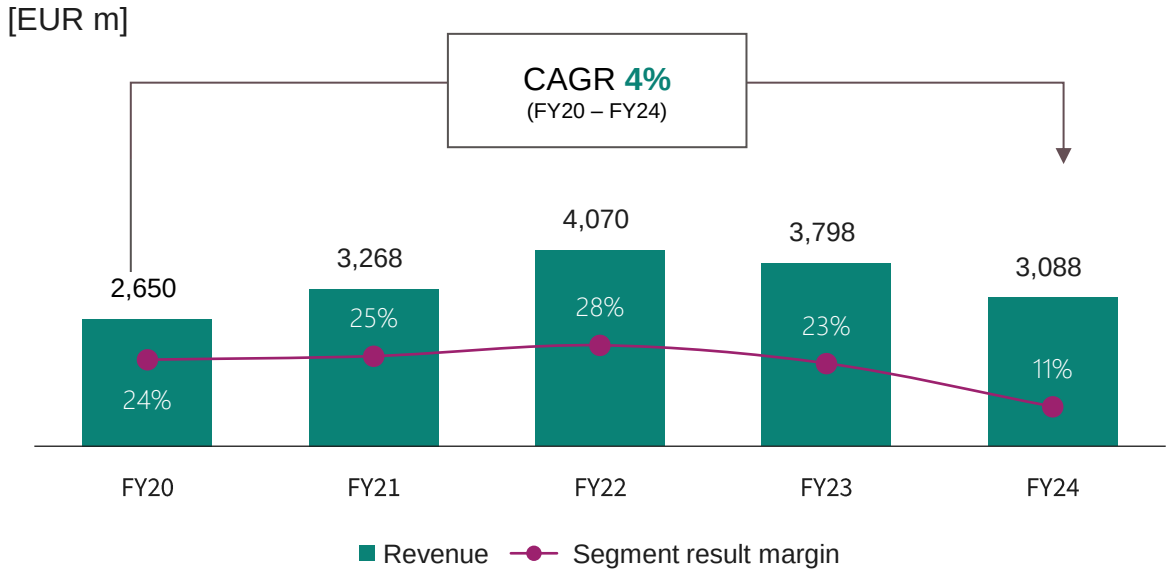


Infineon targets the complete EV charging ecosystem from AC to high-power DC

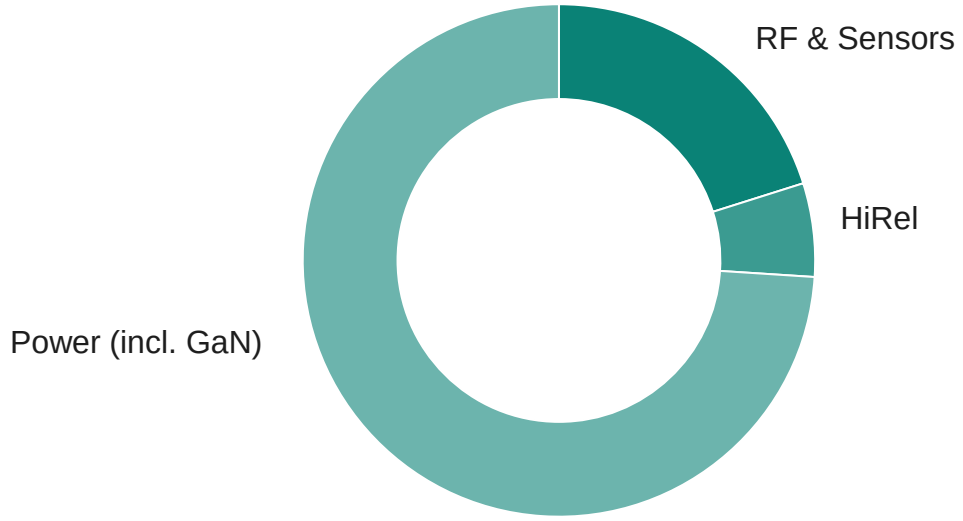
Power &
Sensor Systems

PSS at a glance

PSS revenue and Segment Result Margin



FY24 revenue split by product group



Key customers

amazon · cisco · DELL · DELTA · ERICSSON · ENPHASE · Google
hp · LITEON · Makita · Panasonic · SAMSUNG · solaredge · ZTE

CY25 end-market uncertain with limited visibility; upside potential driven by improving macro conditions and AI

Applications % of FY24 segment revenue[1]	Market outlook for CY25
~20% Computing	– Server AI strength to continue in CY25 and will be complemented by cloud computing growth. – PC market is expected to see traction from refreshment cycle during 2H CY25.
~5% Communications	– Flattish year-over-year telco capex development expected.
~10% Smartphones	– A year-over-year increase in smartphone unit shipments is forecasted.
~25% Consumer	– Some consumer markets picking up in CY25, however uncertainty and lower consumer confidence remains.
~30% Industrial	– Industrial market expected to benefit from lower interest rates and Chinese EV market but still uncertainty and inventory to be digested.

[1] Does not sum up to 100% due to other applications not shown here

Sensor business in one organization will create clear benefits for the customers as 3rd pillar besides Power & Embedded Control

Infineon joins forces to become a leader in the sensor market

Customer centricity

Strengthen go-to-market approach

Faster time-to-market

Comprehensive portfolio

Combined roadmap for innovation leadership

Leverage synergies

Innovation-to-customer

Shared and broad customer support

More customer value

PSS Business Unit SURF (Sensor Units & RF)

PSS Business Line
Radio Frequency & Sensors

RF | Ambient Sensing | MEMS

ATV Business Line
Sense & Control

MEMS | Magnetics | Radar

Consolidated product portfolio with broad applications

Automotive

Industrial

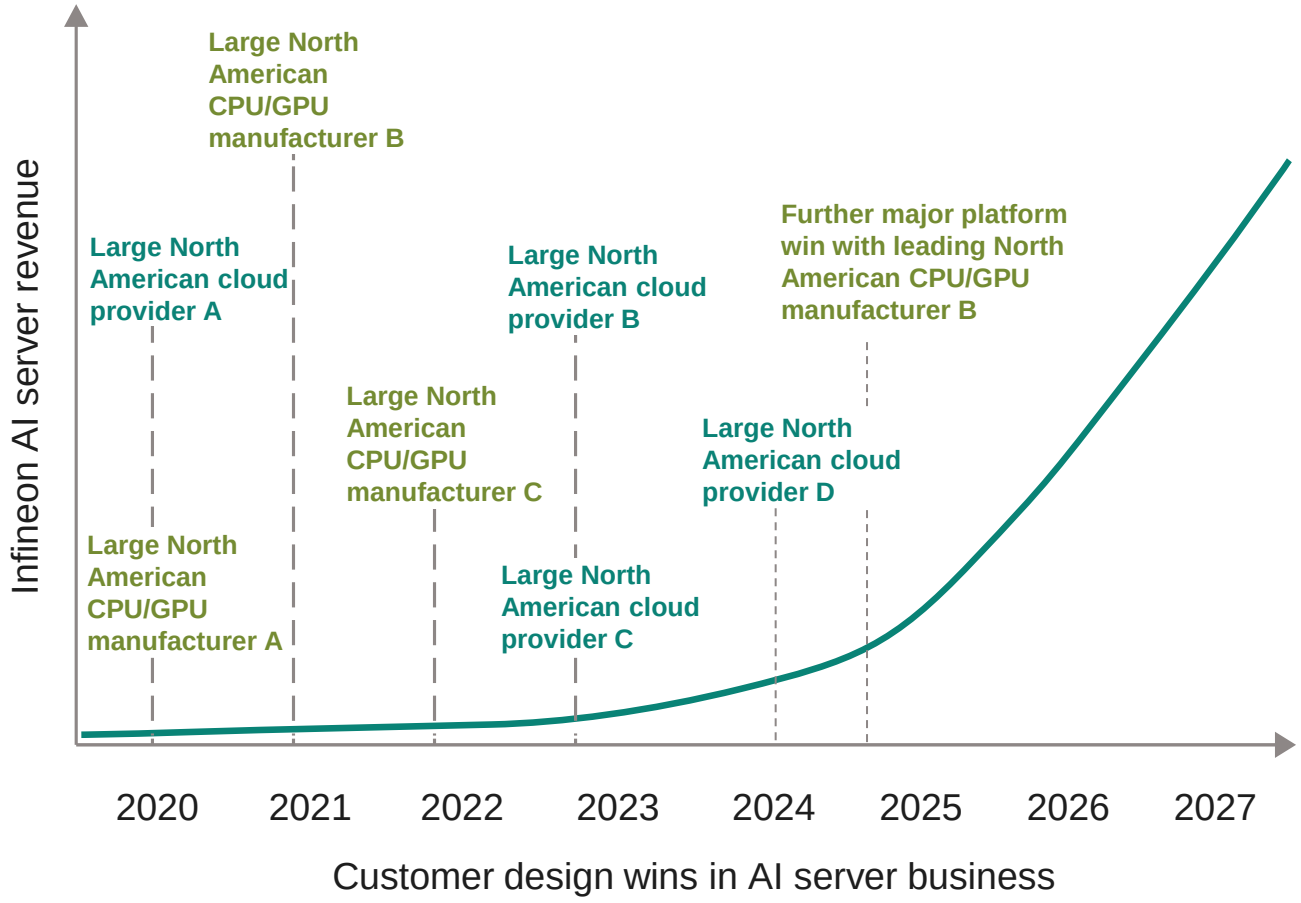
Consumer

Magnetic Sensors			MEMS				RF	
Speed	Current	Position	Pressure	Gas	Sound	Innovation	Radar 3D-Imaging	Mobile & Wireless IF

Infineon SURF serves all markets even better

- Efficiency gains by leveraging synergies
  - Short term: more sensor holistic business development and support
  - Mid- to long term: stronger product roadmap and go-to-market

AI will be a strong driver of revenue increase for Infineon's server business

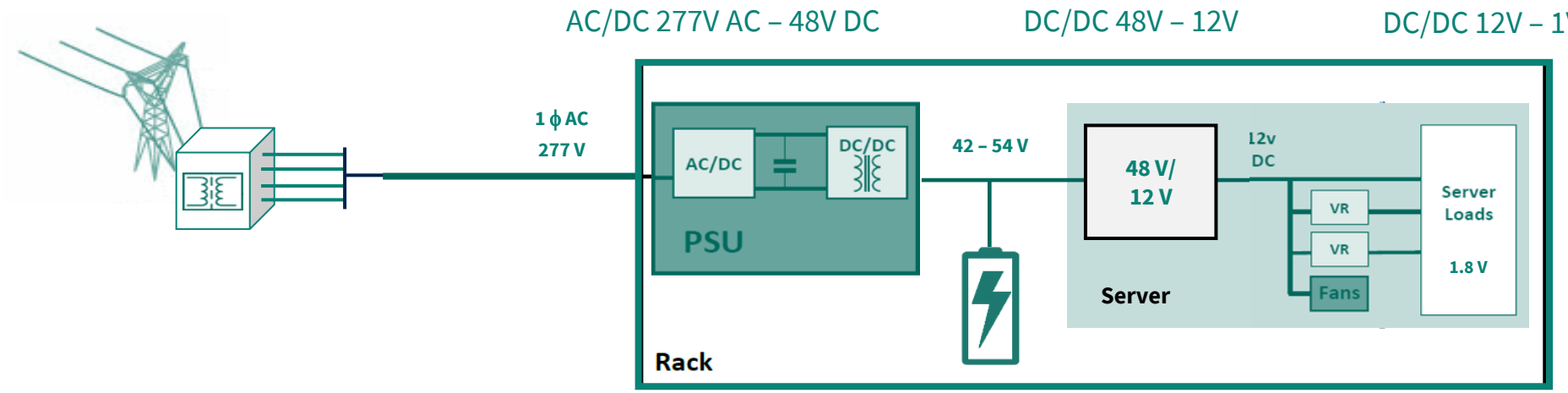


In FY25 AI revenue
in our server business
is expected to be
around €600m

We expect to reach
€1bn within the next 2 years

With its energy efficient power semiconductors Infineon is serving all AI-related power conversion from grid-to-core

Power delivery network losses in an average AI data center

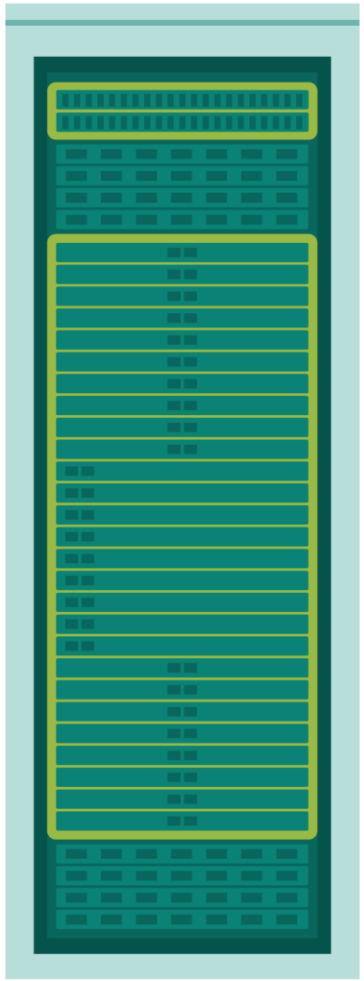


Average data center power flow efficiency today	97%	97.5%	90%	~85%
Efficiency potential from Infineon's leading power semi solutions[1]	98%	98%	94%	**~90%**

Total system efficiency

[1] Using GaN, SiC & vertical power modules

Leading performance high density AI Server for accelerated compute – Infineon BOM per AI server rack up to between $12k and $15k



Simplified visualization

Top of rack switches
x1 $200-215

PSU (Power Supply Unit)
x24 ~$120

Compute Tray
x10

Switch Tray
x9

Compute Tray
x8

~$120
Either or
~$70

x24

PSU (Power Supply Unit)

BBU (Battery Back-up Unit)

x36 → **GPU Board** (2 GPU + 1 CPU) ~$130 — 2nd stage

x18 → Power Delivery Board → **48V Bus Converter** $70 - $150 — 1st stage

x108 → **Smart Network Interface Cards** ~$8

Protection (Hot-swaps, eFuses)
x >300 ~$3

Power System Reliability Modeling possible on every controller

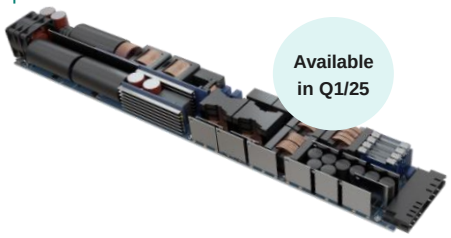
Infineon is tackling the rising power requirements of AI systems with its state-of-the-art PSU solutions for AC/DC

Power Supply Unit (PSU) solutions ranging from 3kW to 12kW and beyond

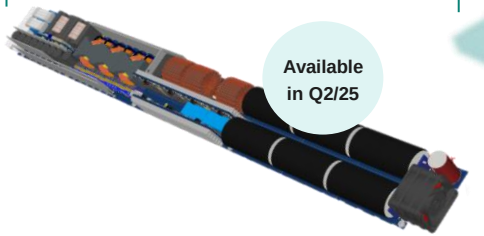
3kW
η 97,5%
32 W/in^3
1-phase
Si SiC

3.3kW
η 97,4%
98 W/in^3
1-phase
Si SiC GaN

8kW
η ~97,5%
100 W/in^3
1-phase
Si SiC GaN



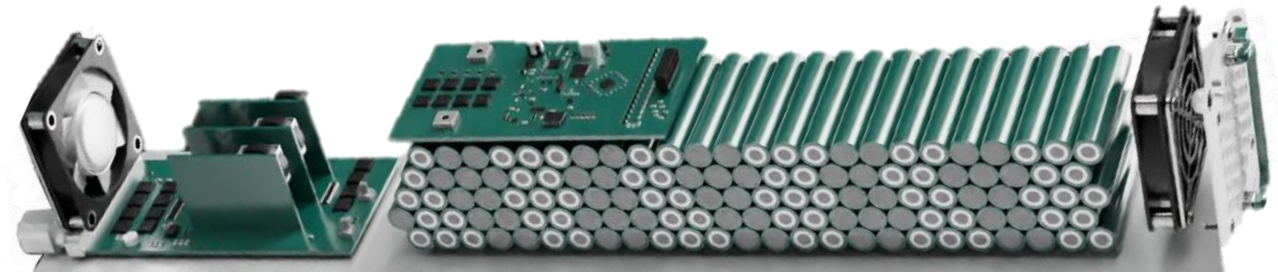
12kW
η ~97,5%
113 W/in^3
1-phase
Si SiC GaN



>12kW
3-phase
Si SiC GaN

12kW partial Battery Backup Unit (BBU) – Meeting increasing power demands and strict space constraints for AI server

BBU Module Functions



- Higher **power density x4**W/cm^3
- **Efficiency** increase **+1 - 1.5%**
- **Flat efficiency curve**
- **BOM optimization** thanks to the down-sizing of component rating
- **Unparalleled power density and efficiency** by harnessing the potential of **GaN technology**

[1] TCO – total cost of ownership

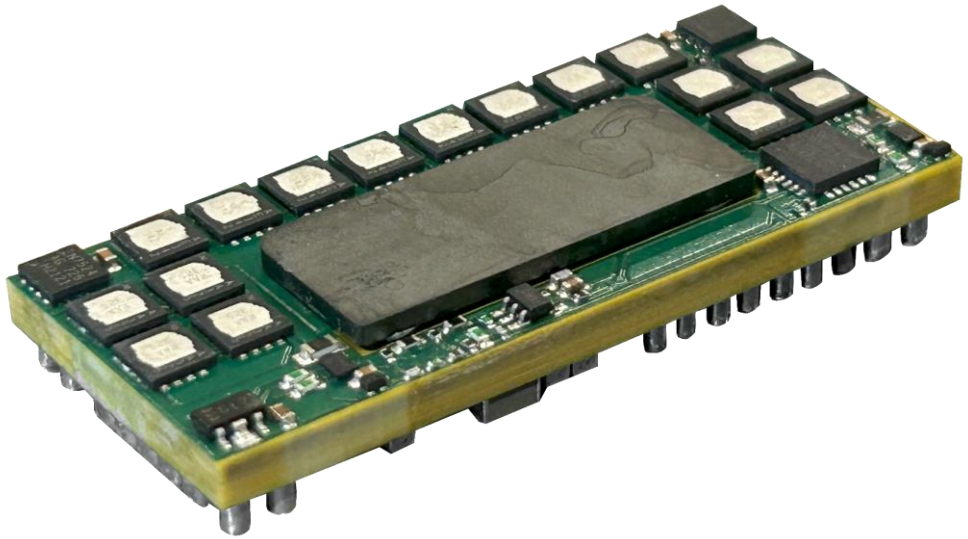
1. **Converter Power Density** to **enable more battery cells** per BBU
2. **Protect AI servers** from power fluctuations (peak power shaving)
3. **Prevents data loss** and **system downtime**
4. **Efficiency for TCO[1]** in peak shaving
5. **Thermal Management** in air cooled solutions
6. **Quicker recharge**
7. **Full system** product portfolio based on Infineon's **patented topology**

Outperforming existing solutions in terms of efficiency, power density and cost-effectiveness

48V Intermediate bus converter Bus Converters (IBCs) – Meeting AI Demands for power density, duality, reliability, and efficiency

Up to **5,000 defects per million (dpm)** are linked to IBC failure (target is **<500dpm**)
Cost of unplanned system downtime and rework due to component failure is very high

Our solution: Infineon's first IBC Module for AI



[1] MTBF – mean time between failures
[2] TCO – total cost of ownership

1. With a wide range of **IBC topologies**, IFX is serving a multitude of different server rack configurations while ensuring cost-effectiveness
2. **Quality and Reliability** to improve MTBF[1] in complex systems
3. **Power Density** as GPU power increases
4. **Efficiency for TCO[2]**
5. **Thermal Management** in air / liquid cooled solutions
6. **Supply security** with 2nd source and fast time to market

Dual-phase power modules enabling vertical power delivery matching increasing AI demands for power density and smaller form factor

Two Chip Embedded Power Stages

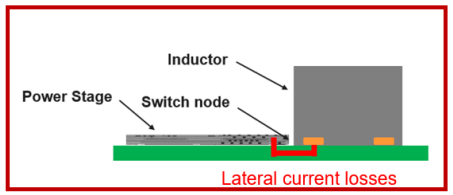
mounted on PCB [1A/mm²]

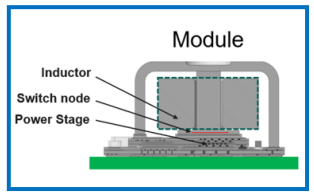
TDM2254X

3x die embedded

10 x 9 x 8/5 mm³

80A TDC / 160A pk





Two Embedded Power Stages

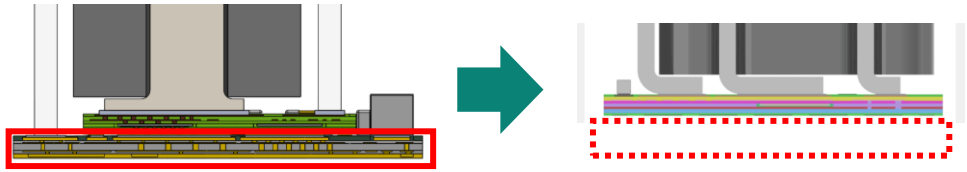
in Single Substrate [1.5A/mm²]

TDM2354X

6x die embedded

8 x 8 x 4 mm³

80A TDC / 160A pk



Pushing Power Density Envelope

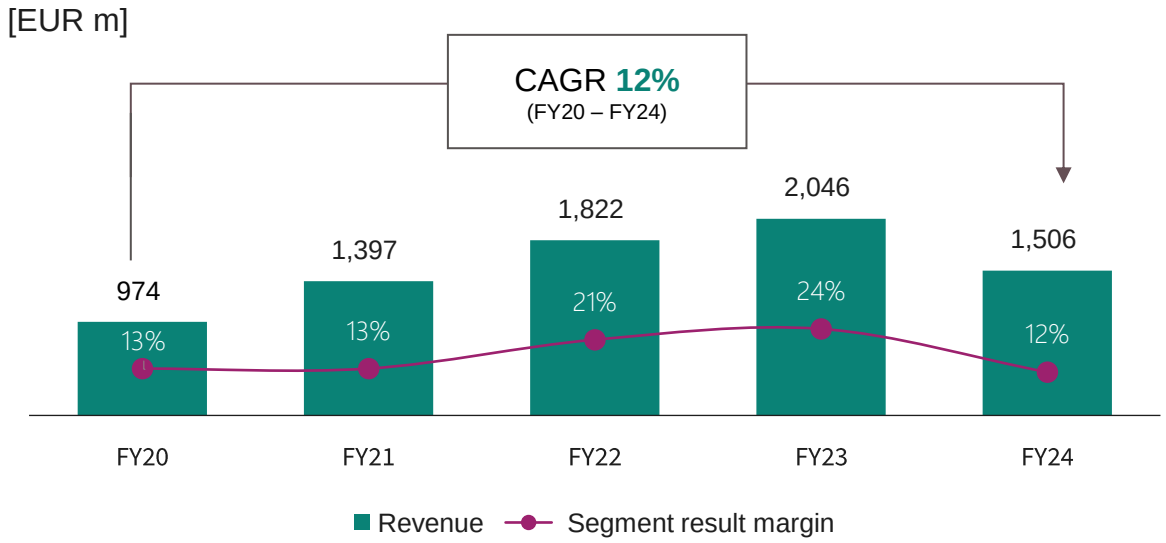
- 0.5% lower module power losses
- Enhanced thermals enabled through Chip Embedding

- 20% reduction in height
- 30% reduction in area

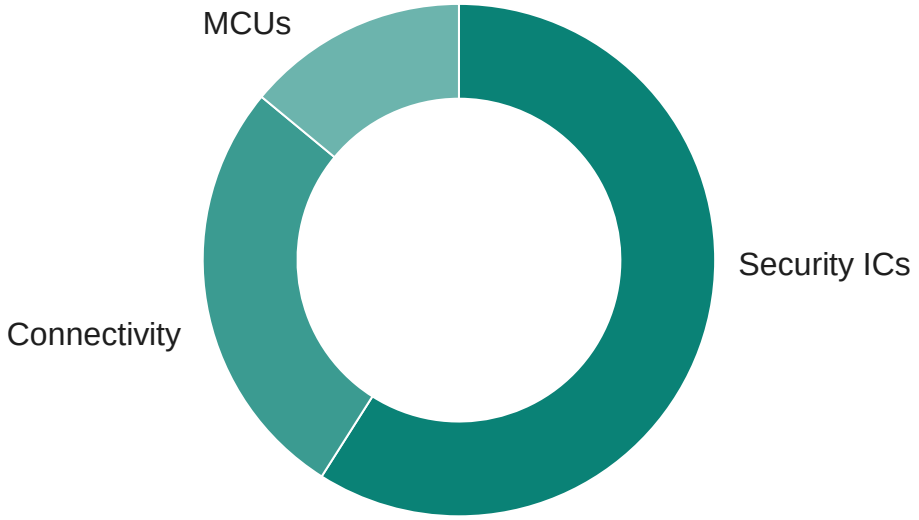
Connected Secure Systems

CSS at a glance

CSS revenue and Segment Result Margin



FY24 revenue split by product group



Key customers

AdvanIDe, amazon, arlo, AUSTRIACARD, cpi card group, GD, GPO, Haier, Hisense, hp, IDEMIA, Midea, Nintendo, PERFECT Plastic, Raspberry Pi, SAMSUNG, SONY, THALES

Outlook for CY25 influenced by continuing macro uncertainties and low consumer sentiment

Applications % of FY24 segment revenue		Market outlook for CY25	
~55% Industrial and Consumer IoT	Industrial IoT	→	– Risks remain, but a potential recovery could occur in the second half of CY25 if the macroeconomic situation stabilizes, leading to increased investments.
	Home Appliances	→	– A gradual improvement is expected during CY25, driven by new product launches and regional incentive programs.
	Smart Home	→	– The market may accelerate due to new product introductions and standards like Matter. However, growth prospects are tempered by macroeconomic risks and low consumer confidence.
	Health & Lifestyle	→	– Wearable devices might show growth driven by new product introductions, however growth prospects are affected by macro economic risks and low consumer confidence.
	Media, Game & Compute	↗	– Smartphone unit shipment increase forecasted for CY25; PC market expected to see traction from refreshment cycle; Slight growth expected for Gaming due to new product launches.
	Automotive	→	– Headwinds including low consumer confidence and inventory corrections put pressure on growth prospects.
~45% Smart cards	Payment	↘	– While card issuing is assumed to be stable, inventories in the value chain are assumed to affect the market growth.
	Identification	→	– FY25 demand might be affected by stock overbuild at the customers.

CSS offers a compelling product portfolio and roadmap for IoT

Microcontrollers (PSoC™ and XMC™)

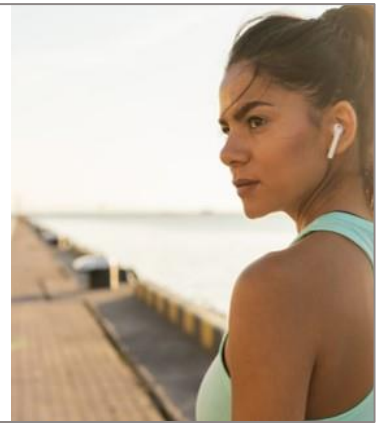
- PSoC™ family for general purpose, XMC™ family for industrial
- Strength in low power, high performance, and capacitive touch sensing
- Compelling roadmap focused on AI, security, and integrated connectivity

AIROC™ Wi-Fi and Combos

- Wi-Fi standalone and Wi-Fi & Bluetooth® Combo chips for end devices
- Focus on innovation for IoT applications: reliability and power
- Strong leader for battery-operated Wi-Fi
- Recent new product introduced Wi-Fi 6 & 6E – the first IoT-focused product in the brand new 6 GHz band

AIROC™ Bluetooth®

- Portfolio of standalone and PSoC™-integrated Bluetooth® and Bluetooth® Low Energy products
- Strong position in wearables, gaming, remote controls, HID, and automotive
- Introducing new products to support the newest smart-home industry standard: Matter

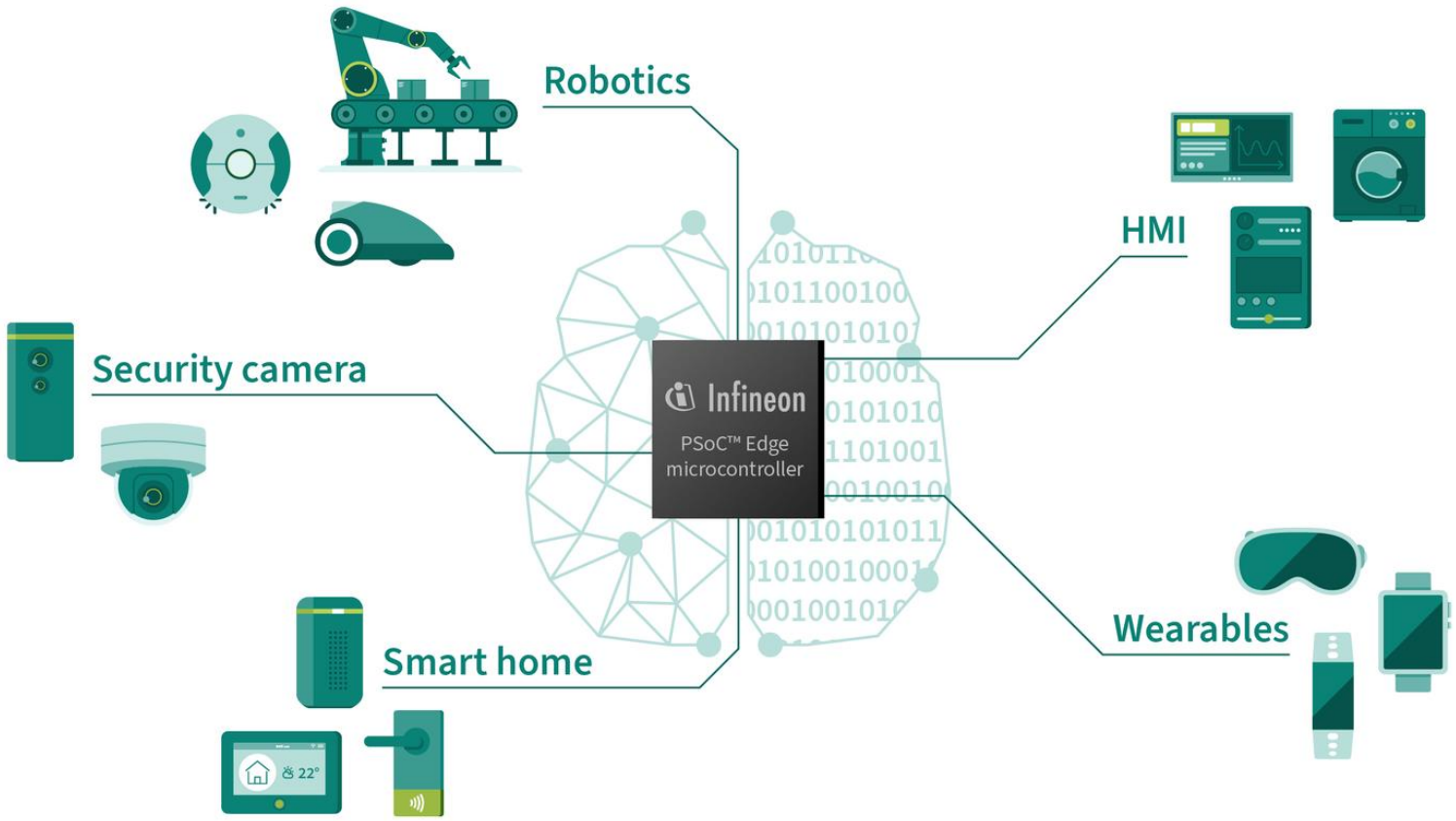


ModusToolbox™ and Software

- ModusToolbox™ is a rich embedded software development toolset to accelerate and simplify development for Infineon MCUs, and the core development platform for Infineon software
- Strong set of SW features in MCU and connectivity SDK's
- CIRRENT™ is a cloud services platform for data-driven improvement of connectivity and delivery of innovative IoT services

Next-generation PSOC™ Edge portfolio: Infineon PSOC™ Edge E81, E83 and E84 microcontroller families

PSOC™ Edge – Enables a new generation of responsive machine learning devices



Fully integrated system-on-chip (SoC) devices supported with **comprehensive system design tools and software**.

Based on the **high-performance** Arm® **Cortex®-M55** with an embedded **ultra low power technology.**

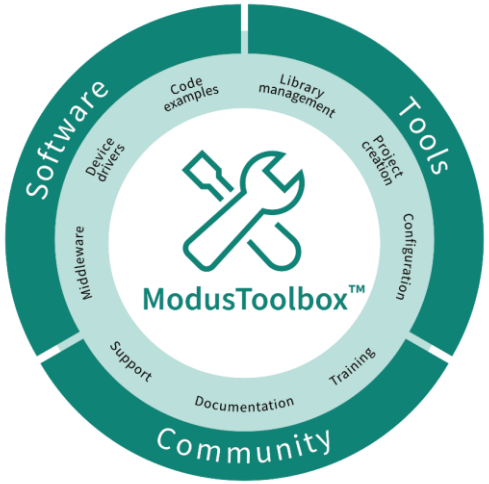
Robust **security with on-chip**, hardware-isolated **secured enclave**

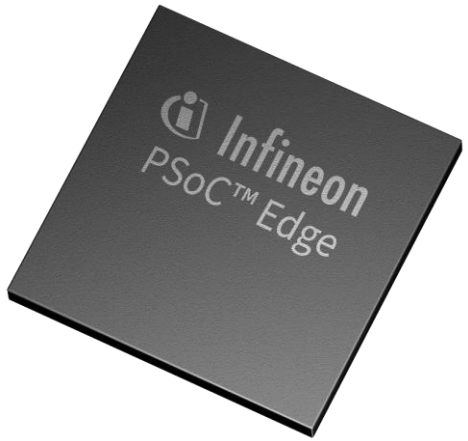
Out-of-the-box **Machine learning enablement**

Quickly move from concept to product enabling **fast time-to-market** for IoT and consumer applications.

Customized Machine Learning on PSOC™ Edge with Imagimob Studio and ModusToolbox™

With the seamless integration of **Imagimob Studio** and **ModusToolbox™** companies can build and deploy robust machine learning models. When paired with **PSOC™ Edge**, companies can optimize power consumption and improve efficiency while adding intelligence to products.





Imagimob Studio, Infineon's platform for machine learning development, makes it easier to create Edge AI models

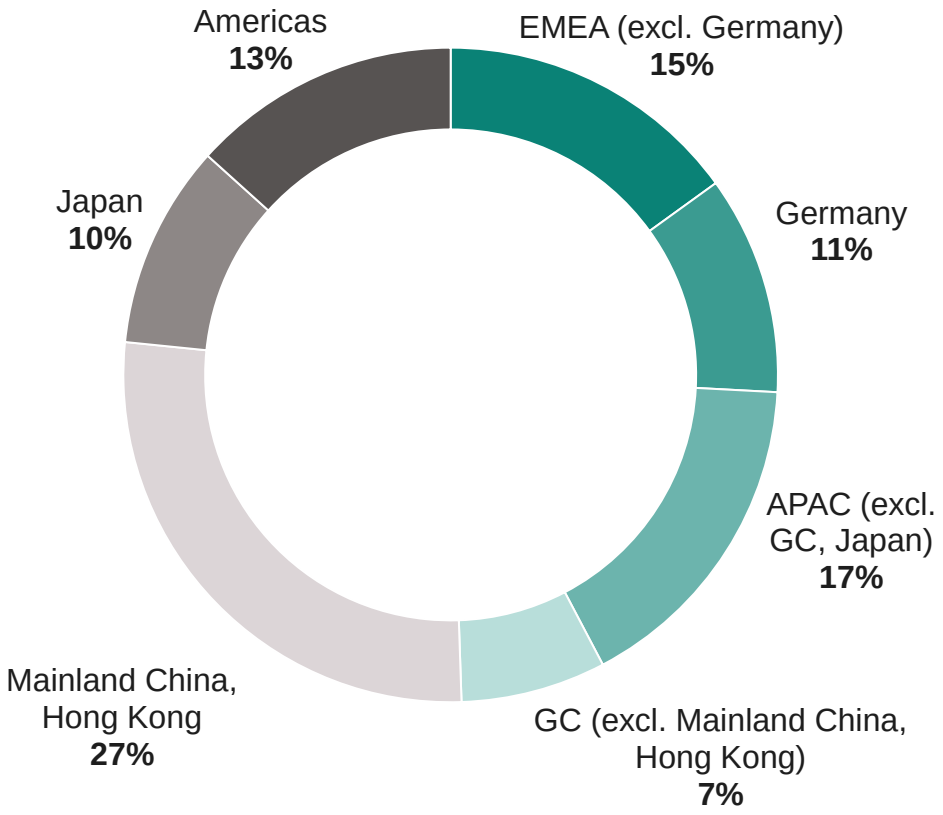
ModusToolbox™ Software is a modern, extensible development ecosystem

PSOC™ Edge is the next generation Machine Learning-enhanced sensing, low power, secured, and advanced HMI high-performance microcontroller

Selected financial figures

Strong presence in all regions; well-balanced customer portfolio; no customer represents more than 10% of total sales

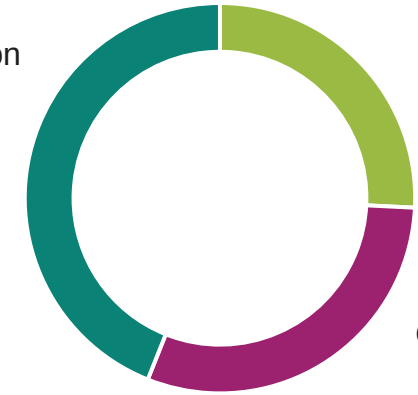
FY24 revenue by region



Revenue by sales channel

Distribution partners[1]

Top-10 direct customers[1]

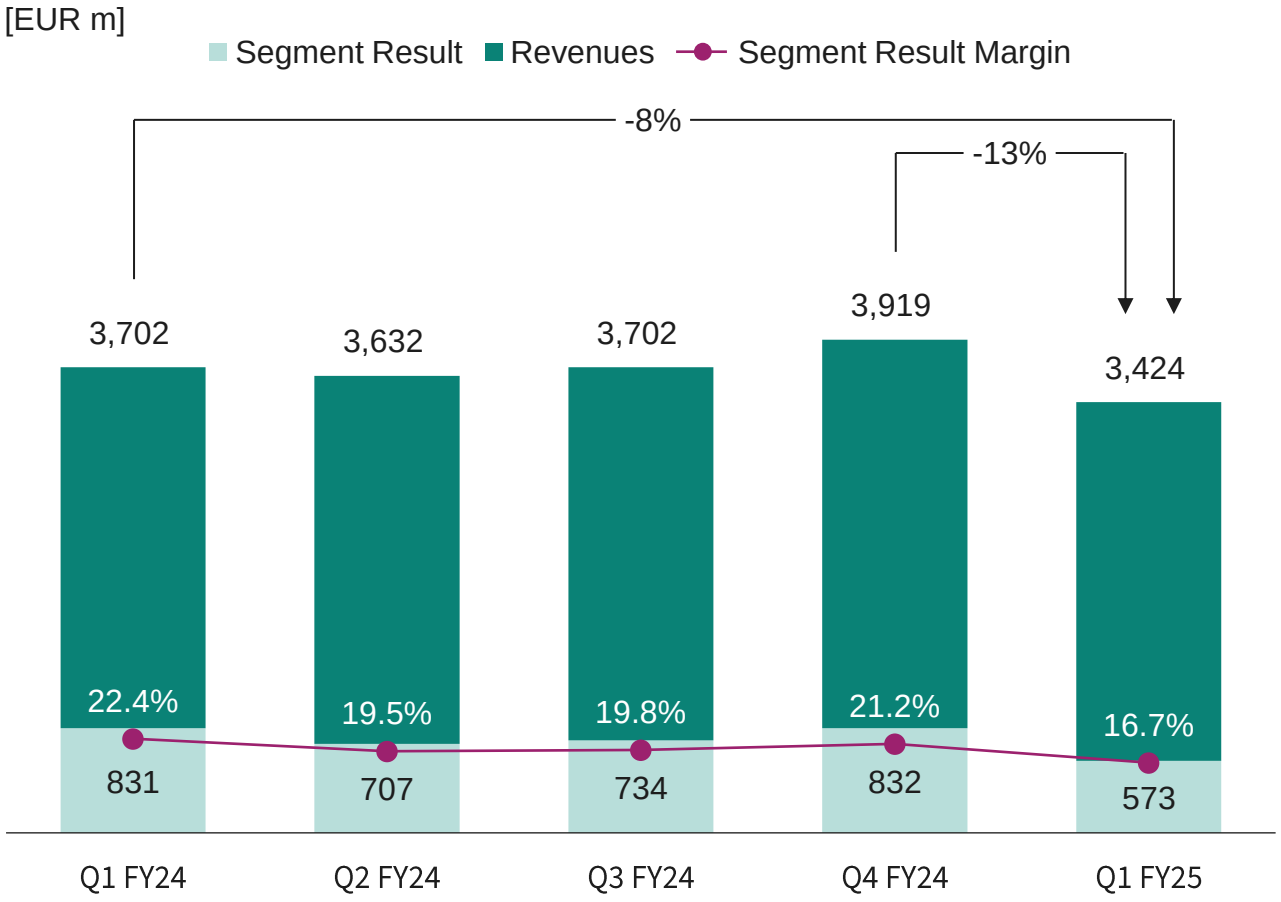


EMS partners[1]

1 In alphabetical order

Group financial performance

Revenues and Segment Result

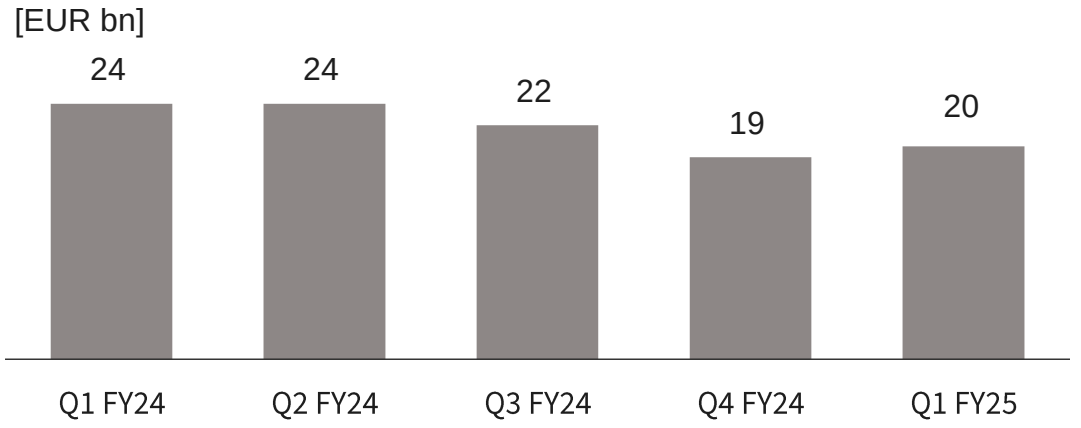


USD exchange rate

Average revenue exchange rate

	Q1 FY24	Q4 FY24	Q1 FY25
ø USD/EUR	1.08	1.10	1.07

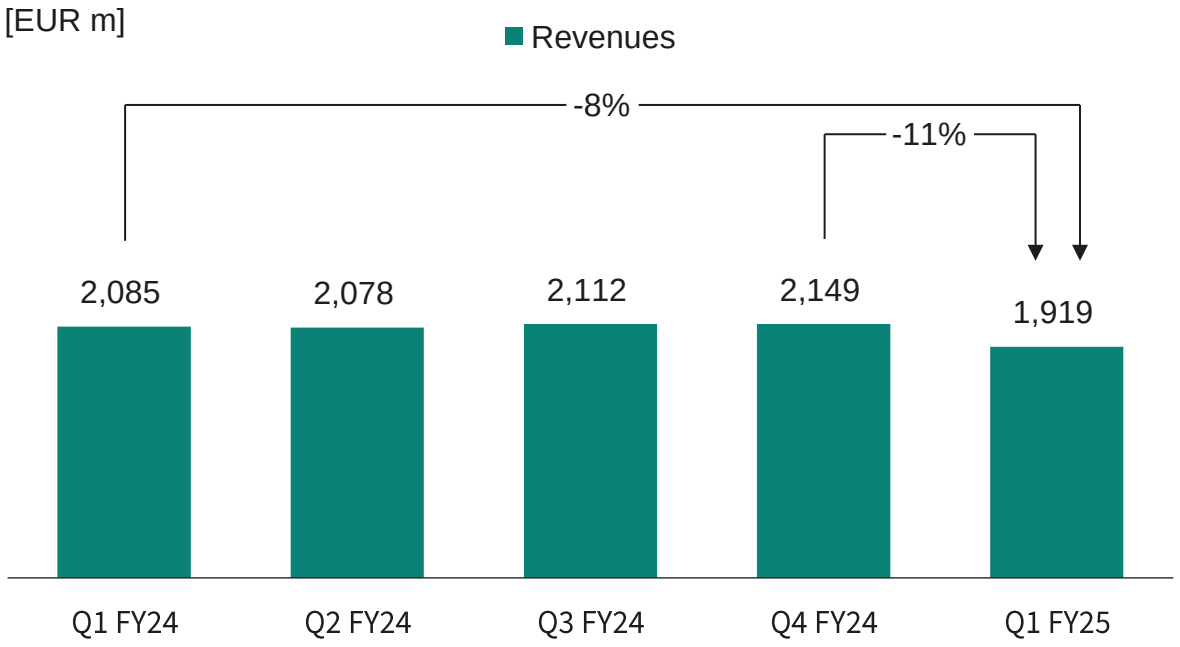
Order backlog[1]



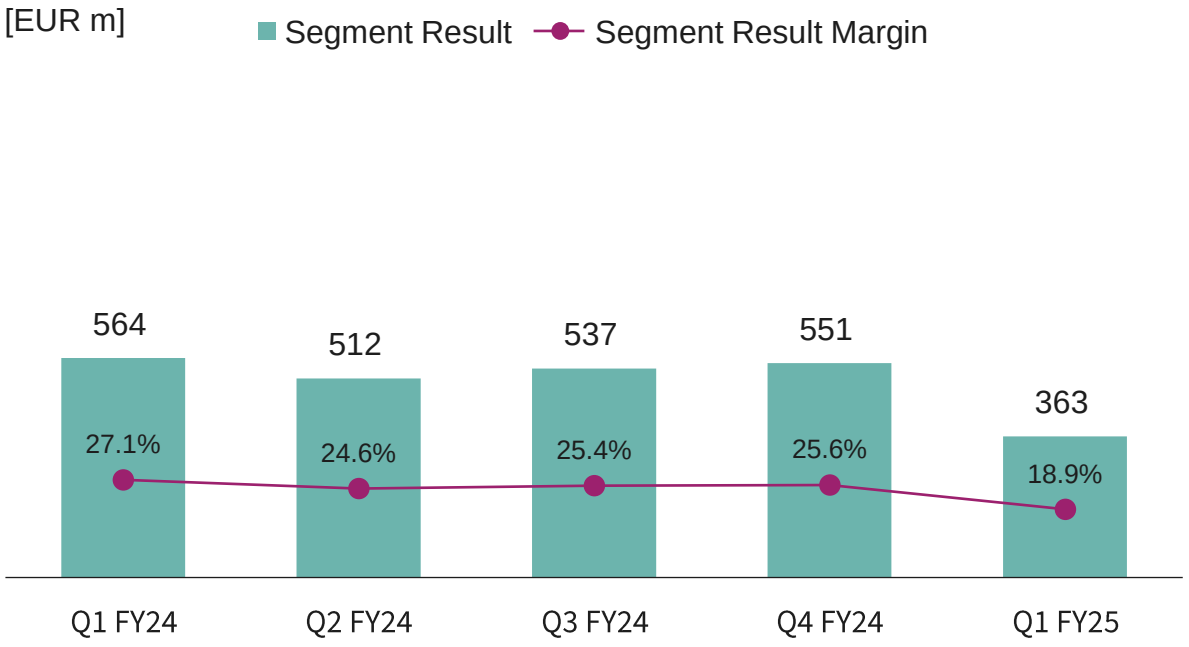
[1] See notes for definition

Automotive (ATV)

Revenues



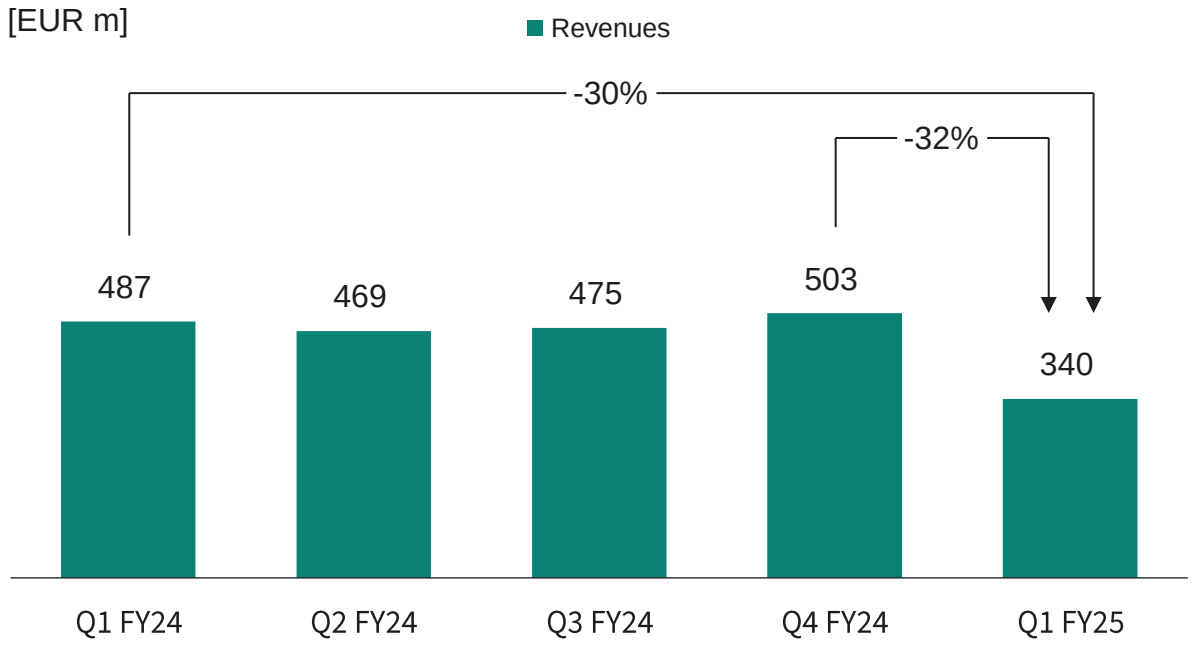
Segment Result



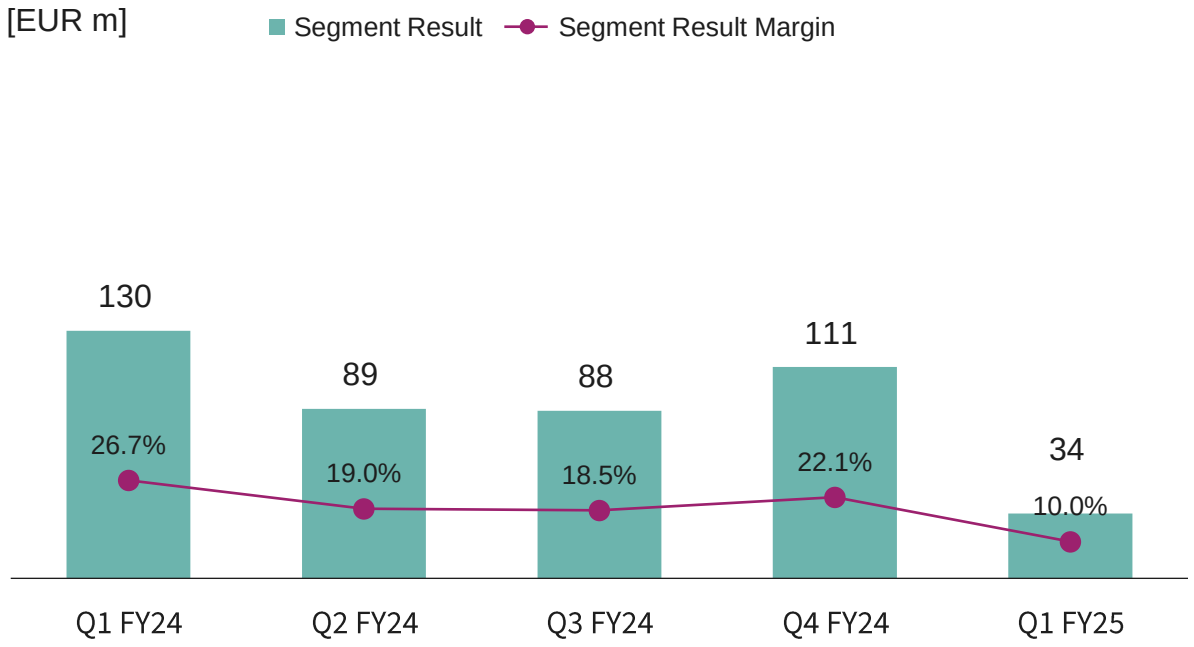
- Revenue decrease due to significant inventory adjustment by customers, compounding seasonal effects. Sales volumes in China were more resilient than forecast.
- Segment result decline due to lower volumes, underloading charges and some adverse mix effects.
- Inventory de-stocking will remain a major drag on revenues in the near term.

Green Industrial Power (GIP)

Revenues



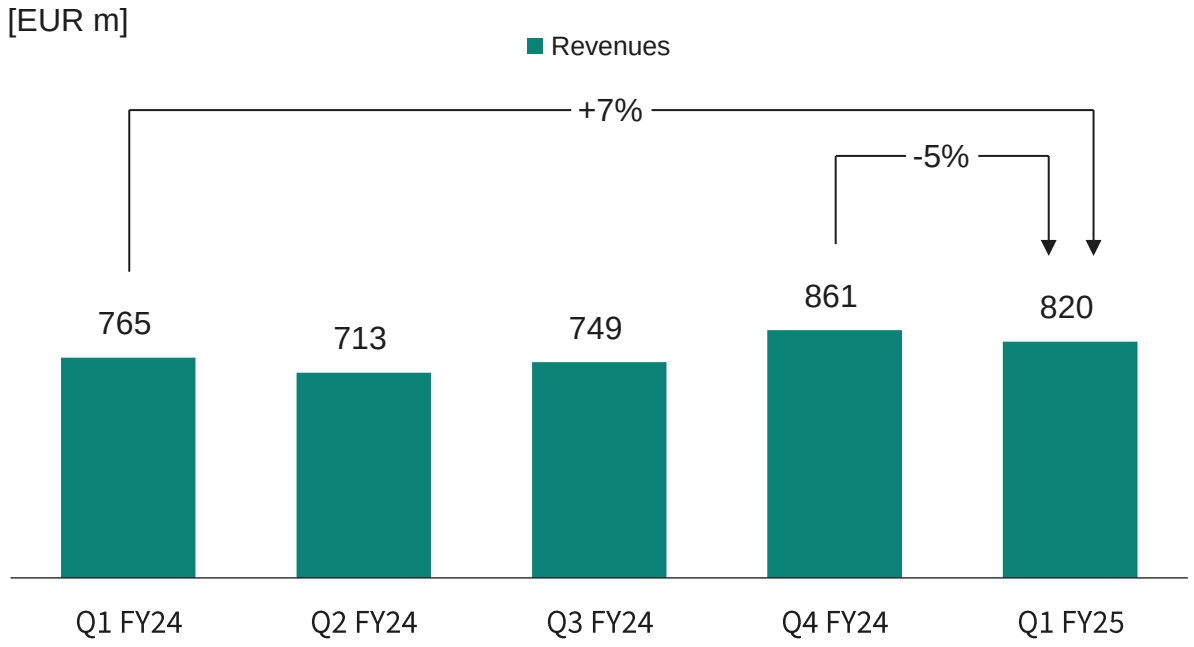
Segment Result



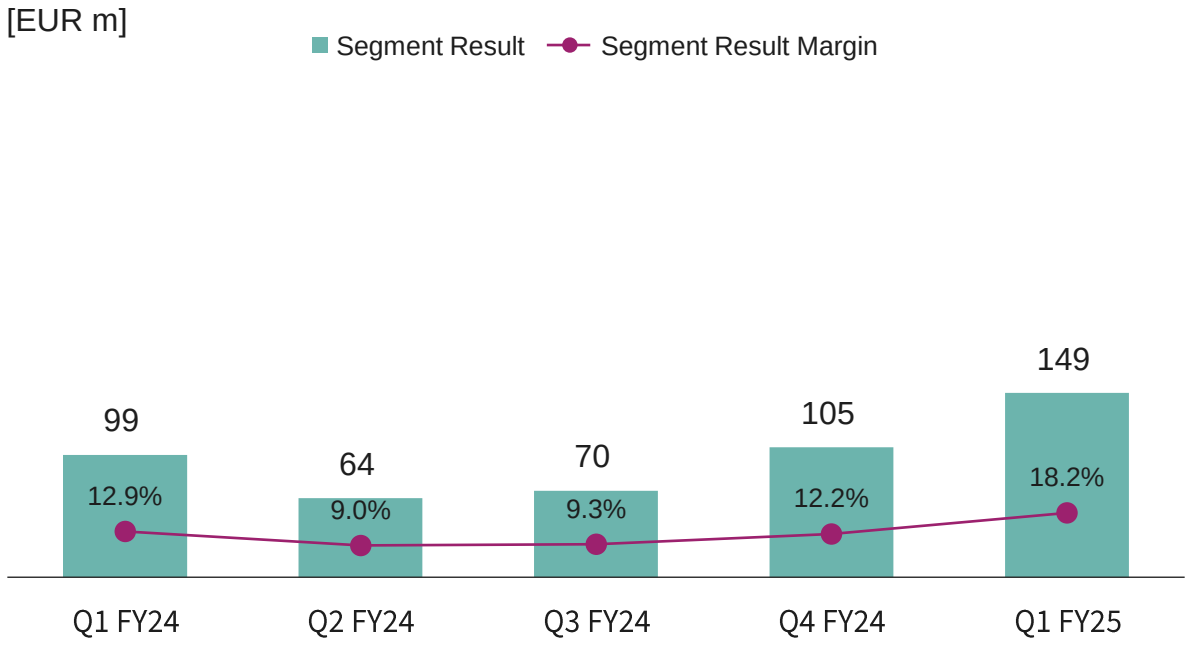
- A weak market environment, coupled with ongoing inventory correction, exacerbated the usual seasonal revenue decline.
- Segment result impacted by lower volumes and unfavorable price changes.
- Industrial applications continue to be affected by cyclical market weakness into 2025. Renewables demand remains intact, driven by global power and efficiency needs.

Power & Sensor Systems (PSS)

Revenues



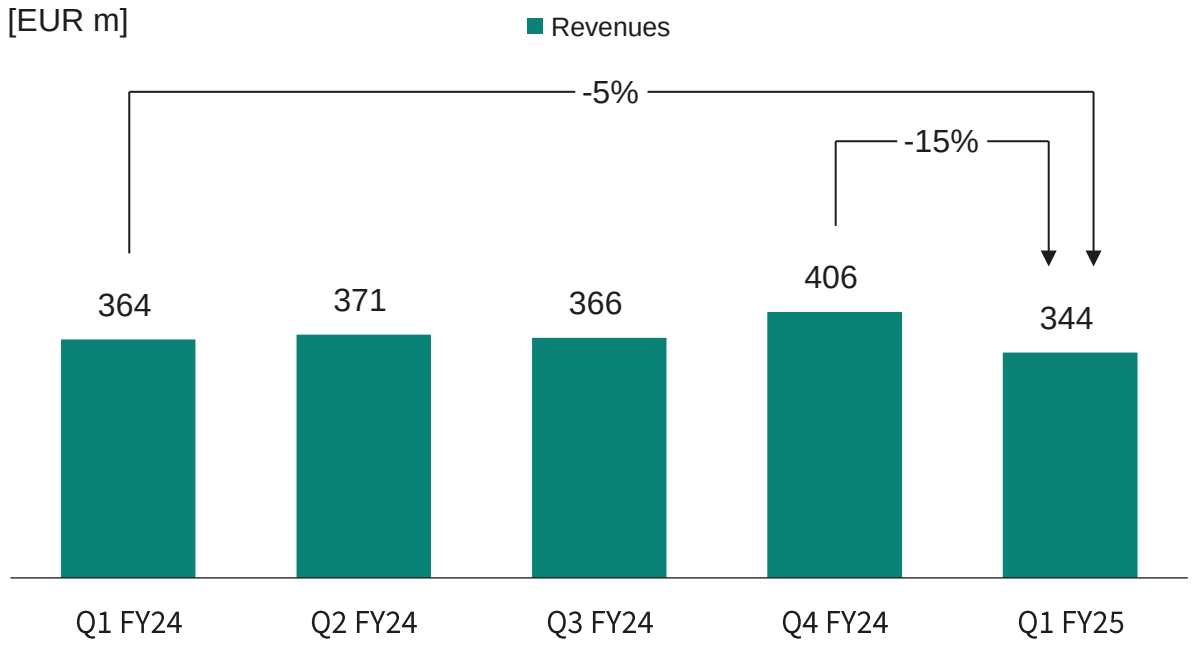
Segment Result



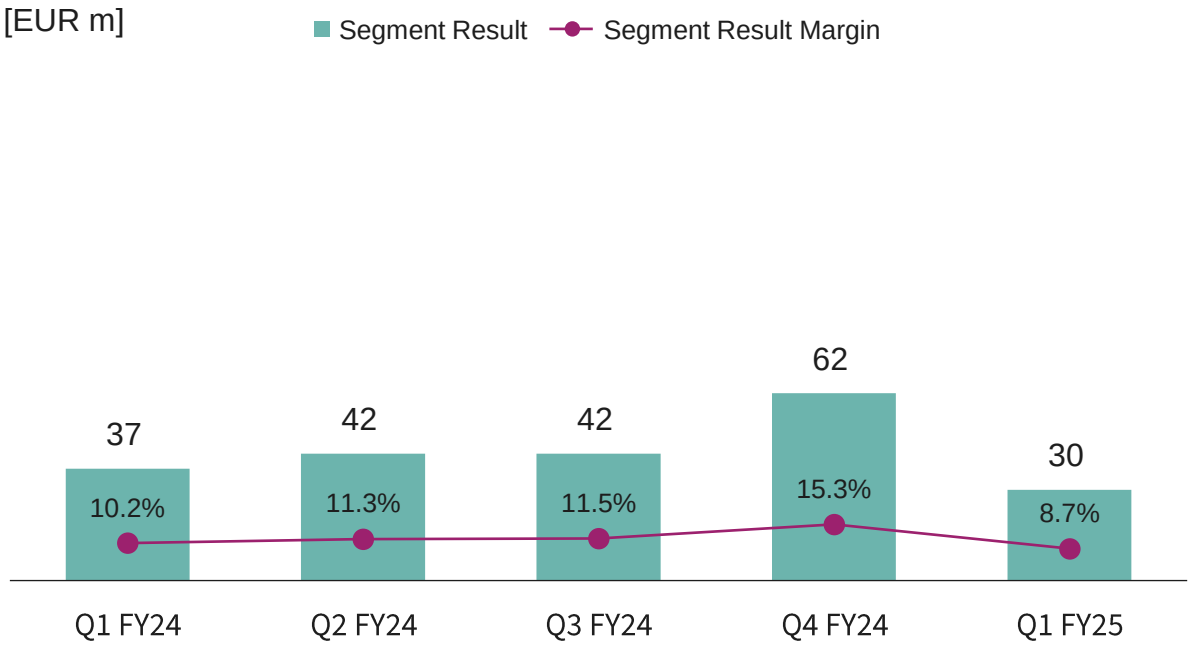
- Revenue decline as the consumer and smartphone businesses experienced usual seasonality. AI server power solutions continued to thrive.
- Segment result includes a mid-double-digit million compensation payment from a customer as a one-off.
- Consumer, computing and communications have bottomed and show first signs of recovery. Inventory adjustments continue to hinder growth near-term.
- For FY25, we anticipate to reach ~€600m in AI power-related revenue.

Connected Secure Systems (CSS)

Revenues



Segment Result

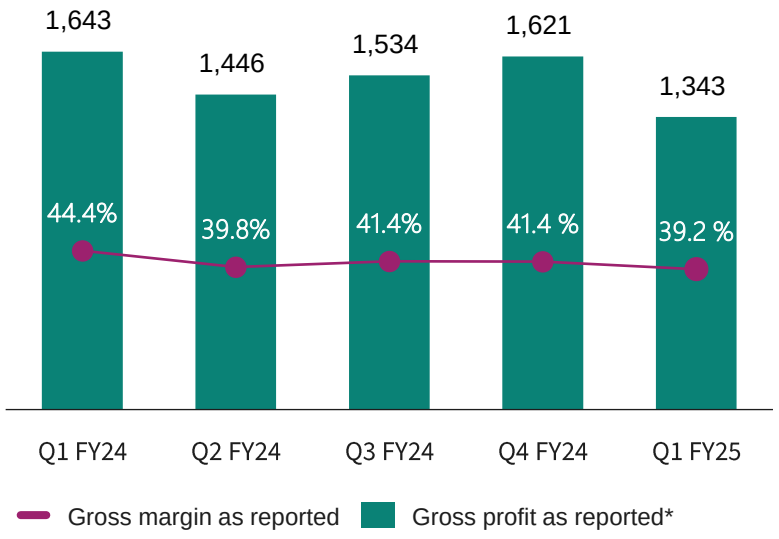


- All application areas declined sequentially due to ongoing weakness in consumer and IoT markets.
- The margin decline resulted mainly from lower volumes.
- IoT and security markets are trending around the bottom, inventories are normalizing. Bookings showing slight signs of improvement.

Gross margin and Opex

Gross profit [1]

[EUR m]



Therein Non-Segment Result charges
[EUR m]

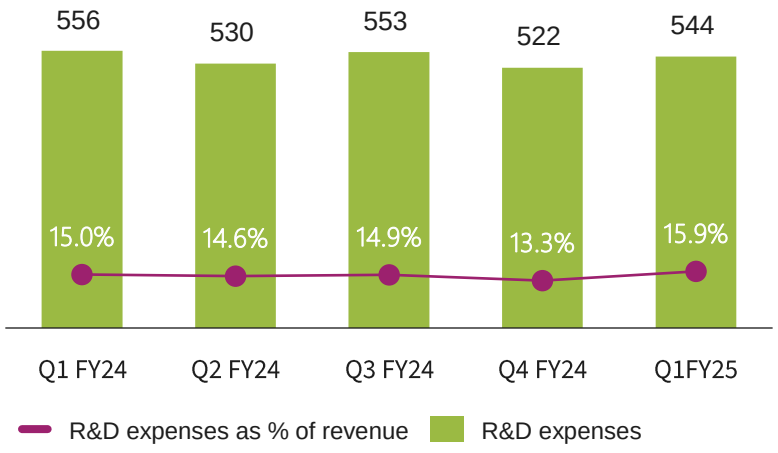
65	91	71	77	64

Adjusted gross margin [1]

46.1%	42.3%	43.4%	43.3%	41.1%

R&D [1]

[EUR m]

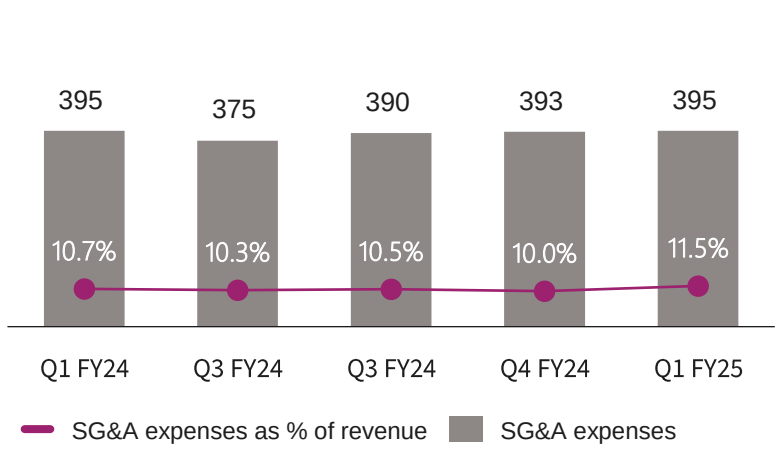


Therein Non-Segment Result charges
[EUR m]

16	18	15	14	18

SG&A

[EUR m]



Therein Non-Segment Result charges
[EUR m]

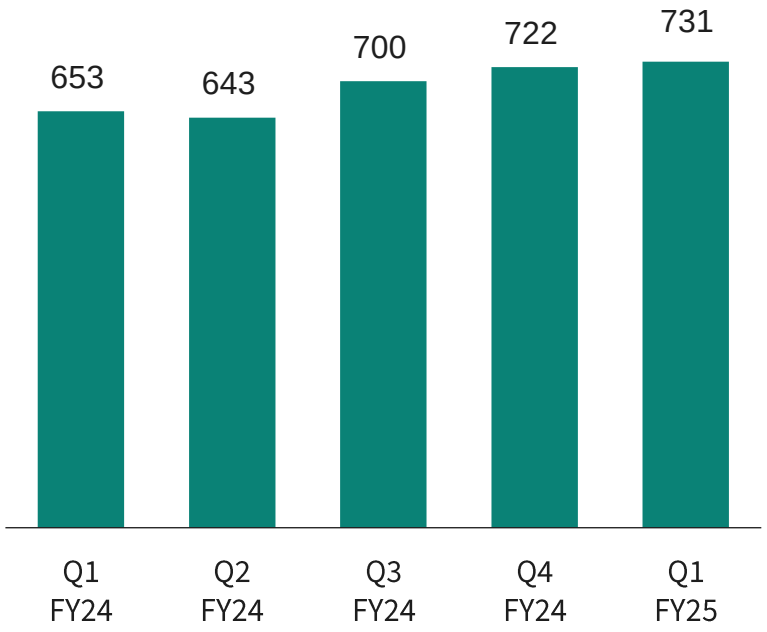
54	54	54	48	56

[1] To provide more meaningful information, Infineon changed its accounting policy on the allocation of certain expenses with effect from 1 October 2024. This resulted in expenses that were previously included in cost of goods sold being reclassified as research and development expenses. The prior-year figures have been adjusted accordingly

Investments, Depreciation & Amortization and Free Cash Flow

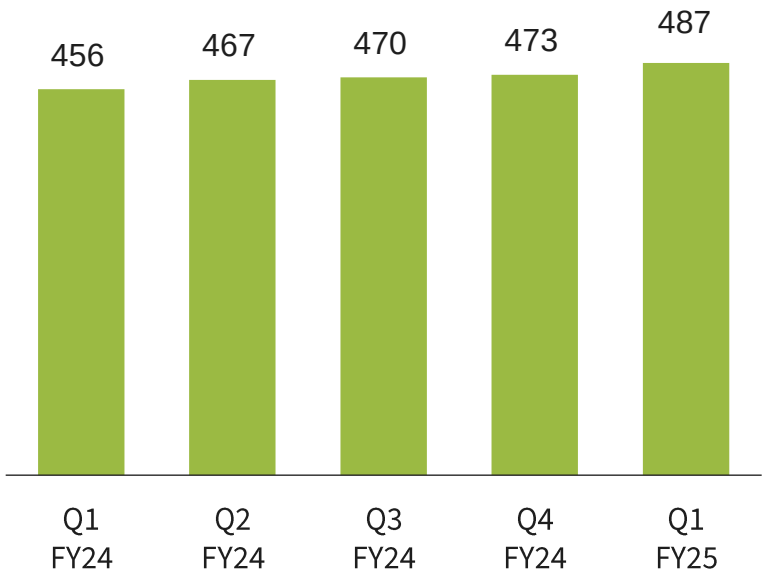
Investments

[EUR m]



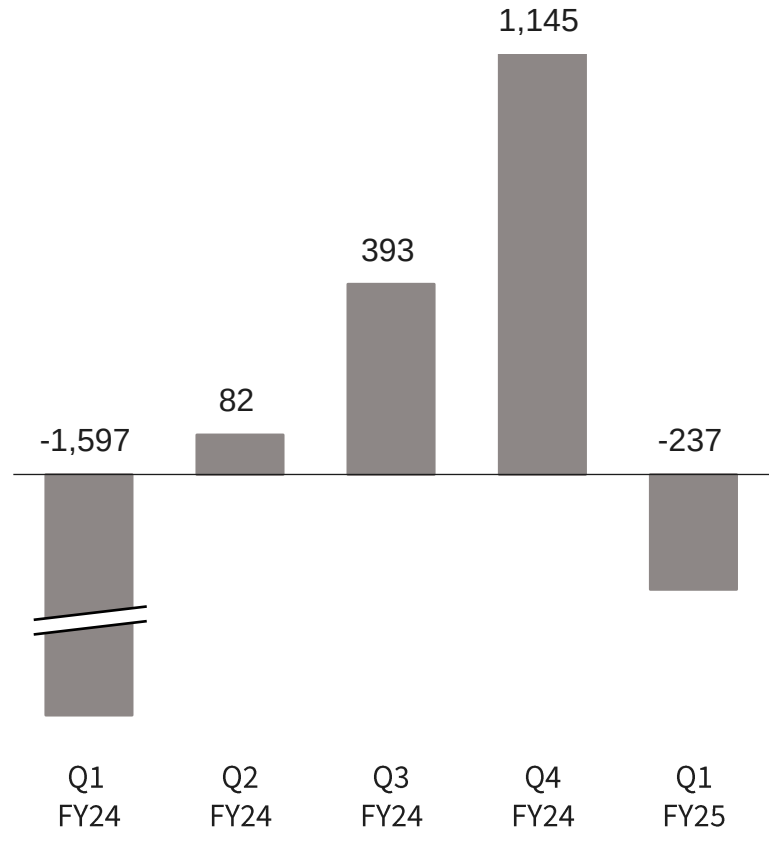
Depreciation & Amortization

[EUR m]



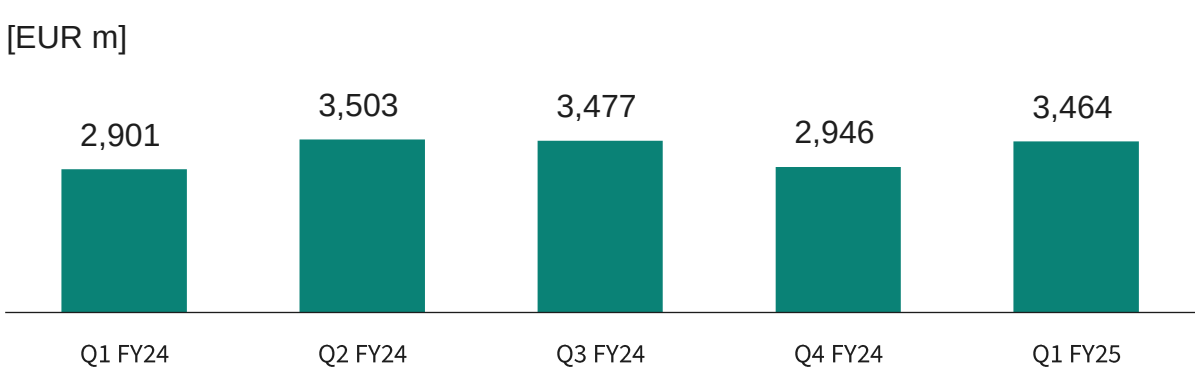
Free Cash Flow

[EUR m]

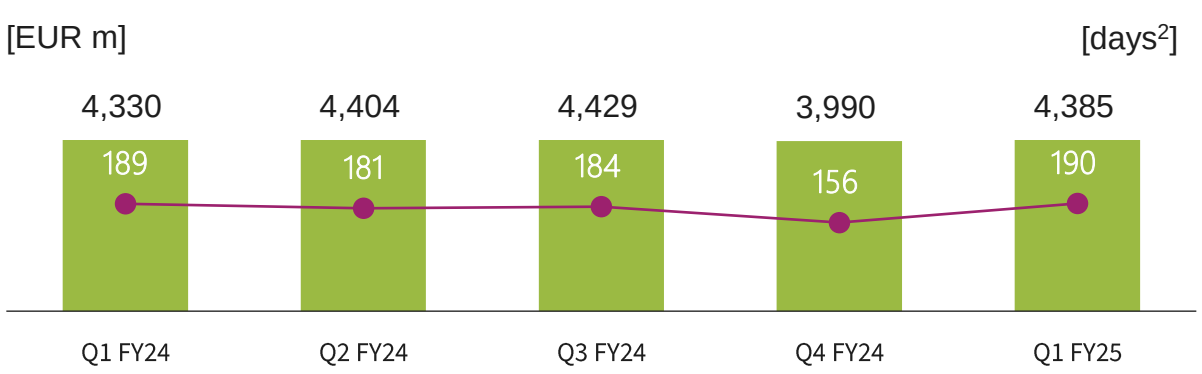


Working capital, in particular trade working capital components

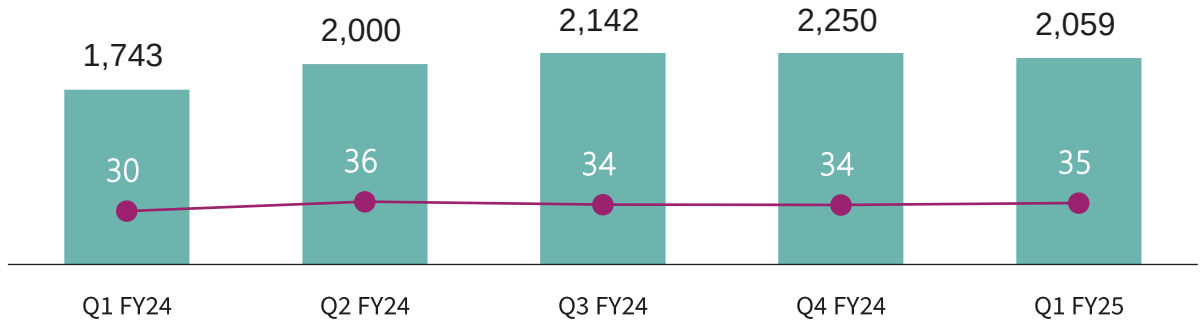
Working capital[1]



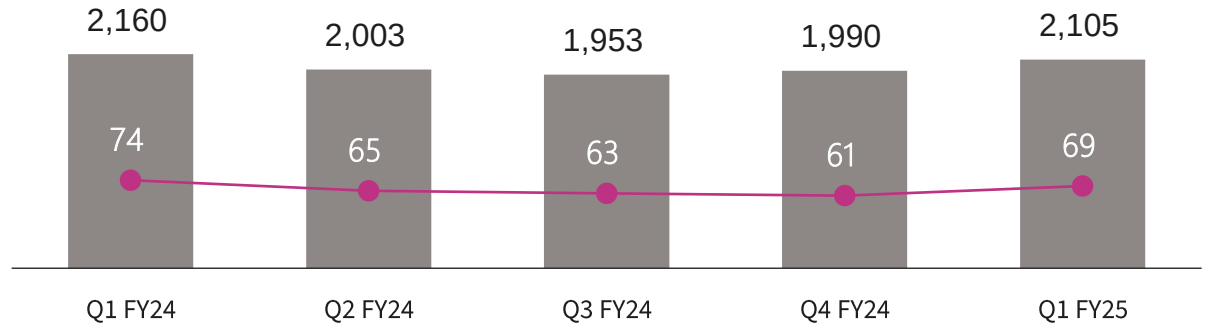
Inventories



Trade receivables



Trade payables

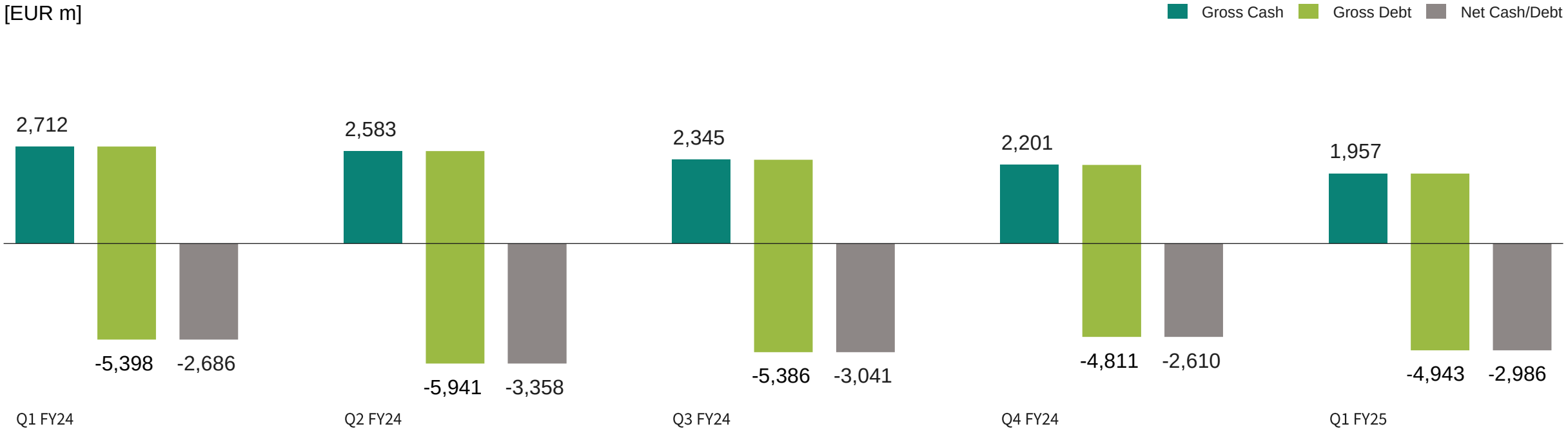


[1] See notes for definition

[2] To provide more meaningful information, Infineon changed its accounting policy on the allocation of certain expenses with effect from 1 October 2024. This resulted in expenses that were previously included in cost of goods sold being reclassified as research and development expenses. The prior-year figures have been adjusted accordingly

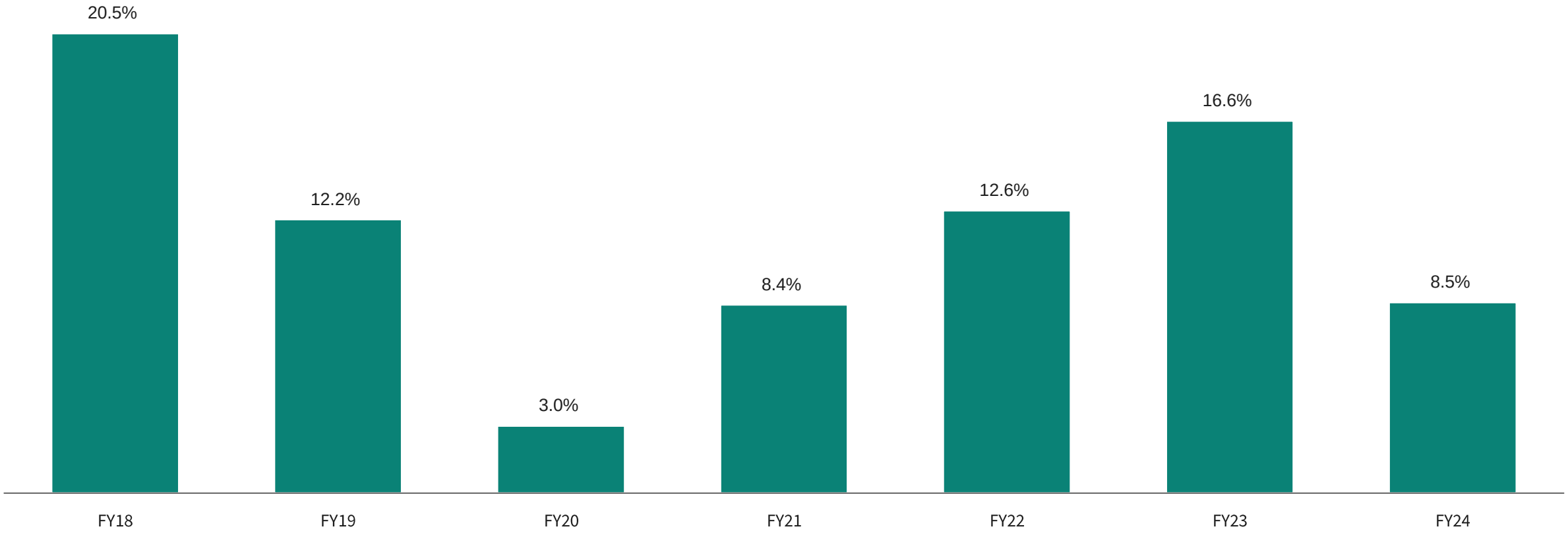
Development of liquidity and debt

Capital structure



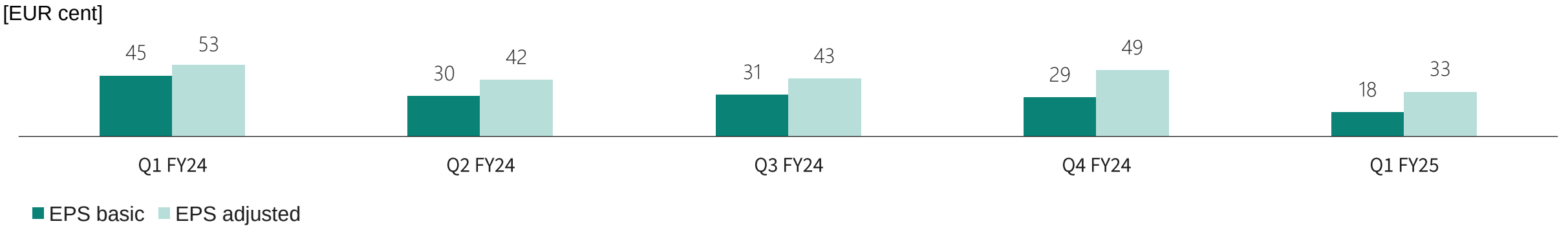
Return on capital employed

Historical development

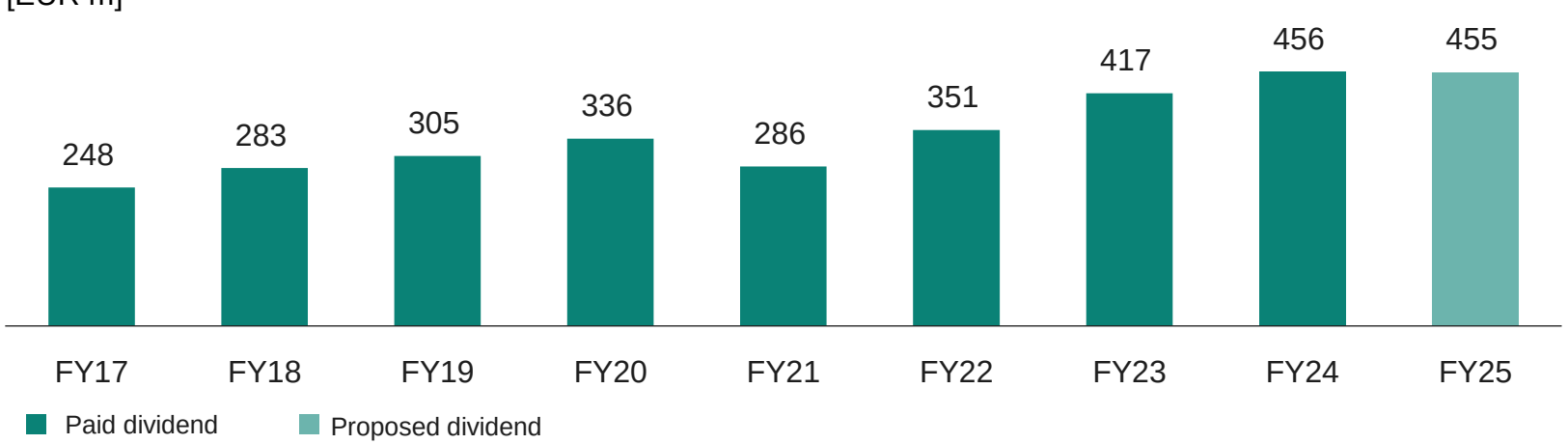


Earnings-per-share and total cash return

Development of earnings-per-share (EPS) from continuing operations



Total cash return to shareholders via dividends

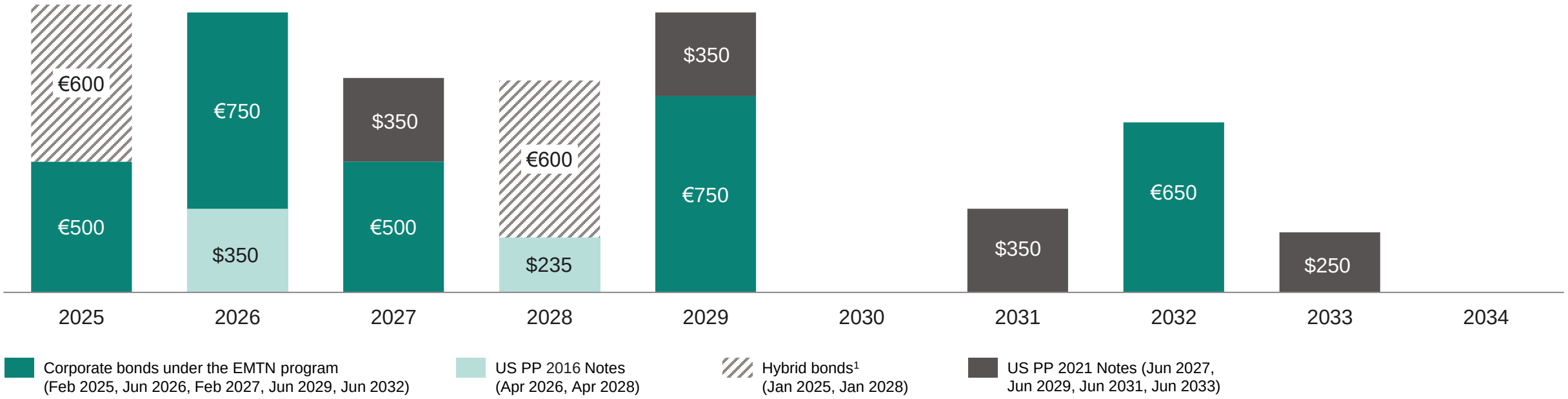


- Proposed dividend for FY24: €0.35 per share
- Proposed dividend payout of €455m in FY25

Maturity profile

Calendar years 2025 to 2034

[EUR m; USD m; nominal values]



[1] On 1 Oct 2019, Infineon issued a perpetual hybrid bond with two tranches: €600m with first call date in 2025 (will be redeemed on 28 March 2025) and €600m with first call date in 2028; both are accounted as equity under IFRS.

Conservative financial policy and strict commitment to investment-grade rating are the basis for through-cycle flexibility

	Financial Policy Targets	Status Quo (LTM 31 December 2024)
Gross Cash[1]	At least **10%** of revenue[3]	13% of revenue → **€2.0bn**
Gross Debt[2]	**≤ 2.0x** EBITDA	**1.4x** EBITDA
Comfortable liquidity position	– Flexibility for financing operating activities and investments through the cycle – Cash and cash equivalents supplemented by committed standby credit facilities (EUR 2bn) – In addition, existing uncommitted credit facilities of more than EUR 1.5bn	
Balanced debt position	– Gross debt target commensurate with investment-grade rating – Successful de-leveraging offers ample headroom	
Rating	Investment grade	**BBB+** stable outlook (by S&P Global Ratings)

[1] Gross cash position is defined as cash and cash equivalents plus financial investments | [2] Gross debt is defined as short-term debt and current maturities of long-term debt plus long-term debt. EBITDA is calculated as the total of earnings from continued operations before interest and taxes plus scheduled depreciation and amortization | [3] Within the 2024 fiscal year we have revised our liquidity target. For the future, our gross cash target is at least 10 percent of revenue on average throughout the fiscal year (previous target: €1bn plus at least 10 percent of revenue)


Infineon

Disclaimer

Disclaimer

This presentation contains forward-looking statements and/or assessments about the business, financial condition performance and strategy of the Infineon Group.
These statements and/or assessments are based on assumptions and management expectation resting upon currently available information and present estimates. They are subject to a multitude of uncertainties and risks, many of which are partially or entirely beyond Infineon's control. Infineon's actual business development, financial condition, performance and strategy may therefore differ materially from what is discussed in this presentation.
Beyond disclosure requirements stipulated by law, Infineon does not undertake any obligation to update forward-looking statements.

Specific disclaimer for Omdia – part of Informa Tech – reports, data and information referenced in this document:

Information is not an endorsement of Infineon Technologies AG. Any reliance on these results is at the third party's own risk.

Specific disclaimer for S&P Global reports, data and information referenced in this document:

The S&P Global *[Commodity Insights and/or Mobility and/or Market Intelligence]* reports, data and information referenced herein (the "S&P Global Materials") are the copyrighted property of S&P Global Inc. and its subsidiaries ("S&P Global") and represent data, research, opinions or viewpoints published by the relevant divisions within S&P Global, and are not representations of fact. The S&P Global Materials speak as of the original publication date thereof and not as of the date of this document. The information and opinions expressed in the S&P Global Materials are subject to change without notice and neither S&P Global nor, as a consequence, Infineon have any duty or responsibility to update the S&P Global Materials or this publication. Moreover, while the S&P Global Materials reproduced herein are from sources considered reliable, the accuracy and completeness thereof are not warranted, nor are the opinions and analyses which are based upon it. S&P Global and the trademarks used in the Data, if any, are trademarks of S&P Global. Other trademarks appearing in the S&P Global Materials are the property of S&P Global or their respective owners.

Glossary

AC	alternating current
ACC	adaptive cruise control
AD	automated driving
ADAS	advanced driver assistance system
AEB	autonomous emergency braking
AI	artificial intelligence
AR/VR	augmented/virtual reality
BEV	battery electric vehicle
BLE	bluetooth low energy
BMS	battery management system
BoM	bill of materials
CAV	commercial, construction and agricultural vehicles
CMOS	complementary metal-oxide-semiconductor
DC	direct current
DSC/SSC	double/single sided cooling
E/E	electrical/electronic architecture
ECU	electronic control unit
eSE	embedded secure module
eSIM	embedded subscriber identity module
EMS	electronics manufacturing service
ESS	energy storage system
EV	electric vehicle
FCEV	fuel cell electric vehicle
FHEV/MHEV	full/mild hybrid electric vehicle
FoM	figure of merit
F-RAM	ferroelectric memory
GaN	gallium nitride
HEMT	high-electron-mobility transistor
HID	human interface device
HMI	human machine interaction
HV	high voltage
HVAC	heating, ventilation, air conditioning
IC	integrated circuit
ICE	internal combustion engine
IGBT	insulated gate bipolar transistor
IoT	internet of things
IPM	intelligent power module
LED	light-emitting diode
MCU	microcontroller unit
MEMS	micro electro-mechanical system
MHA	major home appliances
MIMO	multiple input, multiple output
ML	machine learning
MNO	mobile network operator
MOSFET	metal-oxide silicon field-effect transistor
MV	medium voltage
NFC	near-field communication
OBC	on-board charger
OEM	original equipment manufacturer
P2S	Infineon's strategic product-to-system approach
PD	power delivery
PHEV	plug-in hybrid electric vehicle
PMIC	power management integrated circuits
PoL	point of load
PSoC	programmable system-on-chip
PUE	power usage effectiveness
PSU	power supply unit
PV	photovoltaic
RAM	random access memory
RF	radio frequency
SAE	Society of Automotive Engineers
SDK	software development kit
Si	silicon
SiC	silicon carbide
SNR	signal-to-noise ratio
SoC	system-on-chip / state of charge
ToF	time-of-flight
UWB	ultra-wideband
WBG	wide-band gap, specifically referring to SiC and GaN based devices

Notes and ESG footnotes

Investments =	'Purchase of property, plant and equipment' + 'Purchase of intangible assets and other assets' incl. capitalization of R&D expenses
Capital Employed =	'Total assets' – 'Cash and cash equivalents' – 'Financial investments' – 'Assets classified as held for sale – ('Total Current liabilities' – 'Short-term debt and current maturities of long-term debt' – 'Liabilities classified as held for sale')
RoCE =	Operating profit from continuing operations after tax/Capital Employed = (‘Operating profit' – ‘Financial result excluding interest result' – 'Share of profit (loss) of associates and joint ventures accounted for using the equity method'-'Income tax')/Capital Employed
Working Capital =	('Total current assets' – 'Cash and cash equivalents' – 'Financial investment' – 'Assets classified as held for sale’) – ('Total current liabilities' – 'Short term debt and current maturities of long-term debt' – 'Liabilities classified as held for sale')
DIO (days inventory outstanding; quarter-to-date) =	('Net Inventories'/'Cost of goods sold') x 90
DPO (days payables outstanding; quarter-to-date) =	('Trade payables'/['Cost of goods sold' + 'Purchase of property, plant and equipment']) x 90
DSO (days sales outstanding; quarter-to-date) =	('Trade receivables’ - ‘reimbursement obligations’)[1]/'revenue' x 90

Order backlog =	The total amount of orders received regardless of their current status

ESG footnotes:

1) This figure takes into account manufacturing, transportation, own vehicles, travel, raw materials and consumables, chemicals, water/waste water, direct emissions, energy consumption, waste, etc. as well as direct and indirect energy-related emissions by manufacturing service providers. It is based on data collected internally and publicly available conversion factors and relates to the 2021 fiscal year.
2) This figure is based on internally established criteria, which are described in the explanatory notes. The figure relates to the 2020 calendar year and takes into account the following application areas: automotive, LED, induction cookers, servers, renewable energy (wind, photovoltaic) and cell phone chargers as well as drives. CO_2 savings are calculated based on the potential savings generated by technologies in which semiconductors are used. The CO_2 savings are allocated based on Infineon's market share, semiconductor share, and the lifetime of the technologies concerned, based on internal and external experts' estimations. Despite the fact that carbon footprint calculations are subject to imprecision due to the complex issues involved, the results are nevertheless clear.
3) Carbon neutrality is defined in terms of Scope 1 and Scope 2 emissions.

[1] Without debtors with credit balances

Financial calendar

Date	Event	Location
20 February 25	Annual General Meeting 2025	
13 February 25	Morgan Stanley The Investment Forum Middle East	Abu Dhabi
25 – 26 February 2025	Goldman Sachs Flagship European Technology Conference	London
5 March 2025	Morgan Stanley TMT Conference	San Francisco
6 – 7 March 2025	Oddo BHF TMT Forum	virtual
11 March 2025	Exane BNP TMT Conference	London
12 March 2025	Citi TMT Conference	London
28 March 2025	Stifel Copenhagen Summit	Copenhagen
8 May 2025[1]	Earnings Release for the Second Quarter of the2025 Fiscal Year	
5 August 2025[1]	Earnings Release for the Third Quarter of the 2025 Fiscal Year	
13 November 2025[1]	Earnings Release for the Fourth Quarter and the 2025 Fiscal Year	

[1] Preliminary

Investor Relations contacts

Alexander Foltin

Executive Vice President
Finance, Treasury & Investor Relations

+49 89 234-23766
alexander.foltin@infineon.com

Daniel György

Senior Director
Team lead Investor Relations

+49 89 234-35078
daniel.gyoery@infineon.com

Isabell Diel

Senior Manager
Institutional Investor Relations

+49 89 234-38297
isabell.diel@infineon.com

Alexander Groschke

Director
Institutional Investor Relations

+49 89 234-38348
alexander.groschke@infineon.com

Holger Schmidt

Director
Institutional Investor Relations

+49 89 234-22332
holger.schmidt@infineon.com

Verena Soos

Senior Manager
Retail Investor Relations

+49 89 234-22332
verena.soos@infineon.com

Visitor address

Am Campeon 1 – 15
885579 Neubiberg
Germany