



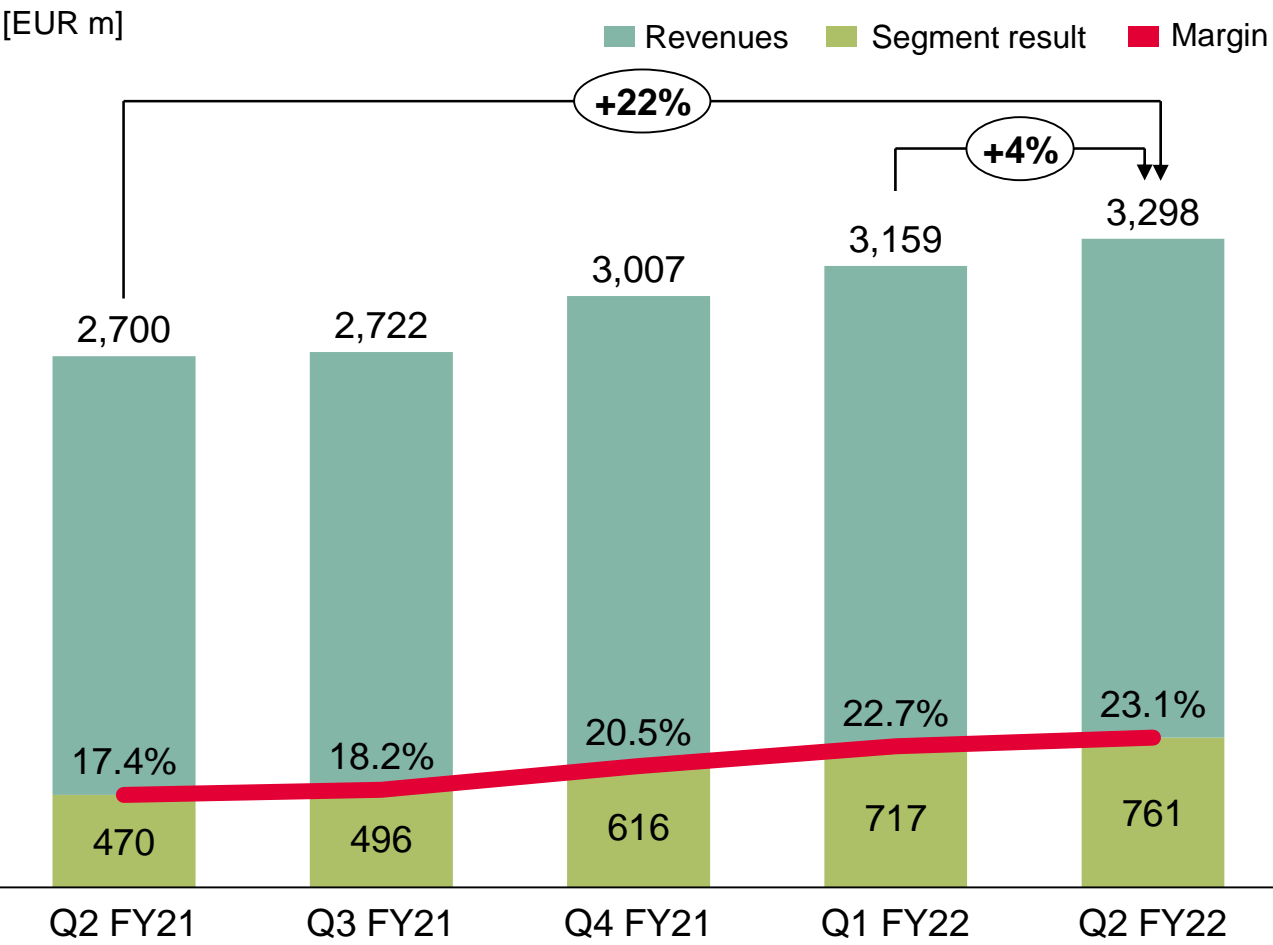
# Second Quarter FY 2022 Analyst Call

Infineon Technologies AG  
Investor Relations



# Group financial performance

## Revenues and segment result



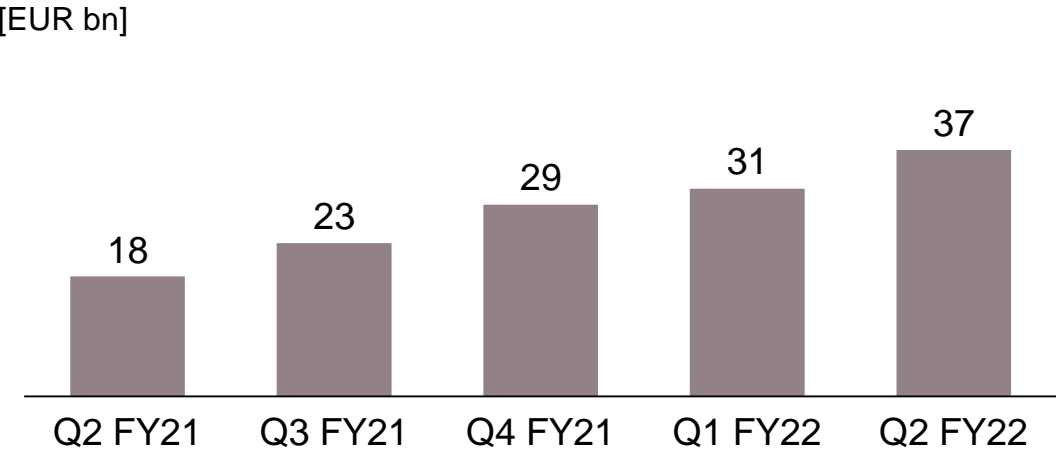
1 See notes for definition

## USD exchange rate

### Average exchange rate

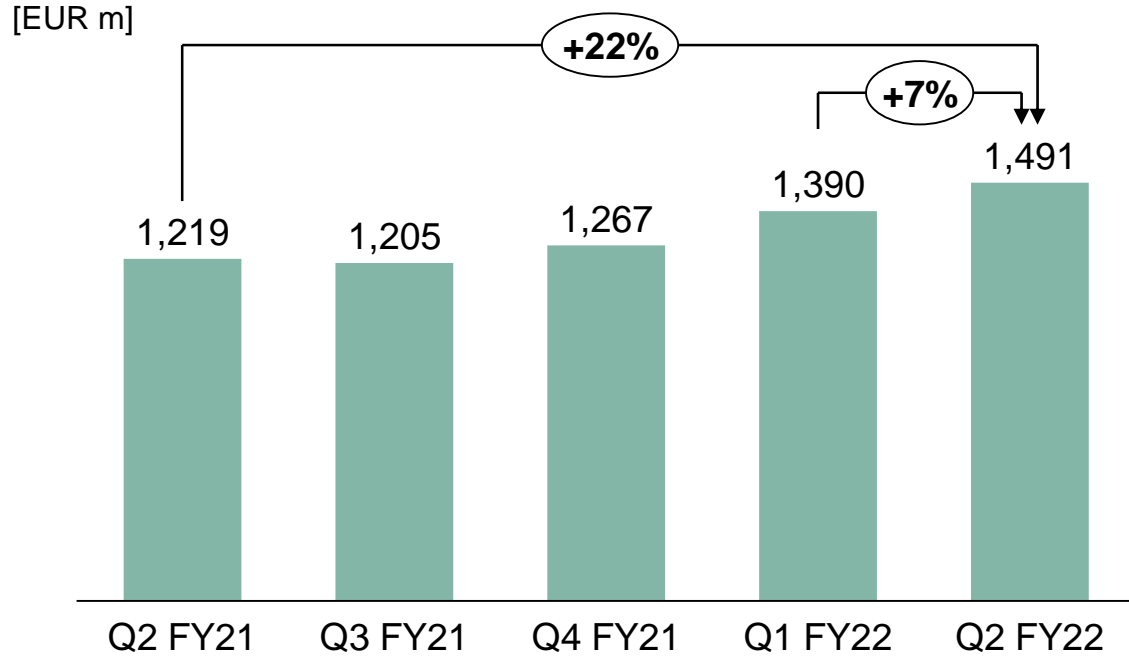
	Q2 FY21	Q1 FY22	Q2 FY22
∅ USD/EUR	1.21	1.14	1.12

### Order backlog<sup>1</sup>

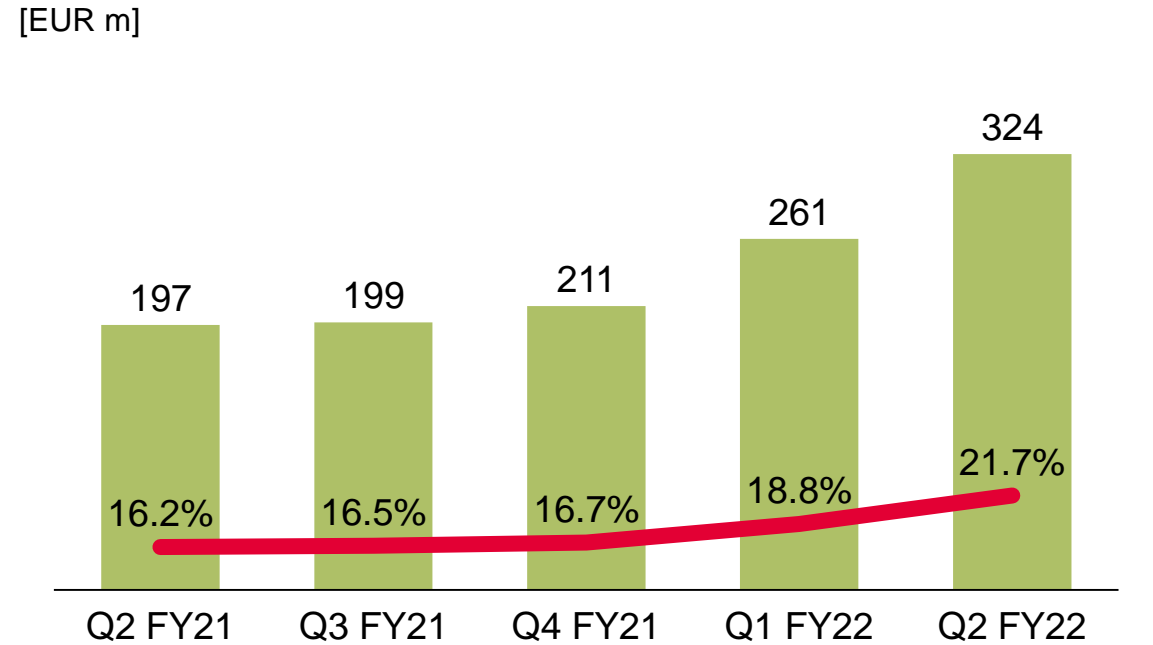


# Automotive (ATV)

## Revenues



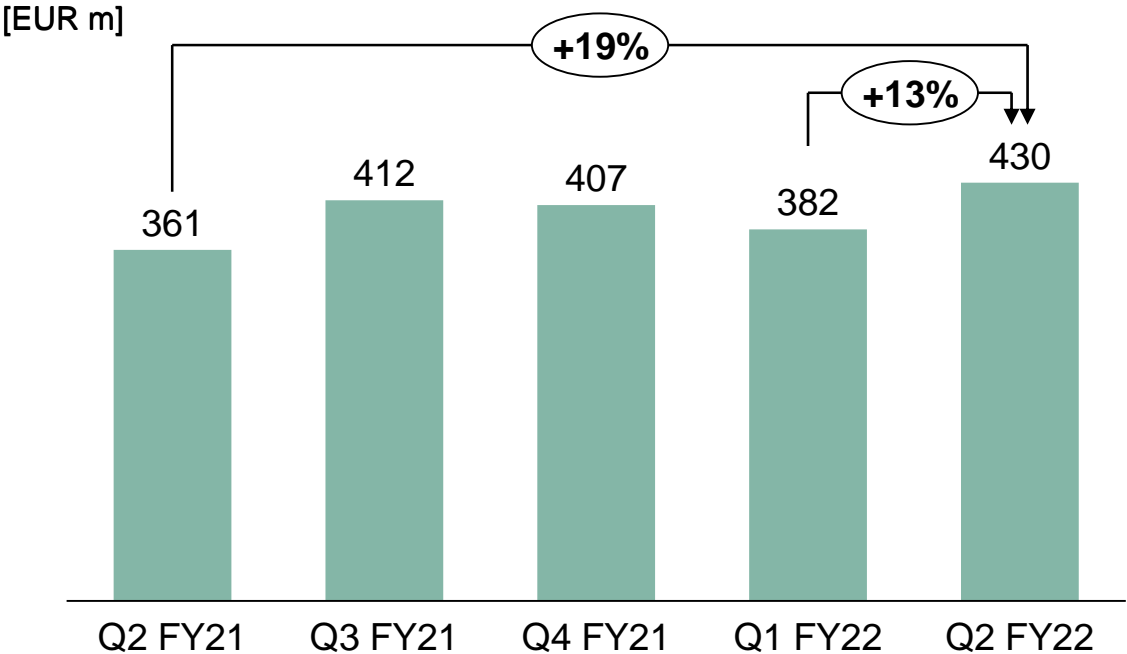
## Segment Result



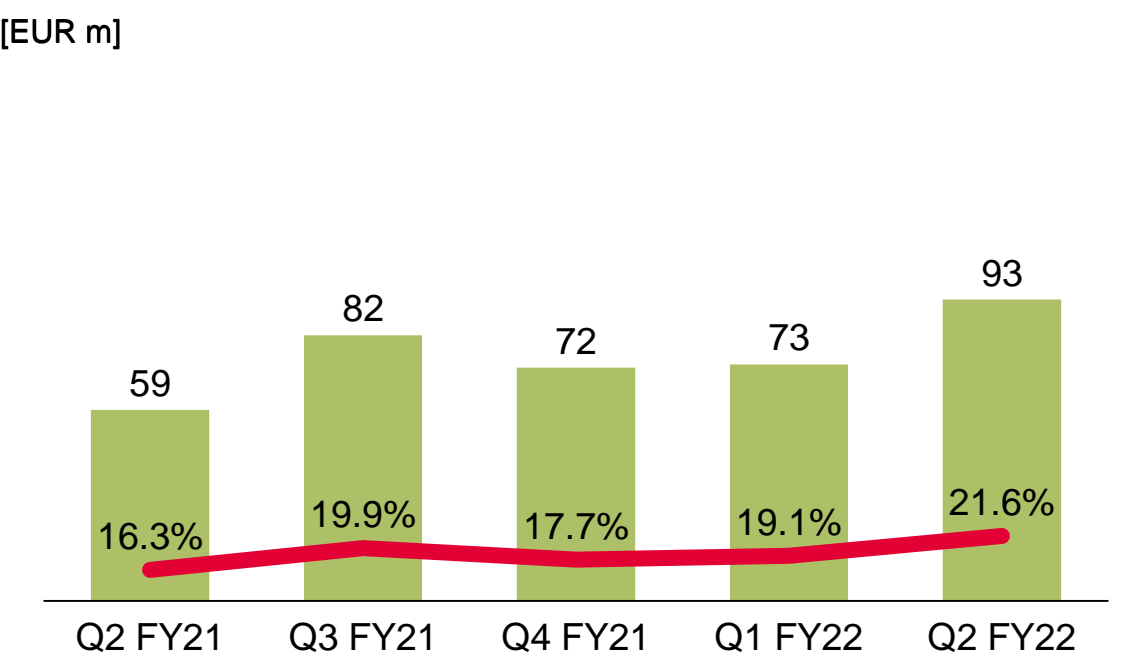
- › Positive development supported by additional capacity availabilities, favorable pricing and a supportive US-Dollar exchange rate
- › Macroeconomic and geopolitical developments continue to disrupt automotive production – the supply chain remains fragile
- › ADAS and electromobility continue their strong growth trajectory – further SiC design-wins in China achieved

# Industrial Power Control (IPC)

## Revenues



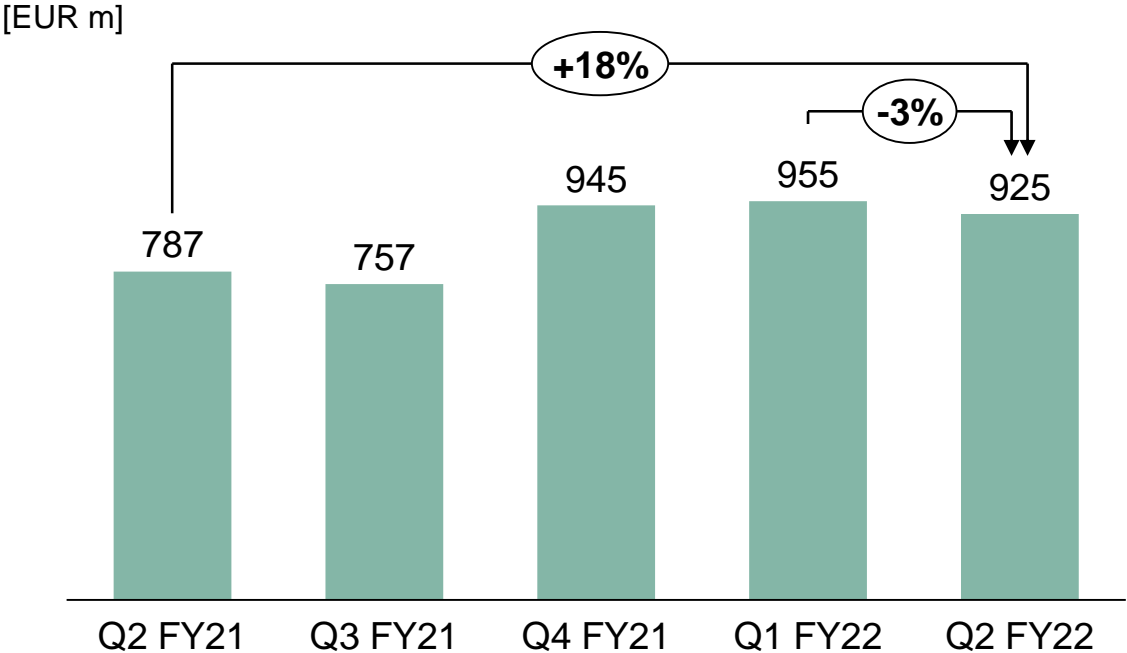
## Segment Result



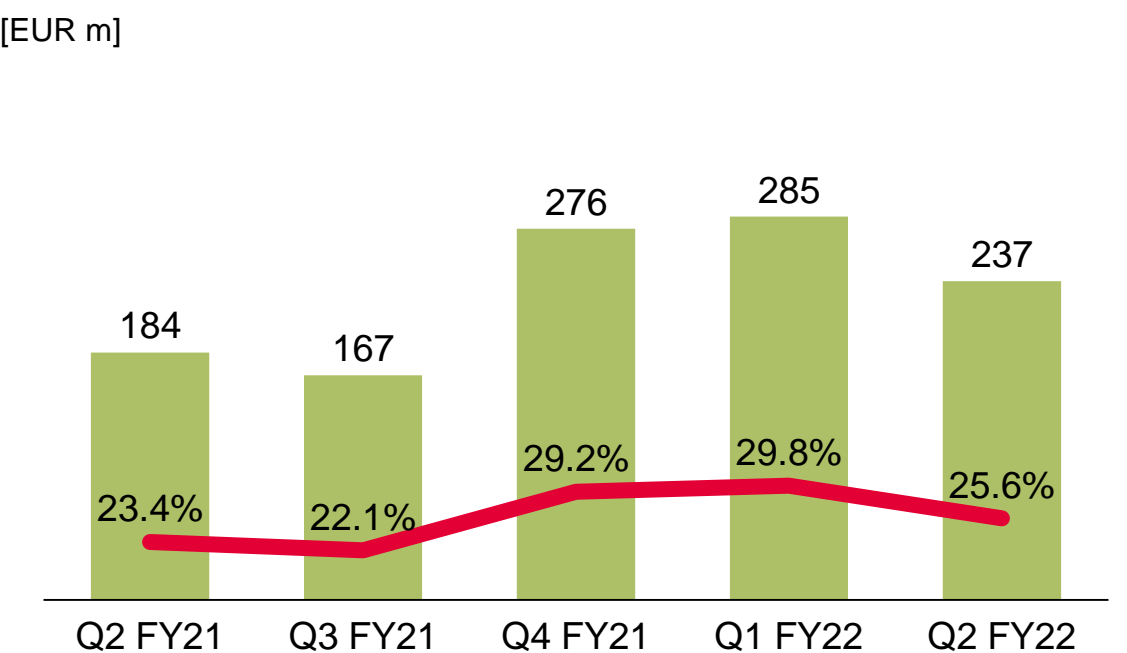
- > Automation and drives, home appliances and power infrastructure showed particular strength in Q2
- > The current business perspective remains positive:
  - > Decarbonization is a strong structural driver for renewable energies and the related power infrastructure
  - > Industrial applications benefit strongly from our differentiating SiC offering

# Power & Sensor Systems (PSS)

## Revenues



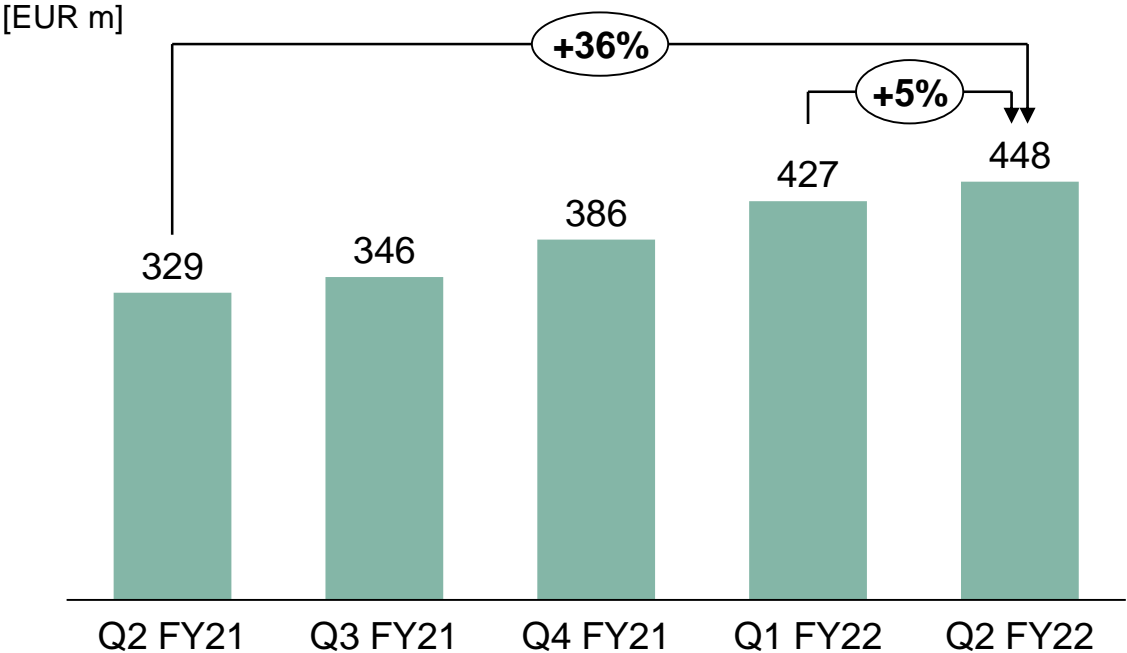
## Segment Result



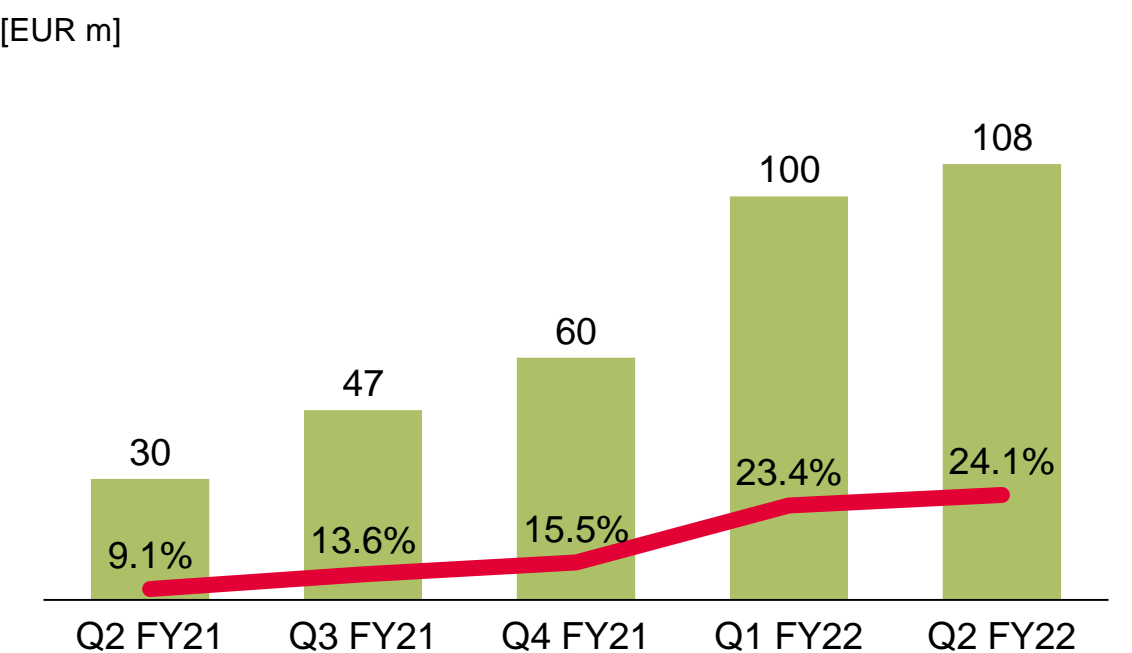
- > Strong demand across key applications – but: delivery capability was hampered by strict Covid containment measures in China
- > Server business benefiting from industry-leading portfolio of power management solutions
- > Some signs of slowdown in areas like consumer and smartphones

# Connected Secure Systems (CSS)

## Revenues



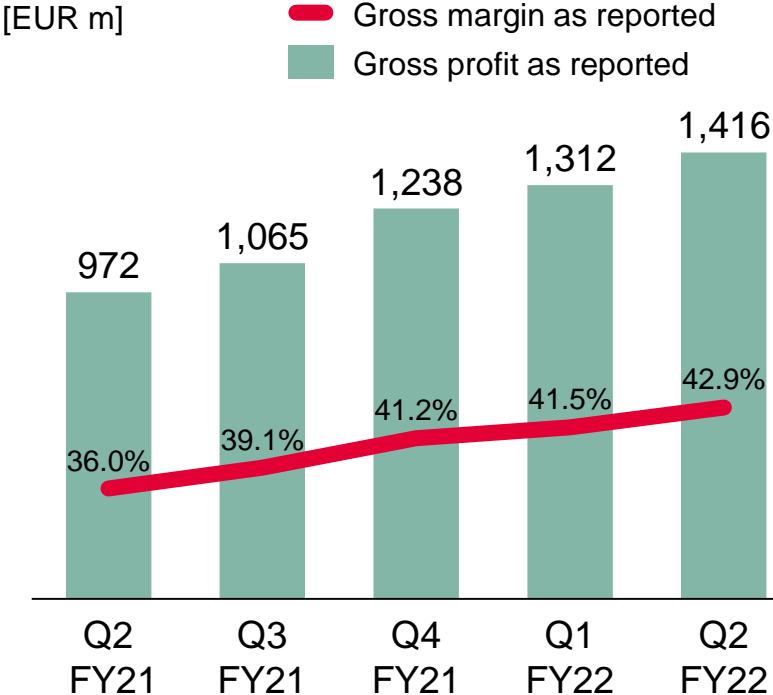
## Segment Result



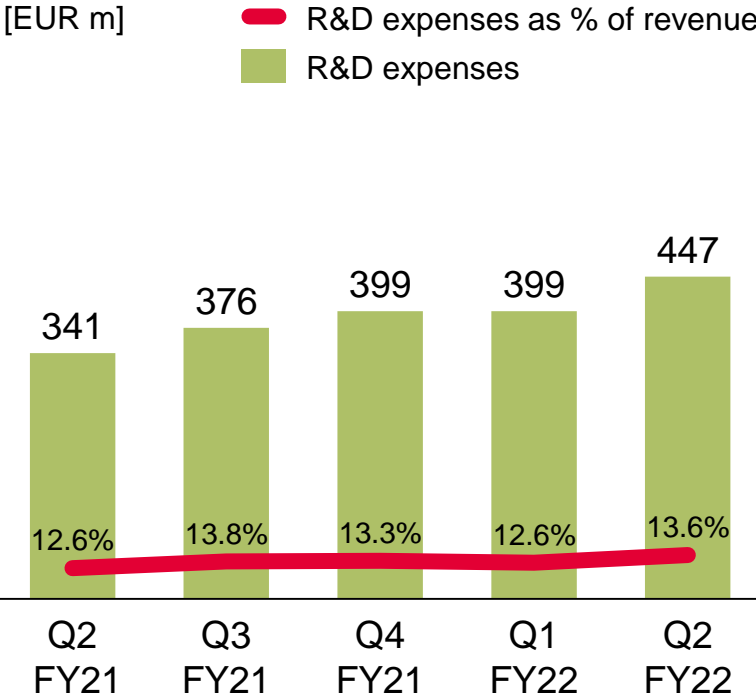
- > Revenue and segment result improved – in particular microcontrollers for IoT applications as well as payment and identity solutions contributed
- > Demand continues to outstrip supply – capacity constraints from foundries will continue to limit revenue potential
- > Market momentum remains strong in key areas such like industrial IoT, smart buildings and identity

# Gross margin and Opex

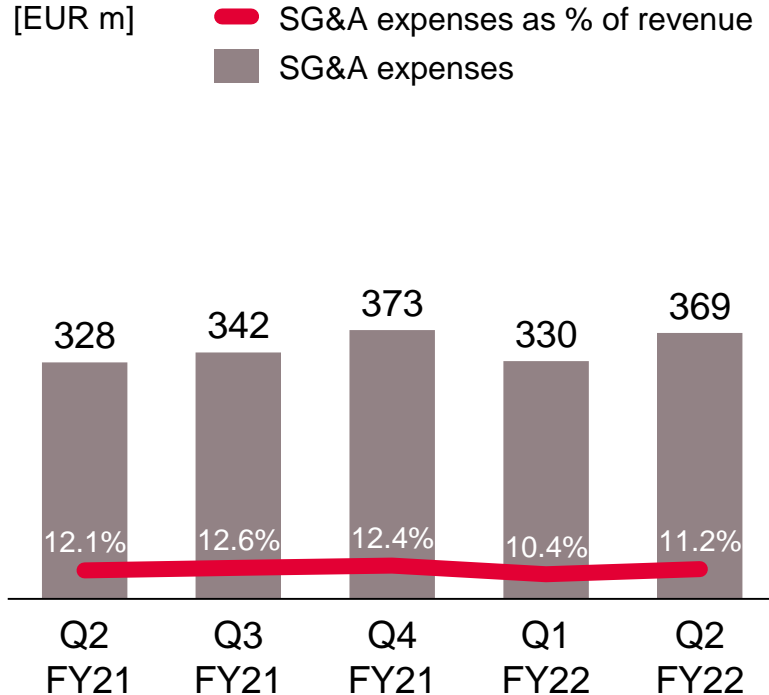
## Gross profit



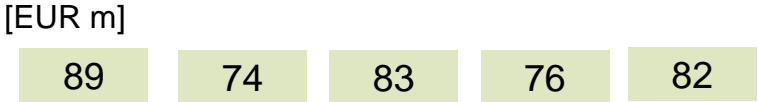
## R&D



## SG&A



Therein non-segment result charges



Adjusted gross margin



Therein non-segment result charges



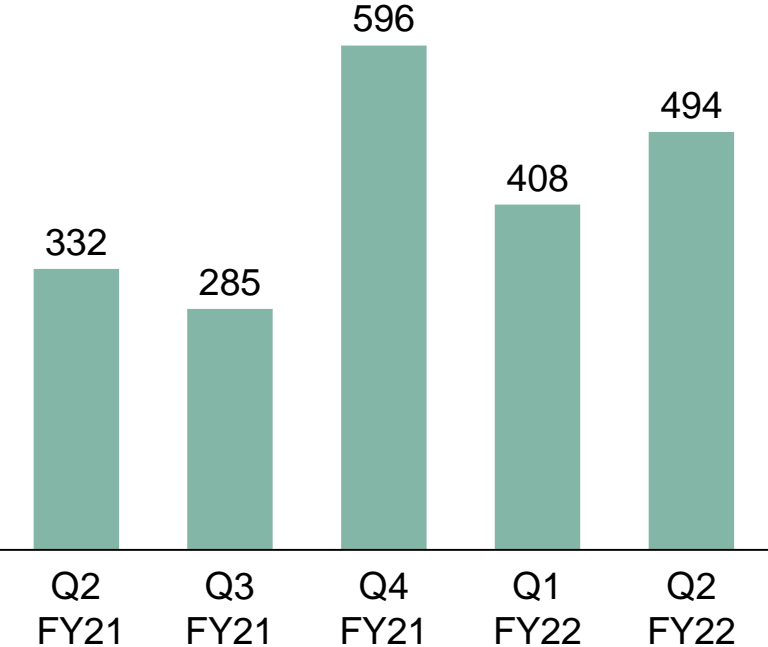
Therein non-segment result charges



# Investments, Depreciation & Amortization and Free Cash Flow

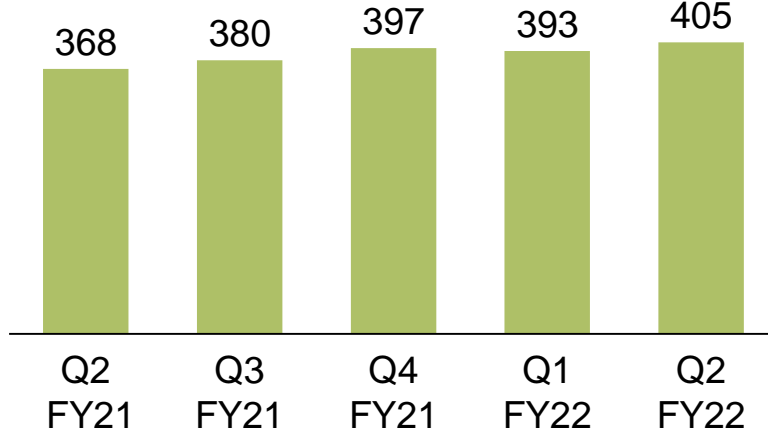
## Investments

[EUR m]



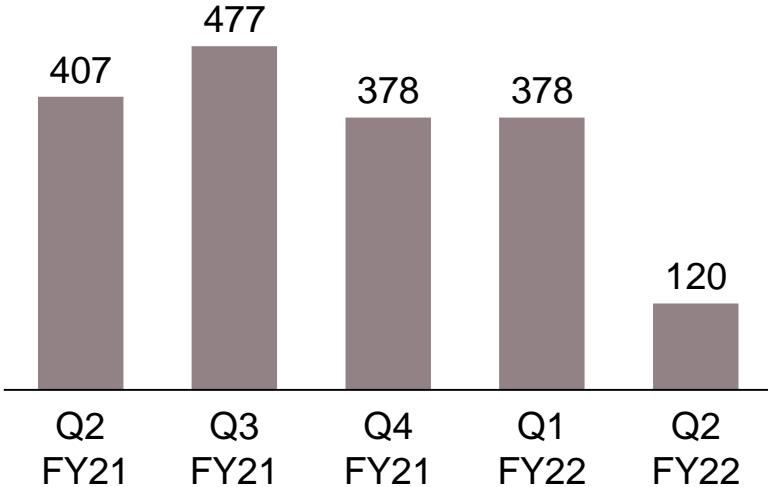
## Depreciation & Amortization

[EUR m]



## Free Cash Flow

[EUR m]

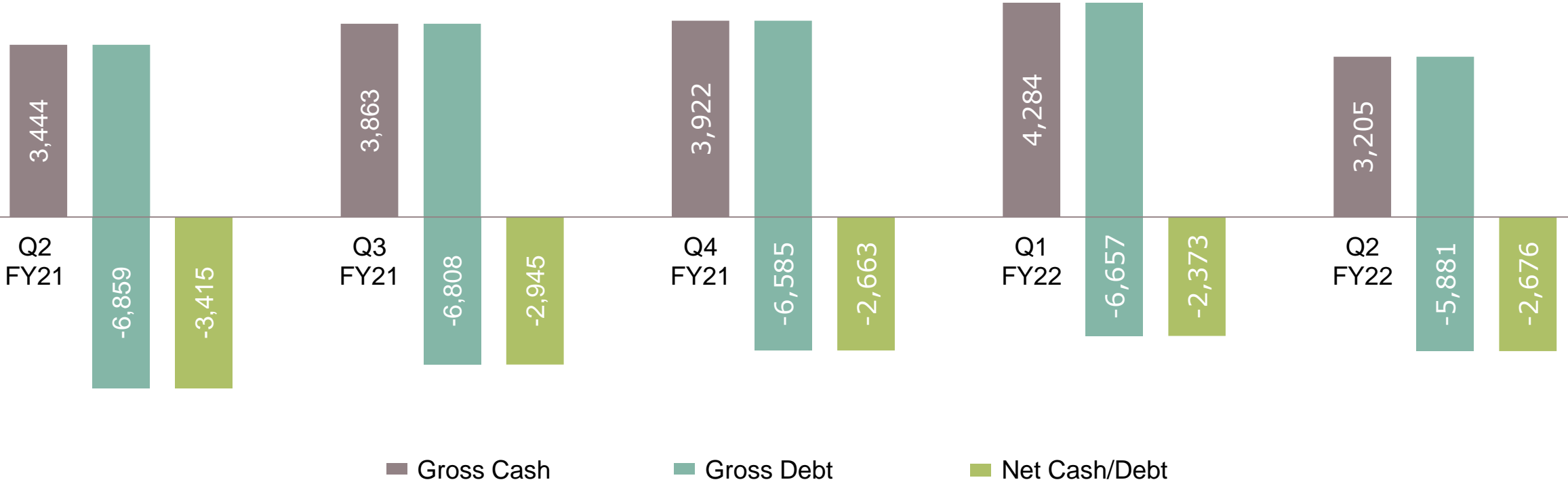




# Liquidity development

## Historical liquidity development

[EUR m]



# Outlook for Q3 FY22 and FY22

	Outlook Q3 FY22 <sup>1</sup>	Outlook FY22 <sup>1</sup>
Revenue	~ €3.4bn	€13.5bn +/- €500m
Segment Result Margin	~ 21%	At the mid-point of the revenue guidance: > 22%
Investments in FY22		~ €2.4bn
D&A in FY22		€1.6bn - €1.7bn <sup>2</sup>
Free Cash Flow in FY22		~ €1.1bn

<sup>1</sup> Based on an assumed average exchange rate of \$1.10 for €1.00

<sup>2</sup> Including the amortization of around 400 million Euros from the purchase price allocation for Cypress and, to a lesser extent, International Rectifier

# Key points

## **Strong second quarter**

Q2 FY22 – €3.3bn revenue, 23.1% Segment Result Margin, Free Cash Flow €120m

## **Infineon's secular fundamentals remain strong**

- › In our main target application areas near-term dynamics are robust – supply demand imbalances are stretching into the upcoming quarters
- › The operating environment has gotten more challenging, calling on our proven ability to react in an agile manner
- › In order to decarbonize and digitalize the world, semiconductor content must structurally grow

## **Outlook FY22 – we expect a strong fiscal year**

- › Revenue of ~€13.5bn, Segment Result margin of >22%, Free Cash Flow ~€1.1bn

# Questions & Answers



# Disclaimer

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This presentation contains forward-looking statements about the business, financial condition and earnings performance of the Infineon Group.

These statements are based on assumptions and projections resting upon currently available information and present estimates. They are subject to a multitude of uncertainties and risks. Actual business development may therefore differ materially from what has been expected.

Beyond disclosure requirements stipulated by law, Infineon does not undertake any obligation to update forward-looking statements.

# Notes

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

**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' / 'revenue')<sup>1</sup> x 90

<sup>1</sup> without debtors with credit balances



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