Dear Valued Customer,

We are committed to continue serving you as a reliable partner.

The highly dynamic development of the COVID-19 topic makes it difficult to provide tangible assessments upon which further planning can be based. This applies especially as mitigation measures by several governments, like travel restrictions or movement control orders have been announced on short notice and exceed our sphere of influence.

Our focus is to protect the health of our employees and to keep operations within our manufacturing facilities running as smoothly as possible. All major worldwide manufacturing sites of Infineon are currently operational, some at reduced loading levels.

On March 16, the Malaysian Prime Minister announced a movement control order that applies to the entire country starting from 18 to 31 March to avoid the spread of COVID-19. On March 25 the control order was extended until April 14. Production at our Frontend site Kulim has stabilized and is in general sufficient to cover customer demands including available inventory. For our Assembly & Test site in Melaka, the Malaysian government has extended the exemption for Infineon to continue operations with a, still limited, but significantly higher number of employees allowed to report to work. Based on this extended exemption, we are able to increase the headcount in the factory quickly. We are confident that, with a higher availability of employees, we will be able to significantly improve our supply plans and cover our customer demands to a large extent. It will take a week until all supply plans are finalized and are reflected in the order confirmation process. Currently the order confirmation picture is not correct.

Our Subcontractors in Malaysia, the Philippines and Thailand are also affected by local restrictions and are producing at a limited volume.

On March 19, the Governor of California has issued a Shelter in Place order for the entire state of California to avoid the spread of COVID-19. For the time being our site in Temecula can continue to operate as part of the critical manufacturing sector.

Response teams monitoring the local situation have been installed and risk mitigation measures have been implemented.

Despite shipping limitations, especially from Europe to Asia and to the U.S., deliveries are still ongoing although some of them may be delayed. We have implemented contingency plans by using e.g. different routes for shipments.

A range of factors determining our future ability to deliver as expected is beyond our control. However, we are focusing on our efforts to mitigate the impact of the current exceptional events and are committed to continue serving our customers as a reliable partner.

We will keep you updated via the established communication procedures.