

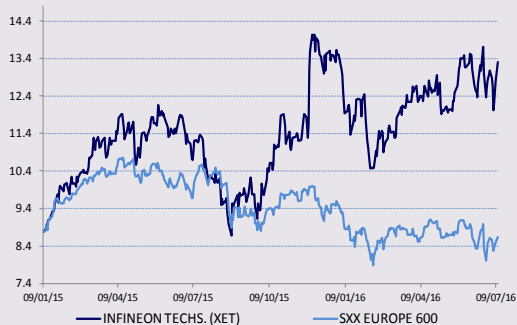
INDEPENDENT RESEARCH  
UPDATE

21 juillet 2016

TMT

Bloomberg	IFX GY
Reuters	IFXGn.DE
+Haut /+Bas 12 mois (EUR)	14,0 / 8,7
Capitalisation Boursière (MEUR)	15 754
Valeur d'Entreprise	15 195
Volume moyen 6 mois (000 actions)	5 558
Flottant	99,5%
TMVA BPA (3 ans)	16,8%
Gearing (09/15)	-5%
Rendement (09/16e)	1,44%

Fin Septembre	09/15	09/16e	09/17e	09/18e
C. d'affaires (MEUR)	5 795	6 540	7 003	7 432
EBITA EURm)	898,0	1 044	1 195	1 335
Op.Margin (%)	15,5	16,0	17,1	18,0
BPA dilué (EUR)	0,60	0,81	0,86	0,96
EV/CA	2,68x	2,32x	2,10x	1,90x
EV/EBITDA	9,4x	8,0x	7,0x	6,1x
EV/EBITA	17,3x	14,6x	12,3x	10,6x
P/E	23,0x	17,1x	16,3x	14,4x
ROCE	18,5	16,6	17,0	18,8



# Infineon

## Un potentiel sous-estimé

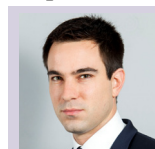
Fair Value 16EUR vs. 15EUR (cours 13,92EUR)

**ACHAT**  
Top Picks

Il y a un an, nous avons initié la couverture d'Infineon avec la conviction que le groupe pourrait réaliser l'intégration d'International Rectifier plus rapidement que prévu. C'est en effet ce qui s'est produit et cela a conduit le groupe à surprendre avec une guidance FY16 enthousiaste dans un environnement difficile (en Novembre 2015). Sur un an, le cours a gagné 26% (vs Stoxx 600 -16%), mais compte tenu de la forte performance opérationnelle du groupe sur la période, nous croyons que le potentiel du titre reste intacte. Nous mettons à jour notre modèle, notamment pour tenir compte de l'évolution des taux de changes, ainsi notre FV est rehaussée de 15 EUR à 16 EUR (soit un potentiel de hausse de 15%) et nous réitérons notre recommandation Achat sur le titre.

■ **Récemment, le cours a été impacté par la révision à la baisse de la guidance FY16 alors que l'activité reste particulièrement soutenue.** Lors de la publication des résultats FQ2-16 en mai, la direction a fait le point sur la guidance FY16 en l'ajustant à la baisse vers une croissance du CA16e de 12% (point médian) et une marge opérationnelle courante de 15,5% (point médian) vs +13% et 16%, respectivement. Certains craignaient que cet ajustement soit le reflet de certaines faiblesses dans l'environnement, mais la direction a été claire, il était seulement question d'ajustements liés aux changes (EUR/USD de 1,15 contre 1,10). En conséquence, les ratios valorisation d'Infineon ont chuté significativement, d'un P/E 2016e de 22.6x au point haut fin de 2015 à 17.1x actuellement (-24%), ce qui est également inférieur à la moyenne 1 an de 18.3x. Or, entre temps, le Brexit a significativement renforcé le dollar et l'EUR/USD a retrouvé des niveaux proches de 1.10.

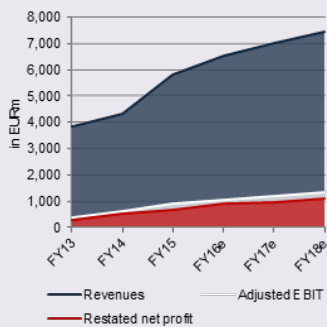
■ **Il reste du potentiel de croissance et d'amélioration des marges.** Le groupe bénéficie d'une forte expertise dans les semi-conducteurs de puissance et l'exploite dans d'autres segments de marché (en particulier l'automobile et le secteur industriel). En conséquence, IFX croît plus vite que le marché (croissance moy. 5 ans IFX de +9,5% vs +2,3%) et maintient un avantage concurrentiel grâce à des programmes R&D sélectionnés (R&D FY15: 12% des ventes). Infineon investit également dans les technologies de production et prépare actuellement la transition vers la production de 300mm (contre une production 200mm utilisée actuellement) ce qui est unique parmi les acteurs de l'analogique. La montée en puissance de cette production devrait fournir un catalyseur supplémentaire pour les marges à partir de 2017 et accentuer l'avantage concurrentiel du groupe.



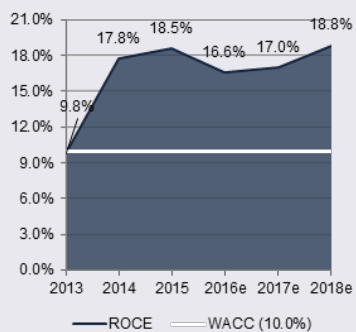
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### P&L Structure



### ROCE vs. WACC



### Activités

Infineon est un fabricant allemand de semi-conducteurs destinés à l'automobile, la gestion de la puissance électrique pour l'industrie notamment et les applications de sécurité telles que les cartes bancaires. Début 2015, le groupe a clôturé l'acquisition d'International Rectifier, un concurrent américain particulièrement actif dans la gestion de la puissance. Grâce à cette acquisition, le groupe consolide sa position de leader sur ce segment. Infineon est également un leader sur le segment automobile.

### Simplified Profit & Loss Account (EURm)

	30/09/13	30/09/14	30/09/15	30/09/16e	30/09/17e	30/09/18e
Revenues	3 843	4 320	5 795	6 540	7 003	7 432
Change (%)	-1,6%	12,4%	34,1%	12,9%	7,1%	6,1%
Adjusted EBITDA	843	1 134	1 658	1 894	2 106	2 302
Adjusted EBIT	377	620	898	1 044	1 195	1 335
EBIT	324	526	555	795	943	1 097
Change (%)	-28,8%	62,3%	5,5%	43,3%	18,5%	16,4%
Financial results	-19,0	-6,0	-34,0	-67,4	-58,1	-54,3
Pre-Tax profits	305	520	521	728	884	1 043
Tax	-22,0	-30,0	102	-43,7	-133	-156
Minority interests	-0,07	-0,06	0,20	-0,06	-0,15	-0,15
Net profit	283	490	622	684	752	886
Restated net profit	297	539	680	918	967	1 089
Change (%)	-34,0%	81,4%	26,2%	35,0%	5,3%	12,7%

### Cash Flow Statement (EURm)

Depreciation & amortisation	-466	-514	-760	-850	-910	-966
Change in working capital	-230	-71,0	-602	-53,6	-50,4	-45,8
Operating cash flows	601	981	817	1 398	1 612	1 807
Capex, net	-375	-664	-728	-850	-910	-966
Free Cash flow	226	317	89,0	548	701	840
Financial investments, net	46,0	392	-1 865	0,0	0,0	0,0
Dividends	-129	-129	-202	-225	-225	-225
Issuance of shares	2,0	1,0	11,0	15,0	0,0	0,0
Issuance (repayment) of debt	52,0	4,0	2 398	4,0	0,0	0,0
Other	-154	-336	-2 443	-3,0	0,0	0,0
Net debt	-1 983	-2 232	-220	-558	-1 035	-1 651

### Balance Sheet (€m)

Tangible fixed assets	1 600	1 700	2 093	1 993	1 893	1 793
Intangibles assets & goodwill	170	250	1 738	1 838	1 938	2 038
Investments	34,0	35,0	33,0	33,0	33,0	33,0
Deferred tax assets	325	378	607	607	607	607
Other non-current assets	153	141	155	155	155	155
Current assets	3 096	2 876	3 442	3 616	3 758	3 886
Cash & equivalents	527	1 058	673	986	1 463	2 079
Total assets	5 905	6 438	8 741	9 229	9 847	10 591
Shareholders' equity	3 776	4 158	4 671	5 145	5 672	6 334
Provisions	292	449	498	498	498	498
Deferred tax liabilities	4,0	5,0	147	147	147	147
Current liabilities	1 530	1 640	1 638	1 735	1 826	1 908
L & ST Debt	303	186	1 793	1 768	1 768	1 768
Total Liabilities	5 905	6 438	8 741	9 229	9 847	10 591
Capital employed	3 552	3 286	5 791	5 927	5 977	6 023

### Ratios

Operating margin	9,81	14,35	15,50	15,96	17,07	17,97
Tax rate	7,21	5,77	-19,62	6,00	15,00	15,00
Net margin	7,73	12,48	11,73	14,04	13,80	14,65
ROE (after tax)	7,49	11,78	13,32	13,30	13,25	13,99
ROCE (after tax)	9,85	17,78	18,54	16,56	17,00	18,85
Gearing	-52,52	-53,68	-4,71	-10,85	-18,25	-26,06
Pay out ratio	43,41	23,93	29,73	24,51	23,26	20,65
Number of shares, diluted	1 081	1 128	1 126	1 129	1 129	1 129

### Data per Share (EUR)

EPS	0,25	0,48	0,56	0,61	0,67	0,79
Restated EPS	0,26	0,48	0,60	0,81	0,86	0,96
% change	-33,7%	82,2%	25,8%	34,5%	5,3%	12,7%
BVPS	3,49	3,69	4,15	4,56	5,02	5,61
Operating cash flows	0,56	0,87	0,73	1,24	1,43	1,60
FCF	0,21	0,28	0,08	0,48	0,62	0,74
Net dividend	0,12	0,12	0,18	0,20	0,20	0,20

Source: Company Data; Bryan, Garnier & Co ests.

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SELL	Negative opinion for a stock where we expect an unfavourable performance in absolute terms over a period of 6 months from the publication of a recommendation. This opinion is based not only on the FV (the potential downside based on valuation), but also takes into account a number of elements that could include a SWOT analysis, momentum, technical aspects or the sector backdrop. Every subsequent published update on the stock will feature an introduction outlining the key reasons behind the opinion.

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