

Declaration of Compliance with the German Corporate Governance Code issued for the 2010 fiscal year by the Management Board and Supervisory Board of Infineon Technologies AG in accordance with Section 161 of the German Stock Corporation Act

Infineon Technologies AG has, with the following exceptions, complied with all recommendations of the Government Commission on the German Corporate Governance Code in the version of June 18, 2009 since it submitted its last Declaration of Compliance in accordance with Section 161 of the German Stock Corporation Act in November 2009 and with all recommendations of the Government Commission on the German Corporate Governance Code in the version of May 26, 2010 since their publication in the electronic version of the German Federal Gazette on July 2, 2010:

- Previously no agreement had been concluded on the application of a D&O insurance deductible for Supervisory Board members equivalent to that required by law for Management Board members (divergence from section 3.8).

In derogation from the recommendation of section 3.8 of the German Corporate Governance Code, Infineon Technologies AG has hitherto obtained personal undertakings from the members of the Supervisory Board under which the members of the Supervisory Board undertake to pay for each calendar year a deductible in the amount of 100% of the fixed compensation due to them per calendar year for their activity as a member of the Supervisory Board and its Committees. However the Supervisory Board decided in its meeting on November 22, 2010 to agree a deductible amounting to 10% of the loss and up to 150% of the annual fixed compensation of the Supervisory Board members directly in the D&O insurance for the members of the Supervisory Board in accordance with the recommendation in section 3.8 para. 3 of the German Corporate Governance Code in place of the existing voluntary undertaking. Corresponding amendments to the current D&O insurance policy are to take effect for the 2011 fiscal year.

- Negative developments are taken into account only to a limited extent when determining the variable compensation components under the Management Board contracts currently in force (divergence from section 4.2.3 clause 2 sentence 4).

The recommendation that negative developments should also be taken into account when determining variable compensation components was a new addition in the June 18, 2009 version of the German Corporate Governance Code. All Infineon Technologies AG Management Board contracts were concluded prior to this date and therefore could not take this recommendation into account.

- Payments in the event of premature termination of a Management Board member's contract due to a change of control may in individual cases exceed 150 percent of the severance payment cap (divergence from section 4.2.3 clause 5 of the German Corporate Governance Code).

All Management Board contracts were modified in fiscal 2007 to include change-of-control clauses under which members of the Management Board leaving office in connection with a change of control are entitled to a continuation of their annual target income for the full remaining duration of their service contract. The full remaining duration of the service contract may in certain cases exceed the limit of three years stipulated in the German Corporate Governance Code.

The compensation structure for the Management Board of Infineon Technologies AG was reviewed by an external independent compensation expert in fiscal 2010. The Executive Committee drew on the findings of this review to devise a new Management Board

compensation system intended to apply to all future members of the Management Board. Its corresponding proposal was adopted by the Supervisory Board at its meeting of November 22, 2010. The existing contracts with the incumbent members of the Management Board are also to be amended accordingly. It is intended that the variable element of Management Board compensation will also take account of negative developments in future in accordance with the recommendation in section 4.2.3 clause 2 sentence 4 of the German Corporate Governance Code and all Management Board contracts are to include a change-of-control clause in accordance with the recommendation in section 4.2.3 clause 5 of the German Corporate Governance Code.

In future Infineon Technologies AG will comply with all recommendations of the German Corporate Governance Code in the version of May 26, 2010.

Infineon has in addition adopted all of the suggestions presented in the German Corporate Governance Code in the version of May 26, 2010.

Neubiberg, November 2010

For the Supervisory Board of Infineon Technologies AG:

Prof. Dr. Klaus Wucherer
(Chairman of the Supervisory Board)

The Management Board

Peter Bauer

Prof. Dr. Hermann Eul

Dr. Reinhard Ploss