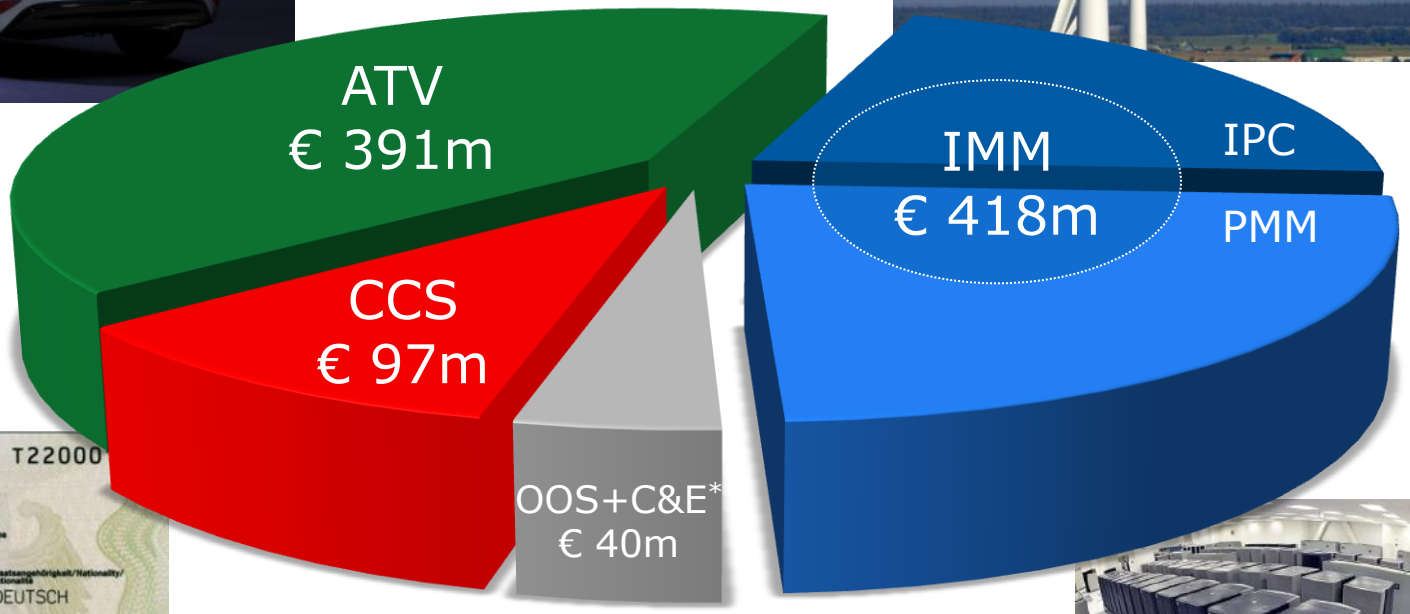
First Quarter FY 2012
Quarterly Update

Infineon Technologies AG
Investor Relations

- Infineon at a Glance
- Growth Outlook and Margin Resilience
- Results and Outlook

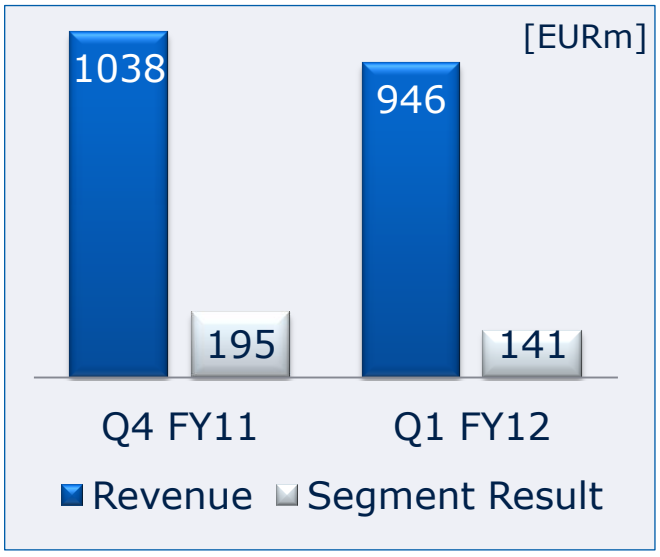
Revenue Split by Division

Q1 FY 2012 revenue: EUR 946m



* Other Operating Segments; Corporate & Eliminations.

Segment Result Margin of 15% Despite Sales Decline



[EUR m]	Q1 FY11	Q4 FY11	Q1 FY12
Revenue	922	1,038	946
Total Segment Result	177	195	141
Total SR Margin	19.2%	18.8%	14.9%
Net Income*	232	125	96
Investment	131	273	294
FCF from cont. operations	4	97	-234
Gross Cash	1,669	2,692	2,337
Net Cash	1,293	2,387	2,068

* Net Income includes „income (loss) from discontinued operations, net of income taxes“ in Q1 FY11 EUR 83m; in Q4 FY11 EUR -122m and in Q1 FY12 EUR -8m.

Tight Customer Relationships are Based on System Knowhow and App Understanding

ATV

Autoliv
HELLA
BOSCH
Continental
DELPHI
DENSO
LEAR CORPORATION
HYUNDAI
TRW
Valeo

IPC

ABB
ALSTOM
BOMBARDIER
ENERCON ENERGY FOR THE WORLD
Rockwell Automation
Schneider Electric
SIEMENS
SMA
SEMIKRON innovation+service

PMM

DELL
DELTA
EMERSON
ERICSSON TAKING YOU FORWARD
hp invent
LG Life's Good
Microsoft
power-one Changing the Shape of Power
SAMSUNG

CCS

gemalto security to be free
hp invent
Oberthur Card Systems
SAFRAN Morpho
Watchdata

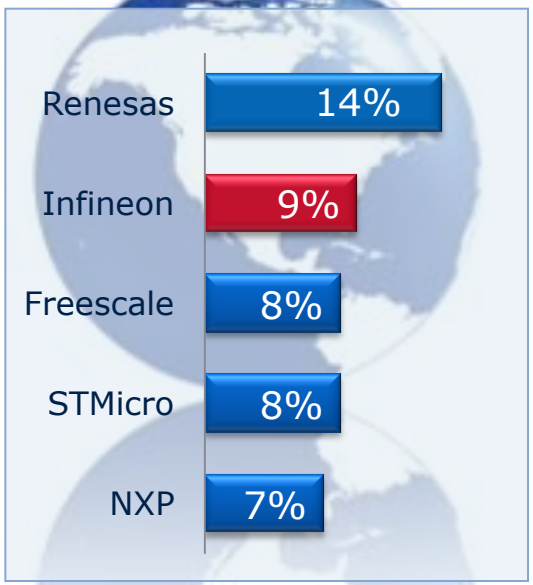
Distributors

ARROW
AVNET
北京晶川电子技术发展有限责任公司 Beijing Jingchuan Electronic Technology Development Co.,Ltd
RUTRONIK EUROPE

Infineon Holds Top Positions in All Target Markets

Automotive

#2

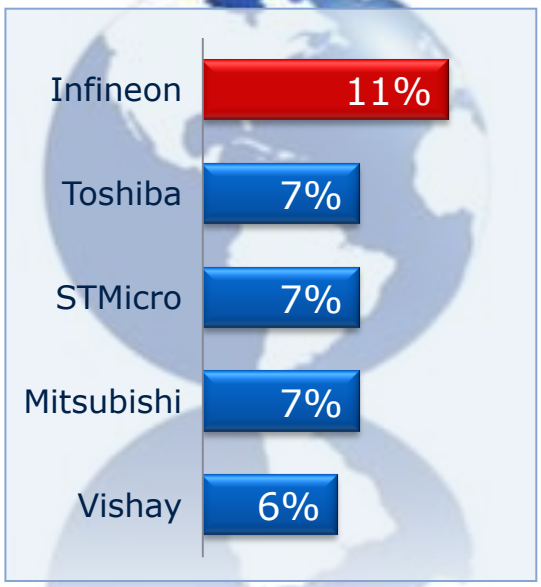


Calendar Year 2010.

Source: Strategy Analytics, April 2011.

Power

#1

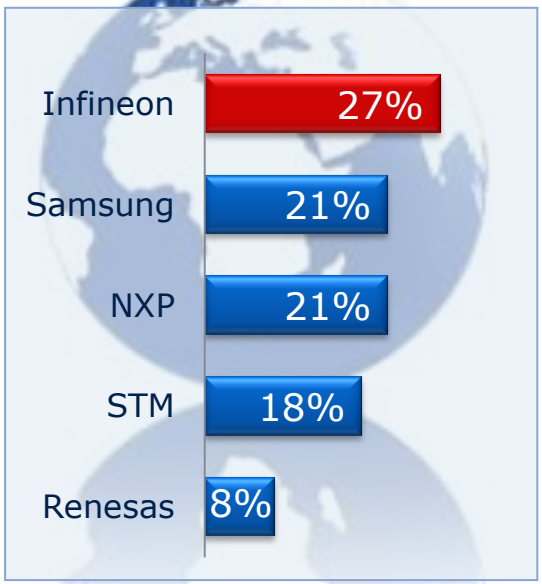


Calendar Year 2010.

Source: IMS Research, August 2011.

Chip Card

#1



Calendar Year 2010.

Source: IMS Research, August 2011.

- Infineon at a Glance
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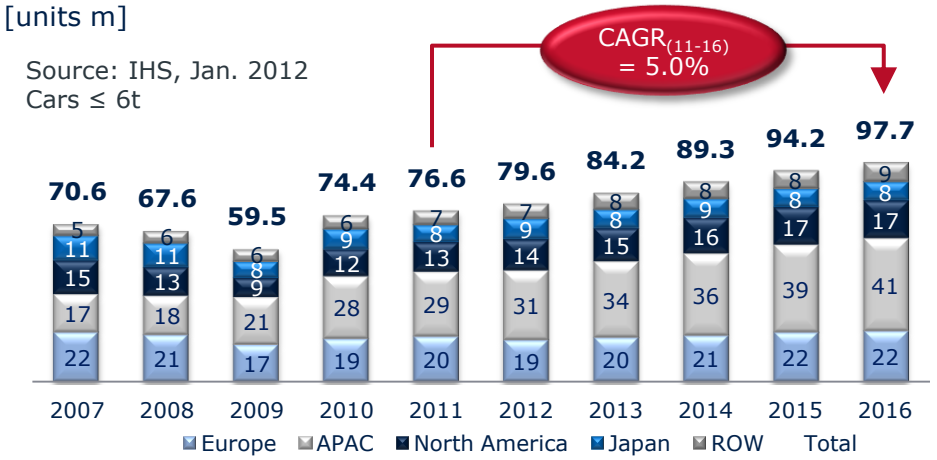
New Era: Multiple Factors Driving Demand for Power Semiconductors

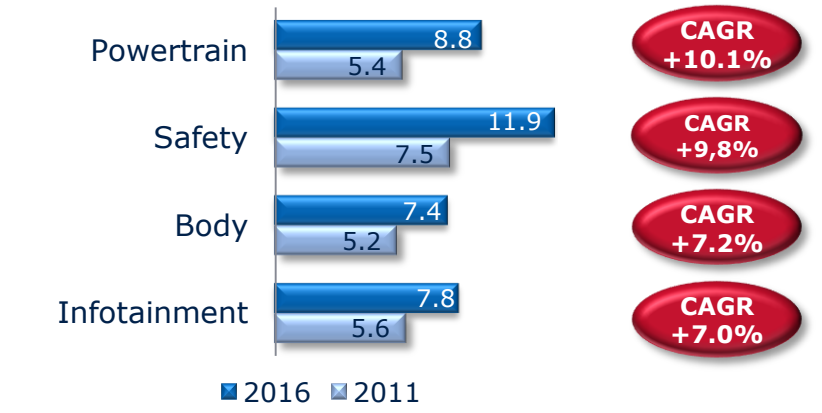
'90 – '10	'10 – '30	Changes
	 Courtesy: Tesla	■ Electrification of powertrain fuels demand for high-power semis in cars and doubles silicon content.
		■ Shift towards renewable energies requires orders of magnitude more high-power semis per MW of power generated.
		■ Higher efficiency in power conversion lowers CO_2, material and electricity costs.
		■ Stronger demand for goods containing power semis due to faster increase in standard of living in BRIC countries.

Growth: Rising Global Car Production and Silicon Content Drive Market

Global car production

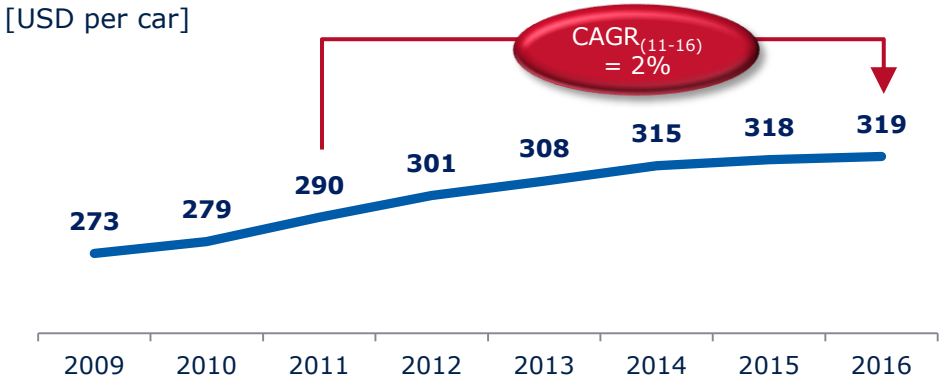


Semi market by segment



Source: Strategy Analytics, Jan. 2012

Semi value per car

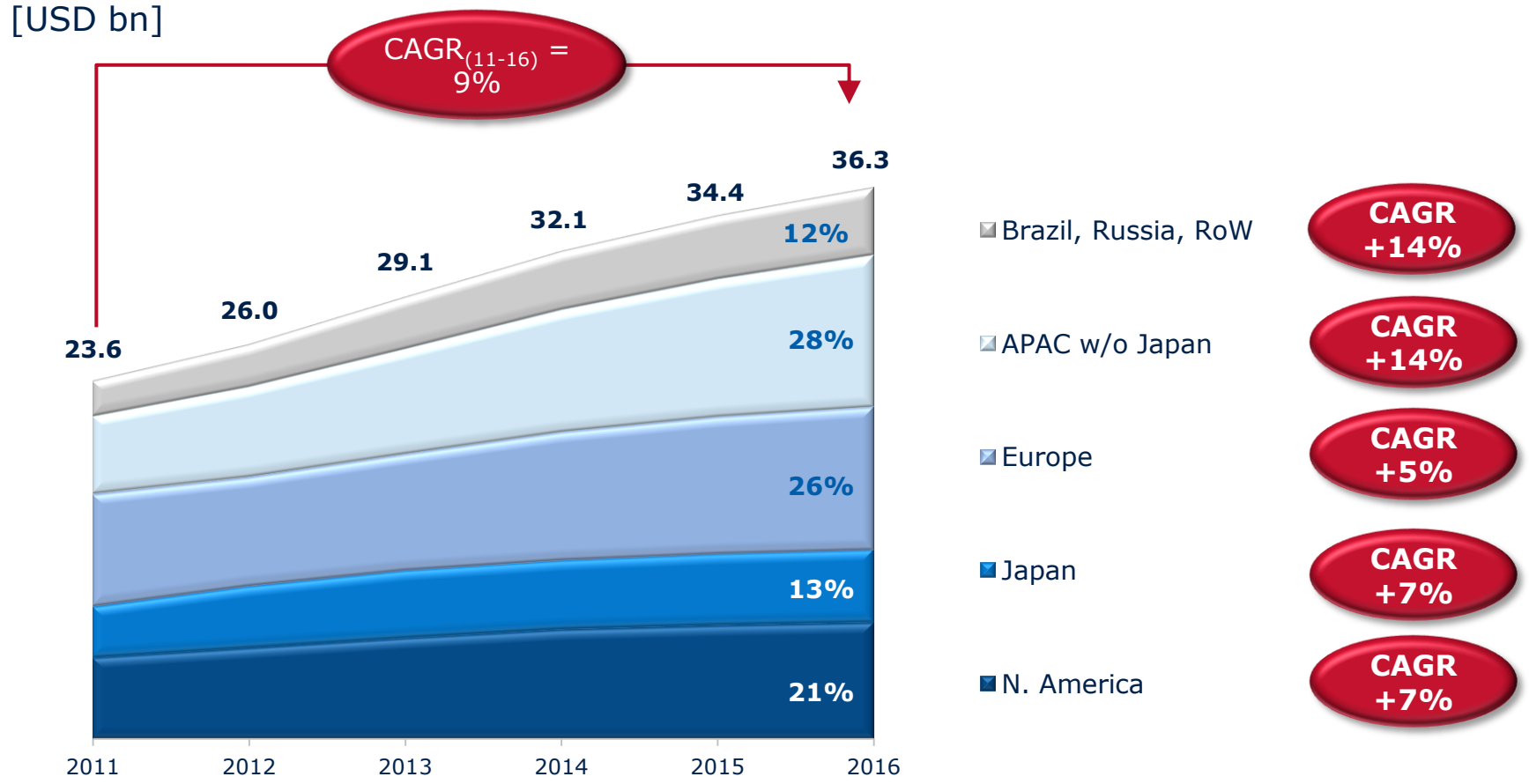


Source: Strategy Analytics, Jan. 2012; includes sensors

- Highest growth in car units out of APAC.
- Semiconductor content per car: USD 319 in 2016 versus USD 290 in 2011.
- Automotive semiconductor market growth drivers: powertrain, safety and body.

By Region, Main Growth Drivers are BRIC Markets and Recovery in North America

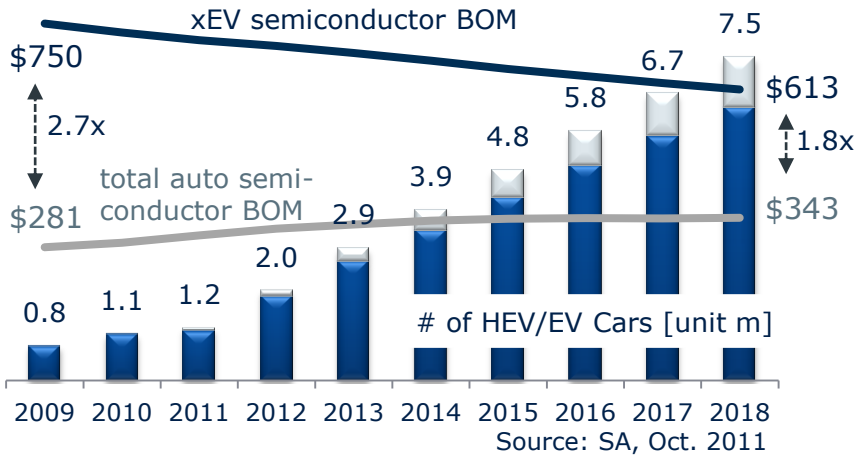
Automotive semiconductor market forecast



Source: Strategy Analytics, January 2012; includes semiconductor sensors.

Electric Vehicles and Hybrid Electric Vehicles Drive Semiconductor Demand

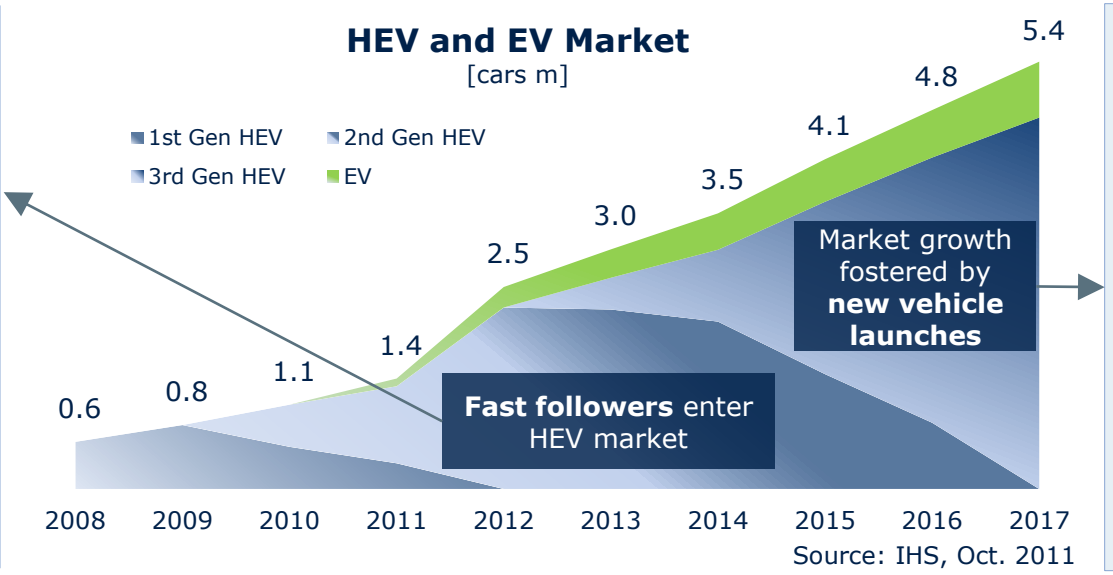
ICE vs. EV/HEV Semiconductor BOM



Source: SA, Oct. 2011

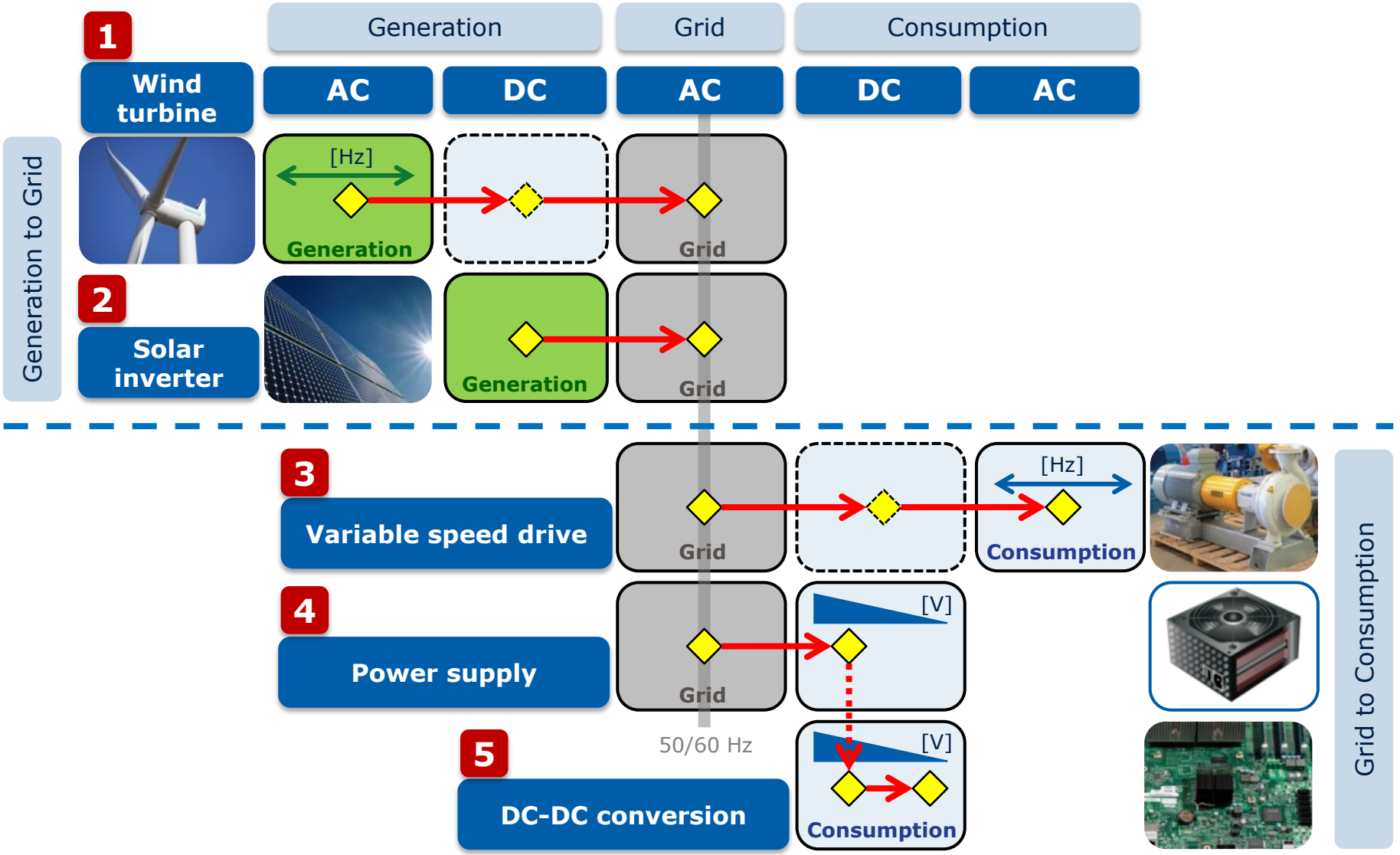
- Fuel cost, CO_2 reduction and price are **main drivers** for EVs and HEVs.
- Semiconductor **BOM** of an **EV/HEV** is 2 to 3 times higher than total auto semiconductor BOM.
- 50-80% related to IGBT and diode chips in state-of-the-art **module packages**.

BoM = bill of material
ICE = internal combustion engine
EV = electric vehicle; HEV = hybrid electric vehicle



Source: IHS, Oct. 2011

Infineon is Involved in Every Electrical Energy Conversion Step



About 10% Growth p.a. for Cycle Average Expected for Infineon

ATV	IPC + PMM	CCS
	 	
Courtesy: Hyundai		
ATV growth: ~10% p.a.	**IPC + PMM growth:** > 10% p.a.	**CCS growth:** ~5-7% p.a.

Growth target

Infineon: ~10% growth p.a. cycle average

Sustainable Profitability: Targeting 15% Segment Result (SR) Margin for Cycle Average

#1 **High barriers to entry[1]**

#2 **Semiconductors enable high functionality[1]**

#3 **Value of semis small relative to end product[1]**

#4 **Infineon's core competencies: Power and eControl[1]**

SR target margins

ATV SR margin:
15-20%[2]

IPC + PMM SR margin:
20-25%[2]

CCS SR margin:
10-15%[2]

Infineon: ~20% SR margin under normal industry conditions
~15% SR margin cycle average

[1] For more information please see pages 25 – 28 in appendix.
[2] Under normal industry conditions.

Target Operating Model

	FY 2011	FY 2012e	Longer term
Revenue	EUR 3.997bn	Decreasing by mid single-digit %	~10% growth p.a.
Gross margin	41.4%	< 40%	Flat or increasing vs FY 2012
R&D	11.0% of sales	Increasing by 5 – 10%	Low-to-mid teens % of sales
SG&A	11.2% of sales	Increasing by 5 – 10%	Low-teens % of sales
Total Segment Result margin	19.7%	Low to mid teens %	Increase vs FY 2012

- Infineon at a Glance
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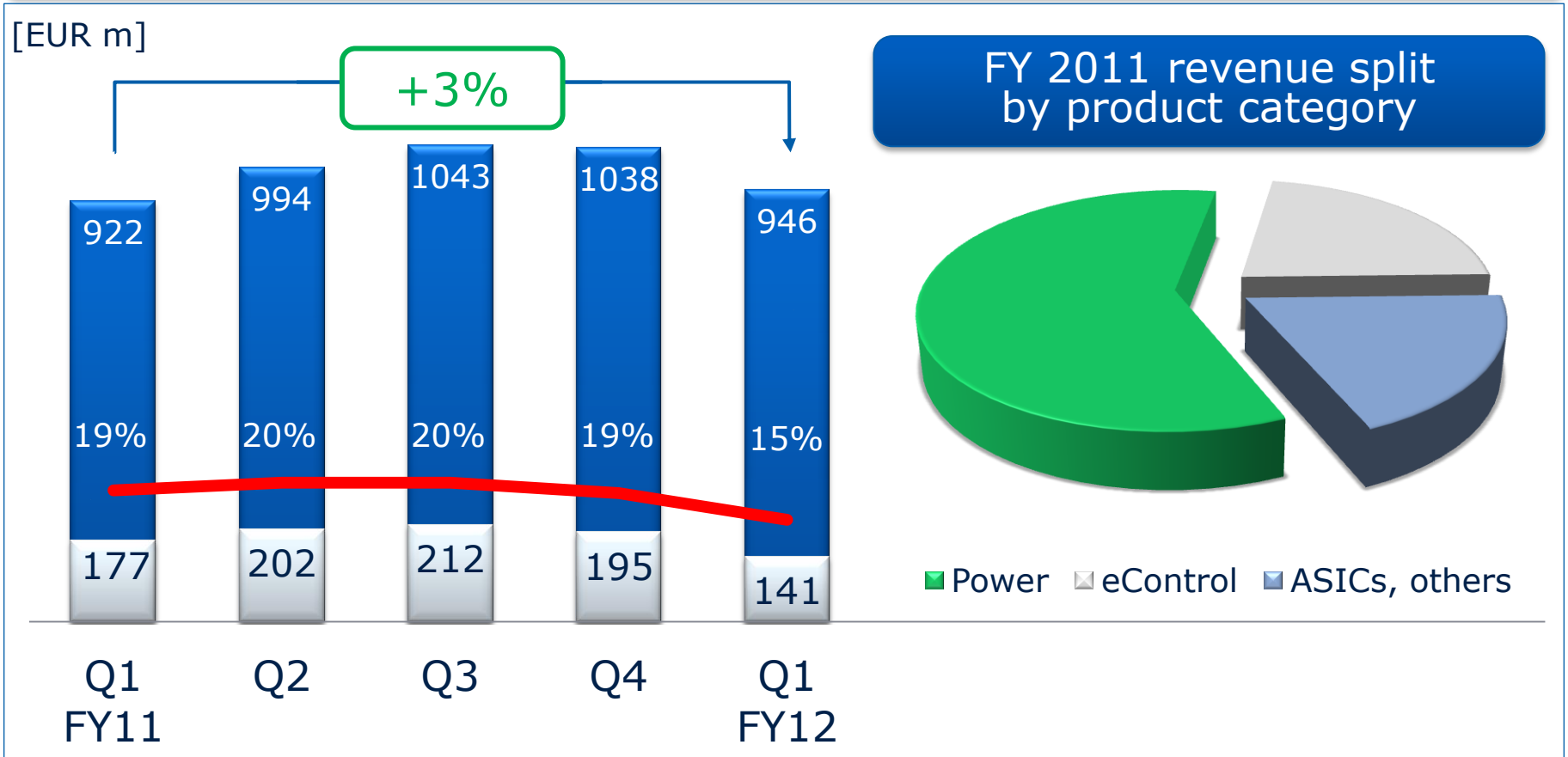
- Results and Outlook

Q1 FY12: Maintained Solid Total Segment Result Margin

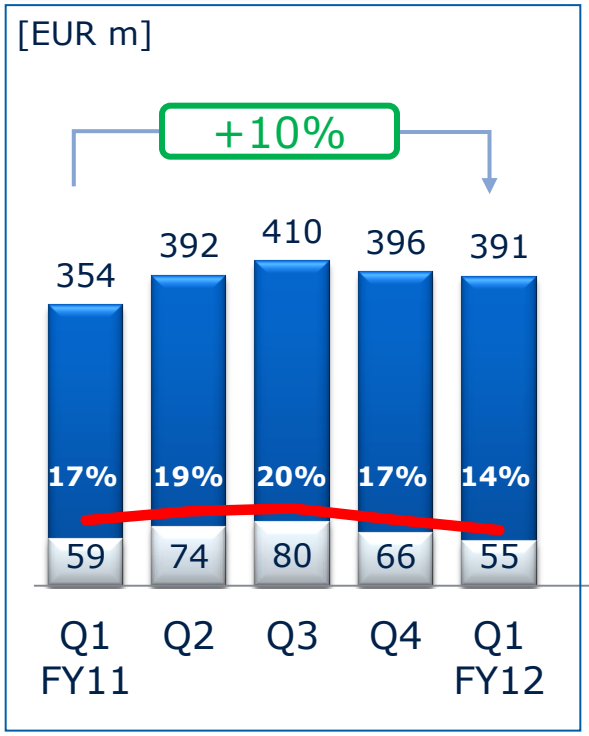
Revenue and Segment Result



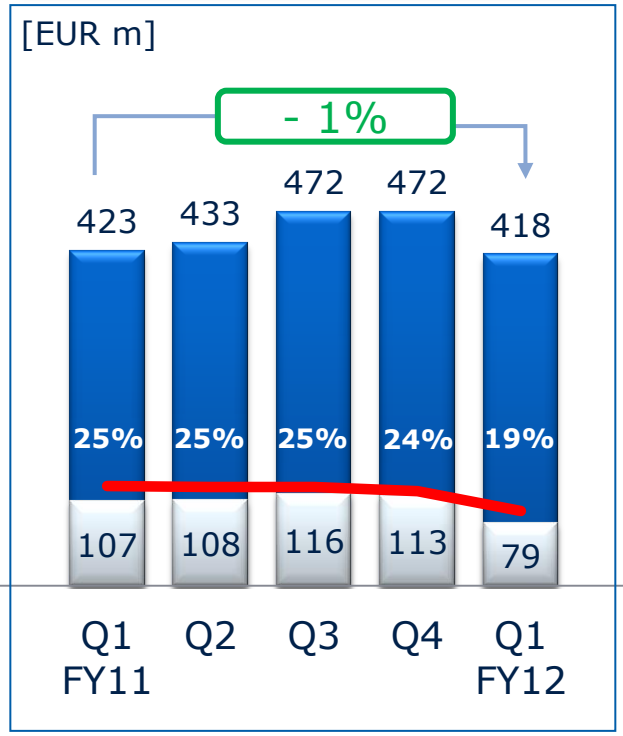
FY 2011 revenue split by product category

All Segments Contribute to Total Segment Result

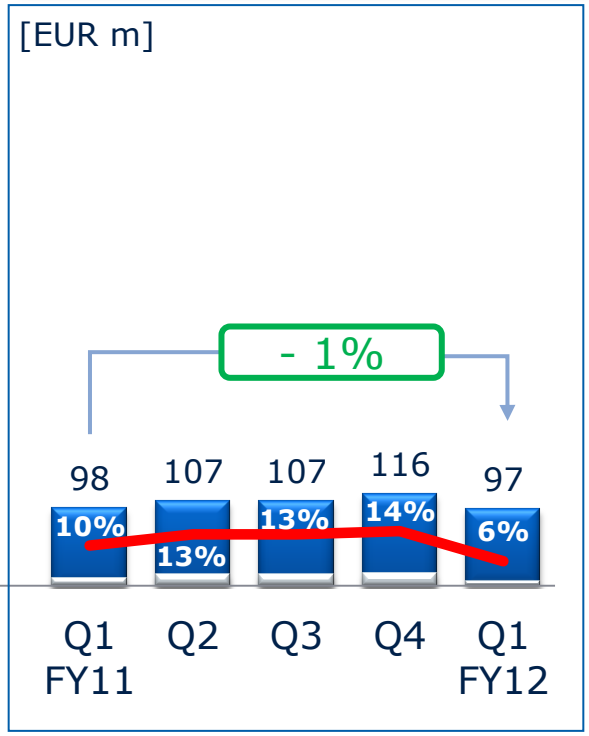
ATV



IMM



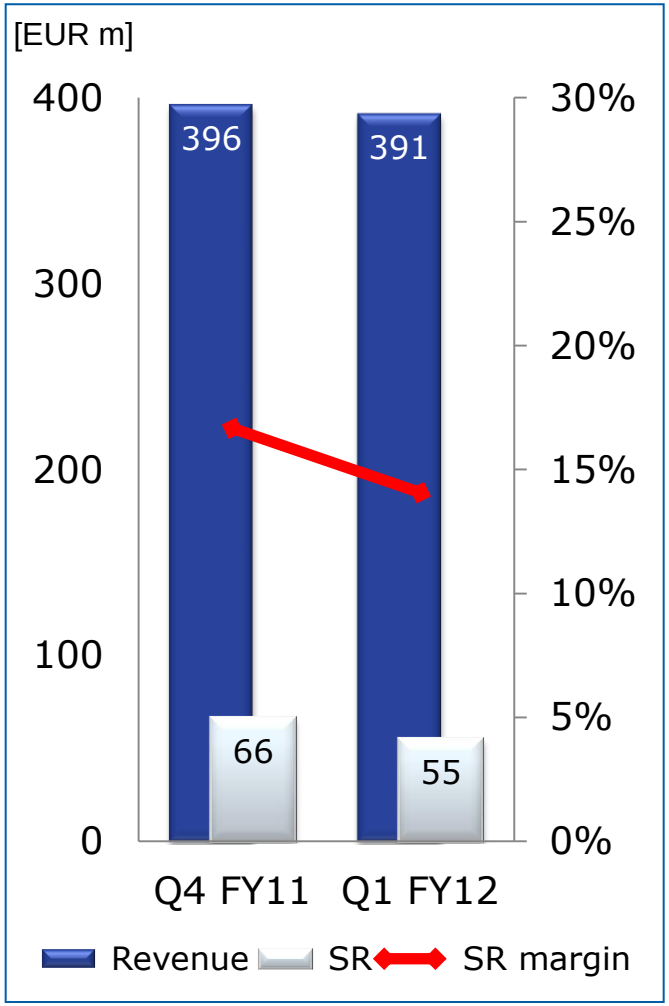
CCS



Revenue Total Segment Result Total SR margin

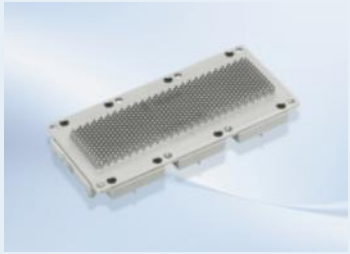
ATV:
Automotive Environment Remained Solid

Revenue and SR



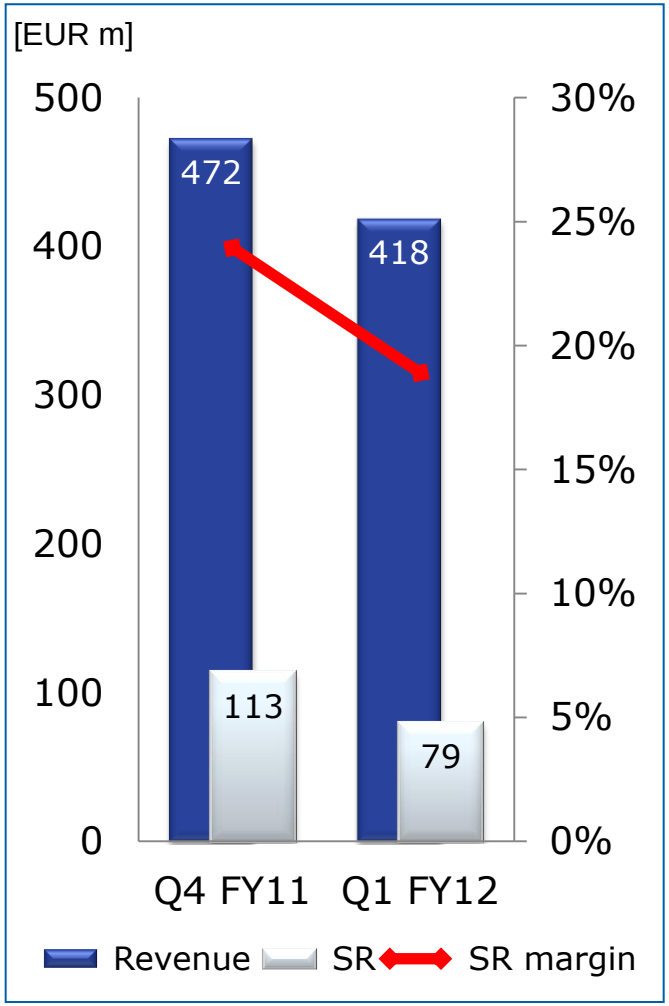
Highlights

- Sales into the automotive end market remained solid.
- The small revenue decline was related to the usual inventory management of our customers at the end of their fiscal year.
- Segment Result was down as a result of slightly lower revenue and increased manufacturing and operating expenses.
- Introduction of 32-bit ARM® Cortex™-M4-based industrial microcontroller family XMC4000, targeting electrical motors, solar inverters and factory automation applications.
- Major design win with our HybridPACK™ 2 power module in the Chinese electromobility market.



IMM: Both Low- and High-Power Demand Affected by Inventory Correction

Revenue and SR

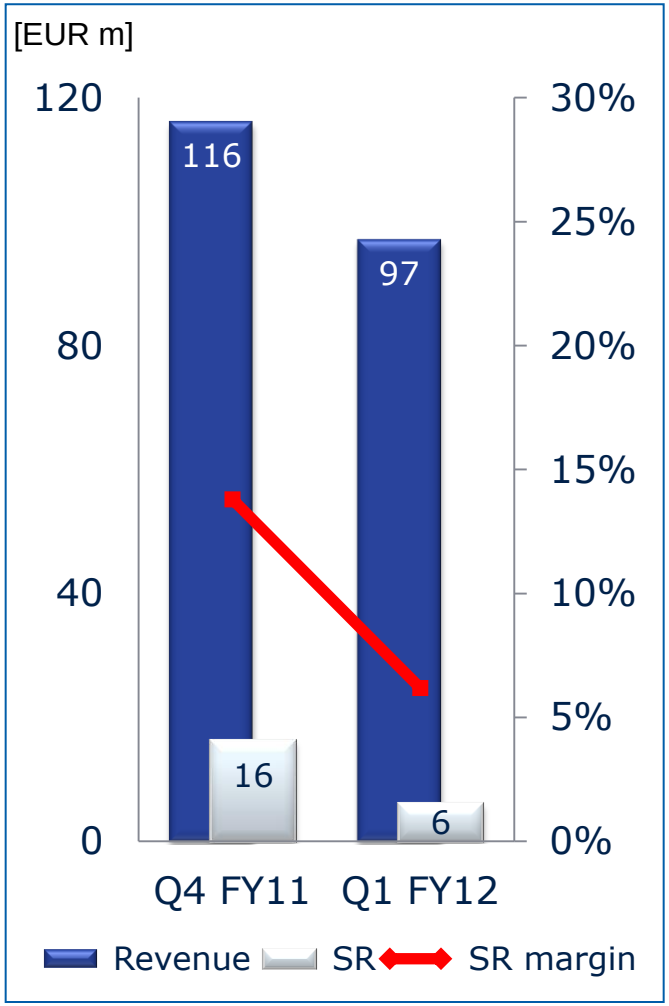


Highlights

- Revenue decline driven by lower demand for both power and non-power products.
- SR decline mainly result of weaker top line.
- Power products: weaker demand spread also to late-cycle industrial drives.
- Computing: demand from notebooks and desktops showed typical negative seasonality (also affected by the Thailand flood.) By contrast, servers saw some recovery.
- Consumer: Strong demand in gaming and eBooks.
- Design win for IGBT modules at a major OEM in the field of heavy construction vehicles; used for diesel-electric hybrid powertrain applications.

CCS:
NFC Leader and Working on Shrink Roadmap

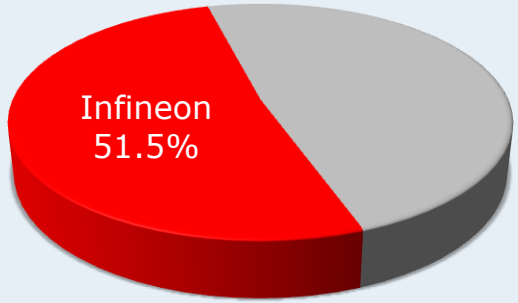
Revenue and SR



Highlights

- Revenue decline driven by typical seasonality, lower demand from payment applications and the negative impact of the Thailand flood on government ID.
- Segment Result decline mainly result of weaker top line.
- 650 million 90nm-based security controllers shipped cumulatively until the end of CY 2011.
- First samples of 65nm-based embedded Flash lead-product were available during the quarter.
- Infineon dominated the NFC Secure Element market in CY 2011 with more than 50% market share.

(source: IMS Research, January 2012.)



Total: 46.6m units

Guidance for Q2 and FY 2012

	Outlook Q2 FY12 (compared to Q1 FY12)	Outlook FY 2012 (compared to FY 2011)
Revenue	Revenue to be flat to down slightly quarter-on-quarter	Mid-single digit percentage decline.
Total Segment Result Margin	Down broadly 1 percentage-point.	Low-to-mid teens percentage.

Superior Growth and Profitability Allow Sustained Investments Over the Cycle

1 Superior growth and profitability

- Focus on secular growth drivers, e.g. renewables, e-mobility, energy efficiency.
- Leading market share and competitive strengths.
- 10% growth and 15% SR margin on average over the cycle.

2 Sustained investments for future success

- Counter-cyclical investments, selling and R&D to enable further share gains.
- Investments secure capacity for future growth and competitive advantage.
- 300mm power discretes; 200mm, quality, innovation, automation etc.

3 Strong returns

- Value creation: RoCE well in excess of our capital cost, 27% in Q1 FY12.
- Capital returns through a.) dividend payments,
  b.) share buy-back,
  c.) Convertible Bond 2014 buy-back.

ENERGY EFFICIENCY
MOBILITY
SECURITY

Innovative semiconductor solutions for energy efficiency, mobility and security.



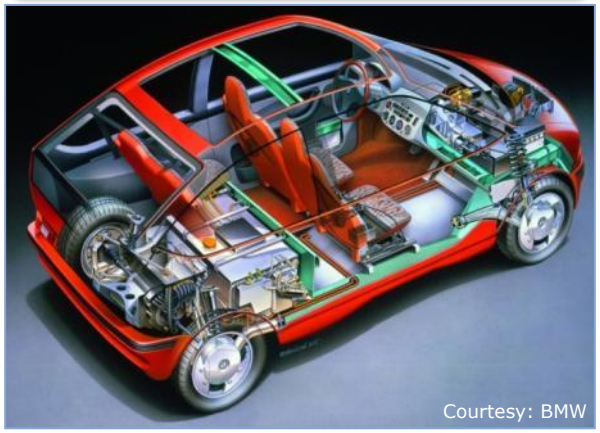
4 Reasons for Sustainable Profitability – #1 High Barriers to Entry

Long product life cycles

Courtesy: Siemens

- For many markets we address, deliveries of semis need to be ensured for very long periods of time:
  - for car industry: 7 to 24 years;
  - for train industry: about 15 years.

System knowhow and understanding


Courtesy: BMW

- Both deep and wide know-how and understanding of our customers' applications needed for making best in class solutions:
  - e.g. HEV/EV needs both automotive and industrial expertise.

Strong quality and reliability req's

- Products need to reliably perform well in the field over longer periods of time:
  - airbag reliability required as long as the car is in use;
  - wind turbines should function 30 years.

#2 Semiconductors – Core Enablers of Innovation and Higher Functionality

Energy Efficiency

- **Power supplies**
  More advanced power semiconductors allow smaller, denser, lighter and more efficient power supplies.
- **VSD**
  More precise and efficient RPM-control versus mechanical transmission.

Mobility

- **Recuperation**
  Implemented in trains for years; brought to cars by the advent of HEV/EVs.
- **Power steering**
  EPS is replacing hydraulic-mechanical power steering allowing more flexibility in car design and less power consumption.

Security

- **Identification**
  Chip-based passports and national ID cards allow much higher level of security compared with paper-only ID cards.
- **Brand protection**
  Chip-based authentication of accessories, e.g. batteries, cartridges.

#3 Semis Represent a Negligible Part of the Value of the End Product

Example 1: mid-range car

Courtesy: Volkswagen

€25,000

Semi BoM:

€250

1.0% of product value

Example 2: high-speed train

Courtesy: Siemens

€10,000,000

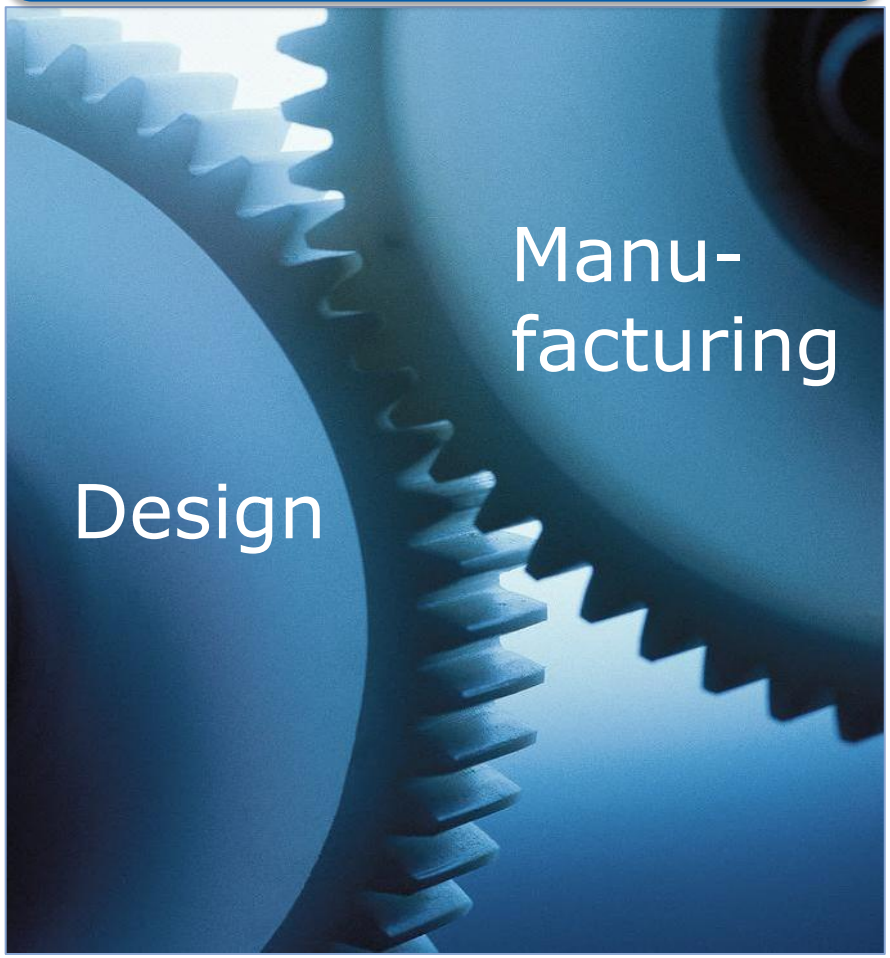
Semi BoM:

€100,000

1.0% of product value

#4 Infineon's Core Competencies — Power Semiconductors and eControl

Design and manufacturing of power semis tightly coupled



Core competence power

- Thin-wafer technology
- Super-junction MOSFETs
- Silicon-Carbide (SiC)
- IGBT module packaging

Core competence eControl

- Automotive real-time 32-bit microcontroller (TriCore™) and multi-core design (AURIX™).
- Industry microcontroller with premium peripheral functions.
- Low-power security controller.

IMM Split Into Two New Divisions as of 1 January 2012

Industrial & Multimarket (IMM)

Industrial Power Control (IPC)

Applications

- Industry-oriented applications
- Drives and traction
- Home appliances
- Renewable energies (wind, solar)




Products

- IGBT modules
- Module solutions (stacks)
- Discrete IGBTs
- Driver ICs

Power Management & Multimarket (PMM)

Applications

- Power conversion and RF applications
- Power supplies computer and server
- Lighting
- Cellular infrastructure

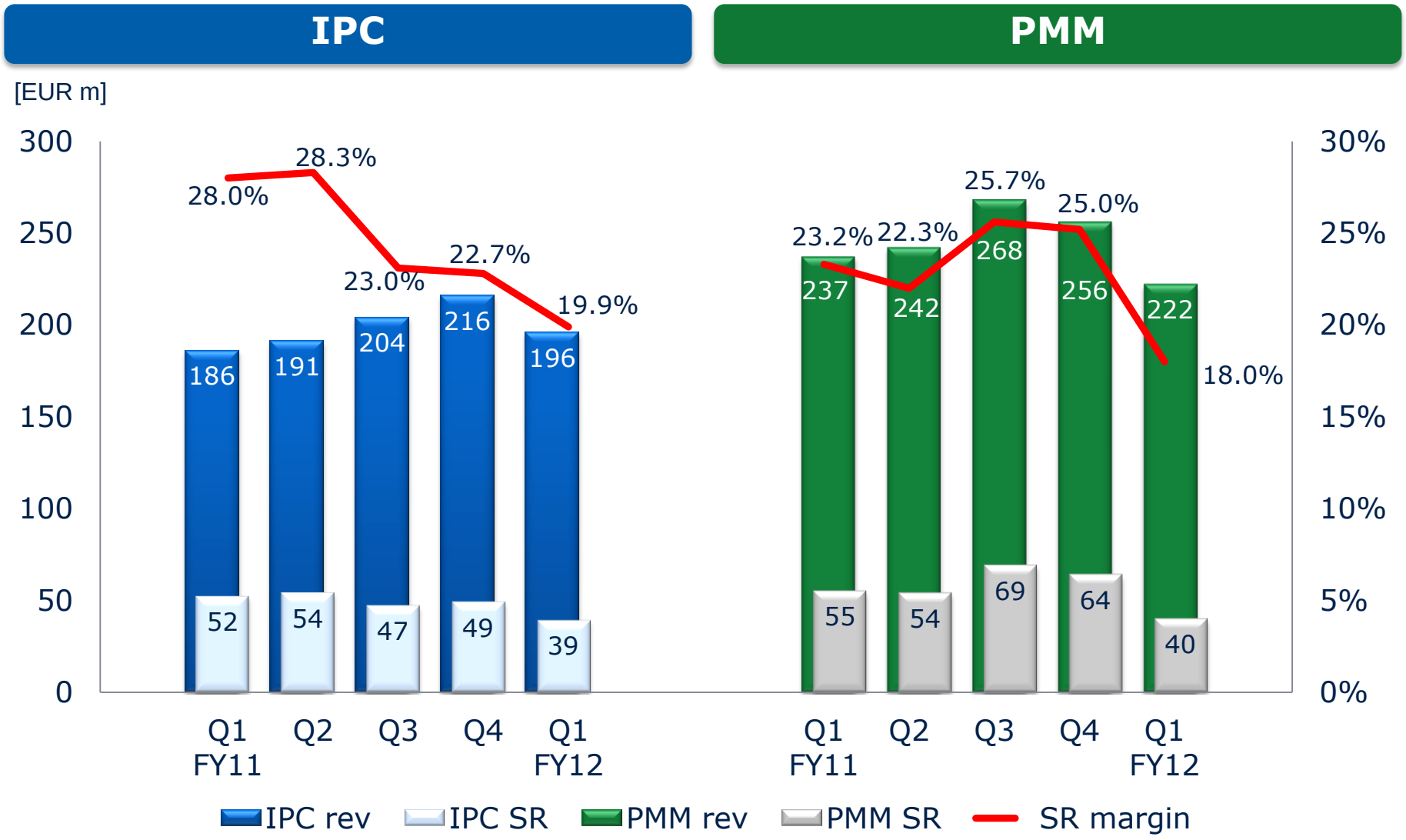



Products

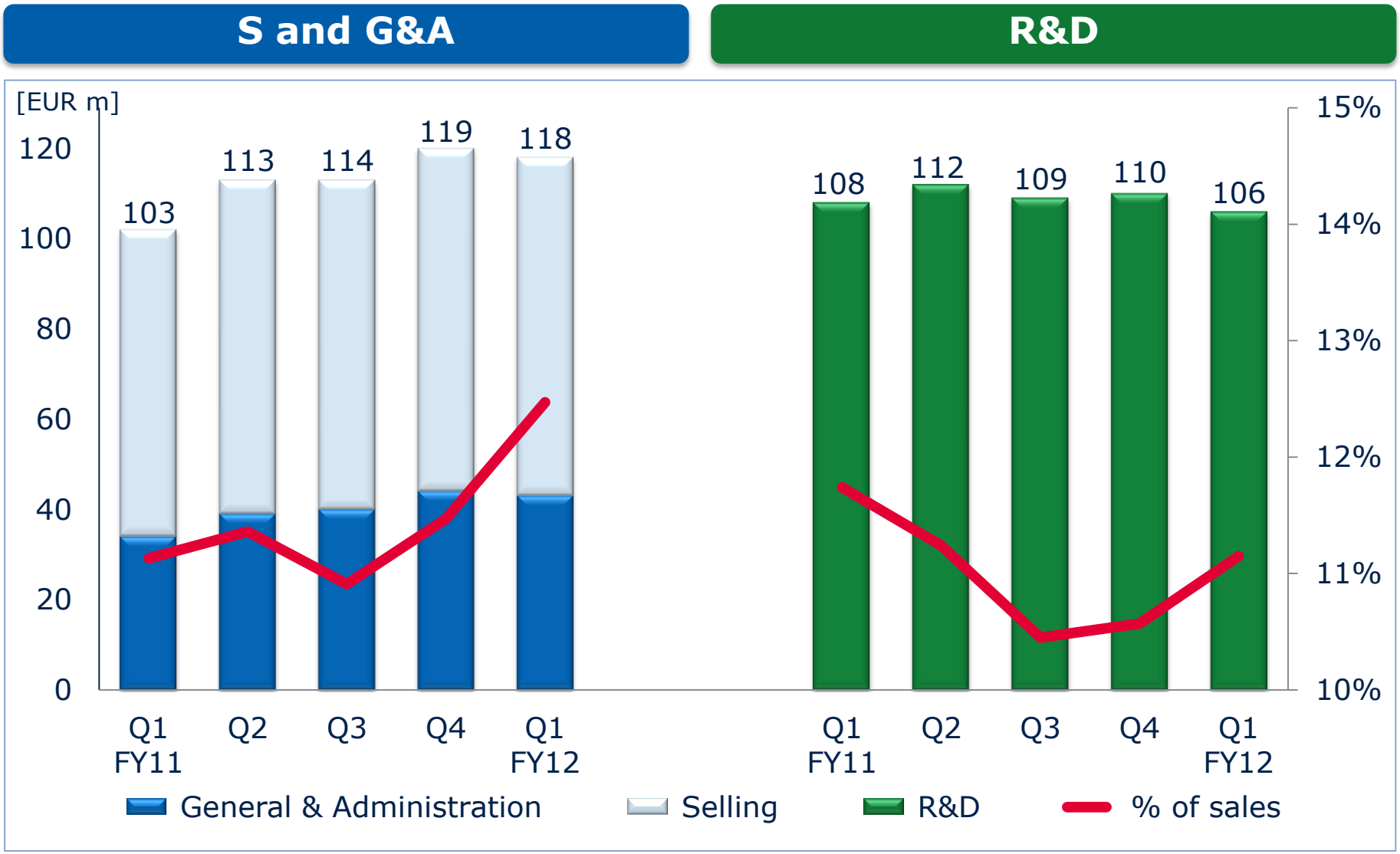
- Power MOSFETs, Power ICs, DPM*
- RF power devices
- LED drivers
- Small signal components
- ASICs

* DPM = digital power management

Pro-Forma Historical Figures for IPC and PMM

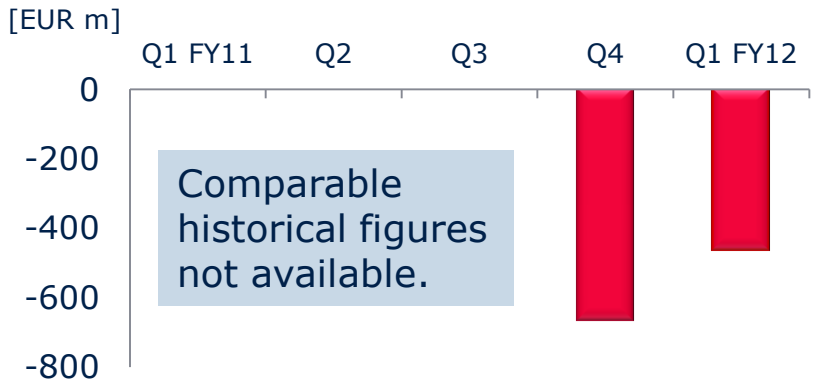


OpEx In-line With Target Operating Model

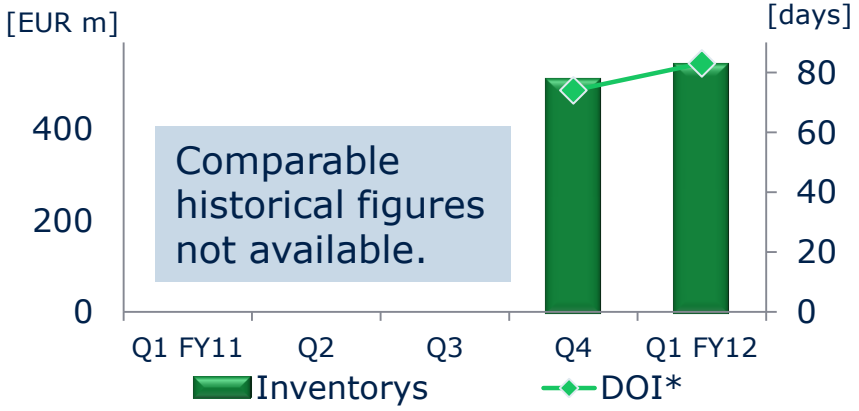


Working Capital

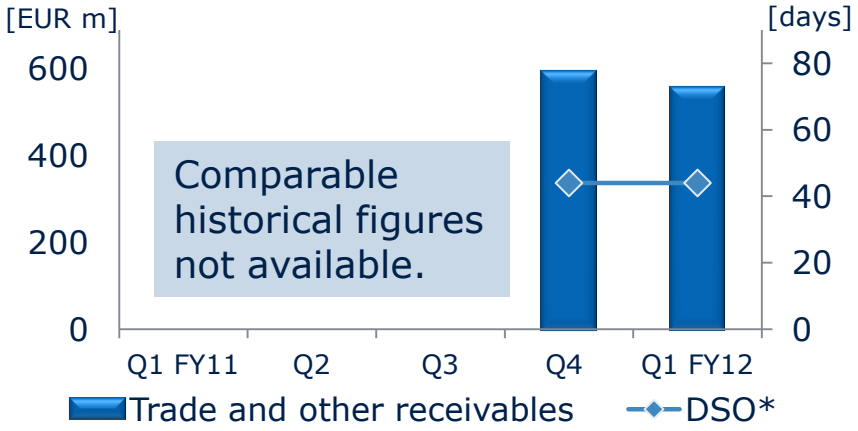
Working capital*



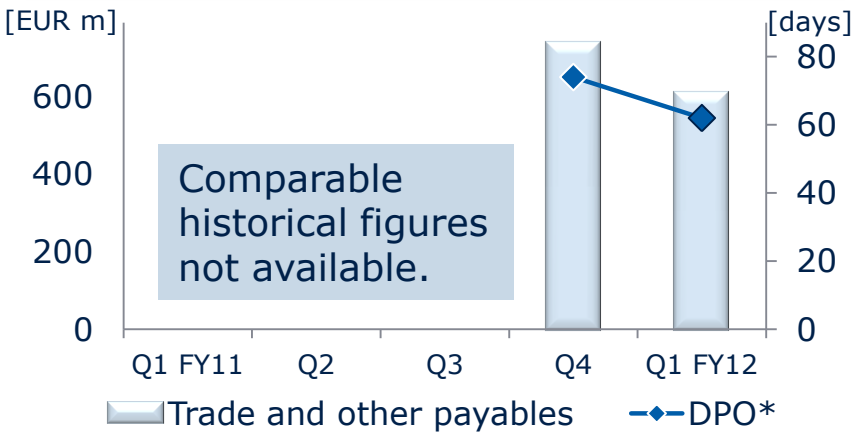
Inventories



Trade and other receivables



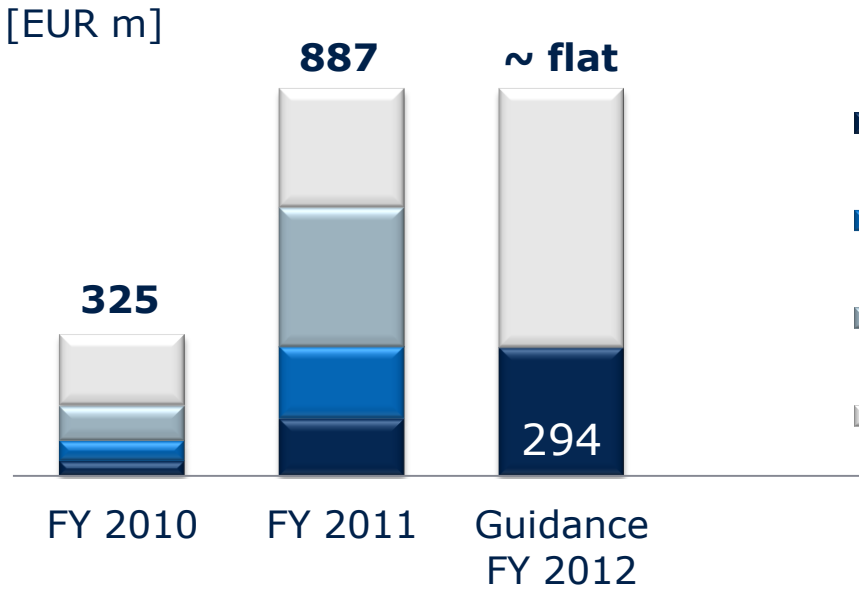
Trade and other payables



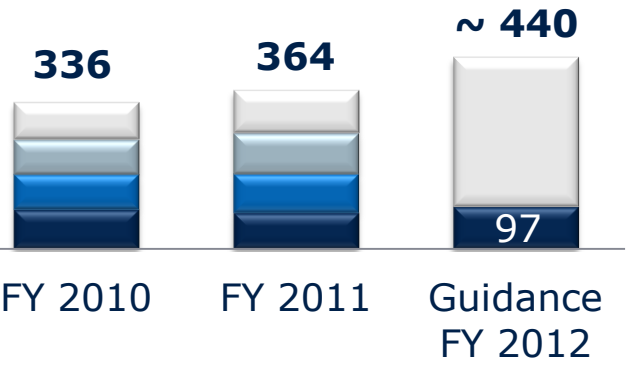
* For definition please see page 36 in appendix.

Investments Remain High to Exploit Growth Potential

Investments*



D&A



Guidance for investments:

- FY13: below investments in FY12
- beyond FY13: 10 – 15% of sales

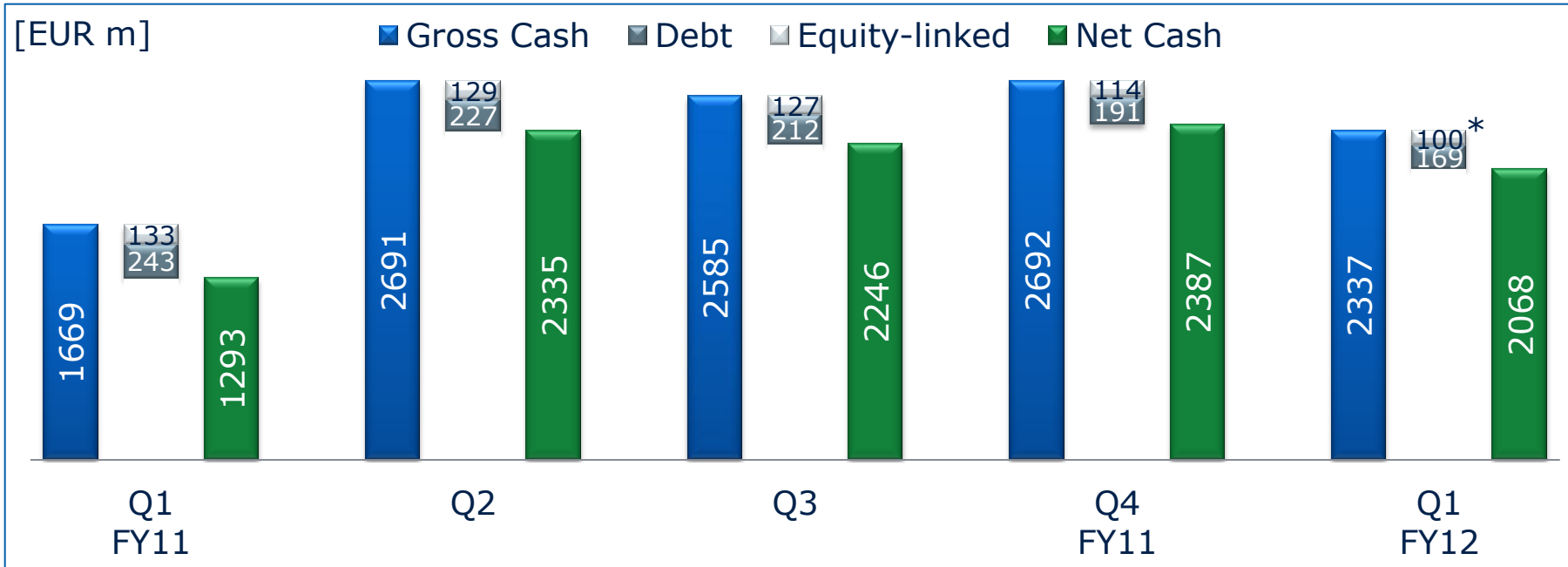
Guidance for D&A:

- FY13: increase compared to FY12
- beyond FY13: 10 – 15% of sales

* For definition please see page 36 in appendix.

High Gross and Net Cash Position Maintained

Liquidity Development

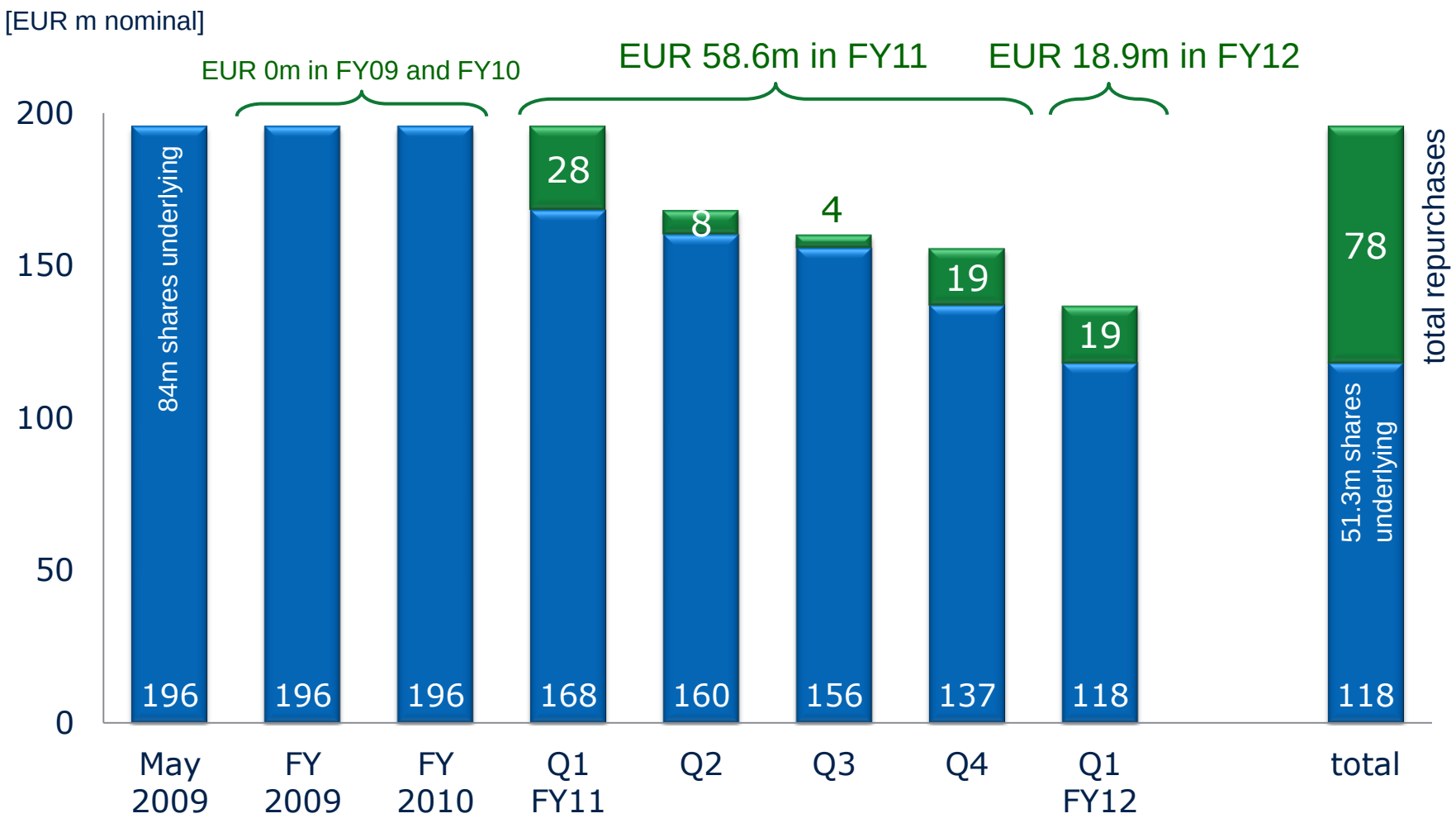


* Consists of Convertible Bond 2014 (nominal value EUR 118m; book value EUR 100m).

- Gross cash decreased due to negative FCF, capital returns of EUR 70m and additional debt reduction of net EUR 23m. Net cash impact correspond. lower.
- Fully diluted shares were reduced by 1% through buy back of 3m shares with put options and nominal EUR 19m Convertible Bond (underlying shars 8m).

Capital Returns Through Convertible Bond 2014 Buy Back

Repurchase history of Convertible Bond 2014



Notes

Investments =
'Purchase of property, plant and equipment‘
+ 'Purchase of intangible assets and other assets' *incl. capitalization of R&D expenses*

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')

DOI (inventory days; quarter-to-date) =
('Net Inventories' / 'Cost of goods sold') * 90

DSO (days sales outstanding; quarter-to-date) =
('Trade accounts receivables (net)' / 'revenue') * 90

DPO (days payables outstanding; quarter-to-date) =
('Trade payables' / ['Cost of goods sold' + 'Purchase of property, plant and equipment']) * 90

Infineon Has a Long Track Record in Responsibility and Sustainability

UN Global Compact Initiative

- As one of the first semiconductor companies worldwide, Infineon joined the Global Compact Initiative of the United Nations in 2004.

Dow Jones Sustainability Index

Dow Jones Sustainability Indexes
Member 2011/12

- Infineon is currently Europe's one and only semiconductor company member in the Dow Jones Sustainability Indexes.

Certifications

DET NORSKE VERITAS
MANAGEMENT SYSTEM CERTIFICATE

Certificate No.: 46456-2009-HSO-GER-DNV

This is to certify that

Infineon Technologies AG
Am Campeon 1-12
85579 Neubiberg, Germany

as well as the sites and remote locations listed on the following page
have been found to conform to the
Environmental as well as Occupational Health and Safety Management System Standards
ISO 14001:2004
and
OHSAS 18001:2007

This certificate is valid for the following product or service ranges:

Development, production and sales
of semiconductor components

This certificate is valid until: 31.01.2012

Place and date: Essen, 01.02.2009

For the Accredited Unit:

This audit has been performed under the supervision of

Volkmar Rüedler
Lead Auditor

Nicolaus Kim
Management Representative

- Based on our efforts for resources management, safety and health standards, Infineon received the EN ISO 14001 and OHSAS 18001 multi-site certification.

Financial Calendar

Date * preliminary date	Location	Event
08 Mar 2012	Munich	Annual General Meeting
03 May 2012*		Q2 FY12 Results
15-17 May 2012	Boston	JPMorgan Global TMT Conference
5 Jun 2012	Zurich	DZ Bank Sustainability Technologies Conference
31 Jul 2012*		Q3 FY12 Results
29-30 Aug 2012	Frankfurt	Commerzbank Sector Conference Week
13 Sep 2012	London	JPMorgan Pan Euro Tech Conference
26 Sep 2012	Munich	Baader Investment Conference
13 Nov 2012*		Q4 FY12 Results
14-16 Nov 2012	Barcelona	Morgan Stanley TMT Conference
27-28 Nov 2012	Scottsdale	Credit Suisse Technology Conference

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Disclaimer

This presentation was prepared as of 1 February 2012 and is current only as of that date.

This presentation includes forward-looking statements and assumptions about the future of Infineon's business and the industry in which we operate. These include statements and assumptions relating to general economic conditions, future developments in the world semiconductor market, our ability to manage our costs and to achieve our growth targets, the resolution of Qimonda's insolvency proceedings and the liabilities we may face as a result of Qimonda's insolvency, the benefits of research and development alliances and activities, our planned levels of future investment, the introduction of new technology at our facilities, our continuing ability to offer commercially viable products, and our expected or projected future results.

These forward-looking statements are subject to a number of uncertainties, such as broader economic developments, including the market environment; trends in demand and prices for semiconductors generally and for our products in particular, as well as for the end-products, such as automobiles, drives, renewable energies and consumer electronics, that incorporate our products; the success of our development efforts, both alone and with partners; the success of our efforts to introduce new production processes at our facilities; the actions of competitors; the continued availability of adequate funds; any mergers, acquisitions or dispositions we may undertake; the outcome of antitrust investigations and litigation matters; and the resolution of Qimonda's insolvency proceedings; as well as the other factors mentioned in this presentation and those disclosed at other occasions.

As a result, Infineon's actual results could differ materially from those contained in or suggested by these forward-looking statements. You are cautioned not to place undue reliance on these forward-looking statements. Infineon does not undertake any obligation to publicly update or revise any forward-looking statements in light of developments which differ from those anticipated.