Company Presentation
Nov. 16, 2010

Infineon

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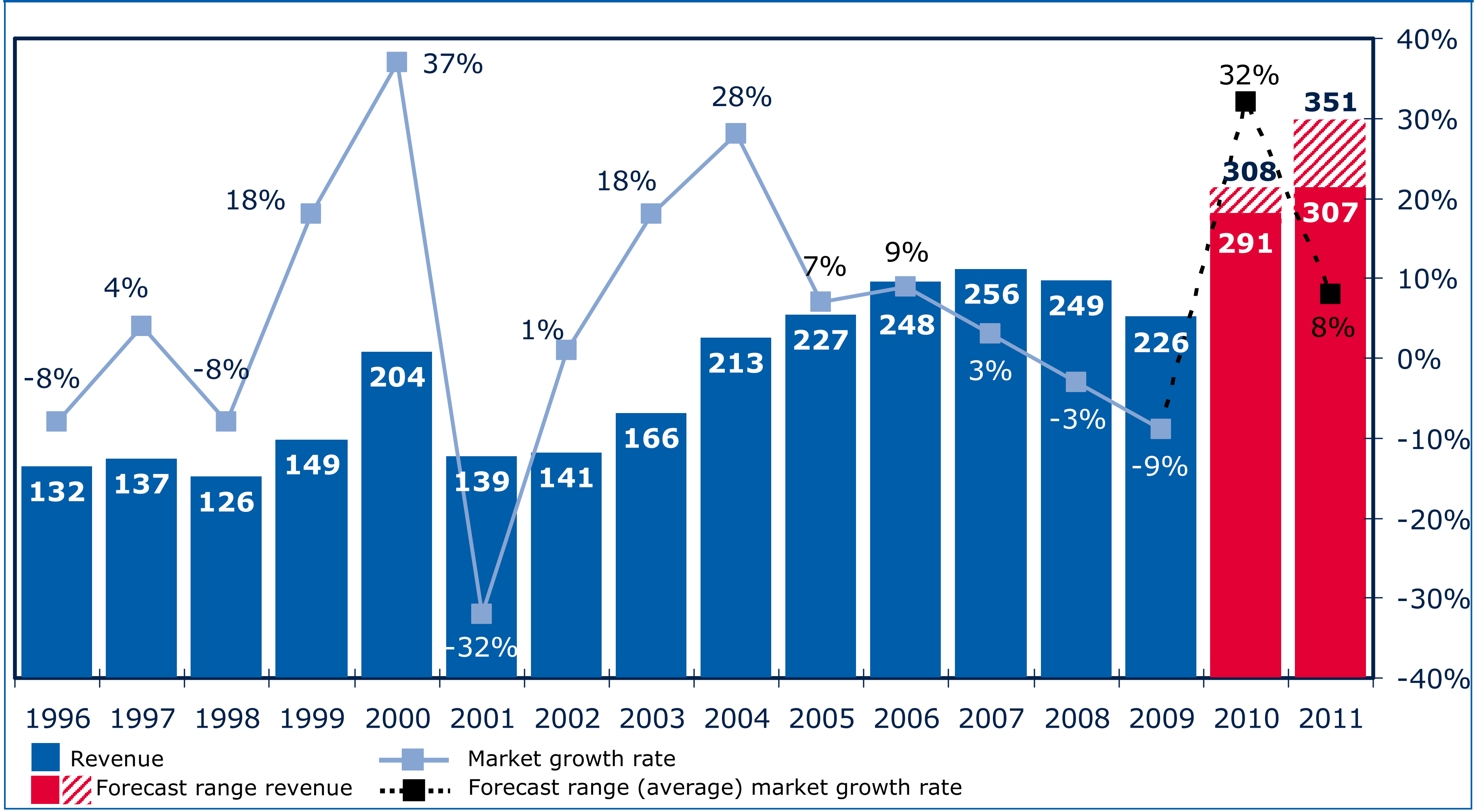
Global semiconductor market

Revenue in US Dollar billion and market growth rate



Source: WSTS for historical data; Forecast: ∅ of Future Horizons, Gartner, iSuppli, IC Insights, VLSI, WSTS; market growth rate year-on-year; October 25th 2010

Infineon Holds a #1 Position in All Target Markets

Auto-motive

#1

Market share

9%

Calendar Year 2009
Source: Strategy Analytics,
May 2010

Power

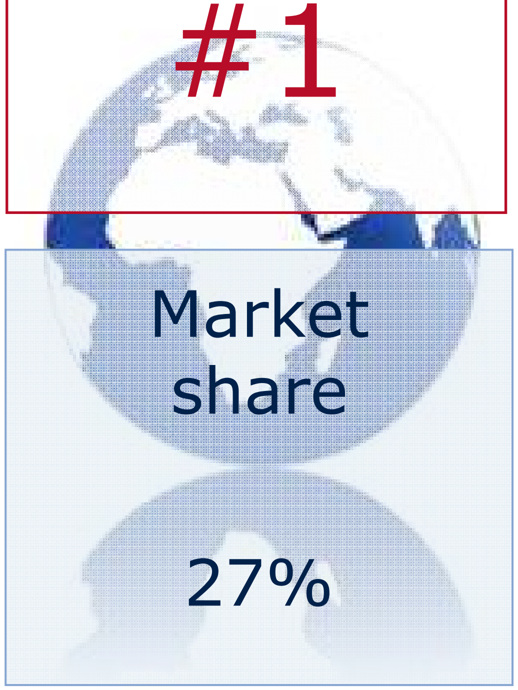
#1

Market share

11%

Calendar Year 2009
Source: IMS Research,
July 2010

Chip Card



#1

Market share

27%

Calendar Year 2009
Source: Frost & Sullivan,
October 2010

Infineon at a Glance

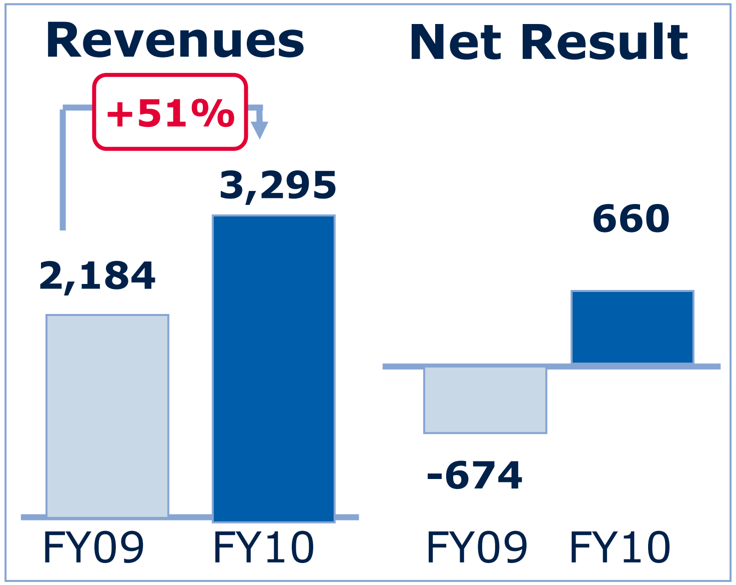
The Company

- Infineon provides semiconductor and system solutions, focusing on three central needs of our modern society: Energy Efficiency, Mobility and Security
- Revenue in FY 2010**: 3.295 billion EUR
- 26,654* employees worldwide (as of September 2010)
- Strong technology portfolio with about 22,900* patents and patent applications
- More than 21 R&D locations
- Germany’s largest semiconductor company

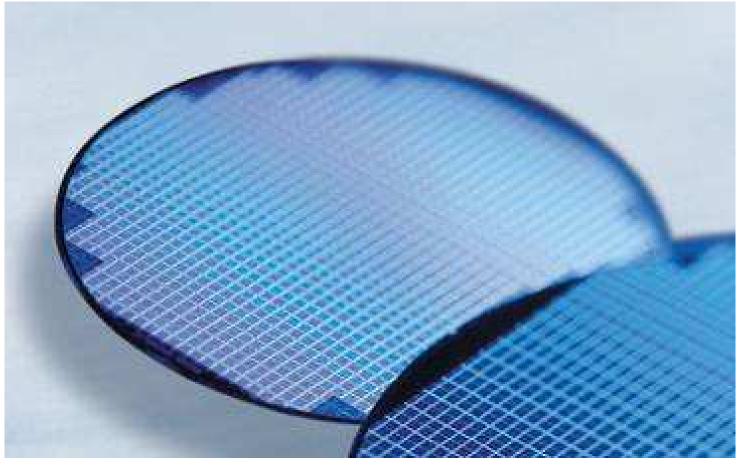
*Note: Including Wireless as discontinued operations; as of September 30, 2010

**Note: Figures according to IFRS with Wireline and Wireless as discontinued operations; as of September 30, 2010

Infineon Group
Results for FY 2010 vs FY 2009

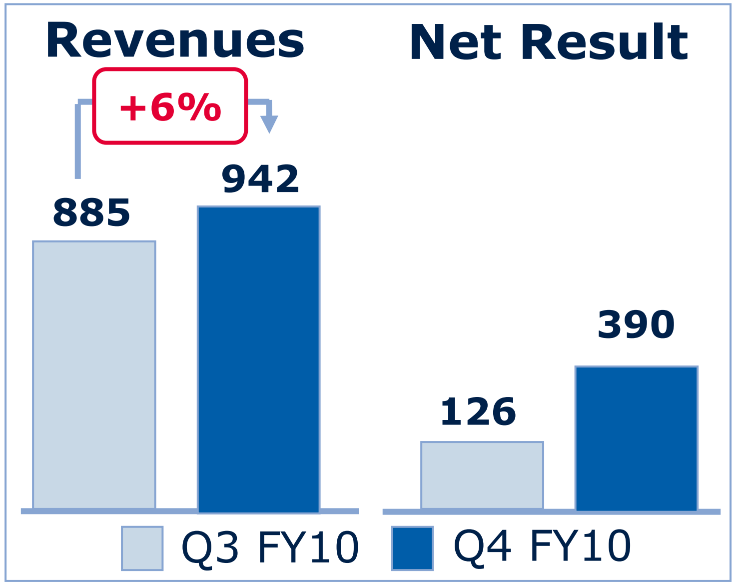


in € million	2009	2010	
Revenues	2,184	3,295	↗
Segment Result	-140	475	↗
SR Margin	-6.4%	14.4%	↗
Net Result	-674	660	↗
Free Cash Flow	274	573	↗
Investments PPE	96	292	↗
Net Debt/Cash	657	1,331	↗
Market capitalization	~4,200	~5,522	↗

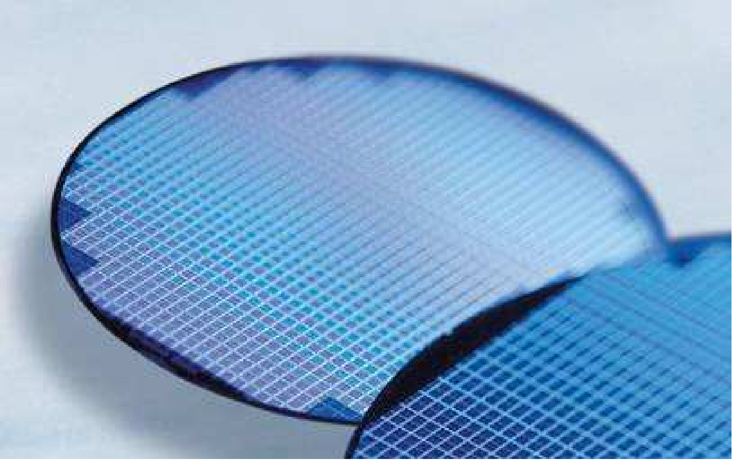


Note: Figures according to IFRS with Wireline and Wireless as discontinued operations; as of September 30, 2010

Infineon Group
Results for Q4 FY10 vs Q3 FY10

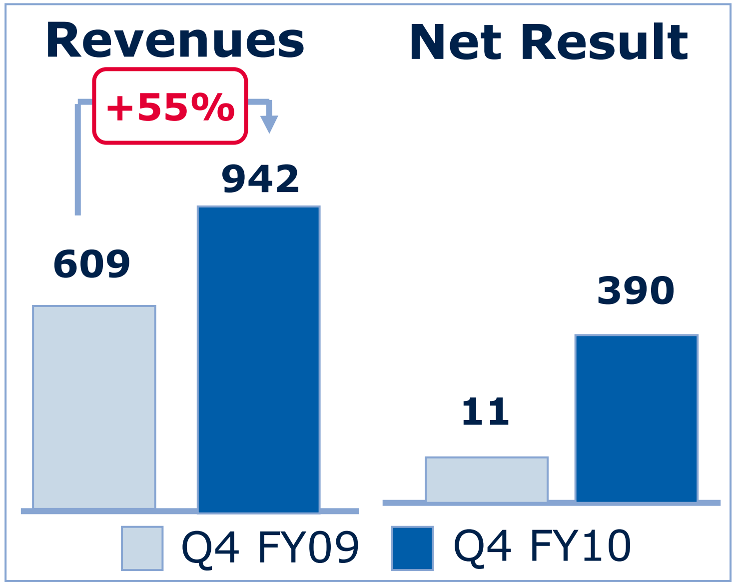


in € million	Q3 10	Q4 10	
Revenues	885	942	↗
Segment Result	138	171	↗
SR Margin	16%	18%	↗
Net result	126	390	↗
Free Cash Flow	172	236	↗
Gross Cash Position	1,514	1,727	↗
Net cash	1,108	1,331	↗



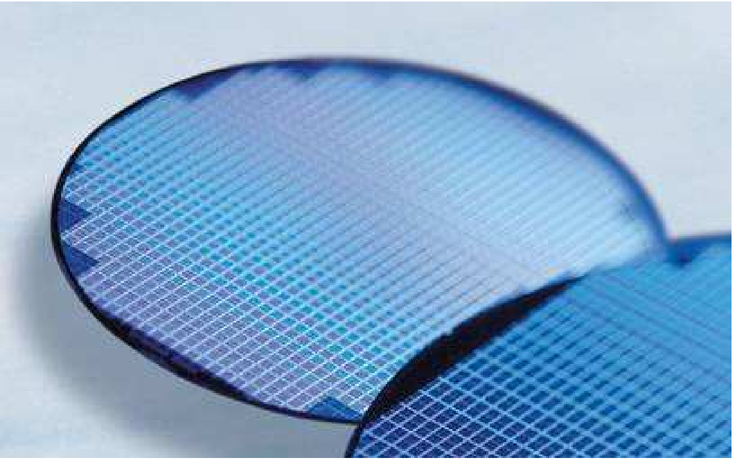
Note: Figures according to IFRS

Infineon Group
Results for Q4 FY10 vs Q4 FY09



in € million	Q4 09	Q4 10	
Revenues	609	942	↗
Segment Result	33	171	↗
SR Margin	5%	18%	↗
Net result	11	390	↗

Free Cash Flow	140	241	↗
Gross Cash Position	1,507	1,727	↗
Net cash	657	1,331	↗



Note: Figures according to IFRS

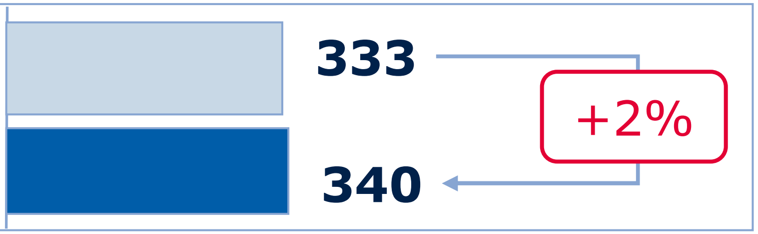
Revenues Increased in All Division

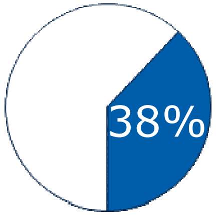
Revenue* in € million **Share of total**

ATV

Q3 2010

Q4 2010

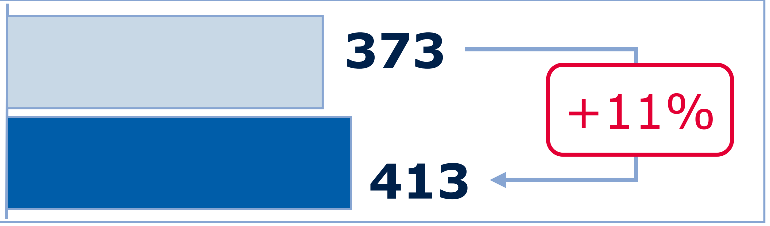


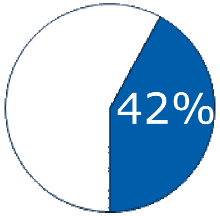


IMM

Q3 2010

Q4 2010

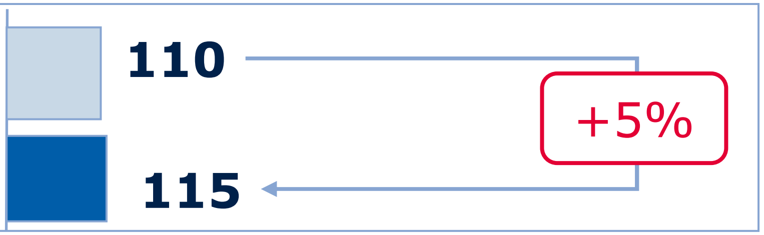


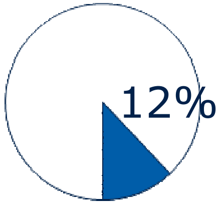


CCS

Q3 2010

Q4 2010

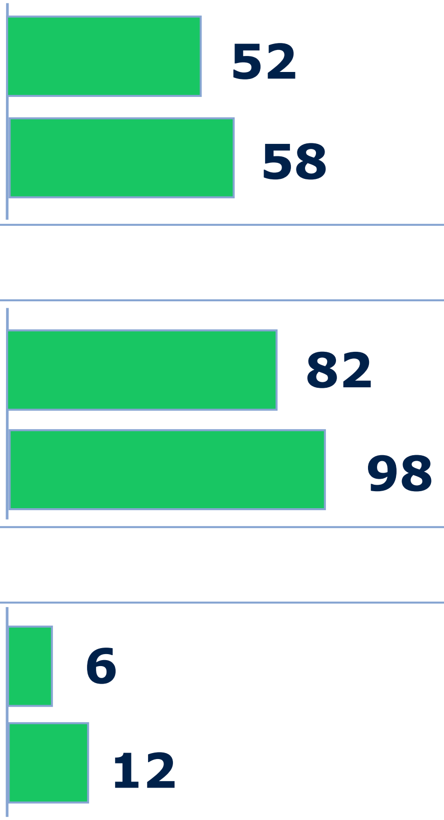




*: Total Revenue includes Other Operating Segment (Q3 FY10 € 46 m, Q4 FY10 € 48 m), Corporate & Eliminations (Q3 FY10 € 1 m, Q4 FY10 € -5 m) and remaining WLS business (Q3 FY10 € 22 m, Q4 FY10 € 31 m).

Segment Results and Margins Increased in All Division

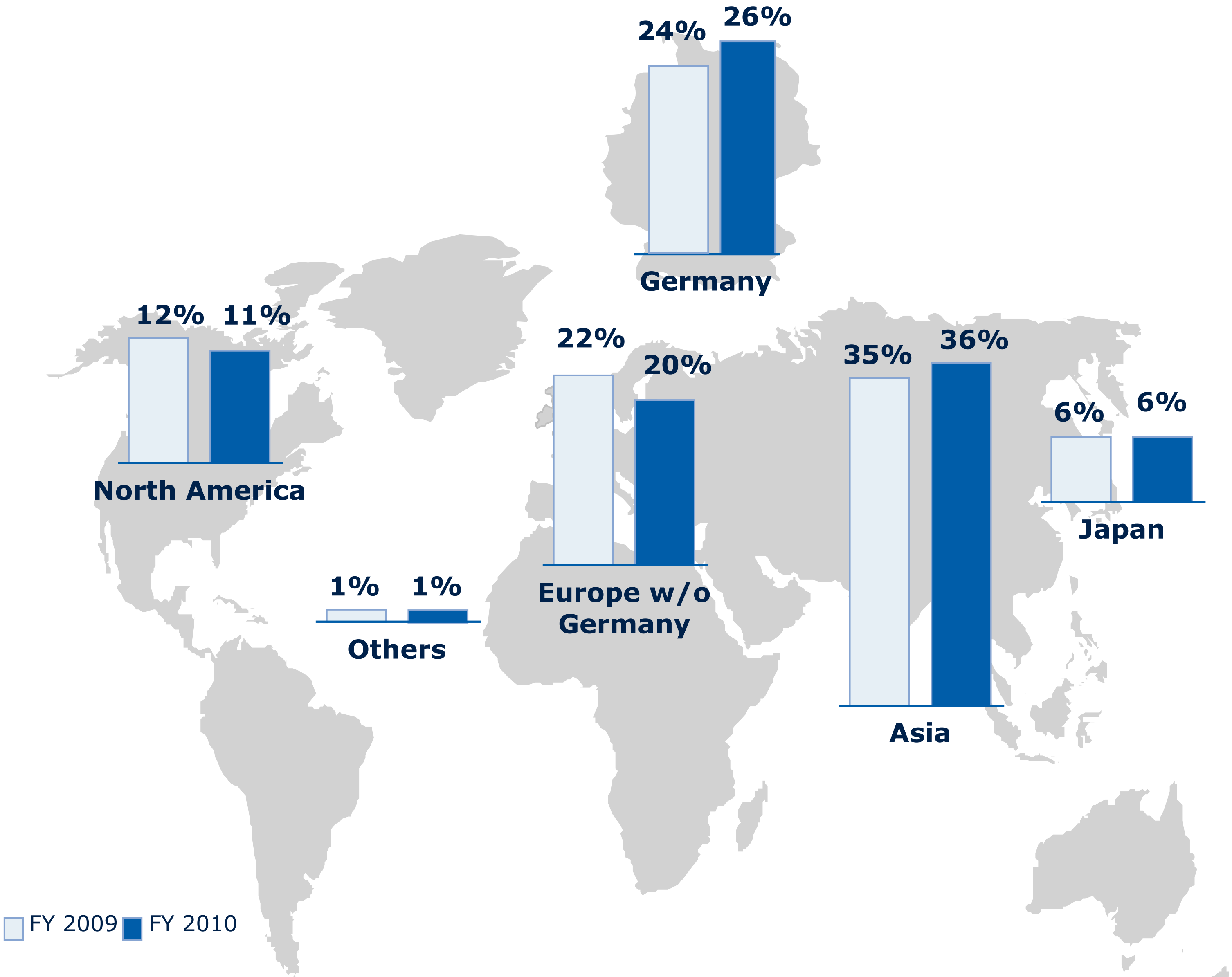
Segment Result* (SR) in € million SR Margin



		Segment Result* (SR) in € million	SR Margin
ATV	Q3 2010	52	16%
	Q4 2010	58	17%
IMM	Q3 2010	82	22%
	Q4 2010	98	24%
CCS	Q3 2010	6	5%
	Q4 2010	12	10%

*: Total Segment Result includes Other Operating Segment (Q3 FY10 € -1 m, Q4 FY10 € 2 m), Corporate & Eliminations (Q3 FY10 € 0 m, Q4 FY10 € -5 m) and remaining WLS business (Q3 FY10 € -1 m, Q4 FY10 € 6 m).

Proportional Revenue Infineon Group by Regions FY 2009 and FY 2010



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- Market and Business Development 4th Quarter Fiscal Year 2010
- **Business Focus**
- Divisions, Products and Technology
- General Company Information

The Infineon Compass Guides us on Our Way

Our Purpose

We are the semiconductor innovation leader for energy efficiency, mobility and security. Our solutions help modern society to grow while preserving our environment.

Our Way

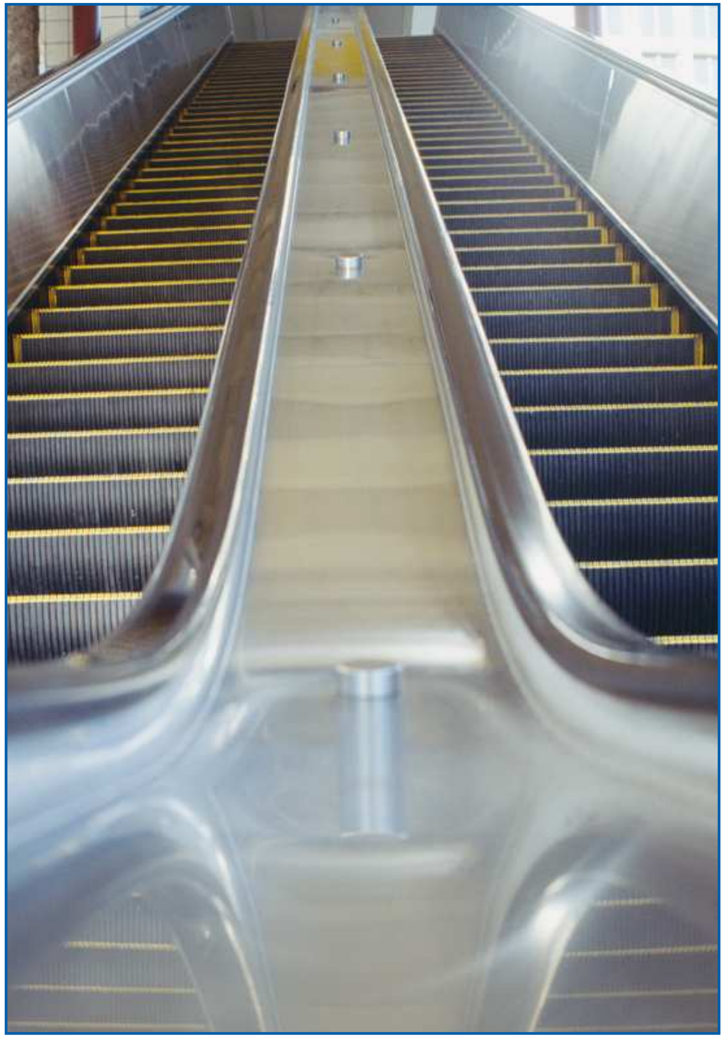
Our people are the foundation of Infineon’s unique competitive advantages, strong financial results and high performance. We deliver the best to our customers, employees and shareholders - anywhere, anytime.

Our Values

Four core values are the driving force behind our day-to-day execution:
we commit – we innovate – we partner – we perform.

Infineon Compass

Paving the Way for a High Performance Company



- Successful restructuring by IFX10+
  - Consequent cost reduction
  - Efficiency increase
- Successful refinancing in 2009
  - Repurchase and redemptions of convertible and exchangeable bonds in 2009 (total: € 367 m nominal)
  - New convertible bond issued 2014, gross proceeds of about € 182 m
  - € 674 m capital increase, 100% subscribed
  - Strict working capital management, capex discipline
- Consequent adoption of the Infineon portfolio for all target markets
  - World leading in ATV, IMM and CCS
  - Selling WLC to Golden Capital
  - Selling WLS to Intel
  - Focus on the three major challenges of today’s society:
    - Energy Efficiency
    - Mobility
    - Security

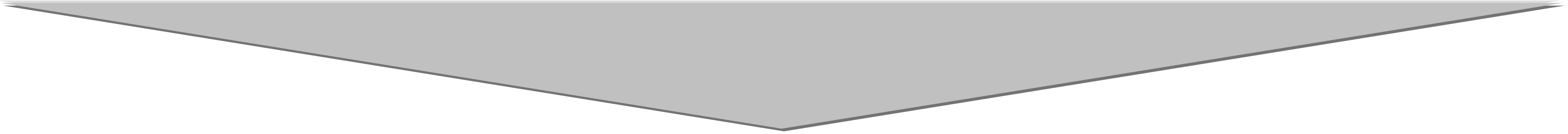
We Focus on Our Target Markets

Focus Areas

- Energy Efficiency
- Mobility
- Security

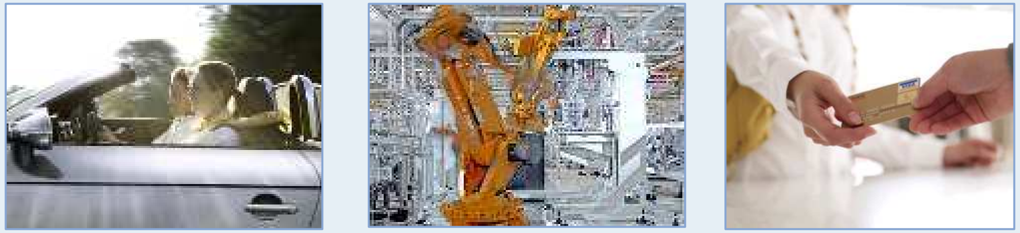
Core Competencies

- Analog/Mixed Signal
- Power
- Embedded Control
- Manufacturing Competence



Our Target Markets

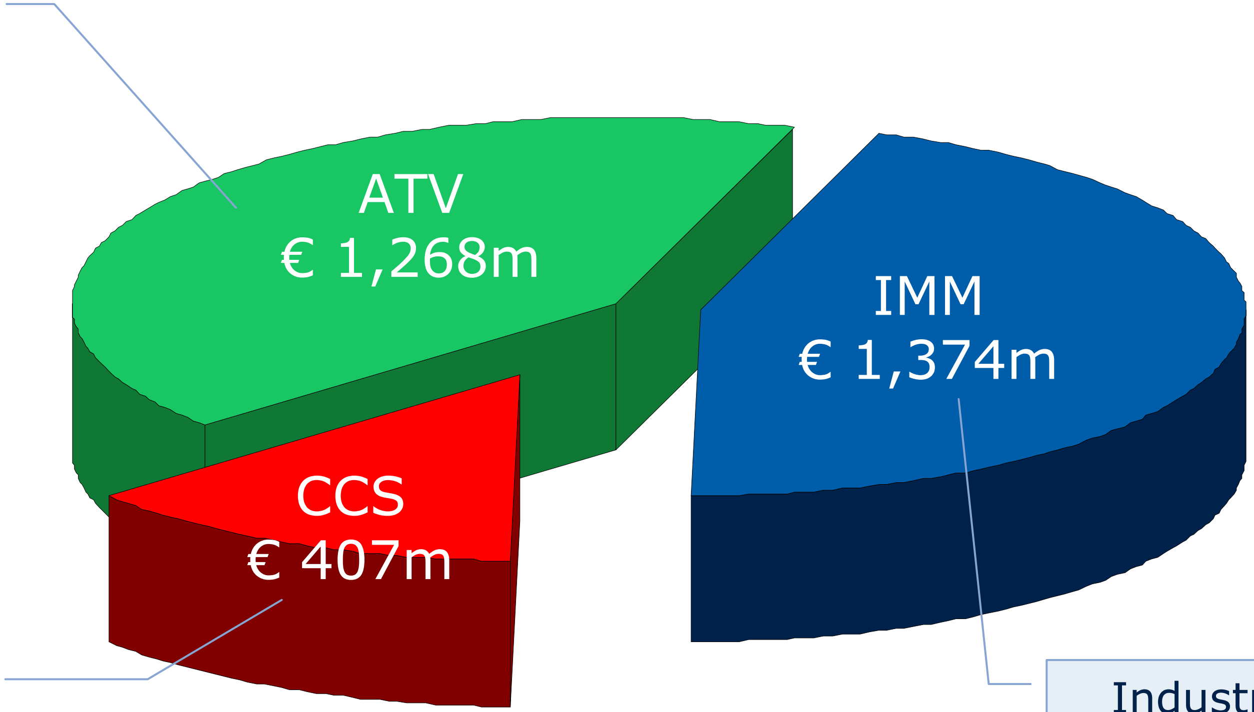
- Automotive
- Industrial Electronics
- Chip Card & Security



Revenue Split by Division

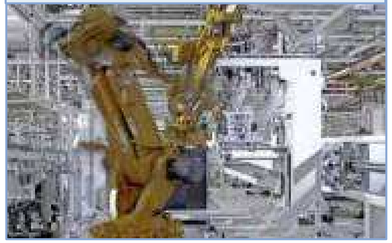
12-months FY 2010 revenue split

Automotive



Chip Card
& Security

Industrial &
Multimarket



We focus on three areas with highly attractive future perspectives

Energy Efficiency

Mobility

Security

Automotive

Industrial & Multimarket

Chip Card & Security

Introducing the new focus area "Mobility" reflects:

- Our leadership position in Automotive
- Rising importance of new mobility concepts (e.g. electro mobility) and
- Innovative public transportation solutions for traction & electronic tickets

Energy Efficiency

Key trends

- Soaring total energy demand across the globe amid dwindling fossil energy resources
- Strong CO_2 policies to achieve climate goals
- Tapping renewable energies as sustainable energy sources
- Electrification of the drivetrain of commercial and passenger vehicles

Our contribution

- Infineon delivers semiconductor innovations playing a valuable role in minimizing power loss and maximizing power savings along the entire energy supply chain, extending from generation through distribution to actual consumption.
- Our products are the basis for intelligent and optimal use of energy resources in industrial, computing and consumer applications, and in cars.

Mobility

Key trends

- Rigid CO_2 regulations and rising oil price
- Increasing rules on safety, focusing on preventive measures
- Rising new requirements in cars for emerging markets
- Urbanization, globalization and demographic change
- Strong investments in local and long distance public transportation systems

Our contribution

- Leading semiconductor solutions contributing to a more sustainable mobility in terms of reduced fuel consumption/emissions, improved safety and affordability.
- As an innovation driver and supplier of key components for electric and hybrid vehicles, Infineon will actively help to shape the paradigm shift towards electro mobility on the road.
- Innovative public transportation solutions for traction and electronic tickets.

Security

Key trends

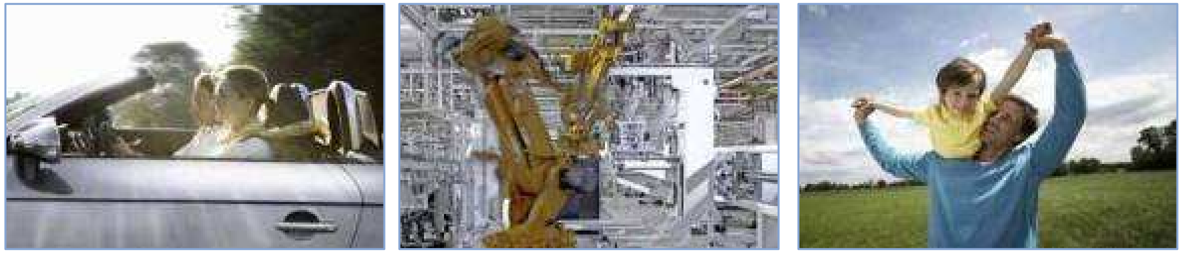
- Requirements for secure systems are visible in all areas of life
- Secure communication everywhere utilizing mobile phone and internet
- Move to electronic identification of documents and products
- Contactless cards for payment and electronic tickets
- Increased electronics in cars, calling for secure data handling

Our contribution

- Tailored security according to system requirements, enabling the implementation of transparent security in everyday systems
- Leverage our worldwide leadership in security know-how for smart cards in automotive and industrial applications increasingly demanding security
- Combining both hardware security and cryptography, our products build the basis for privacy and security while maintaining personal freedom and facilitating extended communication capabilities

We Align to Our Customer Segments

Customers



Automotive

- Power Semiconductors
- Power ICs
- Microcontrollers
- Sensors
- Electric Drivetrain

Industrial & Multimarket

- Power Discretes
- Power Modules
- Power Stacks
- Power ICs
- ASICs
- RF & Protection Devices
- Microcontrollers

Chip Card & Security

- Payment
- Communication
- Entertainment
- Government ID
- Personal & Object ID
- Platform Security

Sales, Operations, Central Functions

Board

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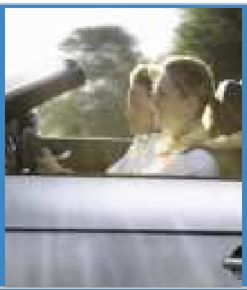
Infineon – Market-Oriented Business Structure

Divisions		Core Applications
Automotive		Powertrain (engine and transmission control); Hybrid and electric cars; Car body and comfort electronics (steering, suspension, lights, air conditioning, sunroof, power windows, windshield wipers, central body control units, door electronics); Safety (ABS, airbags, ESP), Emergency call system (eCall)
Industrial & Multimarket		Electric drive control for industrial applications & home appliances, modules for renewable energy generation, transmission & conversion, semiconductor components for light management systems & low-energy lamps, power supplies for servers, PCs, notebooks, netbooks, game consoles, entertainment electronics; customized components for PC peripherals (e.g. mouse), game consoles & medical engineering applications; RF and protection devices for communication (e.g. GPS, UMTS, WLAN, digital TV) and tuner systems, silicon MEMS microphones; power transistors for amplifiers in cellular base stations
Chip Card & Security		SIM card for mobile phones; payment systems; electronic passports, ID cards, healthcare cards and driver's licenses; personal identification; object identification; Pay TV; platform security for computers and networks; authentication and system integrity e.g. in game consoles, printers, industrial controller

Customers

Automotive Overview

Product range

- **Sensors**: pressure, temperature, magnetic; wireless control ICs, radar
- **Microcontrollers**: 8-bit, 16-bit, 32-bit
- **Power**: MOSFETs, IGBTs, smart power ICs: voltage regulators, bridges, driver ICs, CAN / LIN / FlexRay™ transceiver, DC-DC converter, power system ICs, system-on chip embedded power ICs
- **Hybrid & Electric Vehicle**: HybridPACK™1, HybridPACK™2, gate driver ICs, MOSFETs, IGBTs

Core competencies/ Value proposition

- Fully **automotive commitment**: More than **40 years** of automotive **system and application expertise**
- **Complete** automotive **system provider**
- **Hybrid and E-Mobility:** industry **leading expertise** and product portfolio
- **Worldwide** development, production and support sites for automotive semiconductors
- **Automotive Excellence**: most comprehensive quality program of the industry

Market positions

- **No. 1** in Automotive semiconductors worldwide
- **No. 1** in Europe
- **No. 2** in NAFTA
- **No. 2** in ROW

Source: Strategy Analytics (April 2010)

* FlexRay is a trademark licensed by FlexRay Consortium GbR

We Focus on Future Business
Example 1: Making Cars Cleaner

Market trends

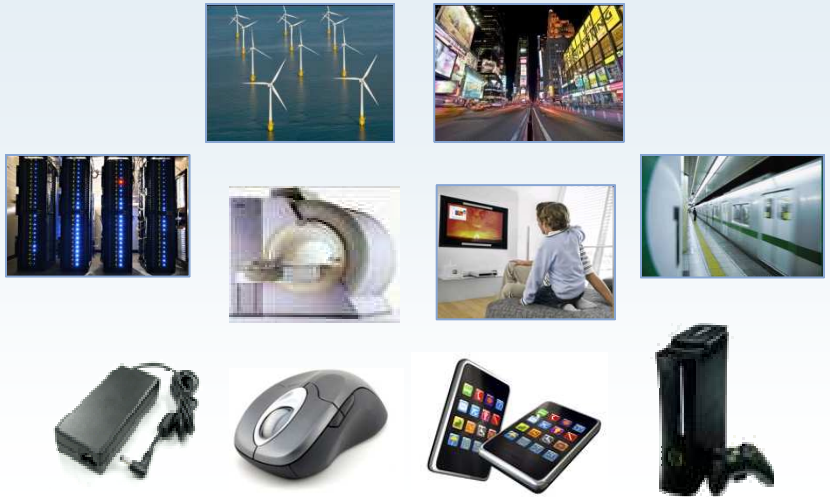
- Dwindling energy resources
- Stricter CO_2 emission legislations
- Growing environmental awareness

Infineon's opportunities

- Infineon components are key for CO_2 reduction: Total improvement of CO_2-emission ~23 g/km
- We offer Hybrid and electric drivetrain products (HybridPACK™)
- No electric vehicle without semiconductors: electric drive and control, battery management, on-board battery charging and power grid communication

Note: Baseline CO_2 reduction in g/km: 170 g/km on Ø EU cars

Industrial & Multimarket Overview



Product range

- Power discretes, modules and stacks
- Power management ICs
- AF/RF diodes and transistors
- Silicon MEMS microphone, TVS diodes
- LED drivers
- ASIC design solutions incl. secure ASICs for authentication and brand protection
- Microcontrollers: 8-bit, 16-bit, 32-bit

Core competencies/ Value proposition

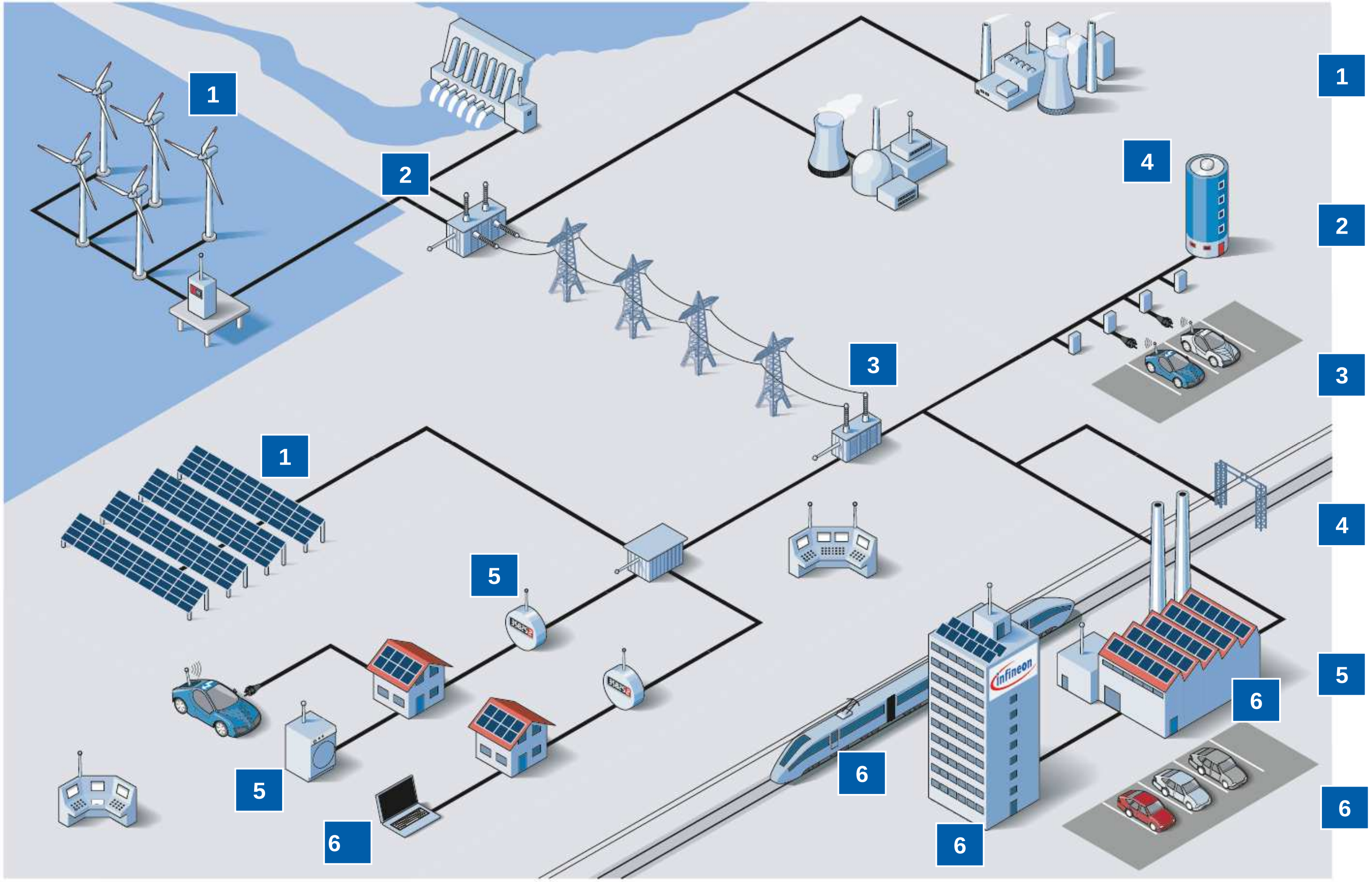
- High quality products and services
- Leading edge technology and IP portfolio
- System expertise with broad application competence
- Strong worldwide presence with local sales and application support
- Dedicated account teams & distributors

Market positions

- No.1 in Power Semiconductors for seven consecutive years
    - No.2 in Power Modules with 20.5% share
    - No.1 in Power Discretes with 8.2% share

Source: IMS Research, July 2010

We Focus on Future Business
Example 2: Smart Grid



- **1** Integration of renewable energy
- **2** Advanced transmission
- **3** Grid monitoring and control
- **4** Energy storage and EV-charging
- **5** Smart metering and appliances
- **6** Efficient consumption

Chip Card & Security Overview

Product range

- Contactless and contact-based security products for Communication, Payment, Government ID, Personal & Object ID, Entertainment and Platform Security
- Extensive packaging and service portfolio
- Innovative solutions from basic security RFID and memories to high-end security controllers (including the award winning SLE 78 family)

Core competencies/ Value proposition

- Tailored security: right level of security at the best cost-performance ratio
- Contactless excellence: focus on interoperability and dual interface
- Embedded control: right trade-off between computing power, power consumption, level of security and cost

Market positions

- No. 1 in the Chip Card IC market for 13 years with a market share of 27%[1] by revenue
- Market leader in Government ID and Payment
- Roughly every second Government ID document issued in 2009 incorporated a security chip of Infineon (without China ID)
- Supplier for the two world`s biggest electronic passport projects USA and China

[1] Source: Frost & Sullivan, Oct. 2010

We Focus on Future Business
Example 3: Protecting Privacy

Market trends

- Trusted Platform Modules (TPM) on 70% of enterprise notebooks and desktops; Windows 7 support
- Data protection: Encryption of files, folders, disks, messaging, digital signatures
- Strong authentication: Network access protection and additional authentication factor

Infineon's opportunities

- No. 1 supplier for TPM solutions
- Infineon's TPM security chips are first to receive global TCG and Common Criteria Certification and UK government approval

Infineon – Partner of the Worldwide Electronics Industry

Key Customers

Automotive

- **Autoliv**
- **Bosch**
- **Continental**
- **Delphi**
- **Denso**
- **Hella**
- **Hyundai**
- **Kostal**
- **Lear**
- **Mitsubishi**
- **TRW**
- **Valeo**

Industrial & Multimarket

- **ABB**
- **Alstom**
- **Cisco**
- **Converteam**
- **Dell**
- **Delta**
- **Emerson**
- **Ericsson**
- **HP**
- **LG Electronics**
- **Microsoft**
- **Nokia**
- **Panasonic**
- **Philips**
- **RIM**
- **Samsung**
- **Schneider Electric**
- **Siemens**
- **SMA Technology**
- **Sony**

Chip Card & Security

- **Beijing Watch Data**
- **Cisco**
- **Gemalto**
- **Giesecke & Devrient**
- **Oberthur**
- **Sagem Orga**
- **US Government Printing Office**

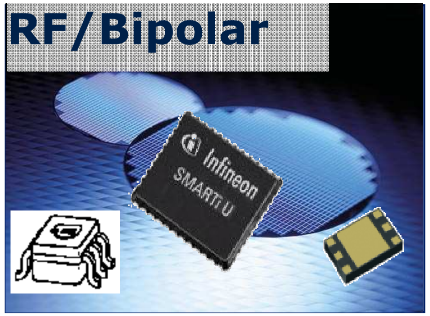
- **Main channel partners** (distributors): Arrow, Avnet, Beijing Jingchuan, Rutronik, Tomen, Toyotsu, WPG Holding
- **Electronic Manufacturing Services (EMS):** Celestica, Flextronics, Foxlink, Hon Hai, Jabil, Sanmina-SCI

Infineon Semiconductor Technology Portfolio

Technology portfolio fits needs of logic and power applications

CMOS

Digital CMOS:	800nm – 28nmTechnology Nodes (Platform <180nm incl. RF, AMS)
Analog/Mixed Signal:	500nm – 180nm Technology Nodes (CxNA)
eNVM:	EEPROM: IMEMR, C9FL OTP: C5OP (Automotive)
eFlash/EEPROM:	250nm – 65nm CxFL (Chip Card), CxFLA, CxFLN (Automotive)



RF/Bipolar

RF BICMOS:	25GHz – 100GHz: B6HFC, B9COPT, B10C		
Bipolar IC:	NF-IC, 2GHz...200GHz RF-Bipolar: BxHF	**SiGe**:	B7HFM, B7HF_SLC, B7HF200
HiPAC:	Al/Cu Integrated Passives P7Mxx, P7Dxx, P8Mxx, P9Mxx	**RF Switches**:	C7NP, C11NP
Bipolar/Discretes/MMIC:			
RF-Transistors	NF-TR; BxHF(D/M),	**SiGe**:	B7HFD/M, B7HF_SD
Power Amplifier:	LDMOS, LDxM, LDxIC, LD9AB	**RFMOS**:	HFM
Diodes:	NF-DI, Tuner: DxT, Schottky: DxS	**PIN**:	DxP

Power/Analog

incl. Green Robust

Analog Bipolar:	DOPL, Ax, BIPEP, B4C	**DMOS:** (OptiMOS)	KSPx, PFET (p-channel) KSNx, EH4, SFETx (n-ch.)
Analog BICMOS:	B6CA, B6CA-CT, B7CA, SPT170 500 - 350nm HV-CMOS-SOI	**HV-DMOS:** (CoolMOS)	EH5/6, EHATx, EHATDx, EHCx, EHCxD
Smart Power :	1200-130nm BIP/CMOS/DMOS SPTx (Automotive, EDP) (BCD)	**IGBT:**	IGBTx, LightMOS, ZIGBT
Smart : (SmartMOS)	CMOS/DMOS, SMARTx, MSMARTx, SSMARTx Opto-TRIAC	**Fast Recov. Diodes:** **SiC Devices:**	FRSTD (ECxxx) Diode; MOS/JFET

all of them adopted for automotive and industrial requirements

MEMS/Sensors

Analog ICs:	B6CA, B7CA Coreless Transformer	**Pressure:**	BxCSP, TIREPx
Magnetic:	BxCAS, C9FLRN_GMR	**Microphone:**	DSOUND
Opto:	OP-DI, OP-TR, OP-C9N, μ-modules		

Infineon Package Technology Portfolio

IC

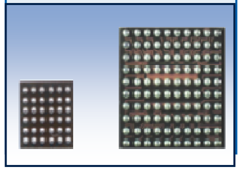
Wafer Level Packages, Bare Die

Surface Mount Technology (SMD)

Wafer Level
w/o redistribution
- WLP (fan-in)

w/redistribution
- WLB (fan-in)
- eWLB (fan-out)

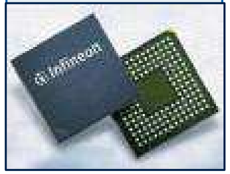
Bare Die
- Wirebond
- Flip chip



Laminate based Packages

SMD
- BGA
- LBGA
- xFBGA
- xFSGA
- xFKBGA

Flip chip
- FCxBGA
- xF2BGA
- xF2SGA



Leadframe based Packages

Through Hole
- DIP [2]

SMD
- TSSOP
- TQFP
- LQFP
- MQFP

Leadless
- xSON
- VQFN
- WQFN
- O-LQFN [1]

Chip Card

Mold on LF
- P-MCCx

Mold
- P-Mx.x

Chip on Flex
- FTM

UV Globe top
- T-Mx.x

PRELAM
- PPxx
- Inlay

Flip Chip
- S-MFCx.x

Wafer
- Bumped
- Diced

Power

Discretes

SMD leaded
- SOT
- SOD

Flat lead
- TSFP
- SC

Leadless
- TSLP
- TSSLP
- TSNP

Wafer level
- WLP

Sensors

Through Hole
- PSSO

SMD Leaded
- DSO
- SC
- TSOP

Open cavity
- DSOF

High Power

Power Modules
- Easy
- 62mm
- Econo
- Econo PACK+
- PrimePACK
- IHM
- IHV
- Hybrid PACK

Power

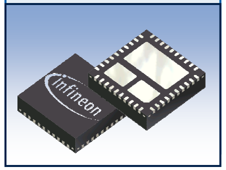
Through Hole
- TO, DIP

SMD
- TO
- DSO
- SSOP

Leadless
- TDSON
- TSDSON
- CanPAK
- SON
- QFN

SIP Low Power
- IDC

SIP Medium Power
- CIPOS



1) for specialities only 2) phase-out

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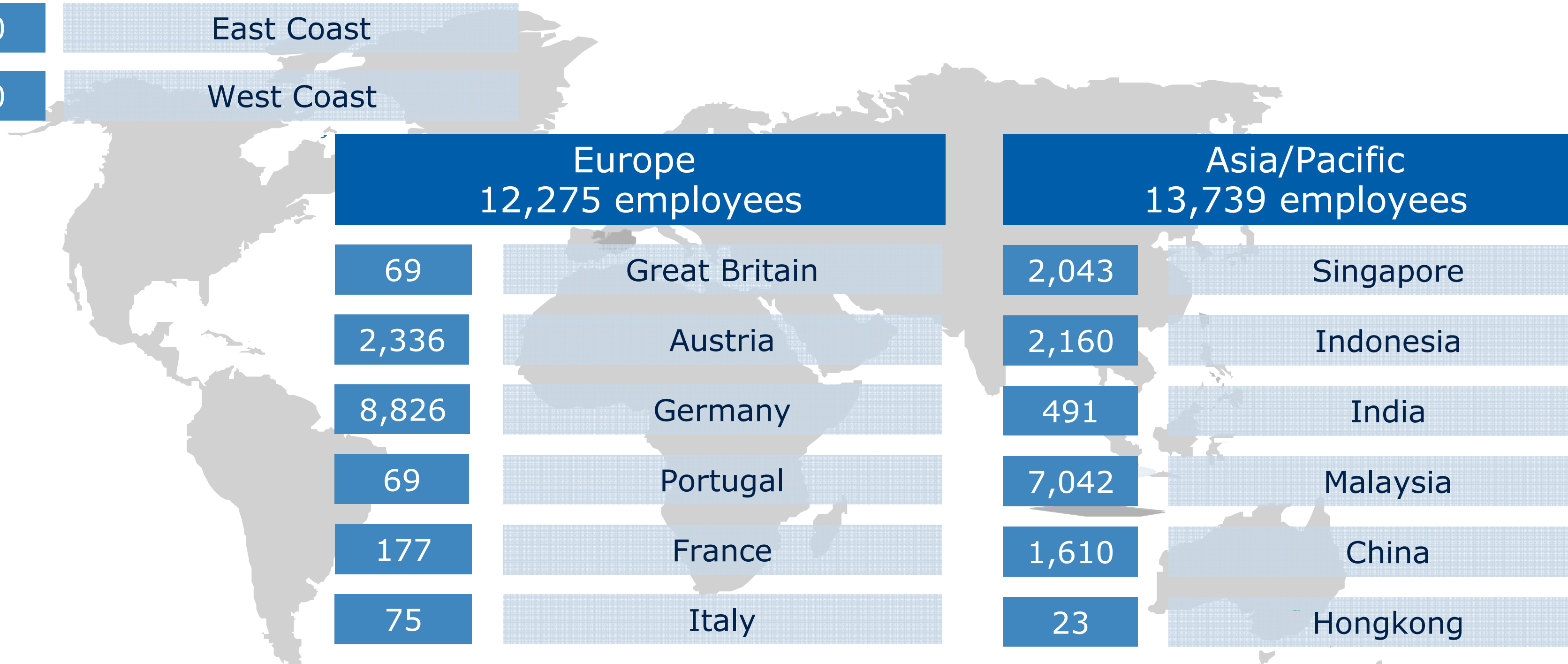
Infineon: 26,654 Employees Worldwide



USA 640 employees	
340	East Coast
300	West Coast

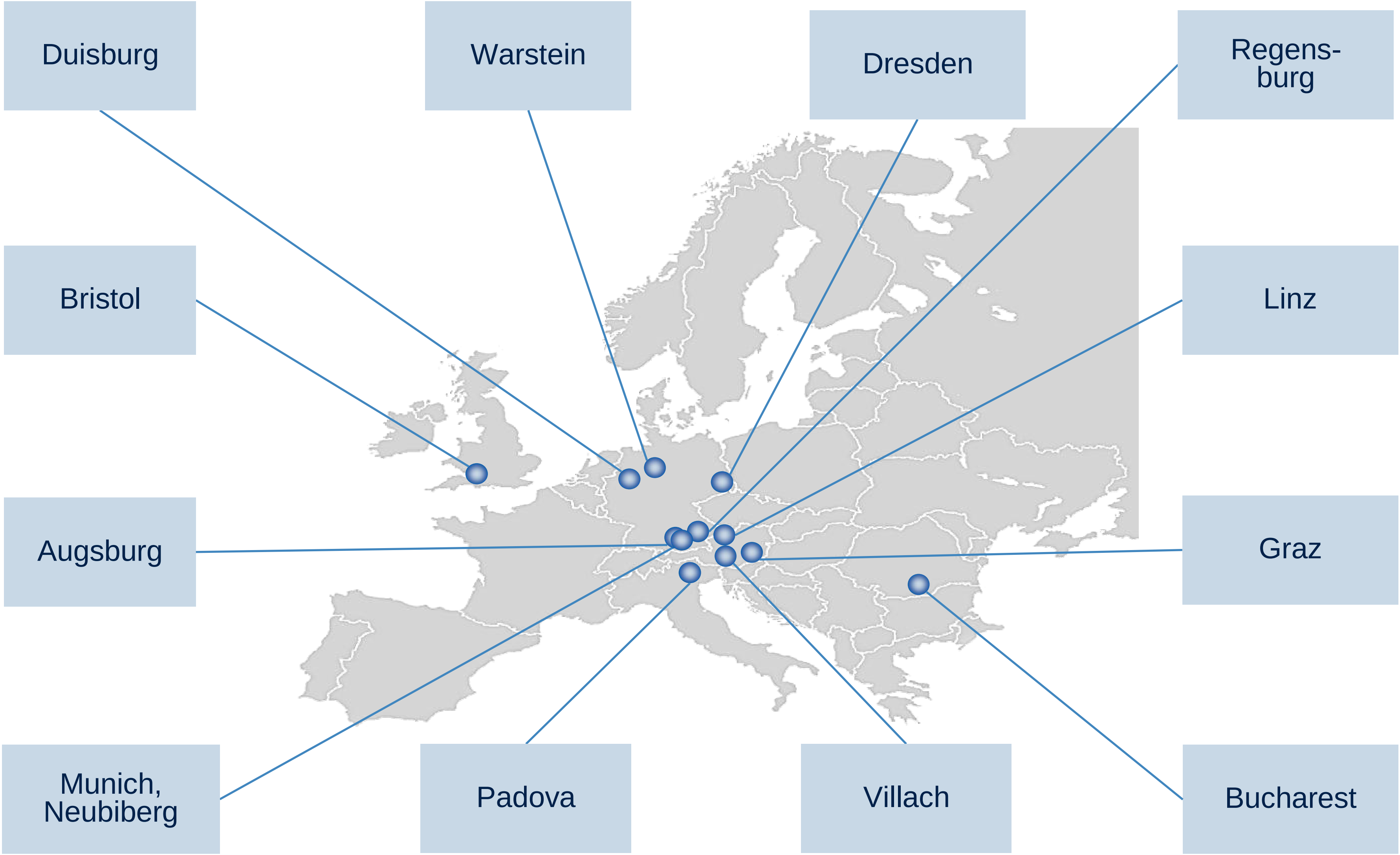
Europe 12,275 employees	
69	Great Britain
2,336	Austria
8,826	Germany
69	Portugal
177	France
75	Italy
157	Romania
28	Sweden, Norway
529	Hungary
9	Other Europe

Asia/Pacific 13,739 employees	
2,043	Singapore
2,160	Indonesia
491	India
7,042	Malaysia
1,610	China
23	Hongkong
120	Japan
157	Korea
84	Taiwan
9	Australia

as of September 2010

Note: Employees worldwide with Wireless as discontinued operations; as of September 30, 2010

Infineon – R&D Network in Europe



Duisburg

Warstein

Dresden

Regens-
burg

Bristol

Linz

Augsburg

Graz

Munich,
Neubiberg

Padova

Villach

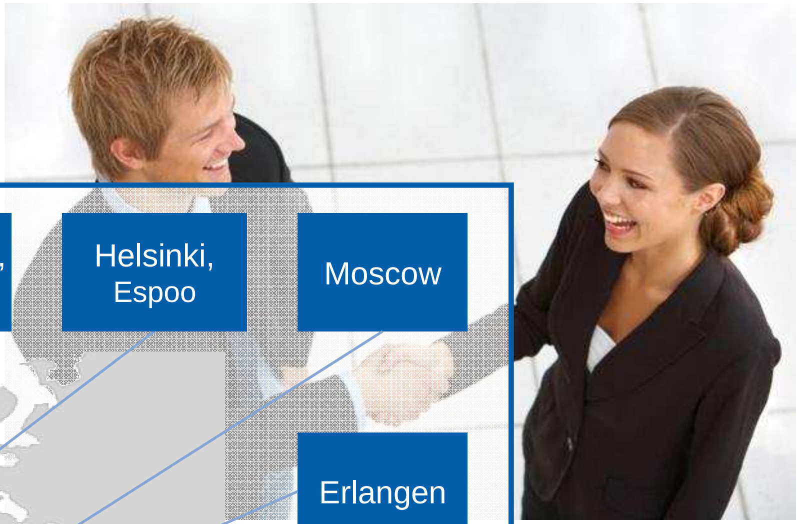
Bucharest

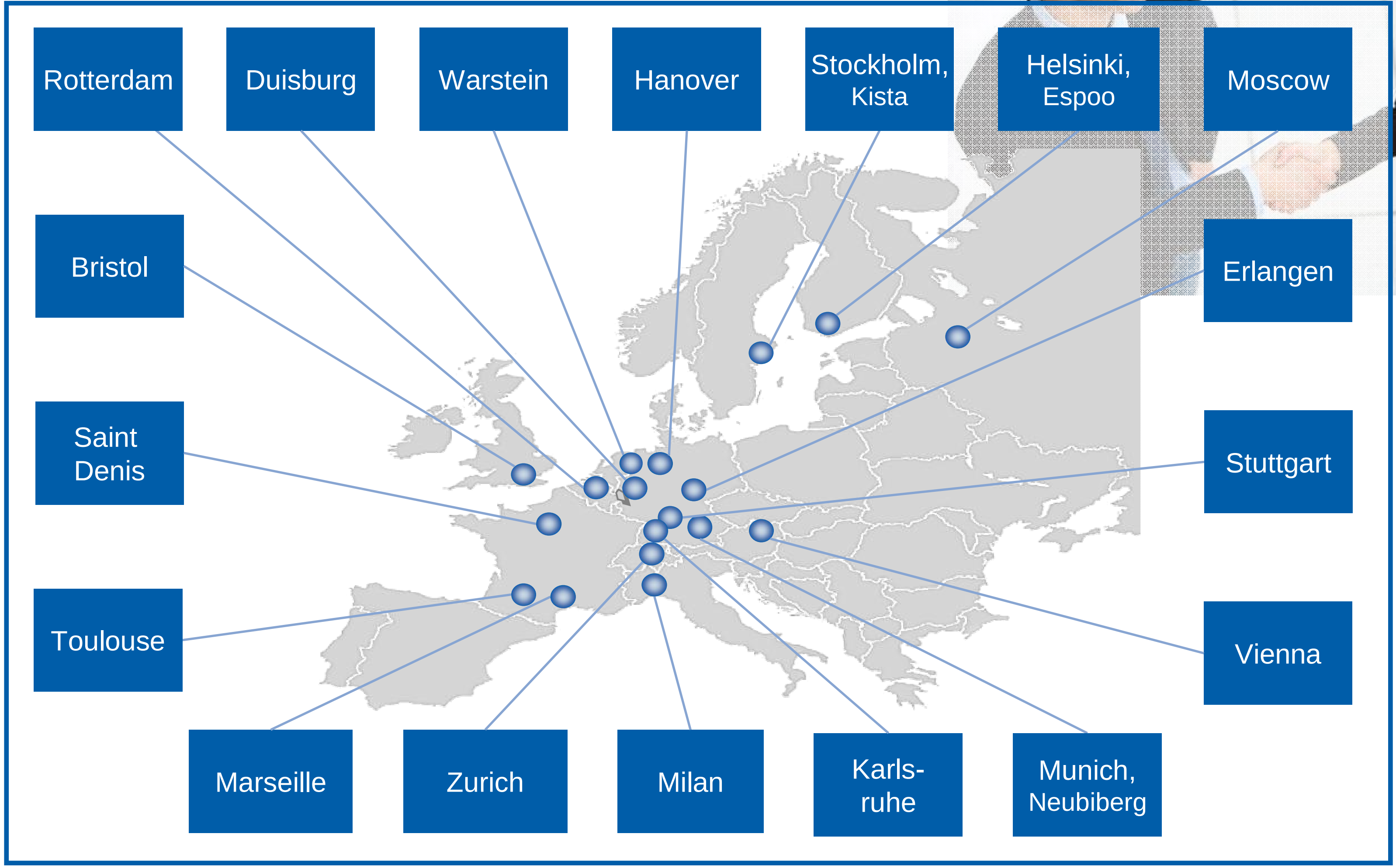
Infineon – Worldwide R&D Network (Excluding Europe)

Infineon – Worldwide Production Sites Frontend and Backend

🟩 Frontend 🟦 Backend

Infineon Sales Offices in Europe





Rotterdam

Duisburg

Warstein

Hanover

Stockholm, Kista

Helsinki, Espoo

Moscow

Bristol

Erlangen

Saint Denis

Stuttgart

Toulouse

Vienna

Marseille

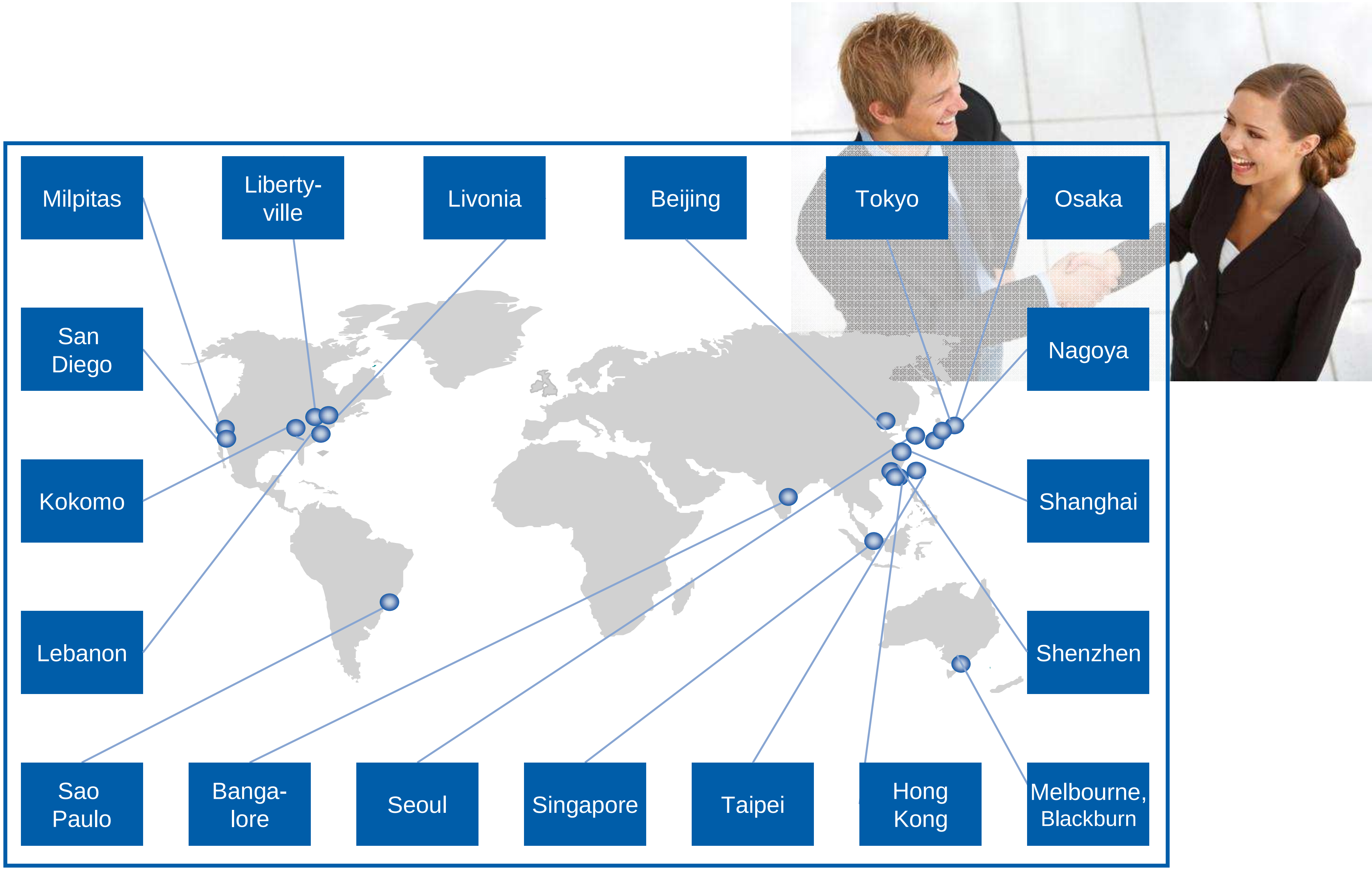
Zurich

Milan

Karls-ruhe

Munich, Neubiberg

Infineon Sales Offices Worldwide (Excluding Europe)



Milpitas

Libertyville

Livonia

Beijing

Tokyo

Osaka

San Diego

Nagoya

Kokomo

Shanghai

Lebanon

Shenzhen

Sao Paulo

Bangalore

Seoul

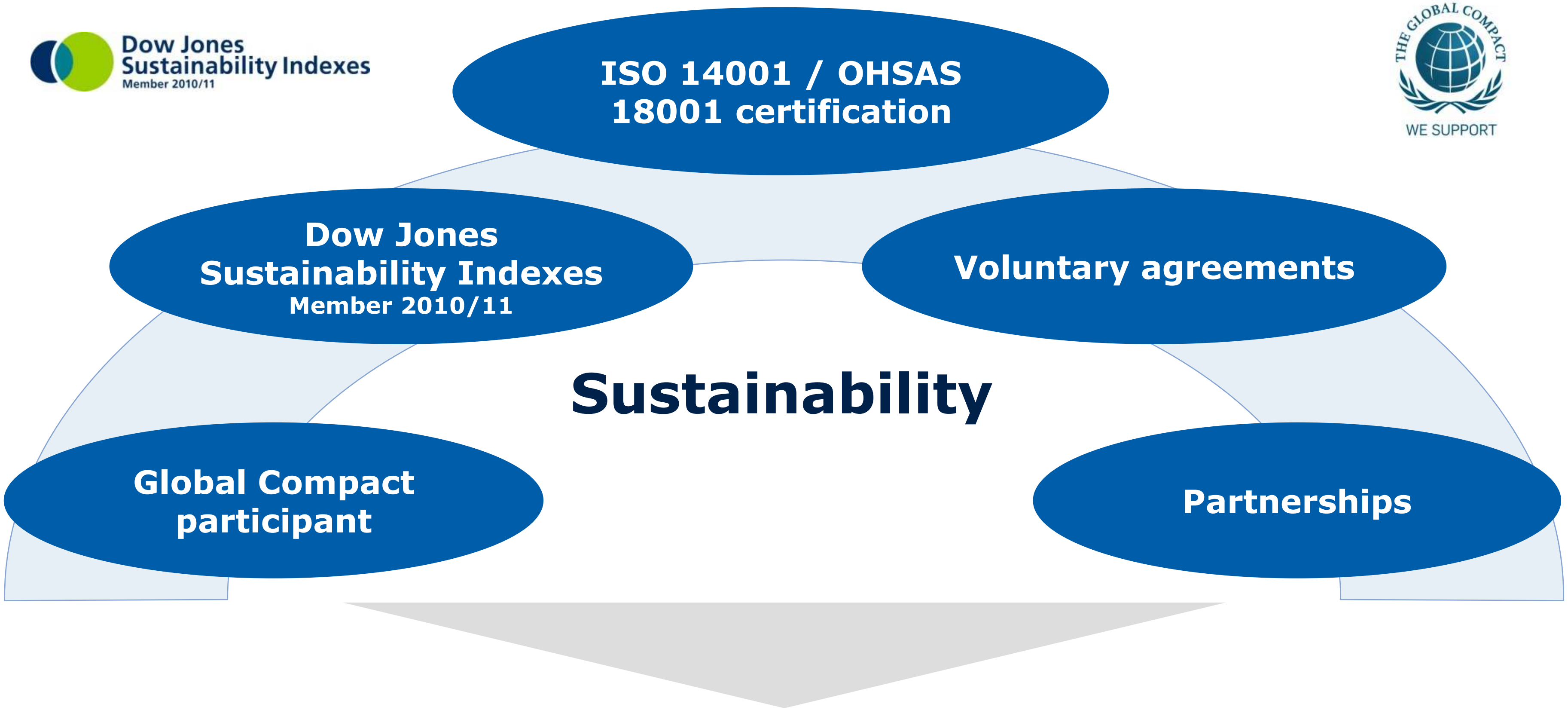
Singapore

Taipei

Hong Kong

Melbourne, Blackburn

Sustainability For Human Beings and the Environment



ISO 14001 / OHSAS 18001 certification

Dow Jones Sustainability Indexes
Member 2010/11

Voluntary agreements

Sustainability

Global Compact participant

Partnerships

Comprehensive and advanced concept at Infineon

Sustainability For Human Beings And The Environment

IMPRES*): Synergy between responsibility for humans & environment and economic success

EN ISO 14001 and OHSAS 18001 multi-site certification

DNV

DET NORSKE VERITAS

MANAGEMENT SYSTEM CERTIFICATE

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

This is to certify that

infineon

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

The audit has been performed under the supervision of
Volkmar Rändler
Lead Auditor

Place and date:
Essen, 01.02.2009

for the Accredited Unit:
DNV ZERTIFIZIERUNG UND UMWELTGUTACHTER GMBH

N. Kim
Nikolaus Kim
Management Representative

DNV Zertifizierung und Umweltgutachter GmbH, Schnieringshof 14, 45329 Essen, Tel: +49 201 7296 300 Fax: +49 201 7296 333 · www.dnv.de/zertifizierung

Efficient resources management for environmental protection, **high safety** and **health standards**

Voluntary commitment to reduce greenhouse gas emissions

Intelligent concepts for minimization of waste and emissions

Responsible acting accompanies our products and is part of our supply chain management

For Infineon, responsibility and sustainability are more than just the fulfillment of legal requirements

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*)Infineon Integrated Management Program for Environment, Safety and Health

Sustainability For Human Beings And The Environment

We have one of the most advanced sustainability concepts in the world

Our Occupational Safety

- ... accident rate is benchmark compared to the German Institution for Statutory Accident Insurance and Prevention in the Energy, Textile and Electric Sectors – even our accident counting method is more strict.

Our Products

- ... are enablers for energy efficient end-products and applications.
- ... are subject to an unique life-cycle analysis approach for the optimization of the environmental footprint.
- ... are drivers of green Product development.

Our Manufacturing

- ... saved electricity equal to the annual consumption of a city with 1.5 Million inhabitants, (e. g. more than Munich has) or equal to one coal-fired power plant for more than 1.3 years.
- ... achieved our voluntary agreement to reduce Kyoto-Gases (PFC) three years earlier than the global target of our industry.
- ... is considered benchmark in terms of resources efficiency.

Integrated Business Continuity Management

Loss & Fraud Investigations

Environmental Affairs & Sustainability

Operations Support

Real Estate & Facility Management

Business Continuity

ISO 27001

BS 25999

ISO 14001

OHSAS 18001

Security & Crisis Management

Asset Protection

Information Security

Corporate Social Responsibility

IT Security Management

Business Continuity Planning

ENERGY EFFICIENCY
MOBILITY
SECURITY

Innovative semiconductor solutions for energy efficiency, mobility and security.