

# Infineon Wireless Solutions

3GSM, Barcelona, February 13, 2007

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Executive Vice President and

Member of the Management Board

President Business Group Communication Solutions



Never stop thinking

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Such risks and uncertainties include, but are not limited to the Risk Factors noted in the Company's Earnings Releases and the Company's filings with the Securities and Exchange Commission.

# Key Cellular Market Trends

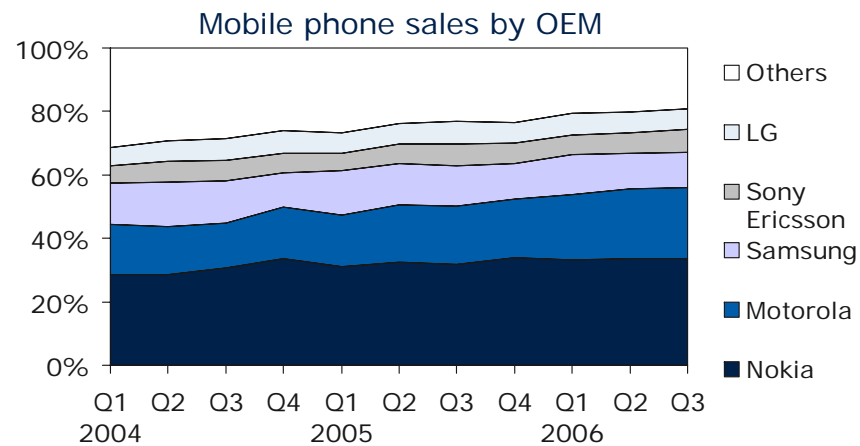
## Higher data rates



## The next 1 billion subscribers

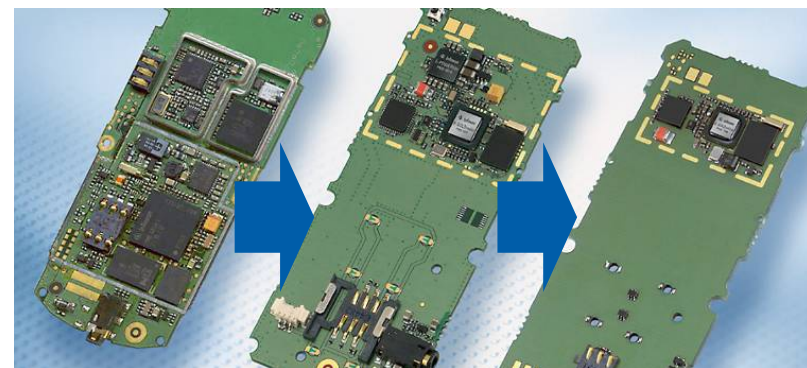


## Ongoing consolidation



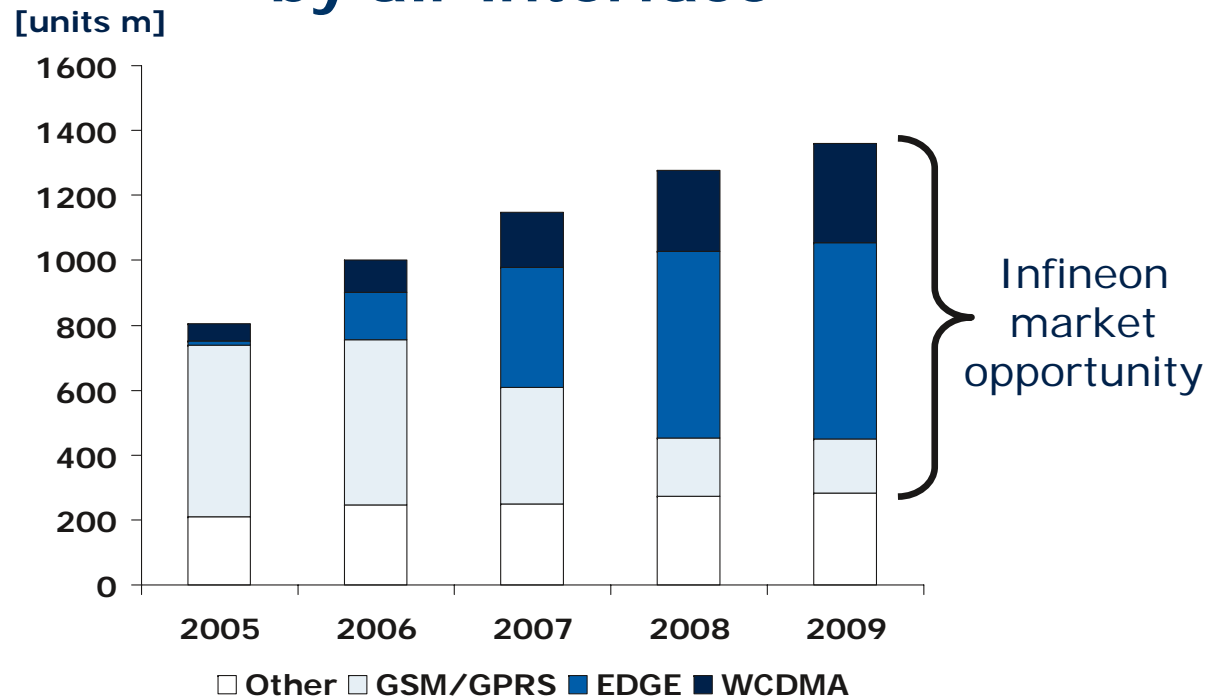
Source: Strategy Analytics, October 2006

## Ongoing BoM optimization



# Infineon's Market Opportunity is Significant

## Mobile phone sales by air interface



■ Infineon addresses almost 80% of a 1.36 billion unit market in 2009

■ Growth drivers:

■ 3G

■ EDGE

■ ULC

Source: ABI Research, Mobile Device Market Data, Q4 2006

# COM - Market Leader in Broadband and RF; Turning Around Mobile Platform Business



COM revenues by segment in FY06  
Total: EUR 1.2bn

## RF Solutions

- #1 in RF ICs
- Shipped > 230m RF ICs in 2006

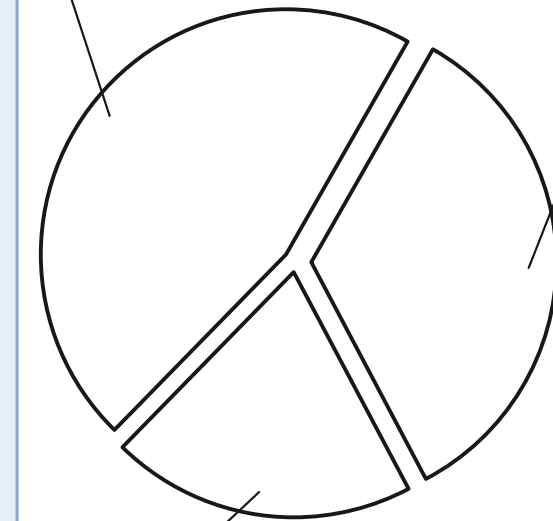
**Infineon Wireless:**  
Break-even targeted  
for Q4 CY07

## Mobile Phone Platforms

- Revenue declined due to BenQ market share losses
- New customers ramping

## Broadband

- #1 in Access 1)
- Strong revenue growth in FY06
- Profitable

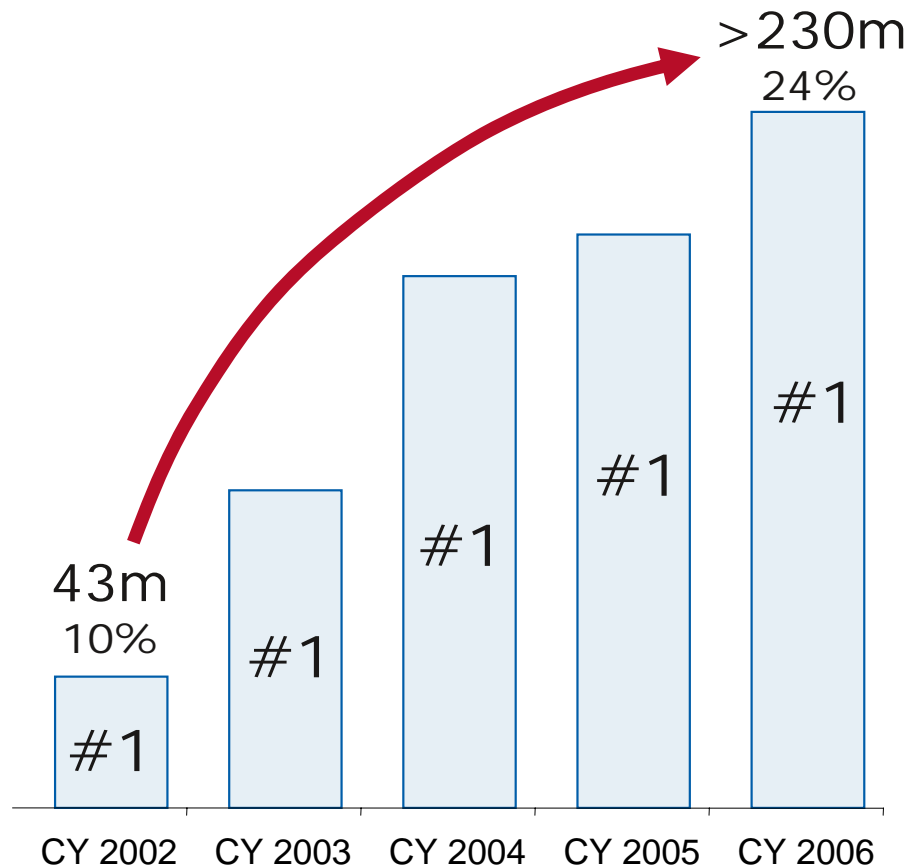


1) Source: Gartner Dataquest, June 2006

# Update: RF Solutions

# Market Leader in RF Transceivers

## IFX market share and ranking in RF transceivers



## Major contributors

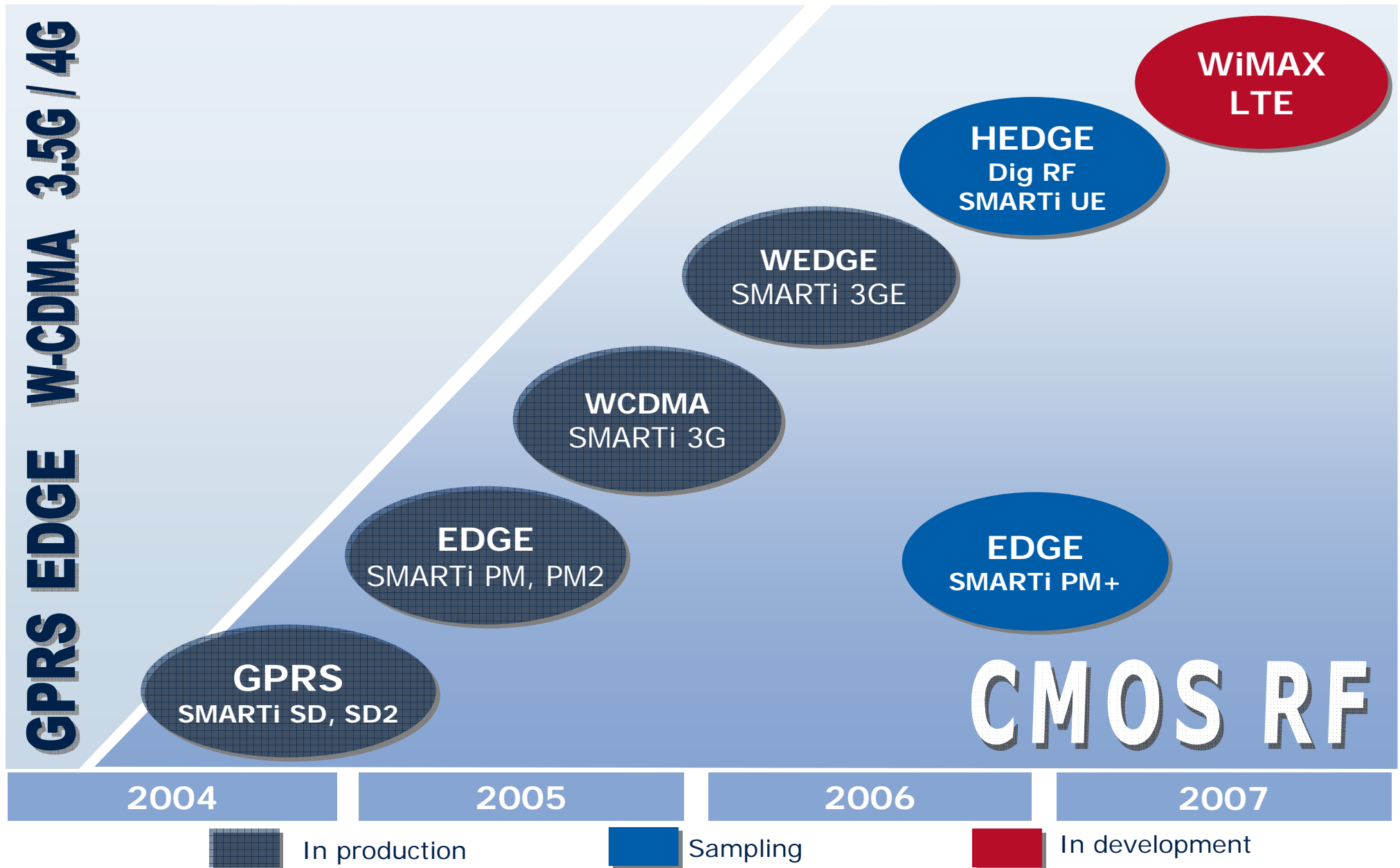
- Successful ramp-up of new RF transceiver for a major OEM
- Complete product and roadmap conversion to CMOS technology
- CMOS transceiver in volume production since 2004
- Excellent RF performance
- Focus on customer cost of ownership

Source: Gartner, Strategy Analytics; IFX

# Comprehensive CMOS RF SMARTi® Transceiver Portfolio



All wireless standards in single CMOS technology platform





## New 3G CMOS RF transceiver: SMARTi® UE



- **World's first** single-chip HEDGE RF transceiver with DigRF baseband interface
- Incorporates analog baseband functions
- Supports HSDPA and HSUPA, three UMTS bands, quad-band EDGE (6x6mm<sup>2</sup>)

## New EDGE CMOS RF transceiver: SMARTi® PM+



- **World's smallest** GPRS/EDGE quadband RF CMOS transceiver (3x3mm<sup>2</sup>)
- Based on successful SMARTi PM architecture used by Samsung and others

**New  
design-wins  
at tier-1  
OEMs**

# Update: Mobile Phone Platforms

# Successful Launch of Platforms in Major Target Markets



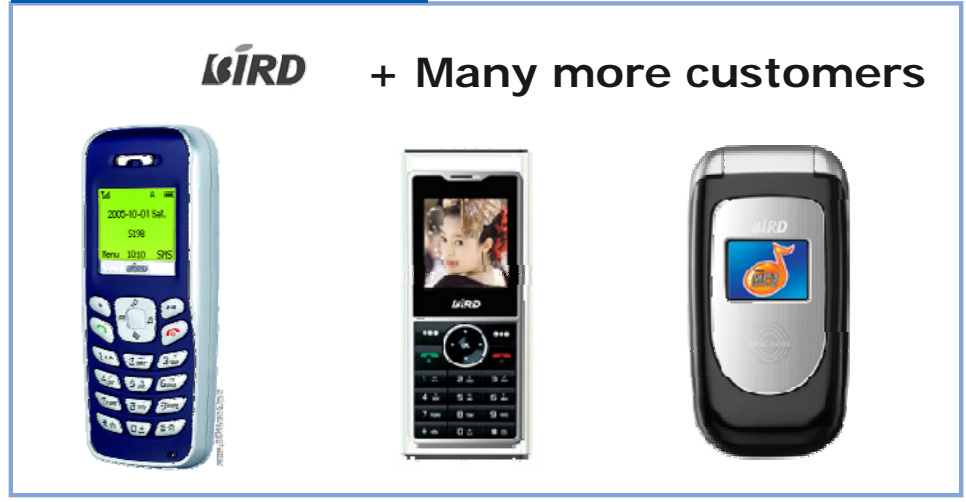
## EDGE



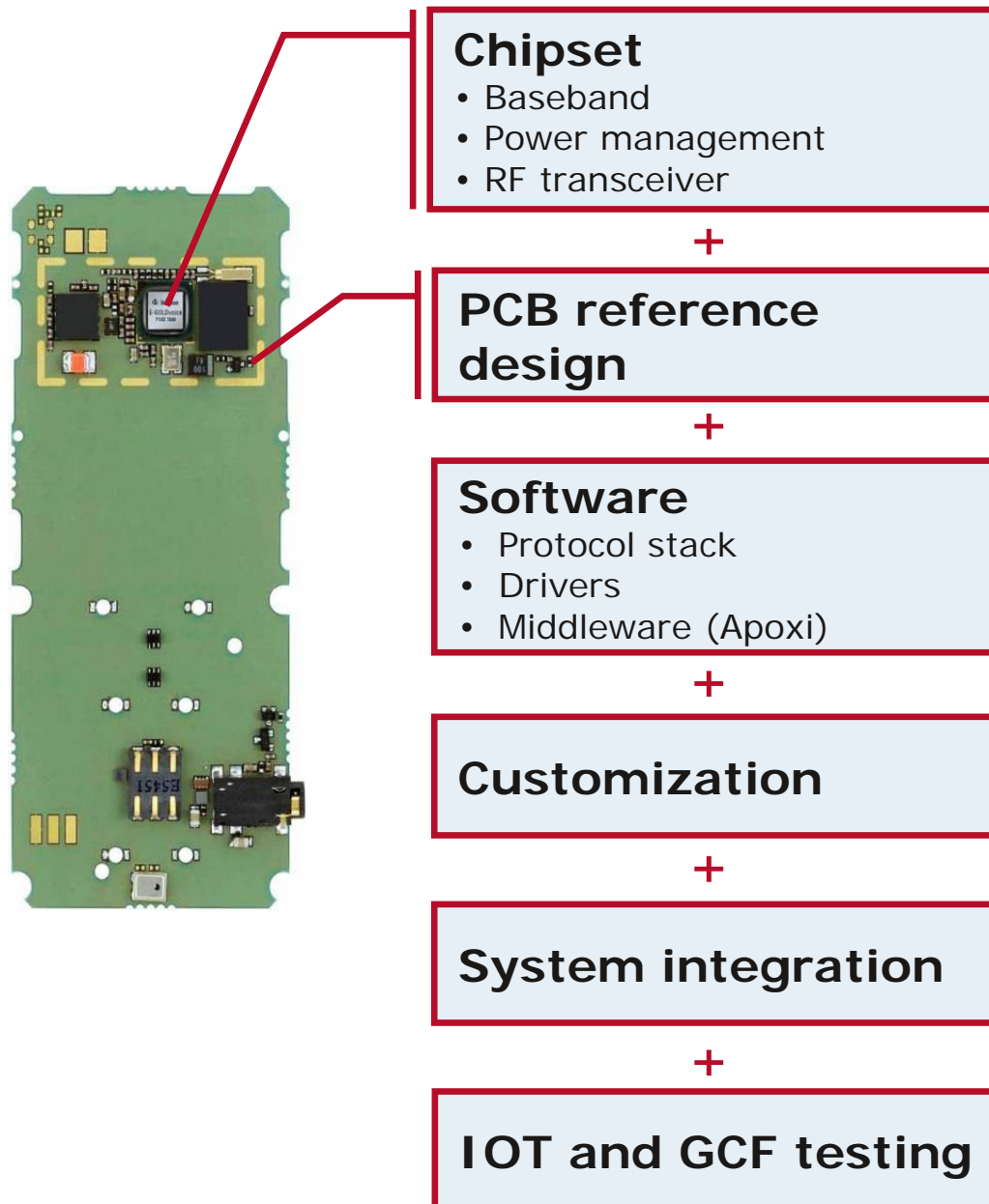
## 3G



## ULC



# Infineon's Advantage: Mobile Platform System Competence

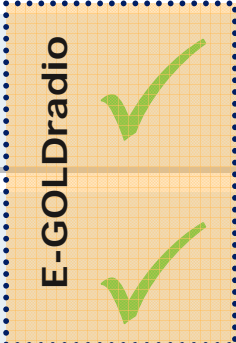


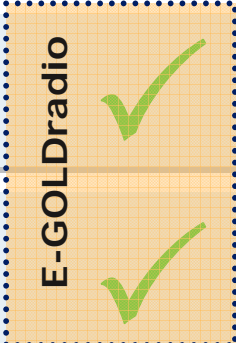






## Advantages:

- Small platform footprint
- Low component count
- Low power consumption
- Time-to-market

# Complete Mobile Phone Platform Solutions for Major Growth Markets

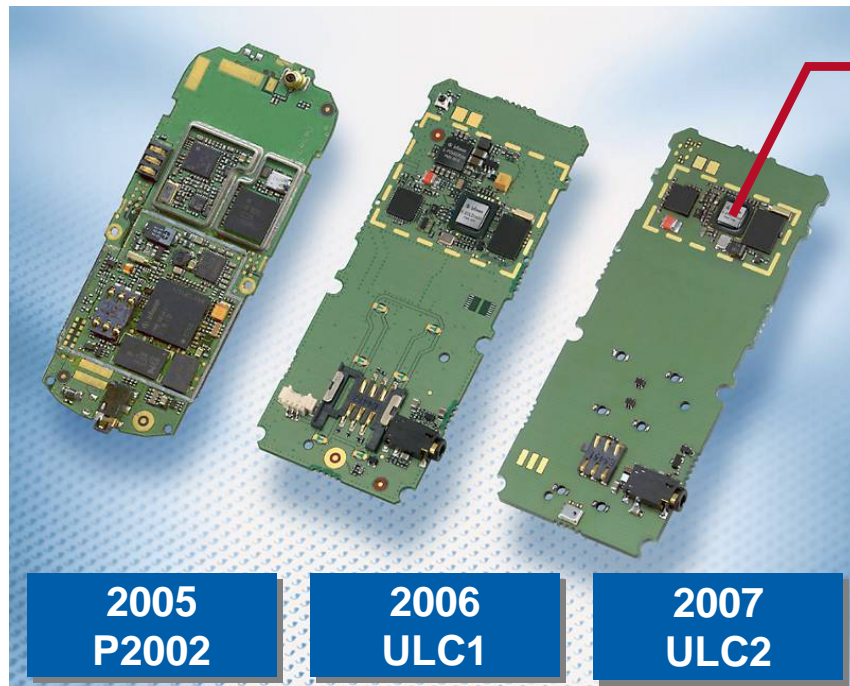


Target markets	2G / 2.5G GSM / GPRS		2.75G EDGE		3G UMTS	3.5G HSDPA
Platform	ULC1	ULC2	MP-E	MP-Elite	MP-EU	MP-EH
Baseband	 ✓	 ✓	✓	 ✓	✓	✓
RF transceiver	 ✓	 ✓	✓	 ✓	✓	✓
Power management	✓	 ✓	✓	 ✓	✓	✓
Protocol stack	✓	✓	✓	✓	✓	✓
Ramp-up	✓	✓	✓	2H CY07	✓	CY 2007+



Integrated in one chip

# Infineon's ULC2 is Benchmark in Component Count and Footprint



## E-GOLDvoice single-chip integrating:

- Baseband
- RF transceiver
- Power management
- SRAM

## ULC2 Highlights:

- In volume production
- Footprint: 4cm<sup>2</sup>
- Component count: <50

## ULC2 features:

- Color display
- Text messages
- MP3 quality ring tones
- Applications such as integrated handsfree and speaking clock

"Nokia aims to further improve the power performance in our entry level phones and reduce their size. Adding Infineon's single-chip solution to Nokia's portfolio of chipset suppliers helps us ensure access to optimized solutions ..."

Soren Petersen, Senior Vice President, Entry Business Unit, Nokia

## Nokia selects Infineon's E-GOLDvoice single-chip

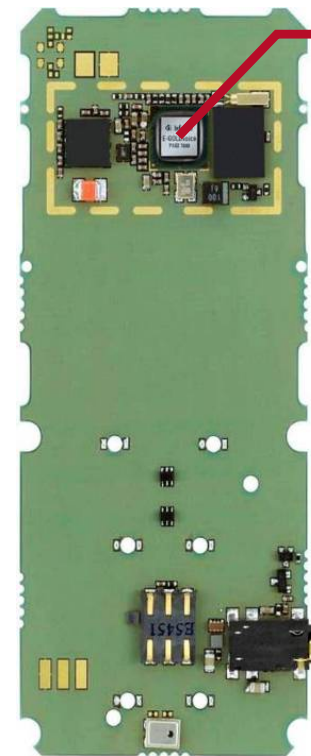
### Nokia Selects Single-Chip from Infineon for Entry Level Mobile Phones

7 Feb 2007

Munich, Germany – February 7, 2007 – Infineon Technologies (FSE/NYSE: IFX) today announced that Nokia has selected Infineon as a supplier of baseband and RF (Radio frequency) chips for GSM mobile handsets. The highly integrated single-chip E-GOLD™voice will be incorporated in selected future entry level phones from Nokia.

...

"In order to sustain our clear leadership position in this high volume sector, it is critical for Nokia to offer most competitive and cost-effective portfolio of mobile phones to consumers in new growth markets," said Soren Petersen, Senior Vice President, Entry Business Unit, Nokia. "Nokia aims to further improve the power performance in our entry level phones and reduce their size. Adding Infineon's single-chip solution to Nokia's portfolio of chipset suppliers helps us ensure access to optimized solutions for this important market."

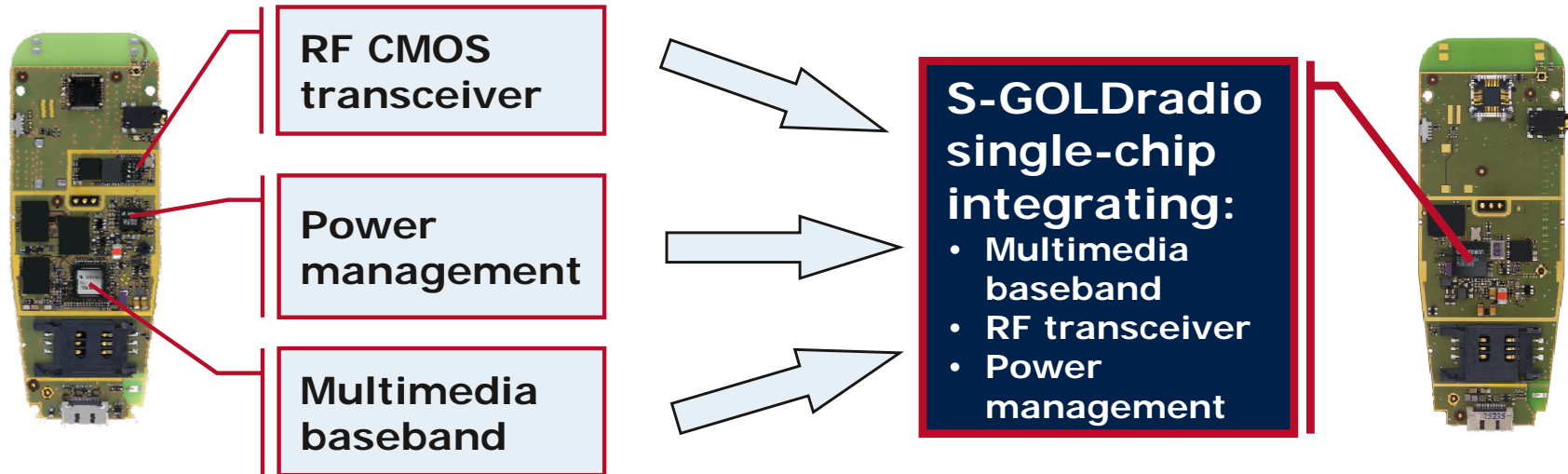


### E-GOLDvoice single-chip integrating:

- Baseband
- RF transceiver
- Power management
- SRAM

### Protocol stack

# Introducing the MP-Elite EDGE Single-Chip Platform



**2006  
MP-E**

**2007  
MP-Elite**

## MP-E and MP-Elite features:

- Video and audio playback and recording
- Video streaming
- Dual color display
- Camera modules
- Enhanced security features

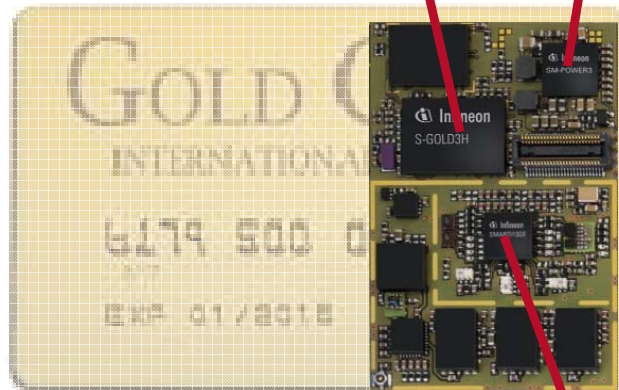
**Up to 30% lower eBoM**  
**Up to 20% lower footprint**  
**15% lower component count**



## Complete 7.2 Mb/s HSDPA platform

**HEDGE  
baseband**

**Power  
management**



**HEDGE  
protocol  
stack**





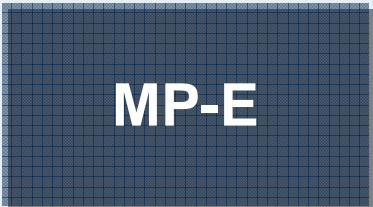





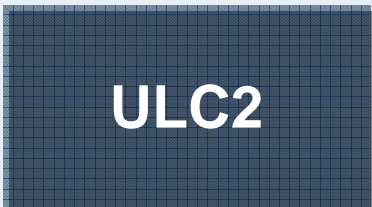


**HEDGE  
RF CMOS  
transceiver**




## MP-EH Highlights:

- Volume production start planned in 2007
- 7.2 Mb/s HSDPA
- Video streaming
- High-speed audio/video download
- Footprint: < 16cm<sup>2</sup>

# Clear Path to 65nm

## Key mobile phone platform introductions

	2006	2007	2008
<b>3G</b>	 		
<b>EDGE</b>	 		
<b>ULC</b>	 	 	

 In production     
  Sampling     
  Under development

# Leading Mobile Platform Customer Base

Announced mobile platform customers

July 2006

**LG**

**Infineon Multimedia Platform Selected by LGE for New EDGE Mobile Phones**

17 Jul 2006  
Munich, Germany, Infineon Technologies AG today announced that LG Electronics, Inc. (LGE), Seoul, Korea, has chosen Infineon as phone platform supplier for their new EDGE mobile handsets. Beginning with the recent introduction of new phones by LGE, the MP-E platform from Infineon will be used in a series of EDGE mobile phones from LGE, the number-four mobile phone supplier in the world.



Oct. 2006

**Panasonic**

**Infineon's Multimedia Platform for Dual-mode Handsets Powers Newly Launched "SoftBank 705P" GPRS/UMTS 3G Phone for Japanese Market from Panasonic Mobile Communications**

5 Oct 2006  
Munich, Germany, Infineon Technologies AG, a leading provider of communication ICs today announced that its GPRS/UMTS multimedia platform powers Panasonic Mobile Communications Co., Ltd. newest commercially available Softbank 705P mobile handset which SOFTBANK MOBILE Corp. launched these days for the Japanese market.



Feb. 2007

**Nokia**

**New!**

**Nokia Selects Single-Chip from Infineon for Entry Level Mobile Phones**

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**plus design wins across our ULC, EDGE and 3G platforms at major new customers**

# Infineon Has All it Takes to Turn Around the Wireless Business



## ■ Technology leadership and wireless system competence:

- RF CMOS leadership
- Single-chip solutions for GSM, GPRS and EDGE
- Complete 7.2 Mb/s HSDPA platform



## ■ Highly integrated and cost effective solutions for major growth markets:

- HSDPA
- EDGE
- ULC



## ■ Leading customer base (announced customers only):

- Nokia (ULC platform)
- Samsung (EDGE RF transceiver)
- LG (EDGE platform)
- Panasonic (3G platform)

