

First Quarter 2007 Roadshow

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Never stop thinking

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Financials and Outlook



Infineon: Competencies & Drivers



Communication Solutions

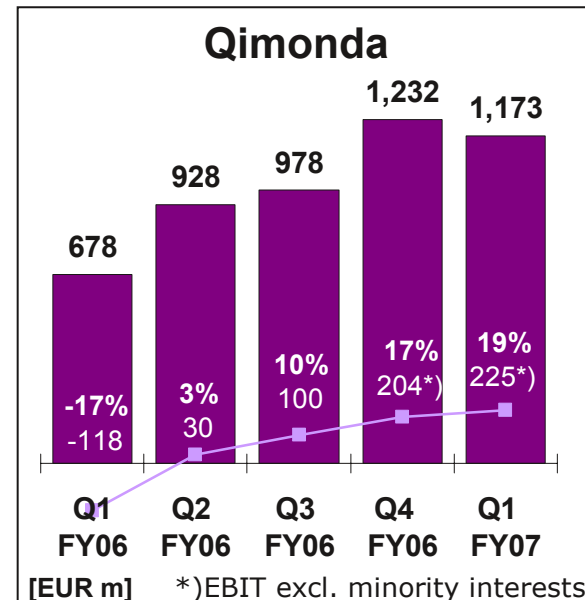
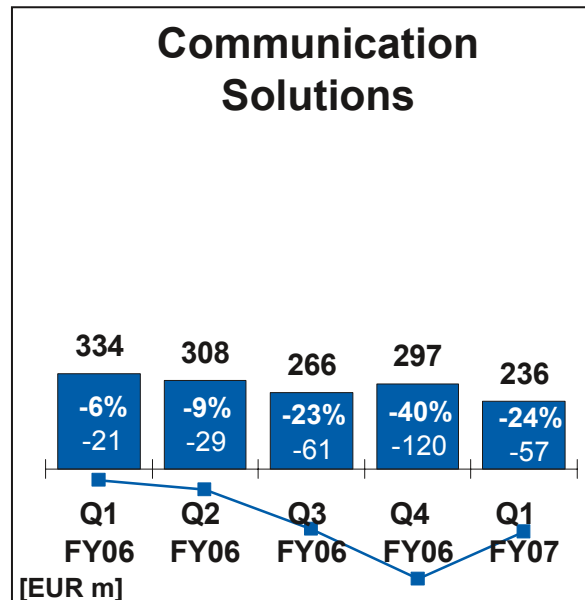
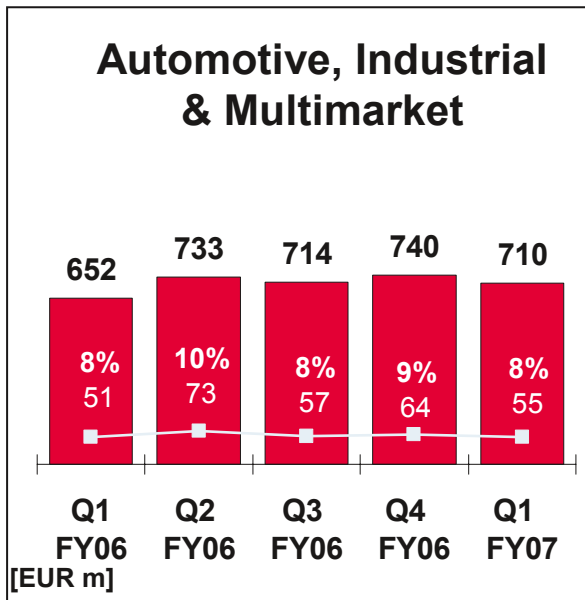
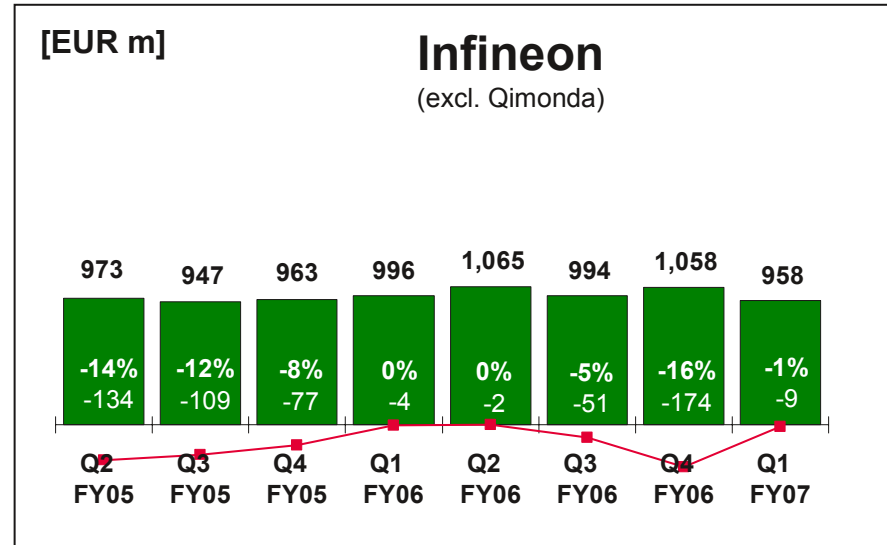
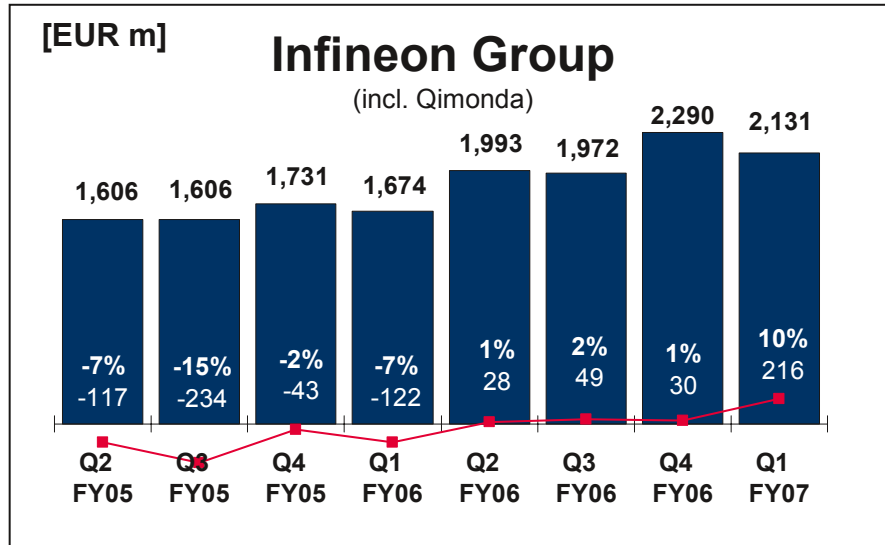


Automotive, Industrial & Multimarket



Appendix (Key Financials, Ratios, Financial Calendar)

First Quarter FY 2007 Results: Rev. of EUR 2.13 bn; EBIT of EUR 216 m



Second Quarter FY2007 Outlook as per 29-Jan-07



IFX Logic

Revenues and EBIT excluding Qimonda and before charges are expected to remain at least flat.

COM

- Revenues and EBIT flat q-o-q
- Customer ramp-ups mitigate typical seasonal decline in the wireless business; wireline business to be about flat

AIM

- Revenues to increase slightly q-o-q; EBIT margin to improve.
- Auto to grow on ramp ups and seasonality despite continued U.S. auto weakness. Industrial & Multimarket and Security & ASIC to remain broadly flat.

C & E

- EBIT loss before charges basically unchanged q-o-q.
- Charges: significantly less than the EUR 30 m expected originally for fiscal first quarter to be taken mainly for baseband restructuring.

Fiscal Year 2007 Outlook as per 29-Jan-07

COM

- EUR 40 m annualized cost savings to take effect likely from Jun Q 2007 onwards.
- Target: wireless break-even in Dec quarter 2007.

AIM

- Expect cost for Perlach fab closure to disappear Sep Q 2007.
- Kulim fab to break-even middle 2007 calendar year.
- Chipcard to remain around break-even until new products introduced middle of 2007 calendar year.

OOS/ C & E

- Revenues and EBIT in OOS to remain broadly unchanged.
- Charges well below EUR 30m in fiscal second quarter in C&E
- For FY2007 C&E EBIT before charges to be EUR -10m to EUR -15m per quarter.

Financial Structure of Infineon excluding Qimonda: Solid Financing

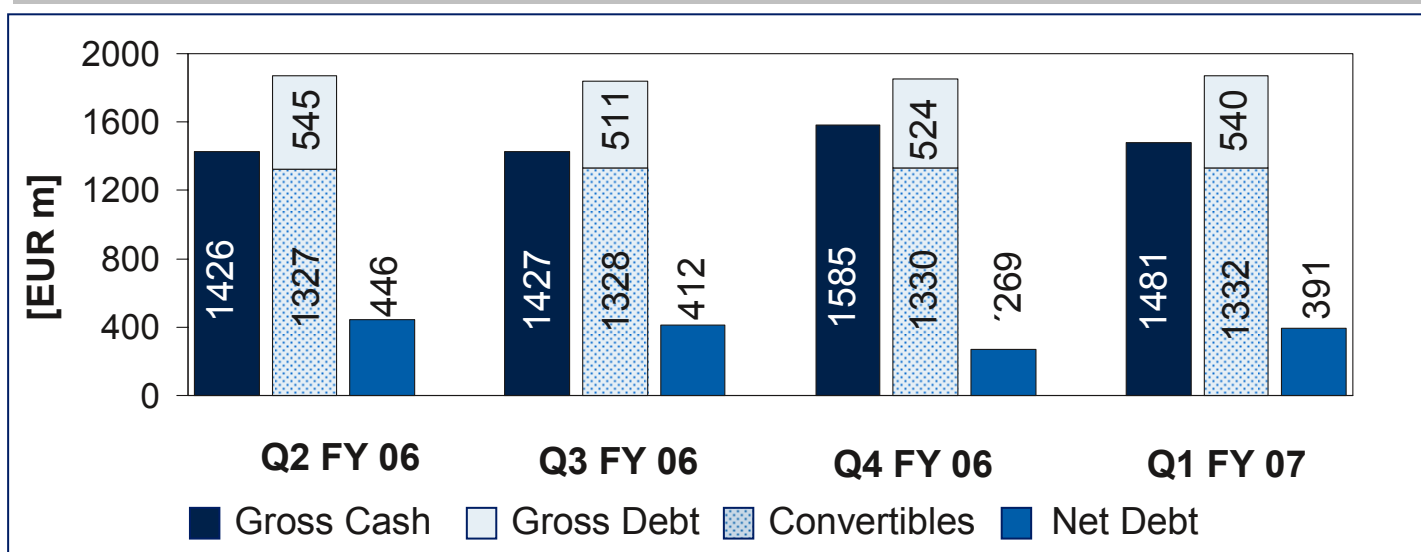


Outlook for CapEx and D&A

[EUR m]	4Q FY06	1Q FY07	FY 2007	FY 2008+
CapEx <i>/Sales (%)</i>	173 16.4%	105 11.0%	450-550	10-12% of sales
D&A <i>/Sales (%)</i>	172 16.3%	162 16.9%	550-650	in line with CapEx

Financial structure:

Logic-business for the past quarters



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Key Growth Drivers / Focus Areas

Energy Efficiency (fuel / electricity)

- Improve fuel efficiency in cars
- Efficient power generation, transport, consumption
- Higher efficiency in electrical drives



Mobility & Connectivity

- Mobile phones
- Broadband access
- Wireless connectivity



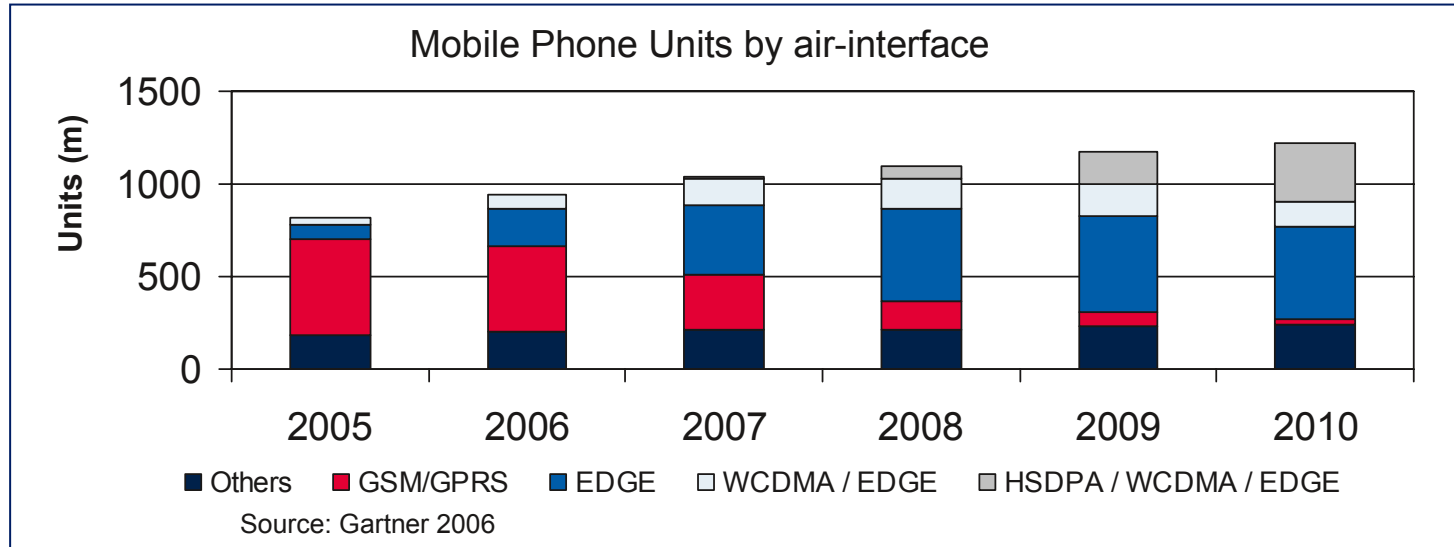
Security

- Protection and privacy of personal and company data
- Secure e-commerce and identification
- Automotive safety

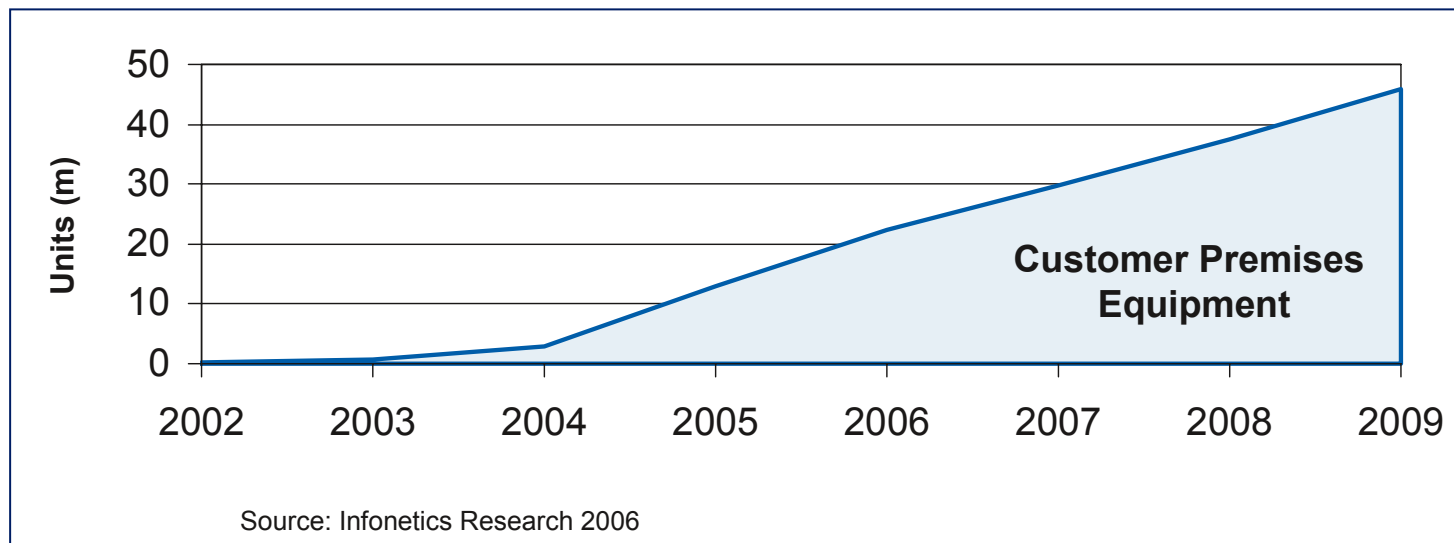


COM Growth Drivers

Mobility



Connectivity



AIM Growth Drivers

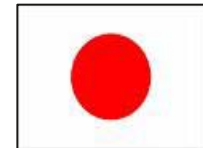
Energy Efficiency

Different governmental requirements:

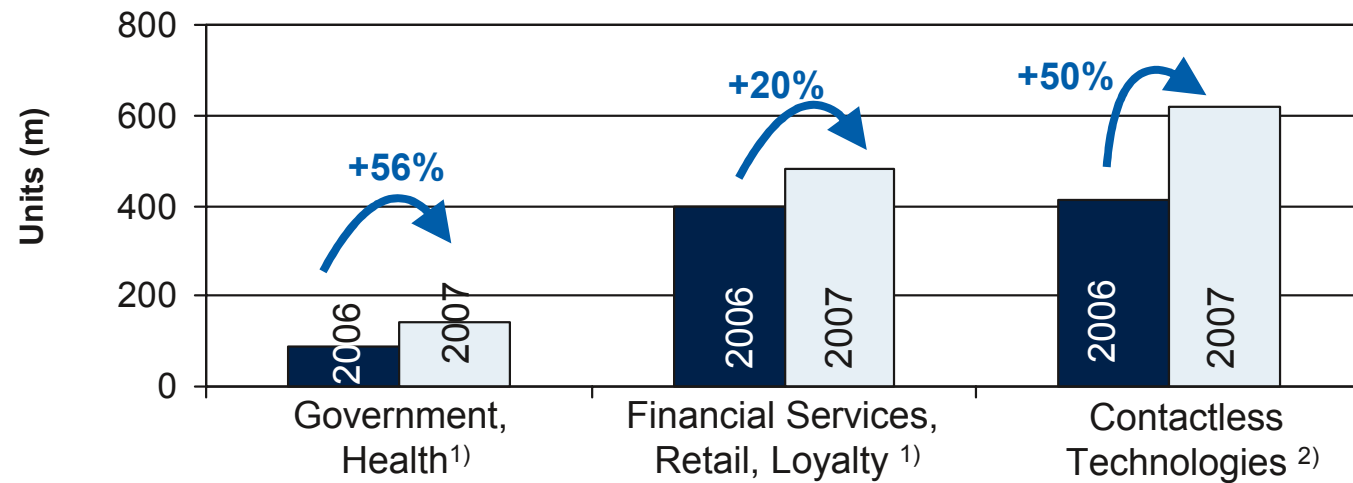
Europe: Euro 5 norm coming 2009

USA: Energy Star, July 2007, will require PC's to be 65% more power efficient than current models.

Japan: already highest regulatory standards



Security



Source: ¹⁾ EuroSmart 2006 ²⁾ Frost&Sullivan 2006

Infineon Businesses

Communication Solutions

Mobile Phone Platforms

Feature Phones

Entry Phones

Mobile Software

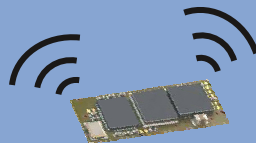


RF Solutions

RF Engine

Tuner Systems

Connectivity



Broadband

Access



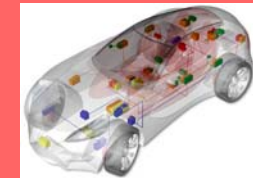
Automotive, Industrial & Multimarket

Automotive

Microcontroller

Automotive Power

Sense & Control



Industrial & Multimarket

Power Management & Drives

Discrete Semiconductors



Security & ASICs

ASIC, Design & Security

Chip Card & Security ICs



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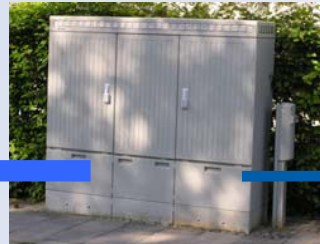
Appendix (Key Financials, Ratios, Financial Calendar)

Infineon Drives the Entire Broadband Access Chain



Central Office

Fiber



Copper

300-1500 m



Home



IFX products:
Geminax, Socrates,
etc.



IFX product:
VINAX etc.



IFX products:
Danube, Amazon,
Vinetic, SLIC-DC,
Samurai, etc.

Broadband Access Design-Win Momentum Continues



VDSL2 „VINAX“

- World's first VDSL2 RollOut with Deutsche Telekom on CO- and CPE-side in Germany
- World's second VDSL2 RollOut with Hyndai on CO- and CPE-side in Korea



ADSL2+ „GEMINAX-MAX“

- Design-Win at two customers based in APAC
- Major European customer



ADSL & VoIP „Amazon, Danube“

- 2 Design-Wins for ADSL & VoIP
- WiMax IAD Design-Win at major Japanese customer



VoIP „Vinetic“

- Design-Wins at top tier IP-Phone vendors
- Major global customer



SHDSL.bis „Socrates-4e“

- Leading Chinese DSLAM customer
- Major global customer, based in EU



RF Transceiver: CMOS Leadership Turns Into Design-Wins



2G / 2.5G GSM / GPRS

SMARTi SD
SMARTi SD2
130nm CMOS

2.75G EDGE

SMARTi PM
SMARTi PM2
130nm CMOS

3G WCDMA

SMARTi 3G
SMARTi 3GE
130nm CMOS

Customer	Air Interface
Samsung	EDGE
Customer	EDGE
Customer	WCDMA
Customer	WCDMA / EDGE
LG (on platform)	EDGE
Panasonic (on platform)	WCDMA / EDGE

Selection of major design-wins



Shipped more than 230m
RF IC's in 2006



Nr.1 worldwide in
RF transceivers

World's first EDGE
CMOS RF transceiver
in volume



World's first WCDMA
CMOS RF transceiver
in volume



Strength: RF/Baseband Integration and HSDPA



Platform	2G / 2.5G GSM / GPRS		2.75G EDGE	3G UMTS	3.5G HSDPA
	ULC1	ULC2	MP-E	MP-EU	MP-EH
Baseband	E-GOLDradio	E-GOLDvoice (incl. SRAM)	S-GOLDradio	S-GOLD2 + co-processor	S-GOLD3H
RF Transceiver	E-GOLDradio	E-GOLDvoice (incl. SRAM)	S-GOLDradio	SMARTi PM	SMARTi 3GE
Power Management	E-Powerlite	E-GOLDvoice (incl. SRAM)	S-GOLDradio	SM-Power	SM-Power3
Protocol Stack	✓	✓	✓	✓	✓
Ramp up	✓	1Q CY07	✓	✓	CY 2007+

 integrated in one chip

Successful Ramp of Shipments to New Wireless Customers



EDGE Platform: MP-E



UMTS Platform: MP-EU Panasonic



Softbank 705P



new: Softbank 706P

Low-Cost: ULC1



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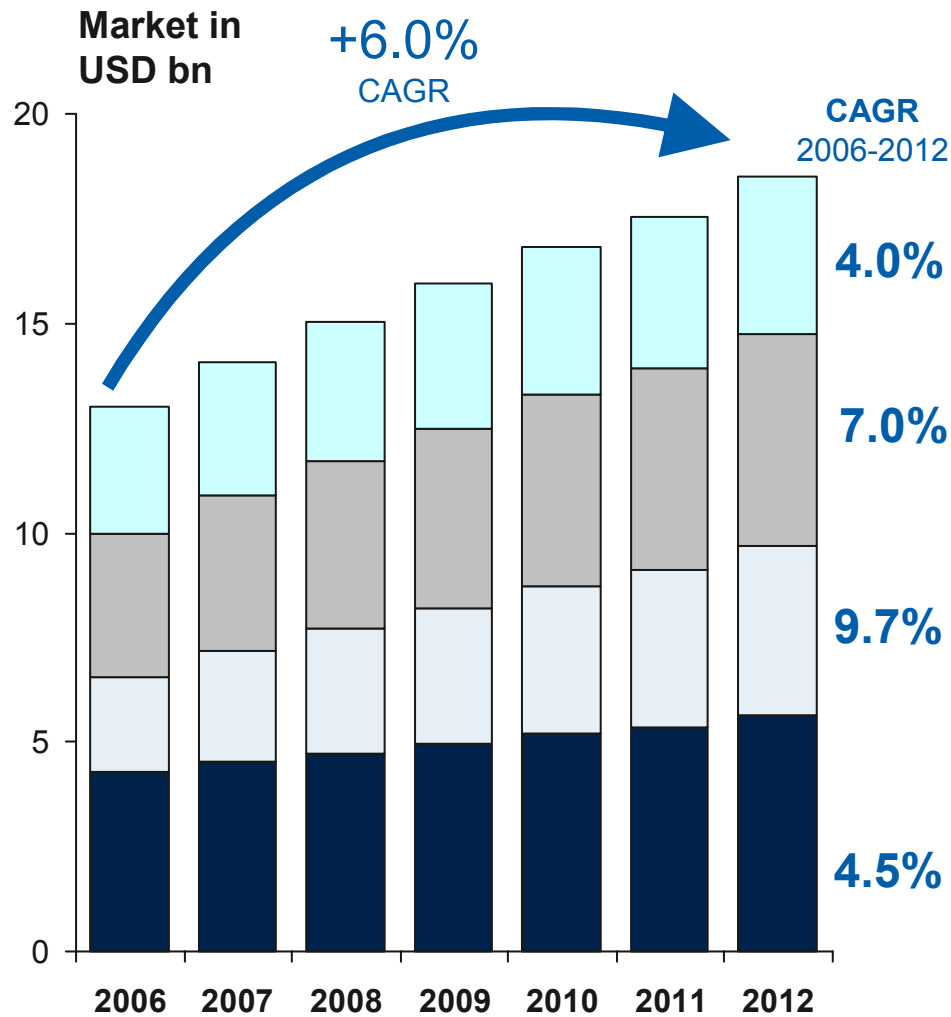
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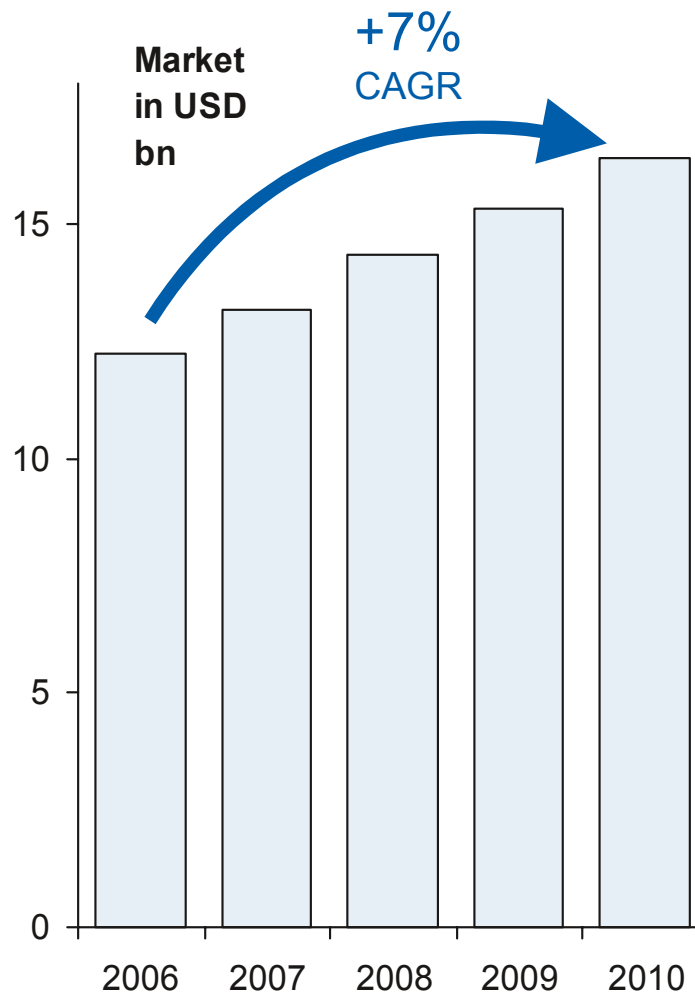
Worldwide Automotive Semiconductor Market Continues to Grow; Safety to Grow Fastest



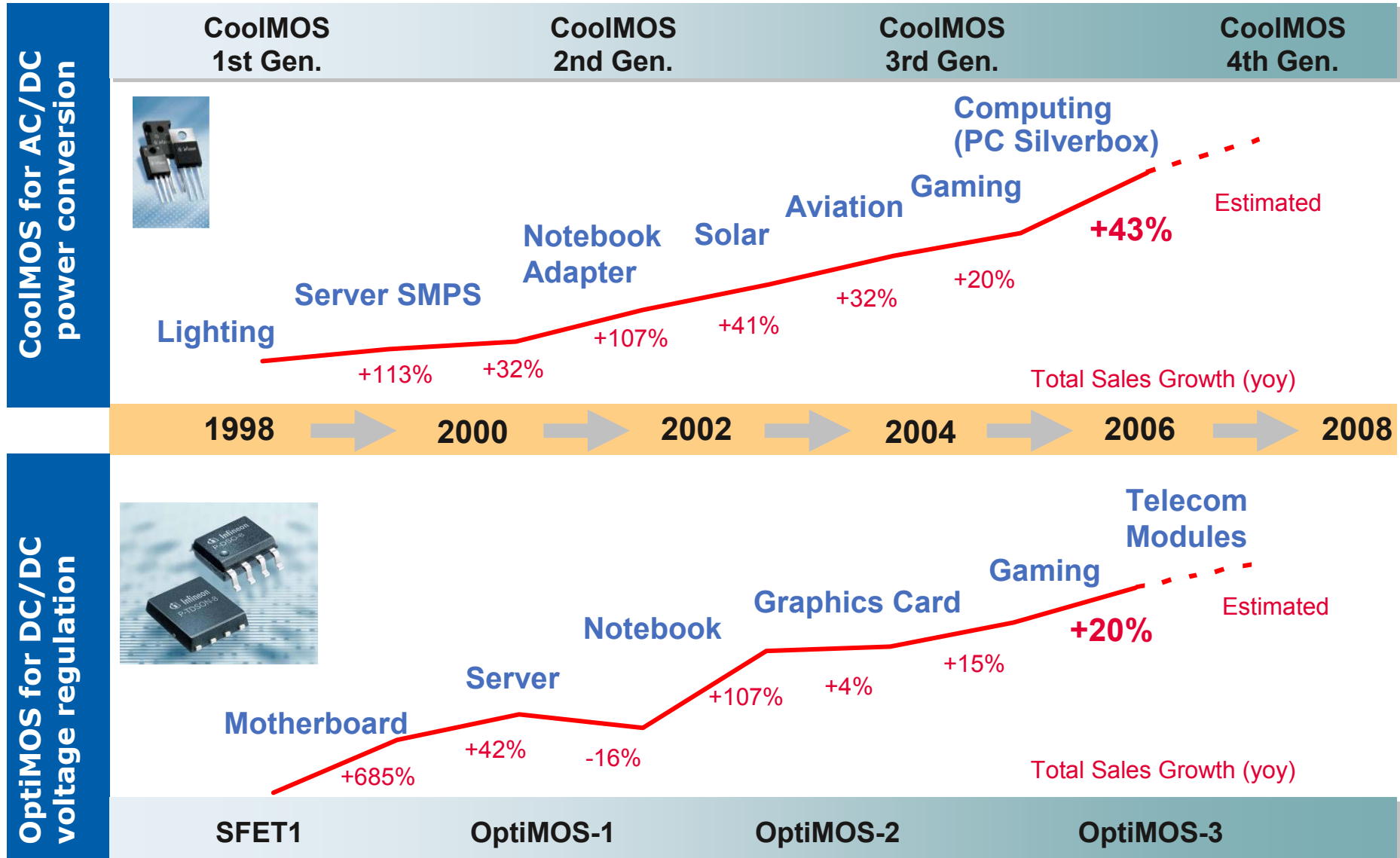
Source: Strategy Analytics 9/2005
(Infotainment = Driver Information + Audio)

<ul style="list-style-type: none"> Infotainment <ul style="list-style-type: none"> navigation car radio 	
<ul style="list-style-type: none"> Body <ul style="list-style-type: none"> air-conditioning window lifter dashboard light & illumination 	
<ul style="list-style-type: none"> Safety <ul style="list-style-type: none"> ABS airbag tire pressure sensor 	
<ul style="list-style-type: none"> Powertrain <ul style="list-style-type: none"> engine management transmission vehicle network 	

Worldwide Power Semiconductor Market Growth Forecast



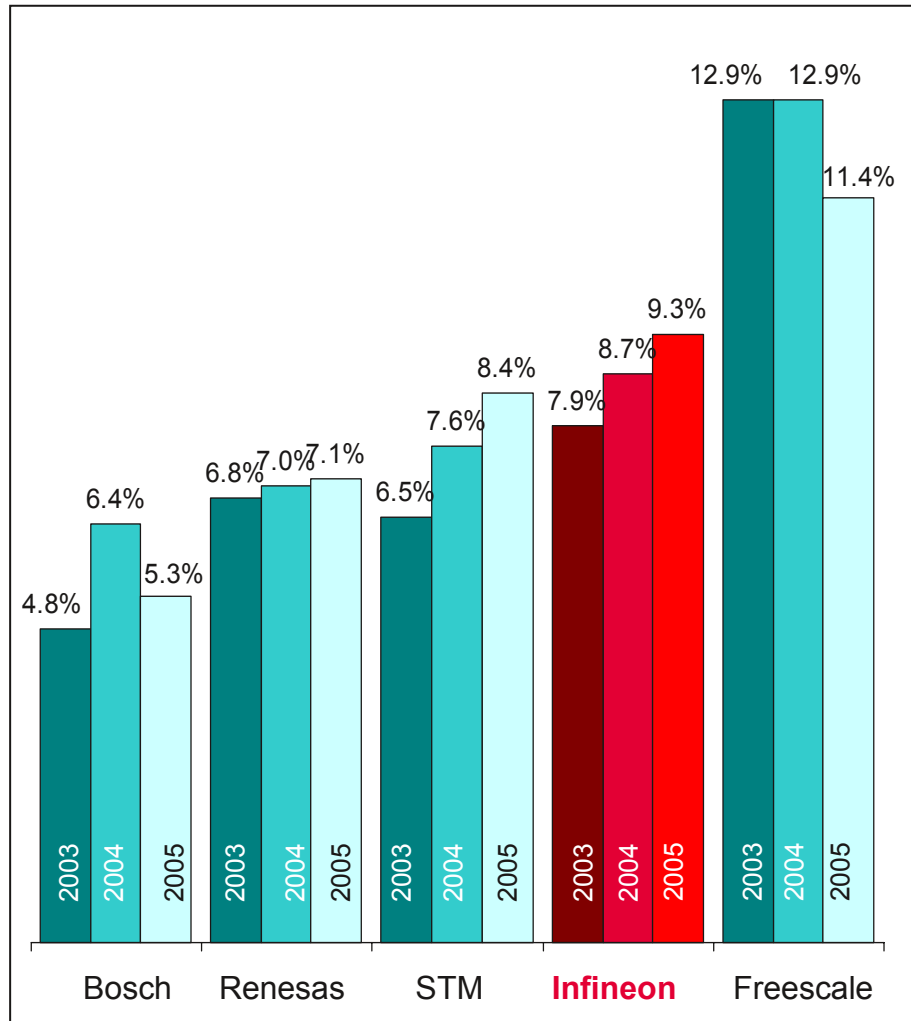
Growth Driver for CoolMOS / OptiMOS: More Applications Require Power Efficiency



Infineon's Track Record in Automotive and Power Semiconductor Market Shares

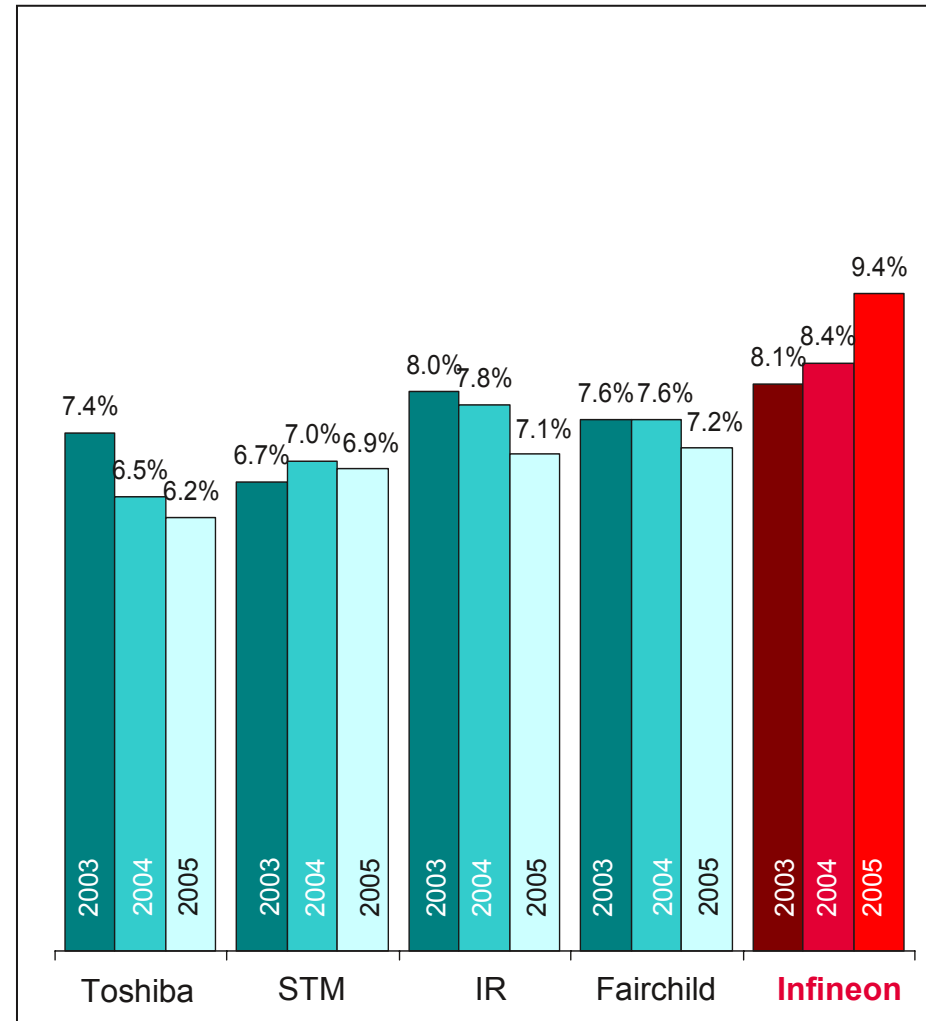


Worldwide Automotive Semiconductor Marketshare



Source: Strategy Analytics 2006

Worldwide Power Semiconductor Marketshare



Source: IMS 2006



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thinking.**



Financials and Outlook

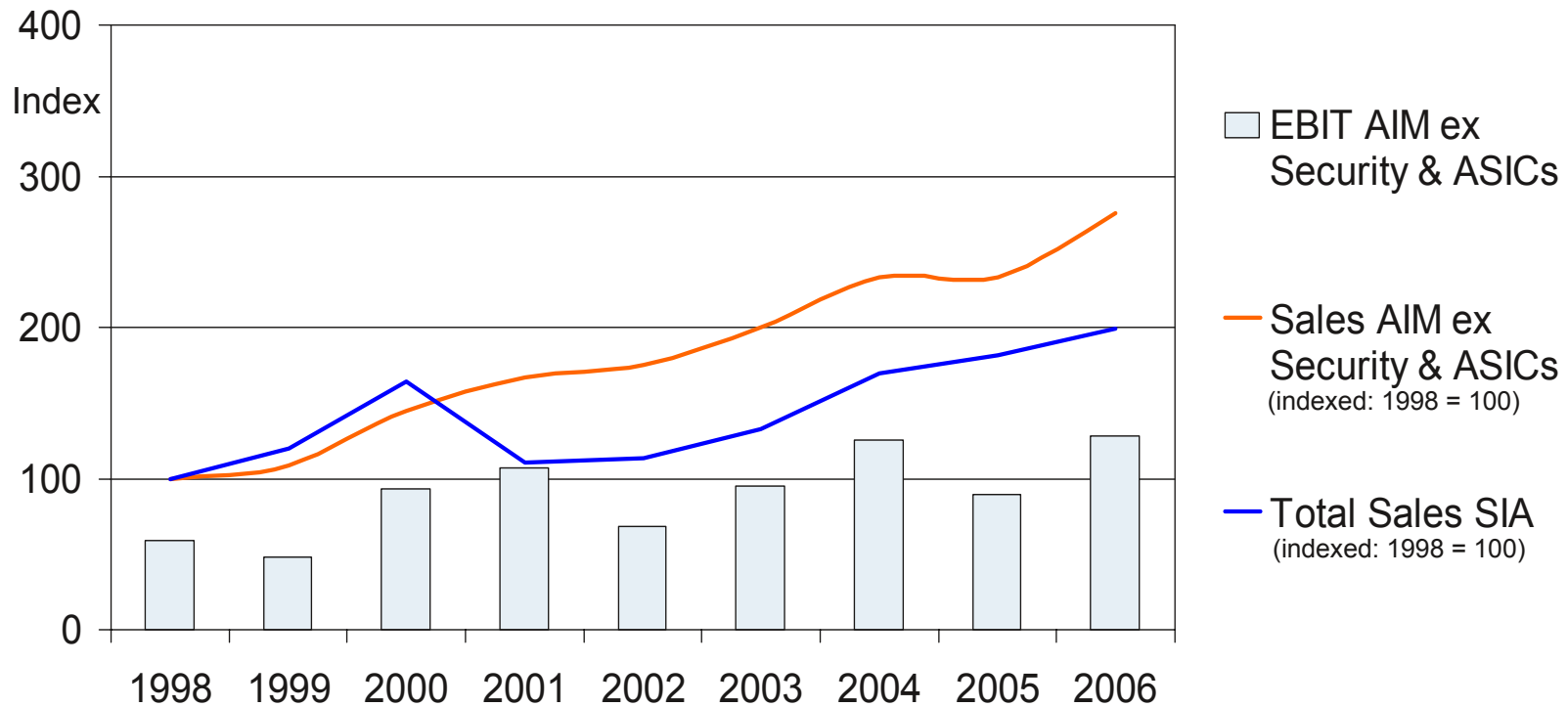
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Profitable Growth: Infineon's AIM ex Security & ASICs*



*) Minimal inconsistencies possible due to changes in segment reporting
30-Jan-07

Key Financials



	Q3 F05	Q4 F05	Q1 F06	Q2 F06	Q3 F06	Q4 F06	Q1 F07
Sales (EUR m)	947	964	996	1,065	995	1,058	958
EBIT (EUR m)	-98	-81	1	7	-51	-174	-9
<i>EBIT margin</i>	<i>-10,3%</i>	<i>-8,4%</i>	<i>0,1%</i>	<i>0,7%</i>	<i>-5,1%</i>	<i>-16,4%</i>	<i>-0,9%</i>
EBIT ex charges (EUR m)	-27	-8	3	11	-22	-11	-9
<i>EBIT margin ex charges</i>	<i>-2,9%</i>	<i>-0,8%</i>	<i>0,3%</i>	<i>1,0%</i>	<i>-2,2%</i>	<i>-1,0%</i>	<i>-0,9%</i>
D&A (EUR m)	168	208	150	206	174	172	162
<i>D&A / Sales (%)</i>	<i>17,7%</i>	<i>21,6%</i>	<i>15,1%</i>	<i>19,3%</i>	<i>17,5%</i>	<i>16,3%</i>	<i>16,9%</i>
CapEx (EUR m)	NM	107	49	314	158	173	105
<i>CapEx / Sales (%)</i>	<i>NA</i>	<i>11,1%</i>	<i>4,9%</i>	<i>29,5%</i>	<i>15,9%</i>	<i>16,4%</i>	<i>11,0%</i>
Gross Cash (EUR m)		1,374	1,264	1,426	1,427	1,585	1,481
Gross Debt (EUR m)		1,557	1,593	1,872	1,839	1,854	1,872
Net debt (EUR m)		183	329	446	412	269	391
Employees		26,834	30,561		29,446	29,849	30,071

Financial Calendar

- Feb 13, 2007 **Presentation at 3GSM** **Barcelona**
- Feb 15, 2007 **Annual General Meeting** **Munich**
- Mar 13, 2007 **IFX Day** **Munich**
- Apr 27, 2007* **Interim Report FQ2 2007**
- Jul 27, 2007* **Interim Report FQ3 2007**
- Nov 14, 2007* **Interim Report FQ4 2007**

* = Preliminary Date