Company Presentation
Feb. 01, 2011

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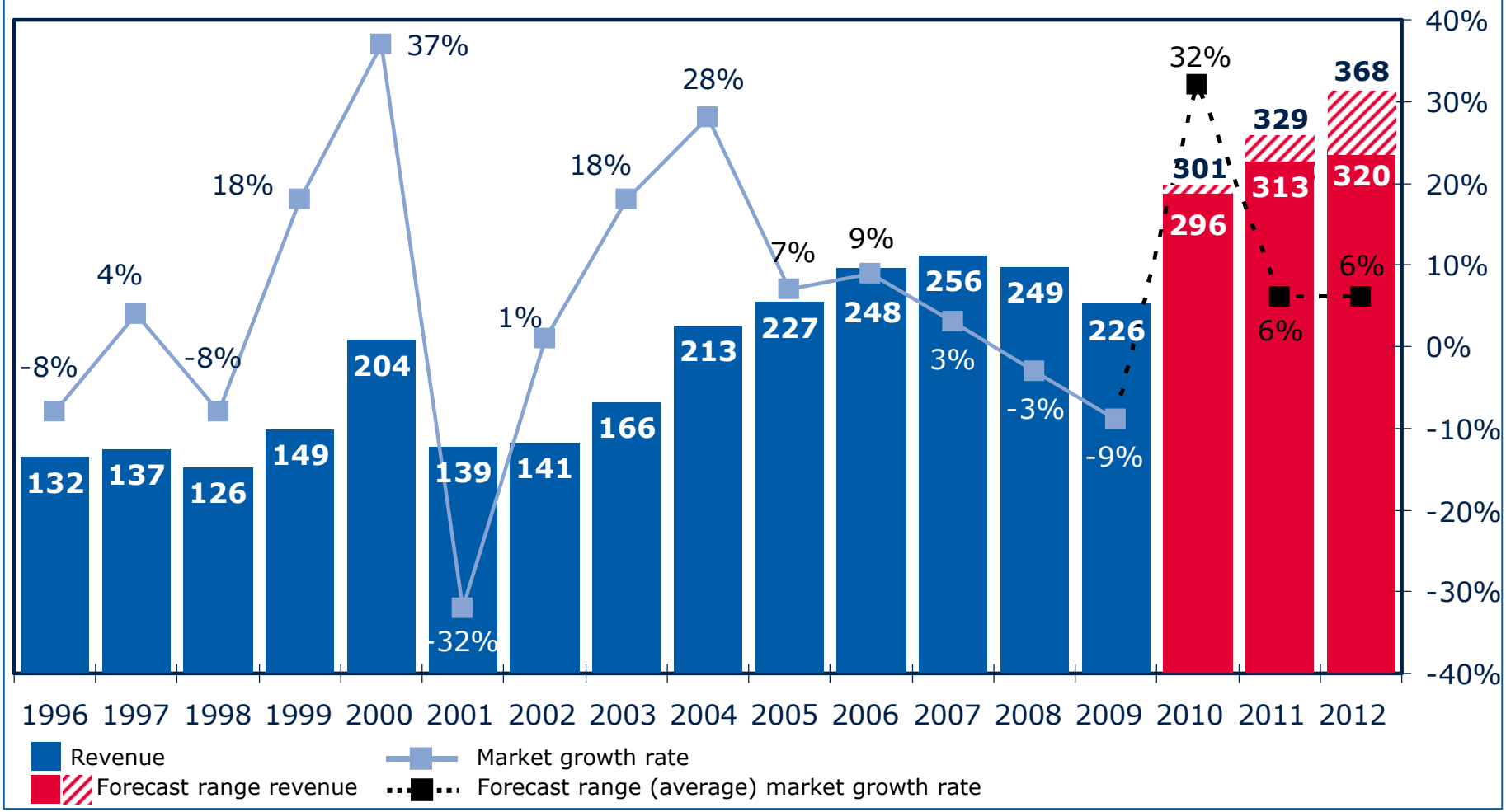
Global semiconductor market development

Revenue in US Dollar billion and market growth rate



Source: WSTS for historical data. Forecast: ∅ of Gartner, iSuppli, IC Insights, VLSI, WSTS; market growth rates year-on-year; last forecast update January 25th 2011

Infineon Holds a #1 Position in All Target Markets

Auto-motive	Power	Chip Card
#1	#1	#1
Market share	Market share	Market share
9%	11%	27%
Calendar Year 2009 Source: Strategy Analytics, May 2010	Calendar Year 2009 Source: IMS Research, July 2010	Calendar Year 2009 Source: Frost & Sullivan, October 2010

Infineon at a Glance

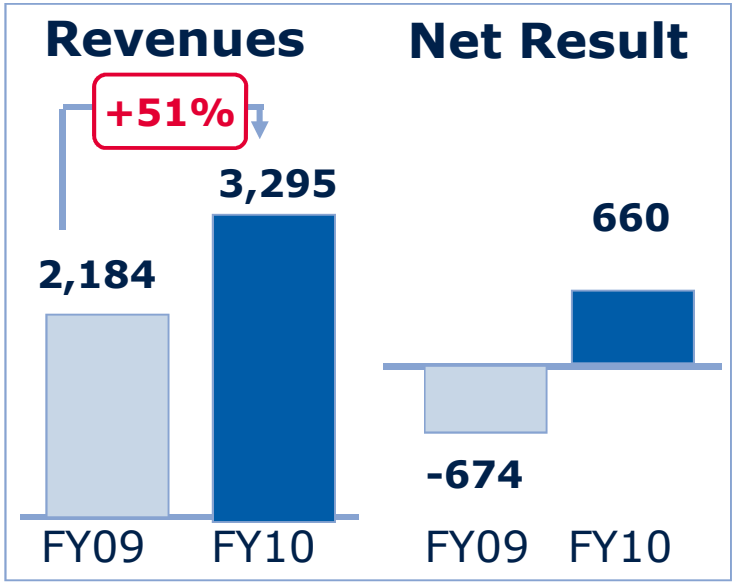
The Company

- 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
- 27,315** employees worldwide (as of December 2010)
- More than 21 R&D locations
- Germany's largest semiconductor company

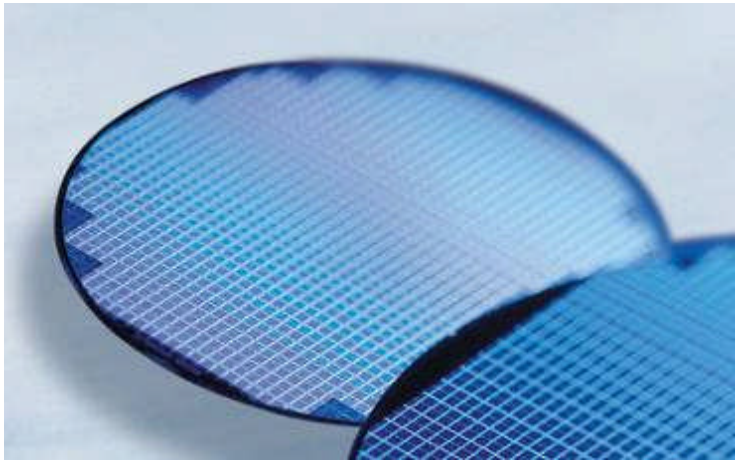
*Note: Figures according to IFRS with Wireline and Wireless as discontinued operations; as of September 30, 2010

**Note: Including Wireless as discontinued operations; as of December 31, 2010

Infineon Group
Results for FY 2010 vs FY 2009



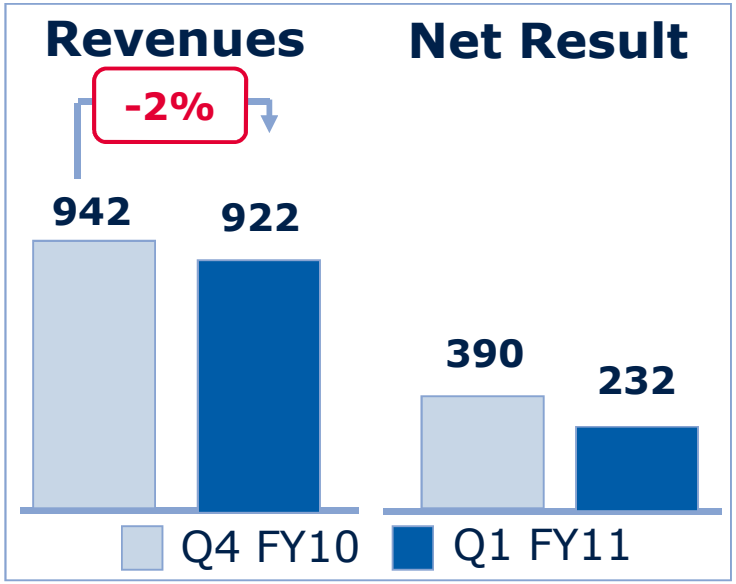
in € million	2009	2010
Revenues	2,184	3,295
Segment Result	-140	475
SR Margin	-6.4%	14.4%
Net Result	-674	660



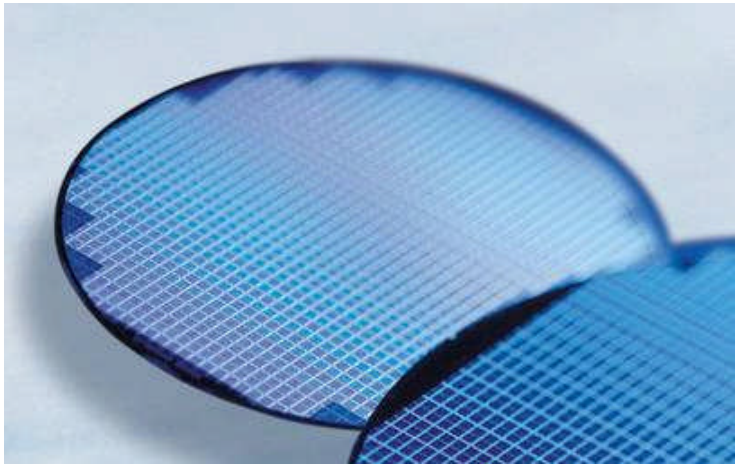
Free Cash Flow	274	573
Investments PPE	96	292
Net Debt/Cash	657	1,331
Market capitalization	~4,200	~5,522

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

Infineon Group
Results for Q1 FY11 vs Q4 FY10



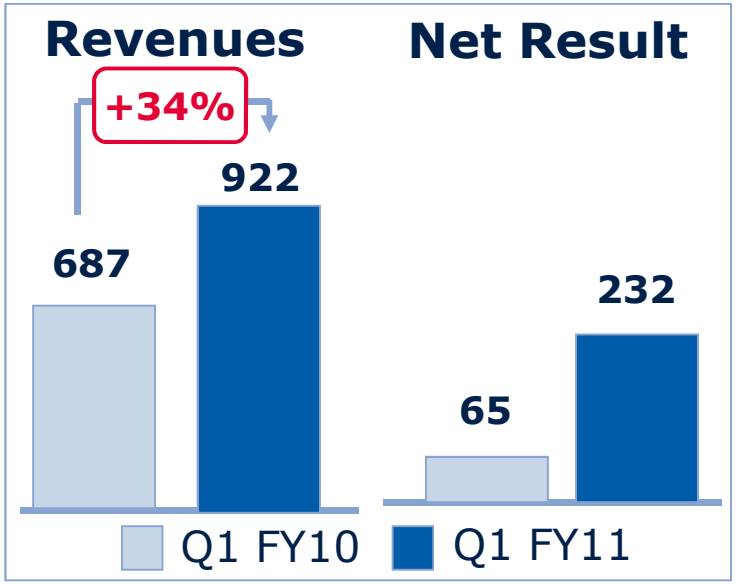
in € million	Q4 10	Q1 11	
Revenues	942	922	↓
Segment Result	171	177	↑
SR Margin	18%	19%	↑
Net result	390	232	↓



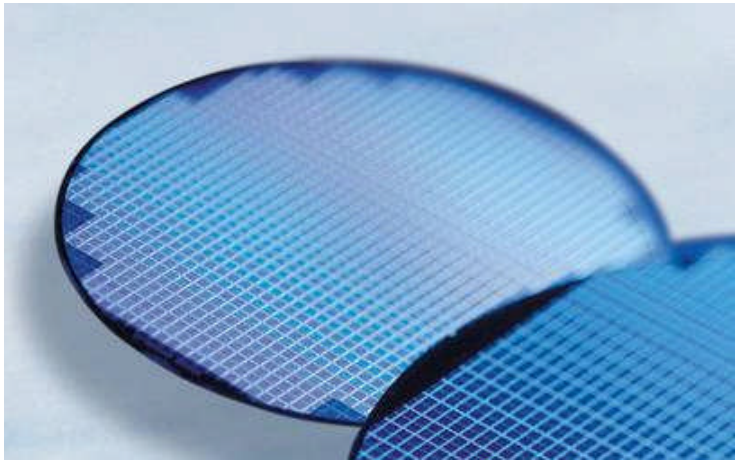
Free Cash Flow	236	4	↓
Gross Cash Position	1,727	1,669	↓
Net cash	1,331	1,293	↓

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

Infineon Group
Results for Q1 FY11 vs Q1 FY10



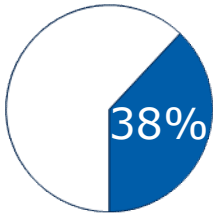
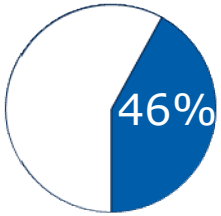
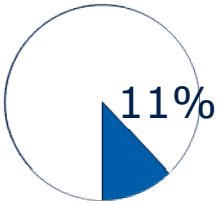
in € million	Q1 10	Q1 11	
Revenues	687	922	↑
Segment Result	70	171	↑
SR Margin	10%	19%	↑
Net result	65	232	↑



Free Cash Flow	-21	4	↑
Gross Cash Position	1,678	1,669	↓
Net cash	874	1,293	↑

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

Infineon Segment Revenues Q4 FY10 and Q1 FY11

	Revenue* in € million				Share of total
ATV		Q4 2010	340	+4%	
		Q1 2011	354		
IMM		Q4 2010	436	-3%	
		Q1 2011	423		
CCS		Q4 2010	115	-15%	
		Q1 2011	98		

*: Total Revenue includes Other Operating Segment (Q4 FY10 € 56 m, Q1 FY11 € 41 m), Corporate & Eliminations (Q4 FY10 € -5 m, Q1 FY11 € 6 m).

Infineon Segment Results Q4 FY10 and Q1 FY11

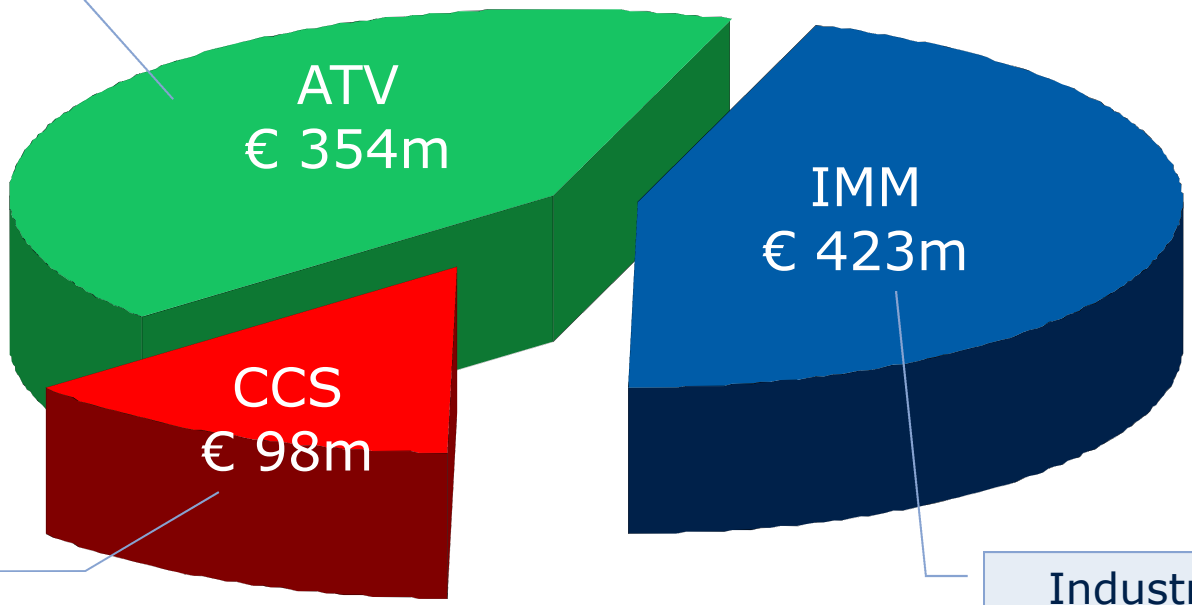
Segment Result* (SR) in € million			SR Margin
ATV		Q4 2010	58	17%
		Q1 2011	59	17%
IMM		Q4 2010	106	24%
		Q1 2011	107	25%
CCS		Q4 2010	12	10%
		Q1 2011	10	10%

*: Total Segment Result includes Other Operating Segment (Q4 FY10 € 5 m, Q1 FY11 € 2 m), Corporate & Eliminations (Q4 FY10 € -10 m, Q1 FY11 € -1 m).

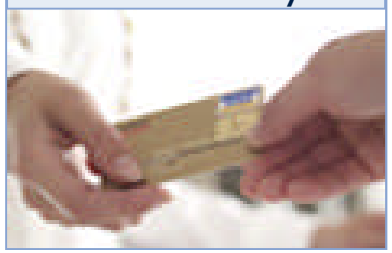
Revenue Split by Division

3-months FY 2011 revenue split

Automotive

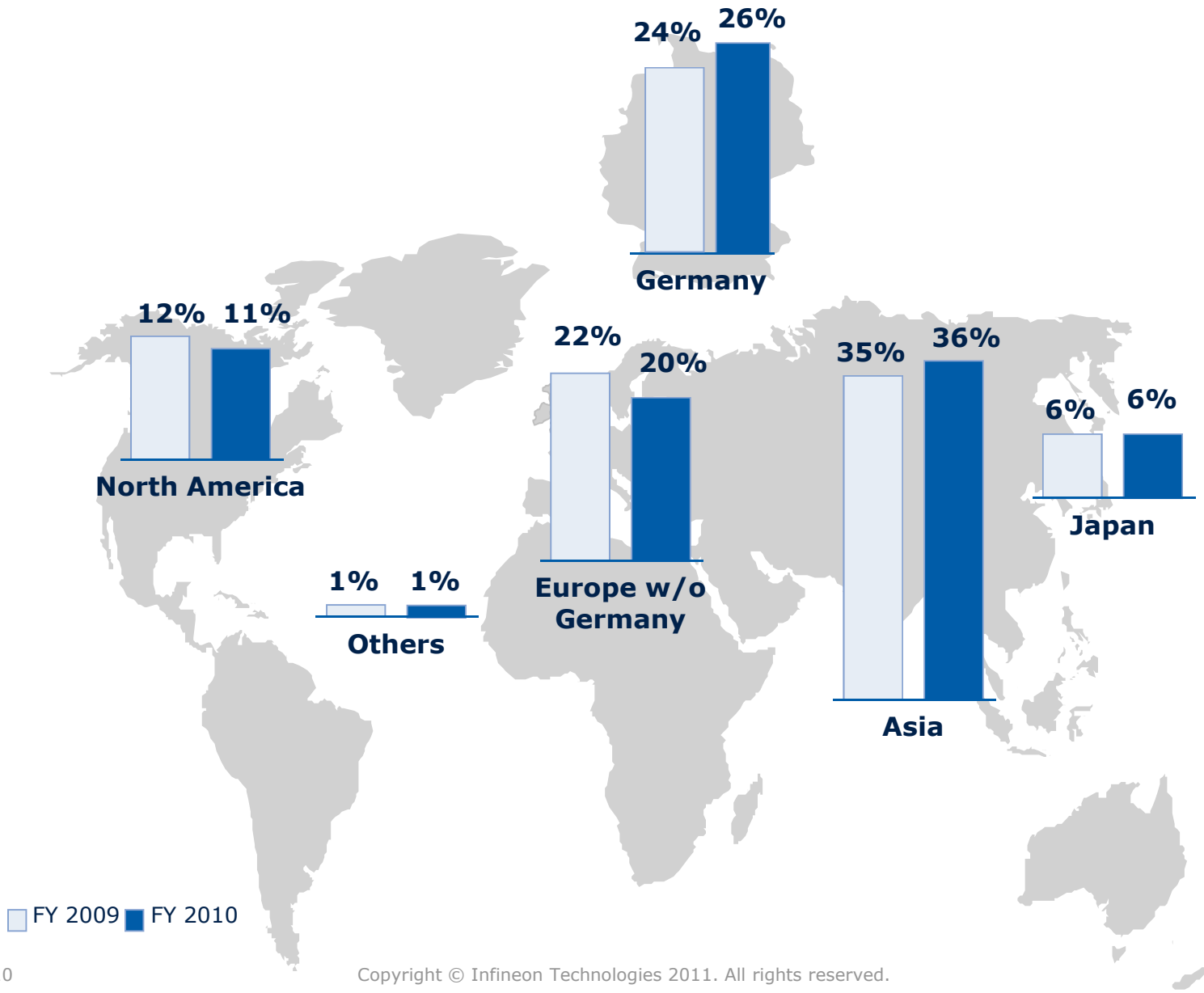


Chip Card & Security



Industrial & Multimarket

Proportional Revenue Infineon Group by Regions FY 2009 and FY 2010



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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

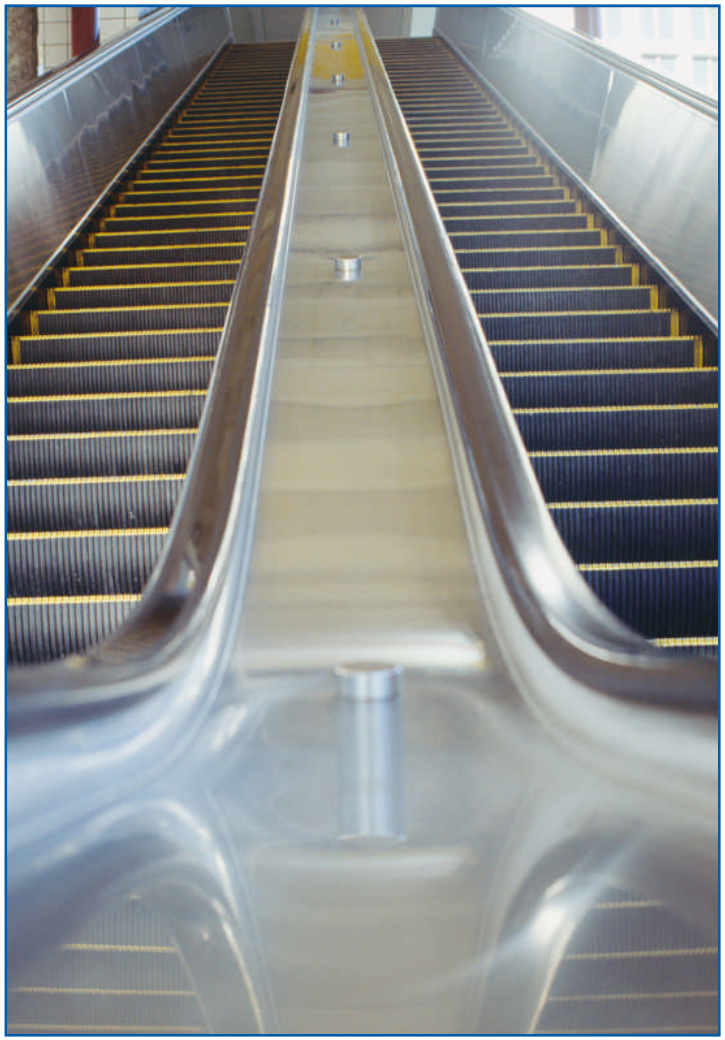
Our people are the foundation of Infineon's unique competitive advantages, strong financial results and high performance. We deliver the best to our customers, employees and shareholders - anywhere, anytime.

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 Gate 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

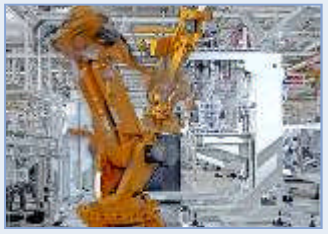
- Energy Efficiency
- Mobility
- Security

Core Competencies

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

Our Target Markets

- Automotive
- Industrial Electronics
- Chip Card & Security

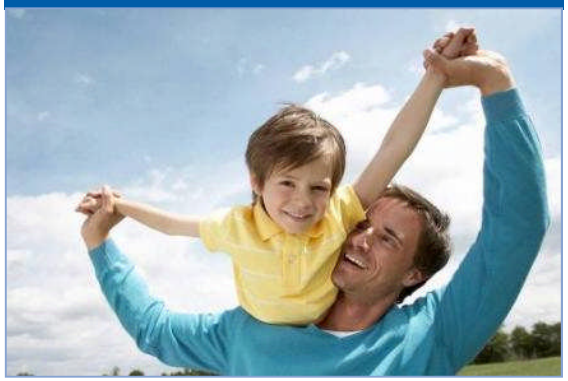


We focus on three areas with highly attractive future perspectives

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 Semi-conductors
- 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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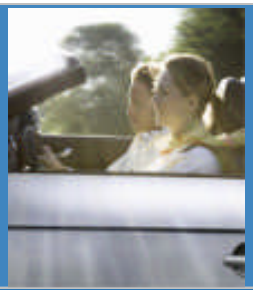
Infineon – Market-Oriented Business Structure

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)
Industrial & Multimarket		Electric drive control for industrial applications & home appliances, traction for railway and trains, 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™ Modules, Automotive Easy Modules, 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

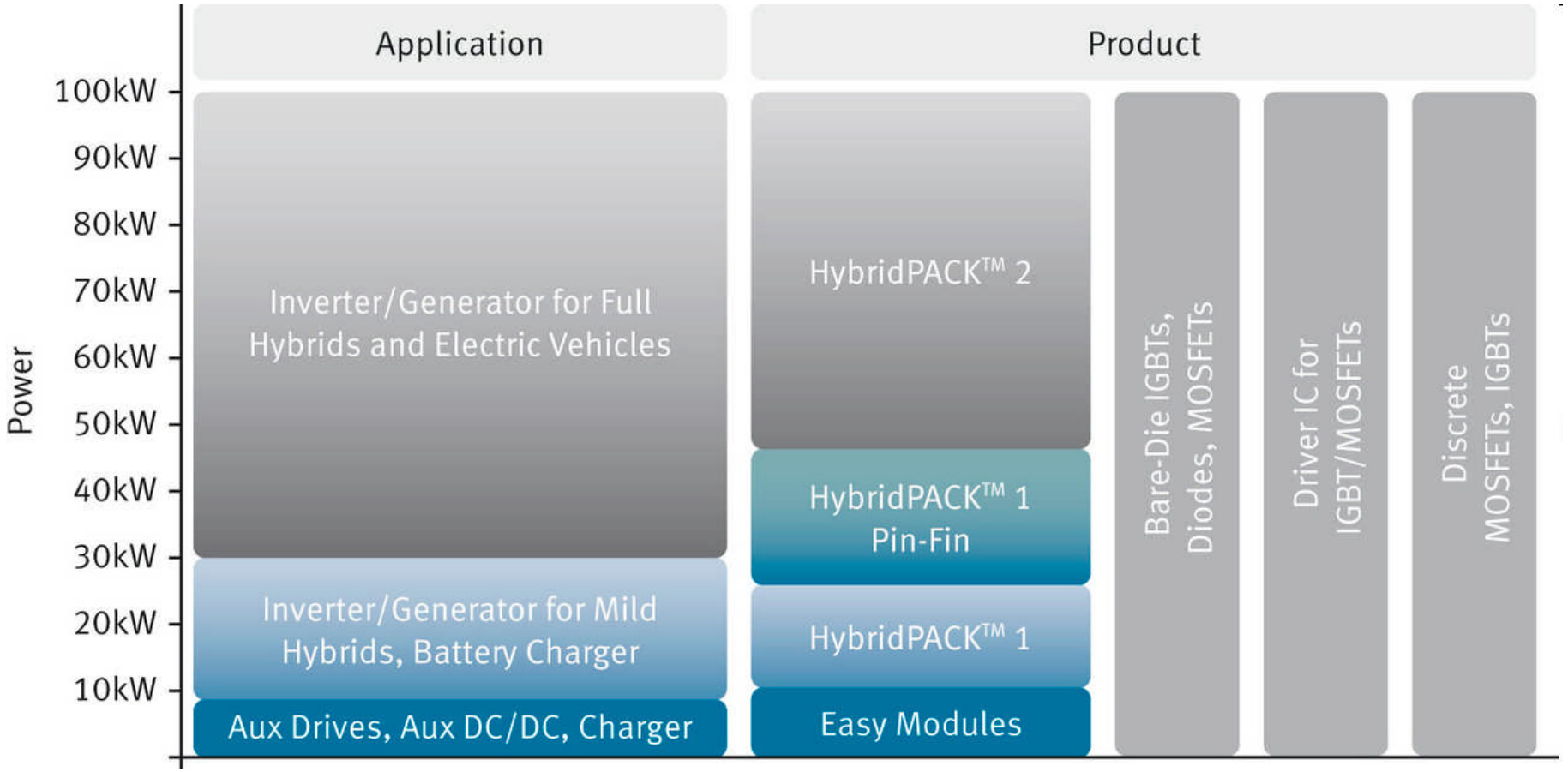
- Dwindling energy resources
- Stricter CO_2 emission legislations
- Growing environmental awareness

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

Target Applications for Electric Drive Train Product Portfolio



Industrial & Multimarket Overview

Product range

- Power discretes, modules and stacks
- Power management ICs
- AF/RF diodes and transistors, RF Power
- 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

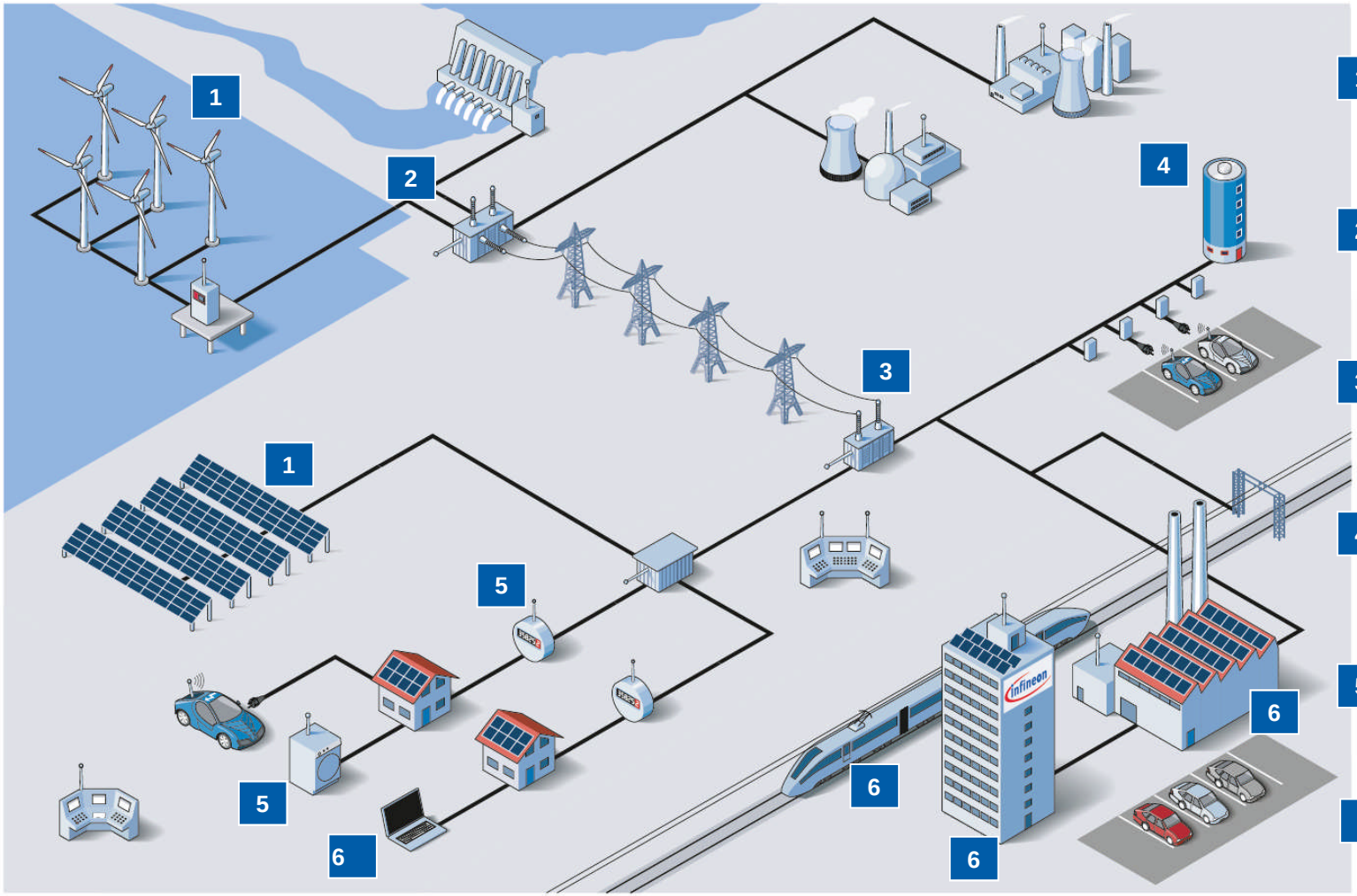
- High quality products and services
- Leading edge technology and IP portfolio
- System expertise with broad application competence
- Strong worldwide presence with local sales and application support
- Dedicated account teams & distributors

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

Power Components for Drive Control of Train Systems

High-speed trains

Underground trains

Infineon parts

- Power: 5 to 10MW per train
- 80 to 120 IGBT modules per train
- Semiconductor content: ~EUR 100k per train

- Power: 0.5 to 1MW per train
- 25 to 50 IGBT modules per train
- Semiconductor content: ~EUR 10k per train

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 to Europe's biggest national ID program: the new German national ID (nPA)

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

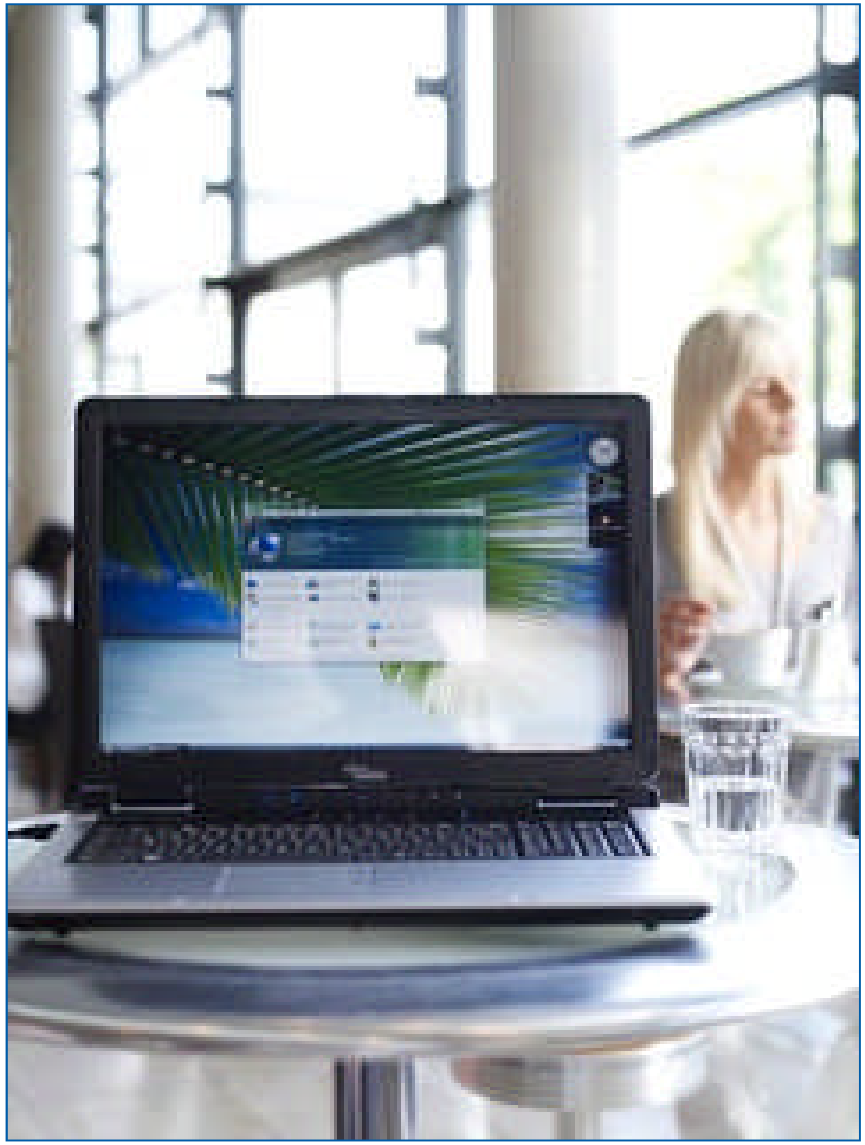
We Focus on Future Business
Example 3: Protecting Privacy

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's SLE 78 Security Controller for the New German National e-ID Card (nPA)

German national electronic ID card

- Project start in Nov 2010.
- Europe's biggest ID project.
- Currrently, about 60m e-ID card holders in Germany.
- About 6.5m ID cards are issued each year in Germany.
- Infineon is providing a signifi-cant share of the total volume.
- The new German national e-ID (nPA) is attracting significant attention ww as it is one of the most advanced approaches regarding security in ID projects.
- ~ 80% of e-ID cards in Europe contain Infineon security µC.

- nPA is the first major project for the 16-bit SLE 78 family.
- SLE 78 is based on "Integrity Guard" security technology.

INTEGRITY GUARD

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

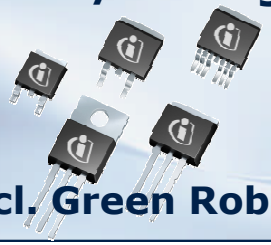
- Beijing Watch Data
- Cisco
- Gemalto
- Giesecke & Devrient
- Oberthur
- Sagem Orga
- US Government Printing Office

- **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

Power/Analog



incl. Green Robust

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

all of them adopted for automotive and industrial requirements

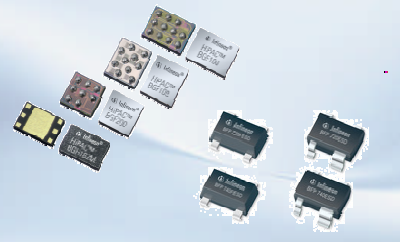
MEMS/Sensors

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

CMOS

Digital CMOS:	800nm – 65nmTechnology 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	**RF Switches**: C7NP, C11NP	
	P7Mxx, P7Dxx, P8Mxx, P9Mxx		
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	

Infineon Package Technology Portfolio

IC

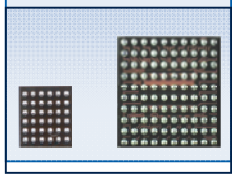
Wafer Level Packages, Bare Die

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
- OCCN [1)]
- BGA
- LBGA
- xFBGA, xFSGA

Flip chip
- FCxBGA
- xF2BGA, xF2SGA

Leadframe based Packages

Through Hole
- DIP [2)]

SMD
- PLCC [2)]
- TSSOP
- TQFP
- LQFP
- MQFP

Leadless
- VQFN
- O-LQFN [1)]

Chip Card

Mold on LF
- P-MCCx

Mold
- P-Mx.x

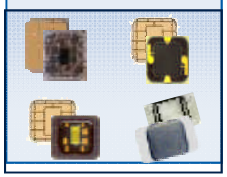
Chip on Flex
- FTM

UV Globe top
- T-Mx.x

PRELAM
- PPxx

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

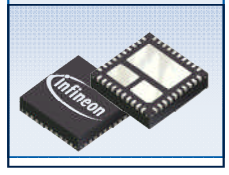
Through Hole
- TO, DIP

SMD
- TO
- DSO
- SSOP

Leadless
- TDSON
- TSDSON
- CanPAK
- SON
- QFN

SIP Low Power
- IDC

SIP Medi. Power
- CIPOS



1) for specialities only 2) phase-out

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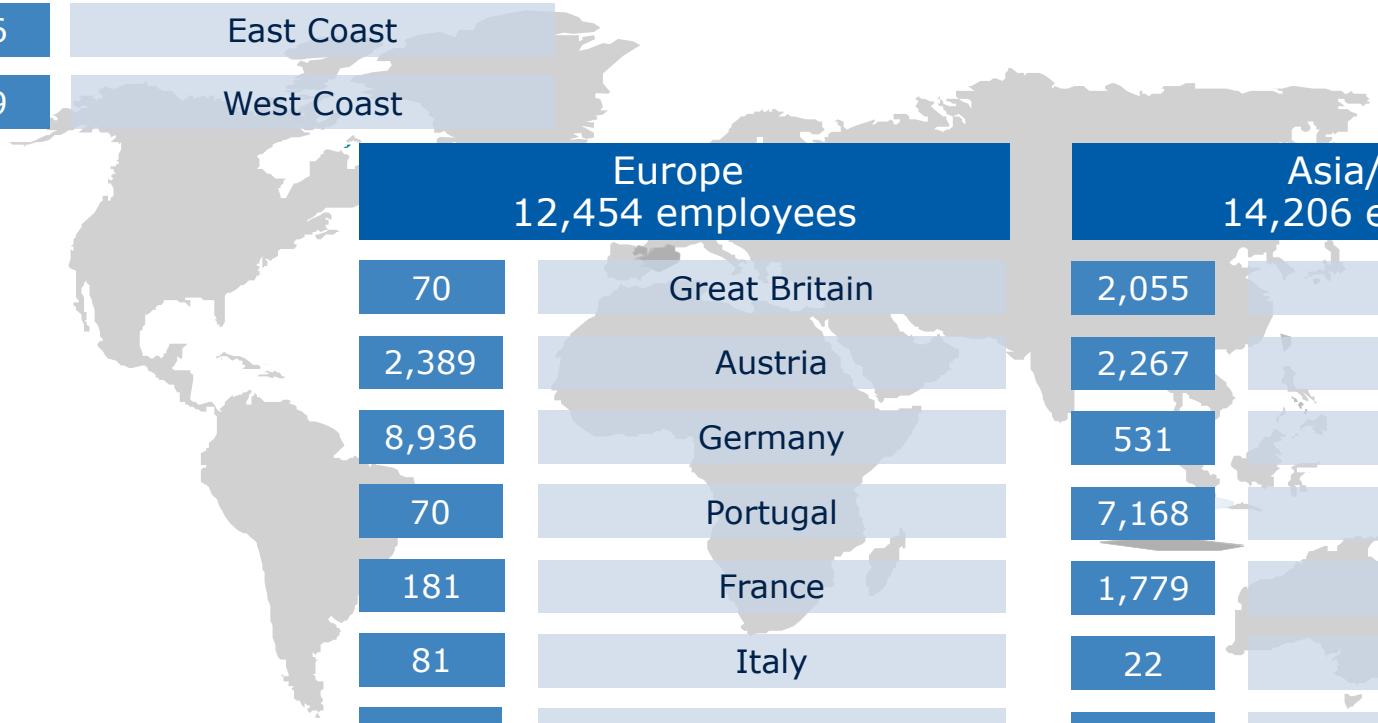
Infineon: 27,315 Employees Worldwide



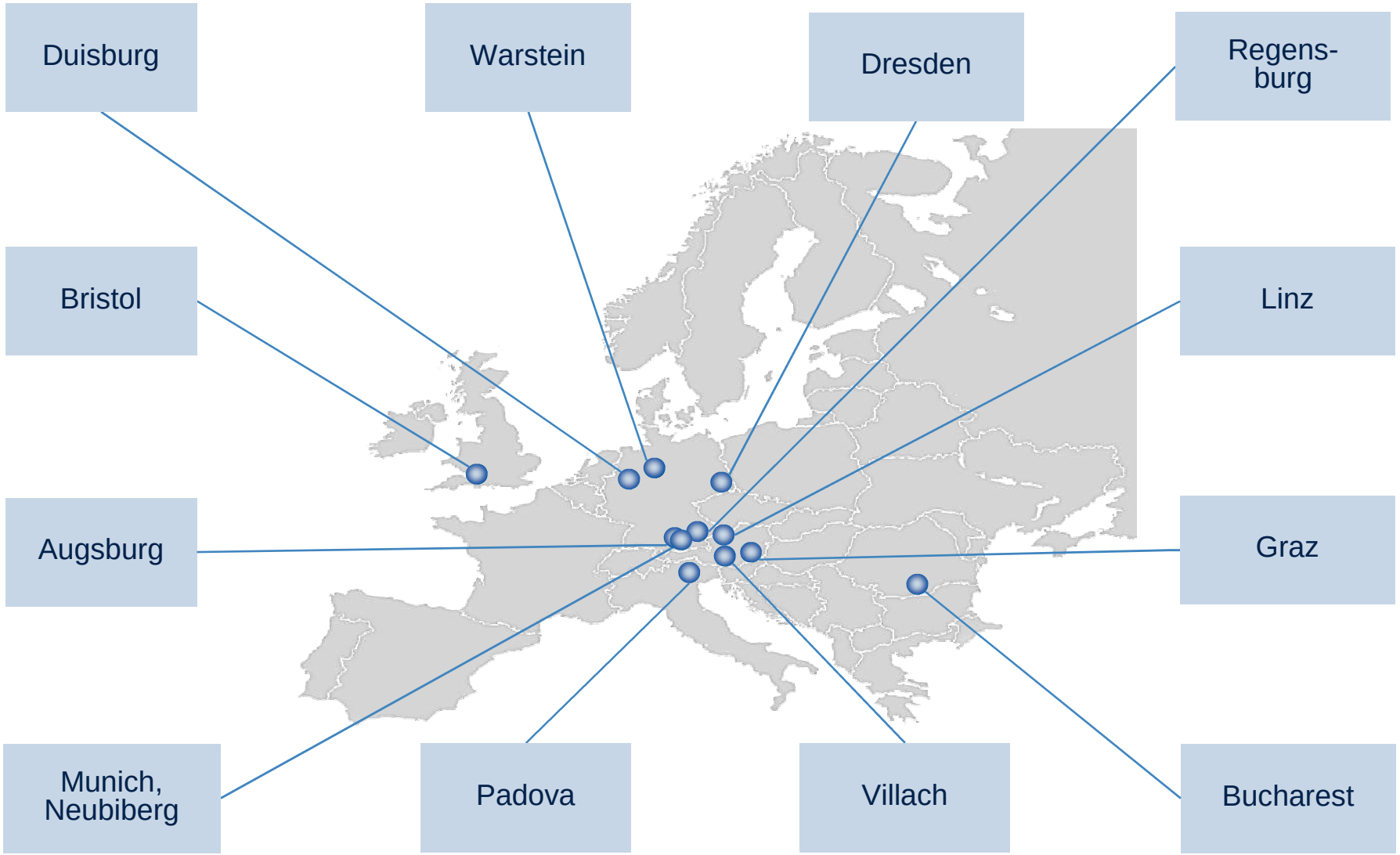
USA 655 employees	
346	East Coast
309	West Coast

Europe 12,454 employees	
70	Great Britain
2,389	Austria
8,936	Germany
70	Portugal
181	France
81	Italy
159	Romania
28	Sweden, Norway
530	Hungary
10	Other Europe

Asia/Pacific 14,206 employees	
2,055	Singapore
2,267	Indonesia
531	India
7,168	Malaysia
1,779	China
22	Hongkong
118	Japan
170	Korea
87	Taiwan
9	Australia

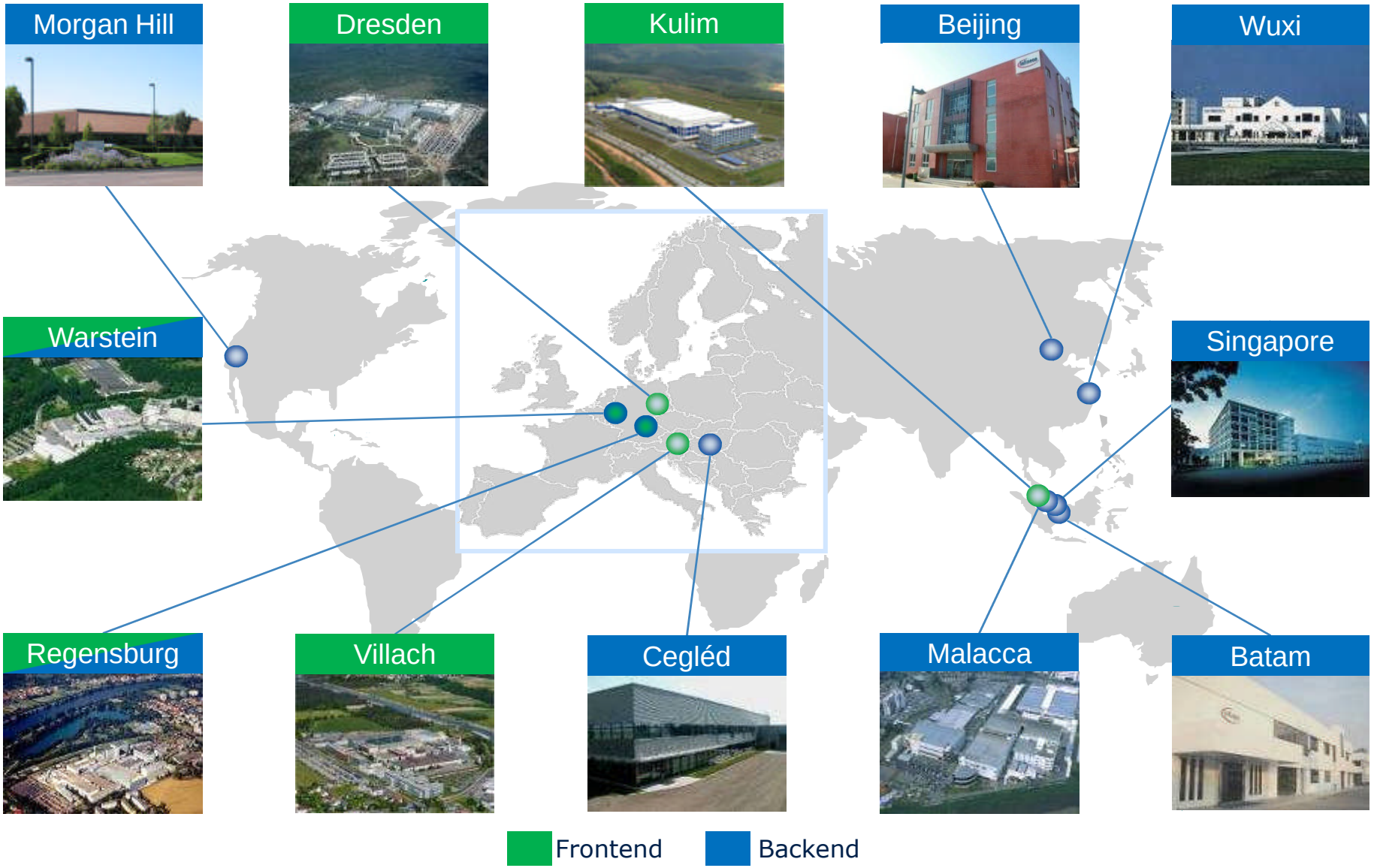
*Note: Including Wireless as discontinued operations; as of December 31, 2010

Infineon – R&D Network in Europe

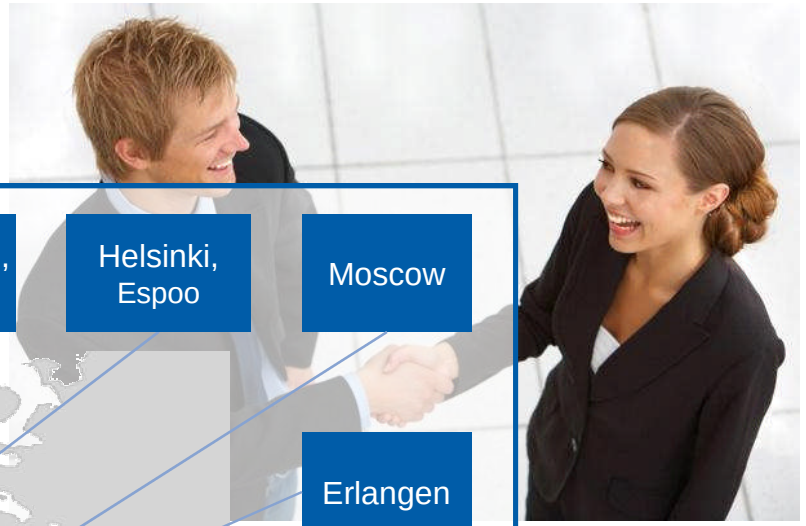


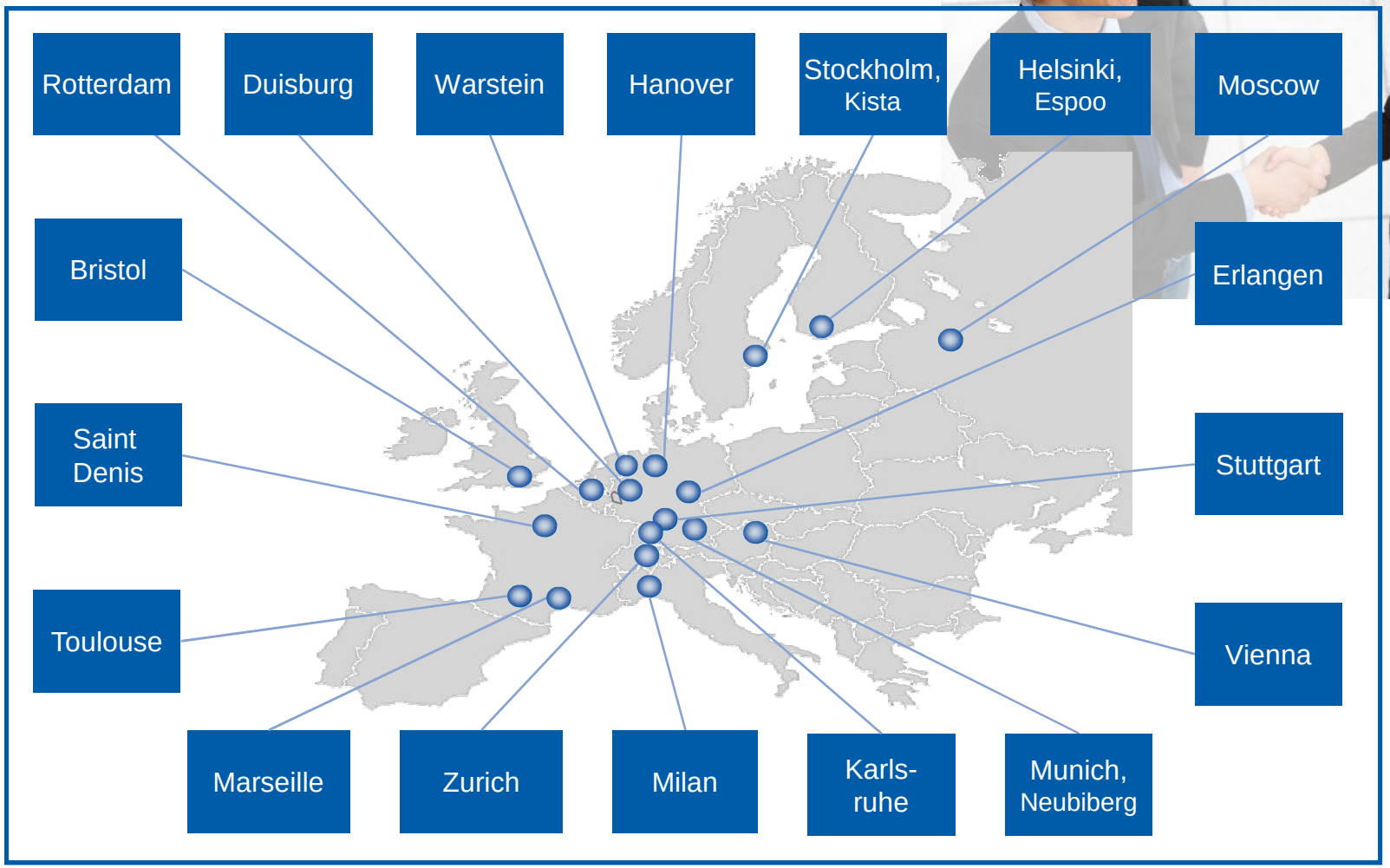
Infineon – Worldwide R&D Network (Excluding Europe)

Infineon – Worldwide Production Sites Frontend and Backend



Infineon Sales Offices in Europe

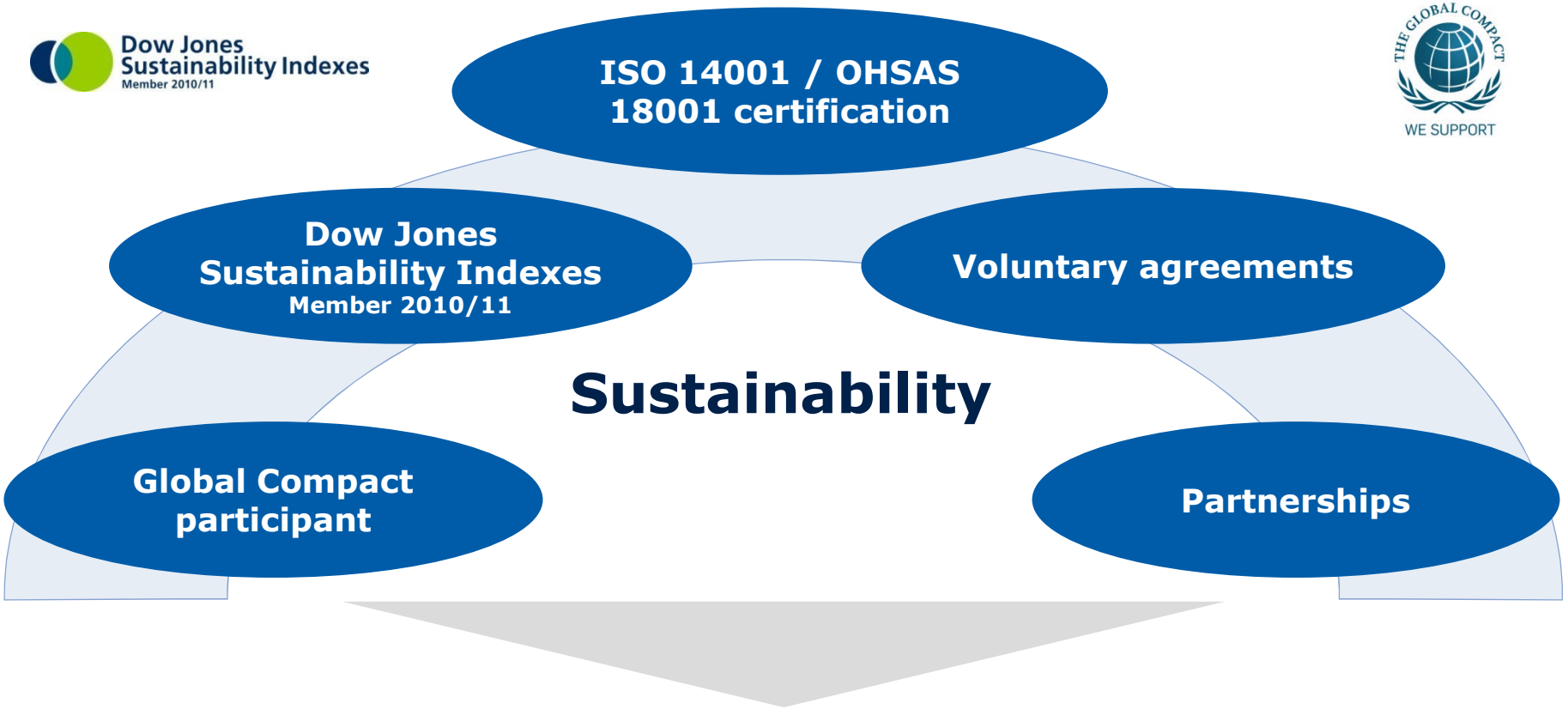




Infineon Sales Offices Worldwide (Excluding Europe)

Kokomo
Liberty-ville
Livonia
Beijing
Tokyo
Osaka
Milpitas
Nagoya
Lebanon
Shanghai
Sao Paulo
Shenzhen
Banga-lore
Seoul
Singapore
Taipei
Hong Kong
Melbourne, Blackburn

Sustainability For Human Beings and the Environment

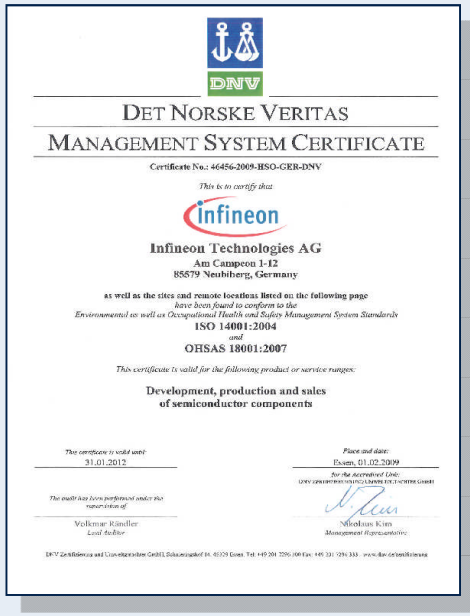


Comprehensive and advanced concept at Infineon

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



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

Place and date:
Essen, 01.02.2009

For the Accredited Unit:

The audit has been performed under the supervision of:

Volkmar Rindler
Lead Auditor

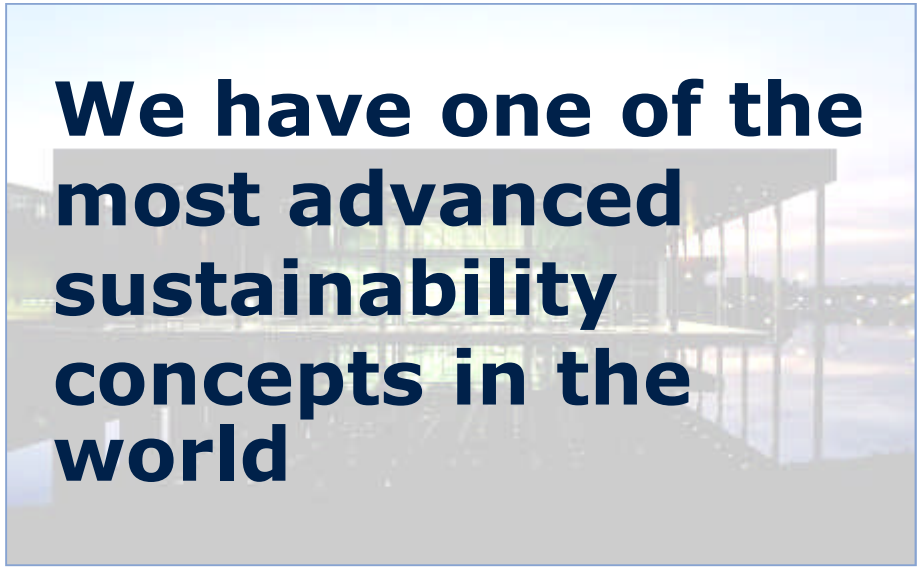
Nicolaus Kinn
Management Representative

- **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

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

Sustainability For Human Beings And The Environment



Our Occupational Safety

- ... accident rate is benchmark compared to the German Social Accident Insurance Institution for the Energy, Textile, Electrical and Media Products 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

ENERGY EFFICIENCY
MOBILITY
SECURITY

Innovative semiconductor solutions for energy efficiency, mobility and security.