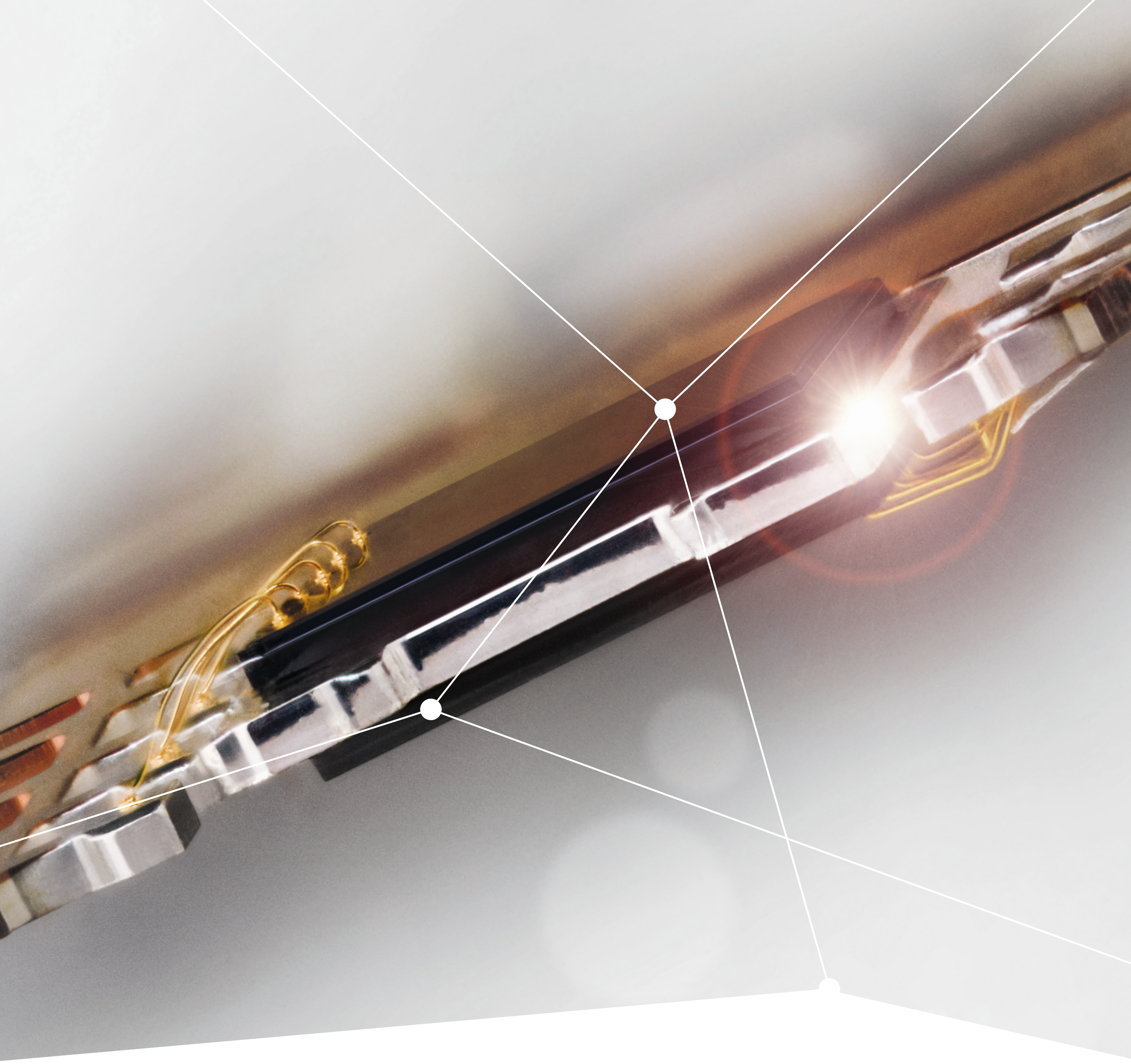

Q2

Half-Year Financial Report March 31, 2016

Infineon Technologies AG

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Content

Selected Consolidated Financial Data

€ in millions, except earnings per share, Segment Result Margin and Gross margin	Three months ended March 31,		Six months ended March 31,	
	2016	2015	**2016**	2015
Selected Results of Operations Data				
Revenue	1,611	1,483	3,166	2,611
Gross margin	35.1%	32.2%	35.5%	34.7%
Segment Result	228	198	448	366
Segment Result Margin	14.2%	13.4%	14.2%	14.0%
Research and development expenses	195	180	393	319
Capital expenditure[1]	163	150	329	291
Depreciation and amortization	213	203	424	344
Income from continuing operations	177	65	329	195
Income from discontinued operations, net of income taxes	3	-	3	6
Net income	180	65	332	201
Basic earnings per share (in euro) attributable to shareholders of Infineon Technologies AG	0.16	0.06	0.30	0.18
Diluted earnings per share (in euro) attributable to shareholders of Infineon Technologies AG	0.16	0.06	0.30	0.18
Adjusted earnings per share (in euro) - diluted	0.18	0.13	0.36	0.26
Selected Liquidity Data				
Net cash provided by operating activities from continuing operations	195	135	370	96
Net cash used in investing activities from continuing operations	(5)	(2,220)	(183)	(1,707)
Therein: Purchases (-)/proceeds from sales (+) of financial investments, net	145	(205)	142	440
Net cash provided by (used in) financing activities from continuing operations	(225)	1,386	(233)	1,388
Free Cash Flow from continuing operations[2]	45	(1,880)	45	(2,051)

€ in millions, except number of employees	As of	
	March 31, 2016	September 30, 2015
Selected Financial Condition Data		
Total assets	8,470	8,741
Total equity	4,781	4,665
Equity ratio	56.4%	53.4%
Gross cash position[3]	1,803	2,013
Total debt	1,776	1,793
Net cash position[3]	27	220
Market capitalization[4]	14,073	11,294
Employees	35,978	35,424

[1] Capital expenditure: the total amount invested in property, plant and equipment and intangible assets, including capitalized research and development expenses.
[2] Free cash flow is defined as net cash provided by/used in operating activities from continuing operations and net cash provided by/used in investing activities from continuing operations after adjusting for cash flows related to the purchase and sale of financial investments.
[3] Gross cash position is defined as cash and cash equivalents and financial investments. Net cash position is defined as gross cash position less short-term and long-term debt.
[4] The calculation is based on unrounded figures. Own shares were not taken into consideration for calculation of market capitalization.

Interim Group Management Report (unaudited)

Infineon's performance in first half of the 2016 fiscal year:

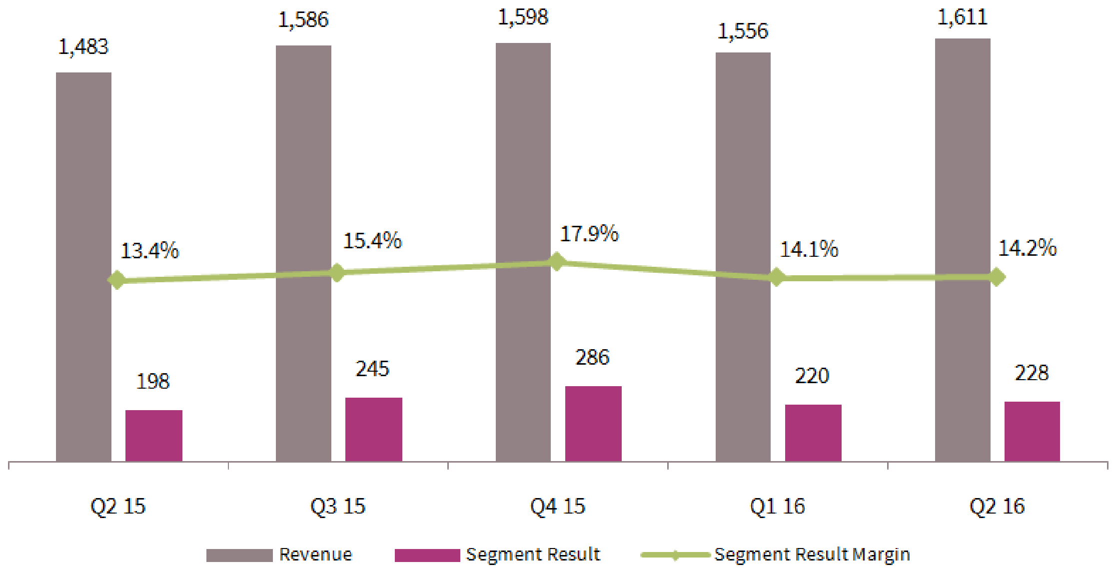
- Revenue and Segment Result slightly higher than forecast
- Net income, earnings per share and adjusted earnings per share well up on previous year's corresponding period
- Growth forecast for full year adjusted in light of latest currency developments

"We have come through a difficult quarter quite well. Revenue and earnings were both slightly better than expected," stated Dr. Reinhard Ploss, CEO of Infineon Technologies AG. "Infineon is performing very well in next-generation technology areas with high growth rates: electromobility, advanced driver assistance systems and renewable energy. In spite of a weaker US dollar and a rather flat semiconductor market we are going to show double-digit growth in revenues in the current fiscal year."

Operating segment performance in second quarter of the 2016 fiscal year[1]

In the second quarter of the 2016 fiscal year, revenue grew from €1,556 million to €1,611 million compared to the preceding quarter. The 4 percent increase was driven in particular by good performance of the Automotive segment. The Industrial Power Control and Chip Card & Security segments also recorded revenue growth, whereas Power Management & Multimarket segment revenue was slightly down on the preceding quarter.

Compared to the previous year, the Automotive, Industrial Power Control and Power Management & Multimarket segments recorded second-quarter revenue growth. Chip Card & Security segment revenue was slightly down.

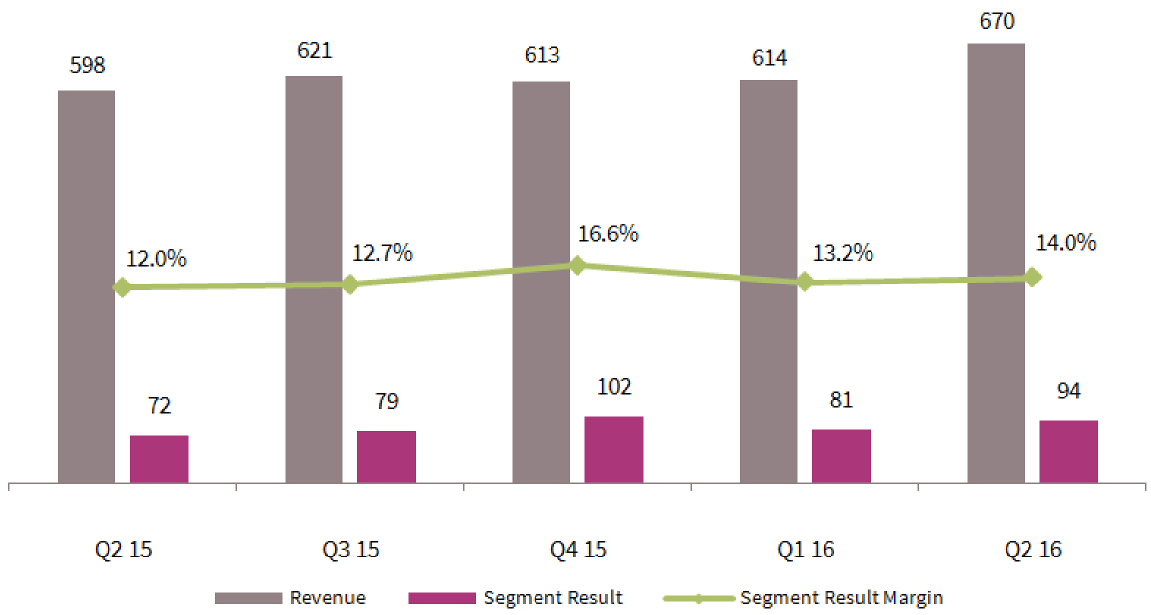


Effective October 1, 2015, business with XMC industrial microcontrollers – developed by Automotive and Chip Card & Security – was transferred to Power Management & Multimarket and Industrial Power Control. The previous year's figures have been adjusted accordingly.

[1] With effect from the quarterly financial report as of December 31, 2015, Infineon Technologies AG has adjusted its reporting on operating segments in order to provide uniform external reporting and improve the comparability and clarity of presentation.

Automotive

€ in millions, except percentages	Three months ended March 31, 2016	2015	Six months ended March 31, 2016	2015
Revenue	670	598	1,285	1,115
Share of Total Revenue	42%	40%	41%	43%
Segment Result	94	72	174	151
Share of Segment Result of Infineon	41%	36%	39%	41%
Segment Result Margin	14.0%	12.0%	13.5%	13.5%

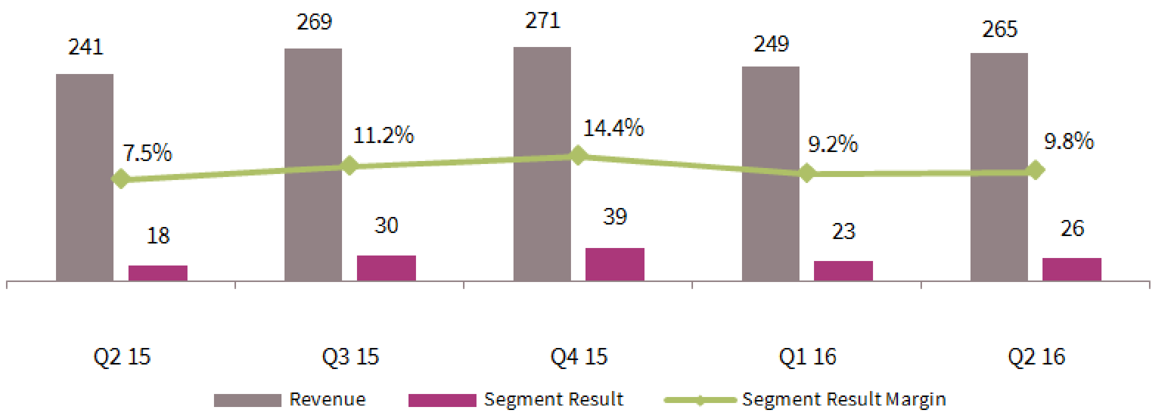


Automotive segment revenue increased by 9 percent to €670 million in the second quarter of the 2016 fiscal year, driven by strong demand. The equivalent figure for the preceding quarter was €614 million. Vehicle sales in Europe, North America and China – key markets for Infineon – grew at above-average rates compared to other regions. Segment Result improved from €81 million in the first quarter to €94 million in the second quarter of the current fiscal year. The Segment Result Margin came in at 14.0 percent, compared with 13.2 percent in the preceding three-month period.

Automotive segment revenue grew by 12 percent to €670 million in the second quarter of the 2016 fiscal year, driven by a sharp increase in demand. In the same quarter one year earlier, revenue had totaled €598 million. Segment Result for the second quarter also improved year-on-year, rising from €72 million to €94 million. The Segment Result Margin finished at 14.0 percent, compared with 12.0 percent one year earlier.

Industrial Power Control

€ in millions, except percentages	Three months ended March 31, 2016	Three months ended March 31, 2015	Six months ended March 31, 2016	Six months ended March 31, 2015
Revenue	265	241	513	431
Share of Total Revenue	16%	16%	16%	17%
Segment Result	26	18	48	45
Share of Segment Result of Infineon	11%	9%	11%	12%
Segment Result Margin	9.8%	7.5%	9.4%	10.4%

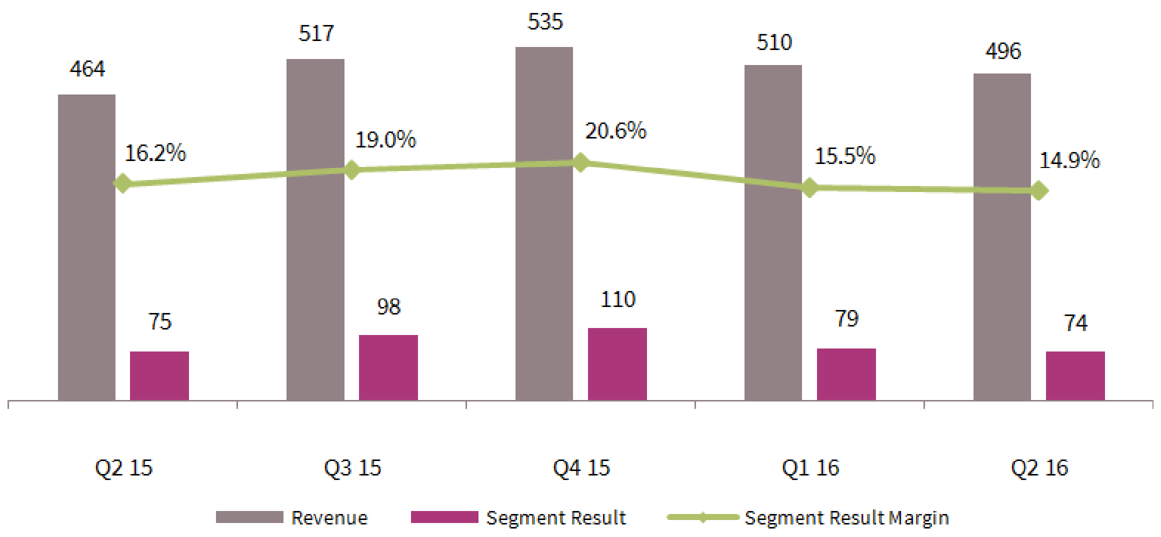


Industrial Power Control segment revenue increased by 6 percent from €249 million in the first quarter to €265 million in the second quarter of the 2016 fiscal year, driven by stronger demand in traction, major home appliances and in particular renewable energy . Revenue from products for electric drives remained flat. Segment Result improved from €23 million to €26 million quarter-on-quarter. The Segment Result Margin finished at 9.8 percent, compared with 9.2 percent one quarter earlier.

Second-quarter revenue for the Industrial Power Control segment grew 10 percent year-on-year from €241 million to €265 million. Segment Result also improved, rising to €26 million for the three-month period, compared to €18 million one year earlier. The Segment Result Margin came in at 9.8 percent, well up on the previous year's 7.5 percent.

Power Management & Multimarket

€ in millions, except percentages	Three months ended March 31,		Six months ended March 31,	
	2016	2015	**2016**	2015
Revenue	496	464	1,006	744
Share of Total Revenue	31%	31%	32%	28%
Segment Result	74	75	153	115
Share of Segment Result of Infineon	32%	38%	34%	31%
Segment Result Margin	14.9%	16.2%	15.2%	15.5%

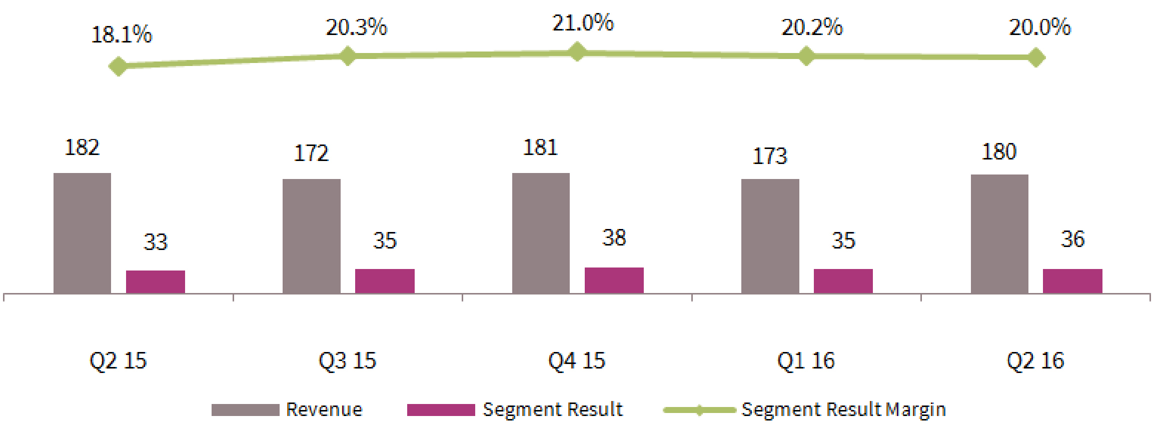


Power Management & Multimarket segment revenue declined by 3 percent to €496 million in the second quarter. The equivalent figure for the preceding quarter was €510 million, driven by strong demand for products for DC-DC conversion. In the second quarter, this demand softened. Likewise, the demand for components for mobile devices was lower due to seasonal factors. A sharp increase in revenue from cellular network infrastructure and a modest improvement in AC-DC conversion driven by the installation of charging stations for electromobility in China could not fully compensate this decline. Segment Result amounted to €74 million in the second quarter compared to €79 million in the previous quarter. The Segment Result Margin decreased from 15.5 percent to 14.9 percent.

Power Management & Multimarket segment revenue grew by 7 percent in the second quarter of the current fiscal year to €496 million, as compared with the €464 million reported one year earlier. At €74 million, Segment Result remained almost stable to the previous year's €75 million. The second-quarter Segment Result Margin fell accordingly from 16.2 percent to 14.9 percent.

Chip Card & Security

€ in millions, except percentages	Three months ended March 31, 2016	Three months ended March 31, 2015	Six months ended March 31, 2016	Six months ended March 31, 2015
Revenue	180	182	353	314
Share of Total Revenue	11%	12%	11%	12%
Segment Result	36	33	70	53
Share of Segment Result of Infineon	16%	17%	16%	14%
Segment Result Margin	20.0%	18.1%	19.8%	16.9%



Chip Card & Security segment revenue grew by 4 percent to €180 million, compared to €173 million in the preceding quarter. Lower revenue from authentication business due to seasonal factors contrasted with increased demand in payment, government ID and security for mobile devices. Segment Result increased from €35 million in the first quarter to €36 million in the second quarter of the current fiscal year. The Segment Result Margin amounted to 20.0 percent, compared with 20.2 percent in the first quarter.

Second-quarter revenue amounting to €180 million was 1 percent down on the previous year's corresponding figure of €182 million. Segment Result and Segment Result Margin came in at €36 million and 20.0 percent respectively, in both cases reflecting improvements on the €33 million and 18.1 percent recorded in the second quarter of the 2015 fiscal year.

Notable events in the first half of the 2016 fiscal year

December 2015

Sensorchip REAL3™ measures the environment in three dimensions

In future, mobile devices will be able to quickly and realistically sense their surroundings in three dimensions. That is what Infineon's REAL3™ 3D image sensor chip is capable of. When integrated into a pair of Virtual Reality glasses, it can generate highly realistic gaming experiences. Further applications include the measuring of spaces and objects, navigation within buildings, and the implementation of special photo effects. The new sensor chip was presented at the Consumer Electronics Show (CES) held in Las Vegas in early January.

January 2016

Infineon rated among the most sustainable companies in the world for the sixth consecutive time

Infineon has been included in the Sustainability Yearbook of the Swiss investment company RobecoSAM for the sixth consecutive time. Infineon therefore continues to be ranked among the top 15 percent of companies with the best corporate sustainability record worldwide and among the top ten companies in the semiconductor sector.

ROBECOSAM

January 2016

Kulim 2 about to start manufacturing

The process of equipping the cleanroom at Kulim 2, Infineon's second manufacturing building in Kulim (Malaysia), was started on January 15, 2016. Celebrations to mark the official start of manufacturing are scheduled for May 2016. The first fully processed wafers should leave the plant before the end of the 2016 fiscal year.

February 2016

High frequency and security components in Samsung's new smartphones

Samsung is again using Infineon's HF and security components in its premium smartphone, the Galaxy S7, as well as in Galaxy A products. The low-noise amplifiers, antenna tuners and RF switches not only enhance the data rate, they also reduce power consumption. At the same time, embedded Secure Element (eSE) chips protect security-critical functionalities within the mobile device.

February 2016

Infineon receives BBB credit rating from S&P

In February 2016, Infineon received a first-time long-term credit rating (BBB with stable outlook) from the international rating agency, Standard & Poor's (S&P). With this solid investment-grade rating, Infineon currently holds the highest S&P rating of any European semiconductor manufacturer, thus enhancing Infineon's financing flexibility. The analysis acknowledges Infineon's above-average growth rate within the industry and its leading position in several market segments as well as its strong financial profile. The latter also reflects Infineon's adjusted capital structure targets: in future, gross liquidity should reach 1 billion euros and additionally 10 to 20 percent of revenue. The upper limit for gross financial debt of no more than two times EBITDA continues to apply (see note 7 to the Condensed Consolidated Interim Financial Statements).

March 2016

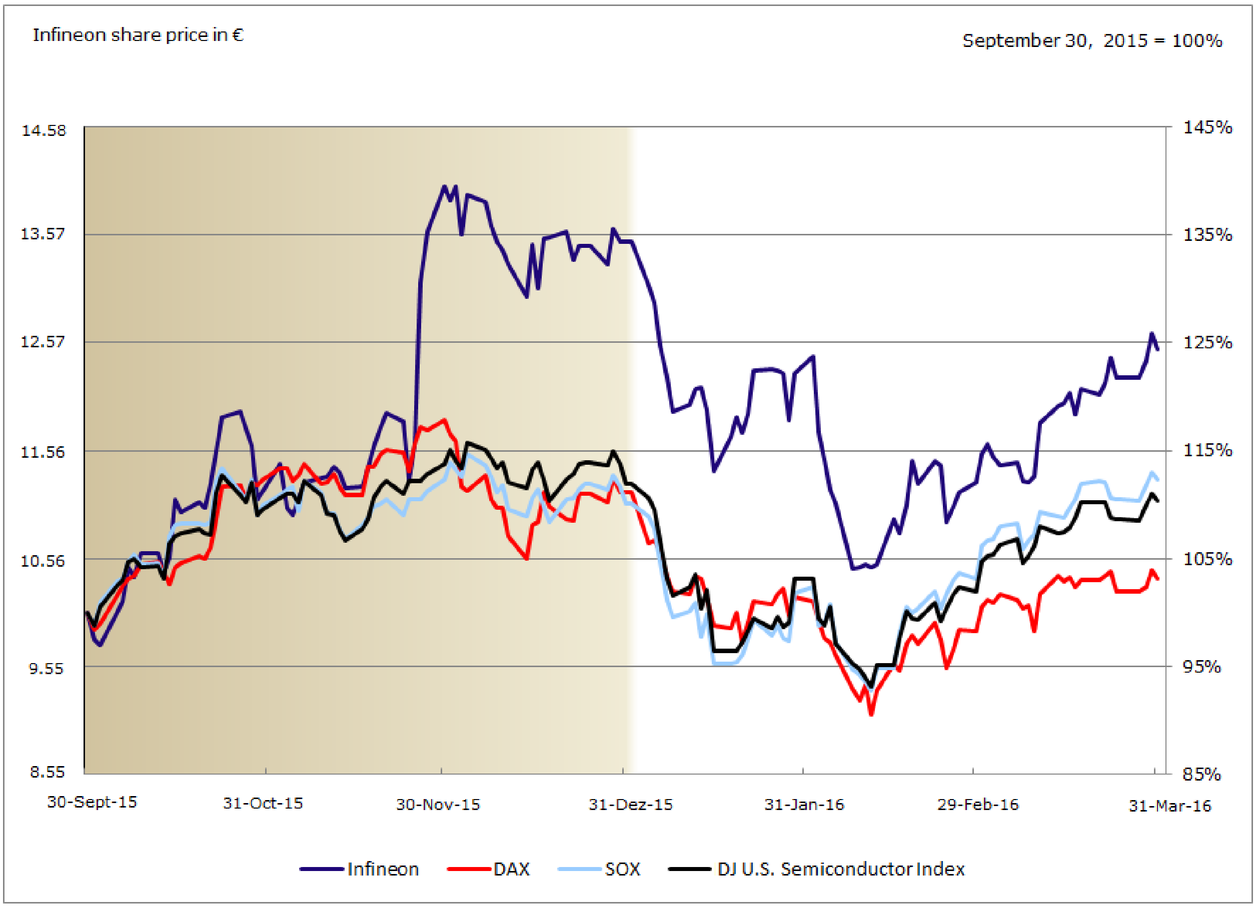
Infineon to invest in Regensburg site

Infineon will invest some €100 million in expanding its manufacturing facilities in Regensburg (Germany) in the coming years, creating additional capacity to meet the growing demand for semiconductors in the automotive industry, particularly for radar sensors. The planned investment will result in expanding the cleanroom area by approximately 2,000 square meters – an increase of about 10%.

The Infineon Share

The Infineon share finished the first half of the 2016 fiscal year at a price of €12.51, and therefore 24 percent up on the Xetra closing price of €10.06 recorded on September 30, 2015.

Performance of the Infineon share, the DAX, the SOX and the Dow Jones U.S. Semiconductor Index during the first six months of the 2016 fiscal year (daily closing prices)



Following the increase from €0.12 to €0.18 for the 2014 fiscal year, at the Annual General Meeting for the 2015 fiscal year held on February 18, 2016 Infineon's Management Board and Supervisory Board decided to propose that the dividend be raised again to €0.20. The shareholders voted in favor of the proposal, as a result of which a total amount of €225 million was paid to the shareholders on February 19, 2016. At March 31, 2016, a total of 1,131,349,870 shares were in issue. This figure includes 6 million own shares (unchanged since the end of the previous reporting period) that do not qualify for payment of a dividend.

Review of Business Environment

In the first quarter of the 2016 calendar year, the global economy again grew more slowly than expected. In its spring outlook, the International Monetary Fund (IMF) therefore reduced its growth forecast for the 2016 calendar year to 2.5 percent. In January, it had still been predicting year-on-year growth of 2.7 percent for the 2016 calendar year. Based on the IMF's assessment, risks for the global economy have grown in recent months. The future performance of the Chinese economy also remains a major talking point. In this context, the IMF continues to predict that the pace of economic growth in China will slow down from 6.9 percent in the 2015 calendar year to 6.5 percent in the 2016 calendar year but that it is not likely to come to a “hard landing” (IMF, April 2016).

Despite the slowing of growth in China, the markets in which Infineon operates are nevertheless performing well. Growth drivers currently include renewable energy (wind and solar), vehicle production and – in particular – electric mobility. The market research company IHS Inc. (IHS), for instance, is currently predicting that automobile production in China will grow by 5.8 percent to just over 25 million vehicles in the 2016 calendar year (IHS, March 2016).

According to IHS, semiconductor revenues worldwide totaled US$347 billion in the 2015 calendar year (IHS, April 2016), down 2.0 percent on the previous year. IHS forecasts a further year-on-year decline of 2.9 percent for the 2016 calendar year. For the semiconductor markets relevant for Infineon, however, IHS continues to predict growth, despite overall market contraction. The automotive semiconductor market is forecast to see 5.0 percent year-on-year growth in the 2016 calendar year and a compound annual growth rate of 5.8 percent through to 2020. The industrial semiconductor market is set to grow by 6.4 percent in the 2016 calendar year and by a compound annual growth rate of 8.4 percent through to 2020. The market for Smart Card ICs is forecast to expand by 7.8 percent in the 2016 calendar year and by a compound annual growth rate of 4.6 percent through to 2019. (IHS, August 2015 and April 2016).

Review of Results of Operations in the first half of the 2016 fiscal year

	Three months ended March 31,		Six months ended March 31,	
€ in millions, except earnings per share	**2016**	2015	**2016**	2015
Revenue	1,611	1,483	3,166	2,611
Gross profit	**566**	**478**	**1,124**	**905**
Research and development expenses	(195)	(180)	(393)	(319)
Selling, general and administrative expenses	(195)	(218)	(395)	(354)
Other operating income and expenses, net	(2)	(1)	4	-
Operating income	**174**	**79**	**340**	**232**
Net financial result (financial income and expenses, net)	(19)	(16)	(31)	(15)
Income from investments accounted for using the equity method	1	2	1	2
Income tax	21	-	19	(24)
Income from continuing operations	**177**	**65**	**329**	**195**
Income from discontinued operations, net of income taxes	3	-	3	6
Net income	**180**	**65**	**332**	**201**
Basic earnings per share (in euro)	0.16	0.06	0.30	0.18
Diluted earnings per share (in euro)	0.16	0.06	0.30	0.18
Adjusted diluted earnings per share (in euro)	0.18	0.13	0.36	0.26

Net income improved

Net income for the six-month period under report improved by €131 million to €332 million year-on-year. The contribution to revenue from International Rectifier, the generally positive trend in Infineon's business and the strong US dollar brought about a 21 percent increase in revenue to €3,166 million. The earnings contribution from higher revenue and lower income tax expense (see note 4 to the Condensed Consolidated Interim Financial Statements) resulted in a 65 percent jump in net income compared to the previous year, with depreciation, amortization and other expenses relating to the acquisition of International Rectifier – in particular the earnings impact arising from the purchase price allocation – totaling €102 million (October 2014 - March 2015: €115 million).

In the previous fiscal year, International Rectifier was included with effect from January 13, 2015, whereas the figures for the first half of the 2016 fiscal year include International Rectifier for the full six-month period.

International Rectifier, positive business trend and strength of US dollar result in higher revenue

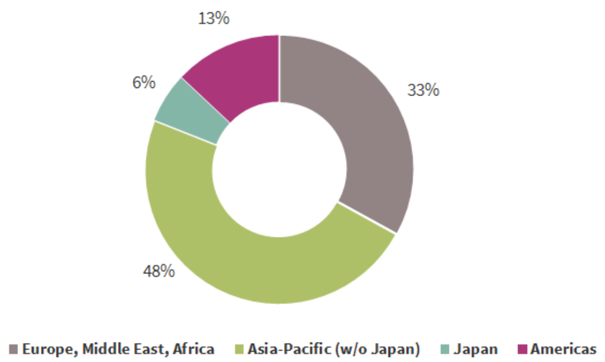
Revenue for the six-month period jumped by €555 million to €3,166 million (October 2014 - March 2015: €2,611 million). Thanks to the acquisition of International Rectifier (closed on January 13, 2015), increased market share through organic growth and the strength of the US dollar (exchange rate of US$ 1.10 to the euro compared to US$ 1.19 to the euro in the same period one year earlier), all four operating segments were able to increase six-month revenue compared to the previous year.

Importance of Asia-Pacific and China continues to grow

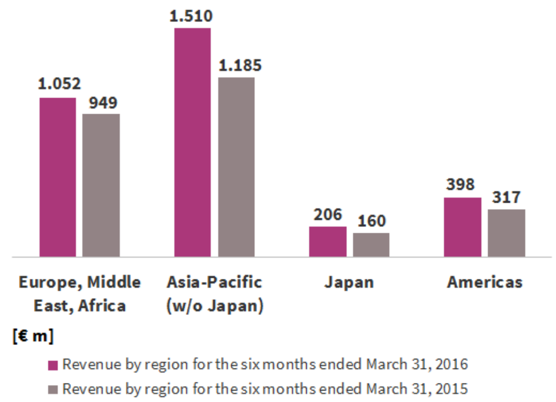
The acquisition of International Rectifier paved the way for better access to the Chinese and US markets, a fact reflected in above-average revenue growth in these regions. Infineon also grew in all other regions.

At €325 million, more than one half (59 percent) of the revenue increase related to the Asia-Pacific region (excluding Japan), followed by the Europe, Middle East and Africa region, where revenue rose by €103 million (19 percent of the total increase).

The Asia-Pacific region (excluding Japan) had already become the largest region in the previous fiscal year, when it accounted for 45 percent of revenue, ahead of the Europe, Middle East and Africa region with 37 percent. In the six-month period under report, the Asia-Pacific region (excluding Japan) accounted for 48 percent and hence nearly one half of Infineon's worldwide revenue, compared to the 33 percent generated in the Europe, Middle East and Africa region. Within the Asia-Pacific region (excluding Japan), China accounted for the largest share of worldwide revenue at individual country level, with revenue of €772 million or 24 percent.



Revenue by region for the six months ended March 31, 2016



	Three months ended March 31,				Six months ended March 31,			
€ in millions, except percentages	**2016**		2015		**2016**		2015	
Europe, Middle East, Africa	562	35%	538	36%	1,052	33%	949	37%
Therein: Germany	261	16%	242	16%	494	16%	443	17%
Asia-Pacific (w/o Japan)	748	46%	663	45%	1,510	48%	1,185	45%
Therein: China	377	23%	331	22%	772	24%	584	22%
Japan	91	6%	89	6%	206	6%	160	6%
Americas	210	13%	193	13%	398	13%	317	12%
Therein: USA	169	10%	156	11%	320	10%	250	10%
Total	**1,611**	**100%**	**1,483**	**100%**	**3,166**	**100%**	**2,611**	**100%**

Increase in gross margin

Gross profit (revenue less cost of goods sold) for the six-month period amounted to €1,124 million and was thus 24 percent up on the €905 million recorded one year earlier. The percentage increase in gross profit was therefore slightly higher than the 21 percent growth rate posted for revenue.

The gross margin improved accordingly from 34.7 percent to 35.5 percent for the comparable six-month periods. The year-on-year increase was attributable primarily to revenue growth as well as to the positive impact of a strong US dollar and a weak Malaysian ringgit. The increase in the gross margin was held down by the earnings impact – recorded in the cost of goods sold – arising in conjunction with the purchase price allocation and acquisition-related expenses for International Rectifier amounting to €49 million (in particular higher depreciation/amortization on intangible assets and property, plant and equipment, which were revalued to their fair value as part of the purchase price allocation).

	Three months ended March 31,		Six months ended March 31,	
€ in millions, except percentages	**2016**	2015	**2016**	2015
Cost of goods sold	1,045	1,005	2,042	1,706
Change year-on-year	4%		20%	
Percentage of revenue	64.9%	67.8%	64.5%	65.3%
Gross profit	566	478	1,124	905
Percentage of revenue (gross margin)	35.1%	32.2%	35.5%	34.7%

Slight decrease in ratio of operating expenses to revenue

Operating expenses (research and development expenses and selling, general and administrative expenses) increased by €115 million or 17 percent to €788 million in the first half of the 2016 fiscal year (October 2014 - March 2015: €673 million). In percentage terms, operating expenses corresponded to 24.9 percent of six-month revenue, compared with 25.8 percent one year earlier.

Research and development expenses increased by €74 million or 23 percent from €319 million in the previous fiscal year to €393 million in the first half of the 2016 fiscal year. The increase was mainly attributable to the inclusion of International Rectifier for the full six-month period in the current fiscal year compared to the previous year. In addition, research and development activities were intensified and additional staff recruited with the aim of broadening the basis for further growth. A total of 5,993 employees worked in research and development functions at the end of the reporting period (March 31, 2015: 5,652 employees). Expressed as a percentage of revenue, research and development expenses increased from 12.2 percent to 12.4 percent compared with the same six-month period one year earlier.

	Three months ended March 31,		Six months ended March 31,	
€ in millions, except percentages	**2016**	2015	**2016**	2015
Research and development expenses	195	180	393	319
Change year-on-year	8%		23%	
Percentage of revenue	12.1%	12.1%	12.4%	12.2%

Selling, general and administrative expenses corresponded to 12.5 percent of revenue in the first six months of the 2016 fiscal year (October 2014 - March 2015: 13.6 percent). The previous year's figures also include one-time transaction-related costs (legal services and bank fees) in connection with the acquisition of International Rectifier.

€ in millions, except percentages	Three months ended March 31, 2016	Three months ended March 31, 2015	Six months ended March 31, 2016	Six months ended March 31, 2015
Selling, general and administrative expenses	195	218	395	354
Change year-on-year	(11%)		12%	
Percentage of revenue	12.1%	14.7%	12.5%	13.6%

Earnings per share improved

The improvement in net income resulted in a corresponding increase in earnings per share. Compared with earnings per share of €0.18 (basic and diluted) for the first six months of the 2015 fiscal year, the corresponding figures (basic and diluted) for the current year to date both amounted to €0.30.

Adjusted earnings per share improved

Earnings per share in accordance with IFRS are influenced by amounts relating to purchase price allocations for acquisitions (in particular International Rectifier) as well as by other exceptional items. To enable better comparability of operating performance over time, Infineon computes adjusted earnings per share (diluted) as follows:

€ in millions (unless otherwise stated)	Three months ended Mar 31, 2016	Three months ended Mar 31, 2015	Six months ended Mar 31, 2016	Six months ended Mar 31, 2015
Earnings from continuing operations attributable to shareholders of Infineon Technologies AG – diluted	177	64	330	194
Plus/minus:				
Impairments on assets including assets classified as held for sale, net of reversals	3	-	8	2
Impact on earnings of restructuring and closures, net	1	1	(9)	2
Share-based compensation expense	2	2	4	3
Acquisition-related depreciation/amortization and other expenses	47	108	103	116
Losses (gains) on sales of assets, businesses, or interests in subsidiaries, net	-	-	1	-
Other income and expense, net	1	8	1	11
Tax effects on adjustments	(14)	(33)	(20)	(35)
Revaluation of deferred tax assets resulting from the earnings forecast	(10)	-	(17)	-
Adjusted earnings from continuing operations attributable to shareholders of Infineon Technologies AG – diluted	**207**	**150**	**401**	**293**
Weighted-average number of shares outstanding – diluted	1,130	1,124	1,129	1,123
Adjusted earnings per share (in euro) – diluted[1]	0.18	0.13	0.36	0.26

[1] The calculation of the adjusted earnings per share is based on unrounded figures.

Adjusted net income and adjusted earnings per share (diluted) should not be seen as a replacement or superior performance indicator, but rather as additional information to the net income and earnings per share (diluted) determined in accordance with IFRS.

Review of Financial Condition

€ in millions, except percentages	March 31, 2016	September 30, 2015	Change
Current assets	3,970	4,115	(4%)
Non-current assets	4,500	4,626	(3%)
Total assets	**8,470**	**8,741**	**(3%)**
Current liabilities	2,104	1,585	33%
Non-current liabilities	1,585	2,491	(36%)
Total liabilities	**3,689**	**4,076**	**(9%)**
Total equity	**4,781**	**4,665**	**2%**

Reduction in current assets reflects lower gross cash position

Current assets decreased by €145 million to stand at €3,970 million as of March 31, 2016, compared to €4,115 million as of September 30, 2015. Included in these figures, Infineon's gross cash position (sum total of cash and cash equivalents and financial investments) decreased by €210 million (see “Gross cash position and net cash position” in the “Review of liquidity” section). By contrast, inventories and trade receivables increased in total by €51 million.

Slight decrease in non-current assets

Non-current assets went down slightly from €4,626 million as of September 30, 2015 to €4,500 million as of March 31, 2016. Investments in property, plant and equipment during the six-month period totaling €272 million were lower than the depreciation and amortization expense of €339 million. Capital expenditure related primarily to the production sites in Kulim (Malaysia), Regensburg (Germany), Dresden (Germany) and Villach (Austria). Investments in intangible assets amounting to €57 million were lower than the amortization expense for the period of €85 million.

US dollar loan reclassified to current liabilities

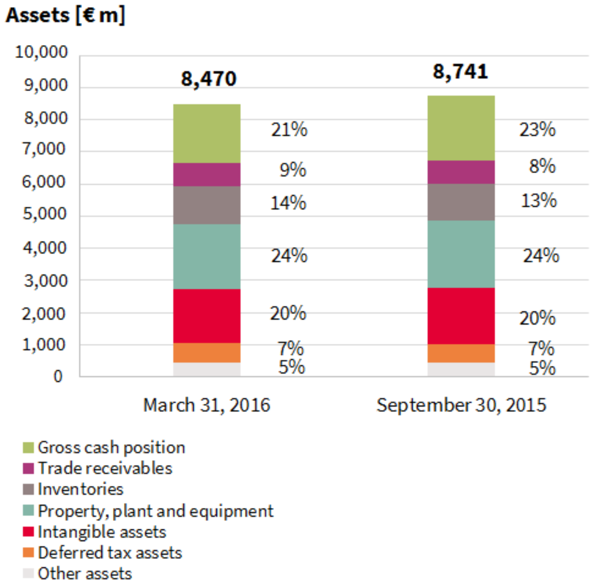
Current liabilities stood at €2,104 million as of March 31, 2016 and were therefore €519 million or 33 percent higher than at September 30, 2015 (€1,585 million). The increase mainly reflected the US dollar loan amounting to US$934 million (€835 million) initially provided to Infineon by various international banks in conjunction with the acquisition of International Rectifier. The loan was fully refinanced by a US Private Placement of notes (USPP) and repaid on April 13, 2016, as a result of which it is reported at March 31, 2016 as a current financial liability (see note 5 to the Condensed Consolidated Interim Financial Statements). By contrast, provisions and liabilities to employees decreased by €162 million, brought about by the fact that bonus payments for prior-year performance-related remuneration exceeded the amount allocated to the provision during the six-month period under report. In addition, trade payables were €112 million lower than at the end of the previous fiscal year.

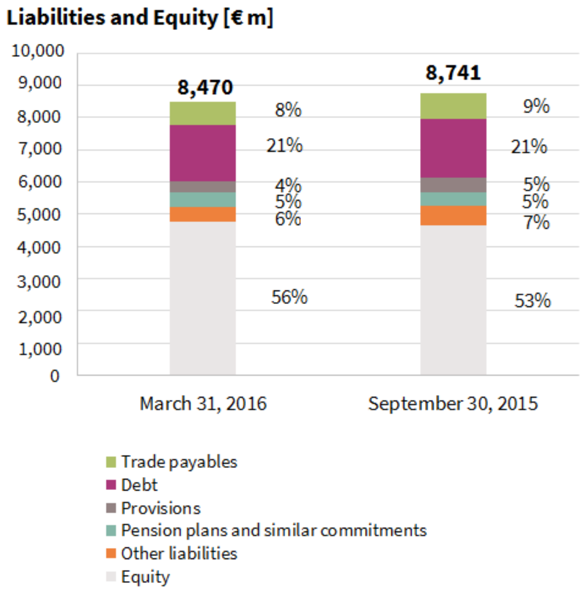
Non-current liabilities decreased temporarily from €2,491 million at September 30, 2015 to €1,585 million at March 31, 2016, mainly due to the refinancing of the non-current financial liabilities described above.

Equity up despite payment of dividend

Equity increased by €116 million (2 percent) to €4,781 million at the end of the reporting period (September 30, 2015: €4,665 million), mainly as a result of the net profit generated in the first half of the 2016 fiscal year amounting to €332 million, less the dividend paid for the 2015 fiscal year amounting to €225 million.

The equity ratio improved to 56.4 percent as of the end of the reporting period (September 30, 2015: 53.4 percent).





Review of Liquidity

Cash Flow

	Six months ended March 31,	
€ in millions	**2016**	2015
Net cash provided by operating activities from continuing operations	370	96
Net cash used in investing activities from continuing operations	(183)	(1,707)
Net cash provided by (used in) financing activities from continuing operations	(233)	1,388
Net change in cash and cash equivalents from discontinued operations	(16)	(136)
Net change in cash and cash equivalents	**(62)**	**(359)**
Effect of foreign exchange rate changes on cash and cash equivalents	(5)	39
Change in cash and cash equivalents	**(67)**	**(320)**

Net cash provided by operating activities from continuing operations up significantly

Net cash provided by operating activities from continuing operations in the first six months of the 2016 fiscal year amounted to €370 million, an improvement of €274 million on the €96 million reported for the corresponding period in the previous fiscal year. The main reason for the improvement was the €183 million increase in income from continuing operations before depreciation, amortization, interest and taxes totaling €764 million (October 2014 - March 2015: €582 million). In addition, the figure reported for the previous fiscal year includes a payment of €104 million to settle disputes relating to the continuation of the right to use Qimonda patents as well as a payment of €83 million to the EU Commission in connection with the fine imposed in conjunction with chip card anti-trust proceedings.

Net cash used in investing activities from continuing operations mainly reflects investments in property, plant and equipment

Net cash used in investing activities from continuing operations in the first half of the 2016 fiscal year amounted to €183 million, resulting primarily from investments in property, plant and equipment (€272 million) and in intangible and other assets (€57 million) offset by net proceeds from sales of financial investments (€142 million).

Net cash used in investing activities from continuing operations in the first six months of the previous fiscal year amounted to €1,707 million, including €1,864 million (after deduction of cash acquired) for the acquisition of

International Rectifier. Investments in property, plant and equipment and in intangible and other assets totaled €291 million. Net proceeds from the sale of financial investments amounted to €440 million.

Dividend payment results in net cash used in financing activities from continuing operations

Net cash used in financing activities from continuing operations during the six-month period resulted primarily from the payment of the dividend for the 2015 fiscal year amounting to €225 million. Overall, the net cash outflow for financing activities totaled €233 million.

Net cash provided by financing activities from continuing operations in the first half of the 2015 fiscal year amounted to €1,388 million, comprising mainly a net cash inflow of €1,584 million in conjunction with the financing of the acquisition of International Rectifier and a cash outflow for the dividend paid for the 2014 fiscal year amounting to €202 million.

Decrease in cash and cash equivalents from discontinued operations

Net cash used for discontinued operations during the first half of the 2016 fiscal year totaled €16 million, mainly due to payments to the Qimonda insolvency administrator (€14 million) relating to settlement agreements reached for residual liability claims pertaining to Qimonda Dresden employees.

Net cash used for discontinued operations during the first half of the previous fiscal year totaled €136 million, of which €125 million (net of value added tax) related to payments in conjunction with the settlement reached with the Qimonda insolvency administrator.

Free cash flow

Infineon reports the free cash flow figure, defined as net cash provided by and/or used in operating activities and net cash provided by and/or used in investing activities, both from continuing operations, after adjusting for cash flows related to the purchase and sale of financial investments. Free cash flow serves as an additional performance indicator, since Infineon holds part of its liquidity in the form of financial investments. This does not mean that the free cash flow calculated in this way is available to cover other disbursements, since dividend, debt-servicing obligations and other fixed disbursements are not deducted. Free cash flow should not be seen as a replacement or superior performance indicator, but rather as an additional useful item of information over and above the disclosure of the cash flow reported in the Consolidated Statement of Cash Flows, and as a supplementary disclosure to other liquidity performance indicators and other performance indicators derived from the IFRS figures. Free cash flow includes only amounts from continuing operations, and is derived as follows from the Consolidated Statement of Cash Flows:

	Six months ended March 31,	
€ in millions	**2016**	2015
Net cash provided by operating activities from continuing operations	370	96
Net cash used in investing activities from continuing operations	(183)	(1,707)
Purchases of (proceeds from sales of) financial investments, net	(142)	(440)
Free cash flow	**45**	**(2,051)**

Net cash provided by operating activities exceeds investments

Free cash flow from continuing operations in the first half of the 2016 fiscal year was a positive amount of €45 million.

Free cash flow in the corresponding period one year earlier was a negative amount of €2,051 million, of which €1,864 million (after deduction of cash acquired) related to the acquisition of International Rectifier. The payments to the Qimonda insolvency administrator and the EU Commission had an overall negative impact of €208 million on free cash flow from continuing operations.

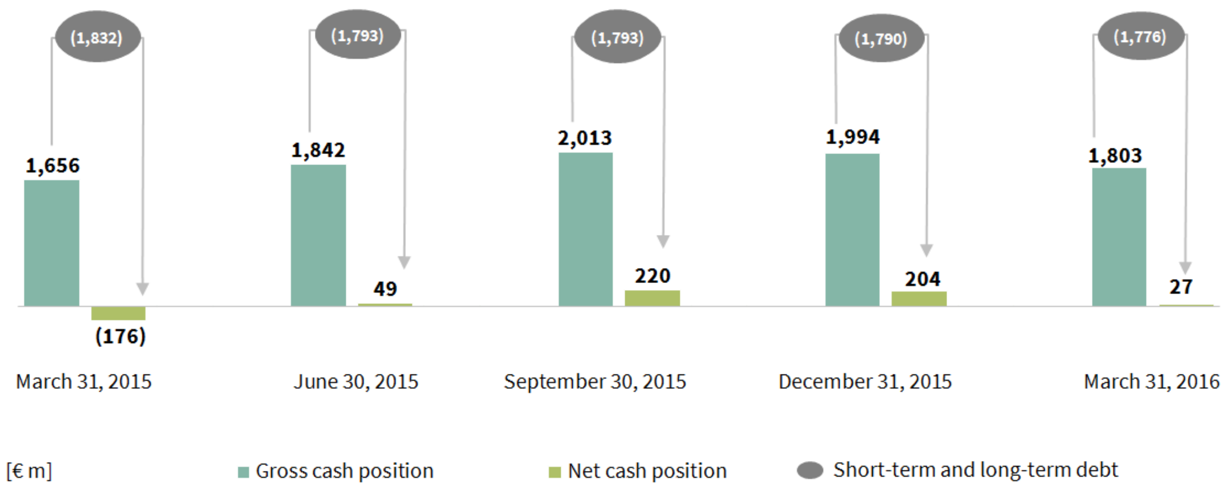
Gross cash position and net cash position

The following table reconciles the gross cash position and the net cash position (i.e. after deduction of debt). Since some liquid funds are held in the form of financial investments, which, for IFRS purposes, are not considered to be “cash and cash equivalents”, Infineon reports on its gross and net cash positions in order to provide investors with a better understanding of its overall liquidity. The gross and net cash positions are determined as follows from the Consolidated Statement of Financial Position:

€ in millions	March 31, 2016	September 30, 2015
Cash and cash equivalents	606	673
Financial investments	1,197	1,340
Gross cash position	**1,803**	**2,013**
Less:		
Short-term debt and current maturities of long-term debt	848	33
Long-term debt	928	1,760
Total debt	**1,776**	**1,793**
Net cash position	**27**	**220**

The gross cash position, comprising cash and cash equivalents and financial investments, amounted to €1,803 million at March 31, 2016 and was thus €210 million lower than the €2,013 million reported at September 30, 2015. With free cash flow at a positive amount of €45 million, the decrease in the gross cash position mainly reflected the dividend payment of €225 million for the 2015 fiscal year.

The net cash position, which is defined as the gross cash position less short-term and long-term debt, decreased accordingly by €193 million to €27 million at the end of the reporting period (September 30, 2015: €220 million).



Employees

The size of the Infineon workforce increased slightly during the first half of the 2016 fiscal year. The following table shows the composition of the Infineon workforce by region at the relevant reporting dates:

	As of		
	March 31, 2016	September 30, 2015	Change
Region:			
Europe	14,933	14,533	3%
Therein: Germany	9,692	9,426	3%
Asia-Pacific (w/o Japan)	17,150	17,035	1%
Therein: China	1,993	1,986	0%
Japan	167	174	(4%)
Americas	3,728	3,682	1%
Therein: USA	2,120	2,136	(1%)
Total	**35,978**	**35,424**	**2%**

Events after the end of the Reporting Period

Infineon successfully completes a $935 million US Private Placement of notes in the USA

In April 2016, Infineon successfully completed a US Private Placement (USPP) of notes with a volume of US$935 million and subsequently repaid the US dollar loan amounting to US$934 million, previously raised in conjunction with the acquisition of International Rectifier.

The notes issued in conjunction with the USPP comprise three tranches with eight-, ten- and twelve-year maturities (see note 5 to the condensed Consolidated Interim Financial Statements). The transaction enhances Infineon's debt profile and results in a further diversification of the financing sources available to it.

Outlook

Outlook for the third quarter of the 2016 fiscal year

In the third quarter of the 2016 fiscal year, Infineon expects a quarter-on-quarter revenue increase of 2 percent (plus or minus 2 percentage points). This forecast is now based on an assumed exchange rate of US$1.15 to the euro for the second half of the 2016 fiscal year. At the mid-point of the forecast revenue range, the Segment Result Margin is expected to come in at about 16 percent.

Outlook for the 2016 fiscal year

Based again on an assumed exchange rate of US$1.15 to the euro, Infineon expects year-on-year revenue growth of around 12 percent (plus or minus 2 percentage points) and a Segment Result Margin of between 15 and 16 percent at the mid-point of the forecast revenue range.

The Power Management & Multimarket segment is expected to grow faster than the Group average. Revenue growth in the Industrial Power Control segment, and now also in the Automotive segment, is forecast to be roughly in line with the Group average. The Chip Card & Security segment is expected to report growth at a somewhat lower rate than the Group average.

Investments in property, plant and equipment, intangible assets and capitalized development costs in the region of €850 million are planned for the 2016 fiscal year. Consequently, the ratio for investments as a percentage of revenue (at the mid-point of the forecast range) comes in at 13 percent. Depreciation and amortization are expected to be in the region of €850 million.

Risks and Opportunities

Infineon's international structure and the broad range of its products offer a multitude of opportunities, whilst also exposing it to numerous risks. Coordinated risk management and control systems are in place to identify relevant risks and opportunities at an early stage and manage them to Infineon's advantage. Risk management at Infineon is embedded in the Group's planning systems, playing an important role in all entrepreneurial decisions and business processes. As such, it is a vital aspect of securing lasting success for the business.

Specific risks which could have a materially adverse effect on Infineon's financial condition, liquidity position and results of operations, specific opportunities and the concept behind Infineon's risk management system are described in the Group Management Report for the 2015 fiscal year (pages 149 to 160).

During the first six months of the 2016 fiscal year, Infineon did not identify any material changes to the risks and opportunities described in the 2015 Annual Report and in note 10 to the Condensed Consolidated Interim Financial Statements for the six-month period to March 31, 2016.

Further risks – of which Infineon is not currently aware or which are not at present considered material – could also impair business activities in the future. At the date of this report, Infineon is not aware of any substantial risks which could jeopardize its going-concern status.

Consolidated Statement of Operations

(unaudited) for the three and six months ended March 31, 2016 and 2015

€ in millions	Note	Three months ended March 31, 2016	Three months ended March 31, 2015	Six months ended March 31, 2016	Six months ended March 31, 2015
Revenue		1,611	1,483	3,166	2,611
Cost of goods sold		(1,045)	(1,005)	(2,042)	(1,706)
Gross profit		**566**	**478**	**1,124**	**905**
Research and development expenses		(195)	(180)	(393)	(319)
Selling, general and administrative expenses		(195)	(218)	(395)	(354)
Other operating income		4	4	8	10
Other operating expenses		(6)	(5)	(4)	(10)
Operating income		**174**	**79**	**340**	**232**
Financial income		1	2	2	7
Financial expenses		(20)	(18)	(33)	(22)
Gain from investments accounted for using the equity method		1	2	1	2
Income from continuing operations before income taxes		**156**	**65**	**310**	**219**
Income tax	4	21	-	19	(24)
Income from continuing operations		**177**	**65**	**329**	**195**
Income from discontinued operations, net of income taxes	3	3	-	3	6
Net income		**180**	**65**	**332**	**201**
Attributable to:					
Non-controlling interests		-	1	(1)	1
Shareholders of Infineon Technologies AG		180	64	333	200
Basic earnings per share (in euro) attributable to shareholders of Infineon Technologies AG:[1]					
Basic earnings per share (in euro) from continuing operations		0.16	0.06	0.30	0.18
Basic earnings per share (in euro) from discontinued operations		-	-	-	-
Basic earnings per share (in euro)		**0.16**	**0.06**	**0.30**	**0.18**
Diluted earnings per share (in euro) attributable to shareholders of Infineon Technologies AG:[1]					
Diluted earnings per share (in euro) from continuing operations		0.16	0.06	0.30	0.18
Diluted earnings per share (in euro) from discontinued operations		-	-	-	-
Diluted earnings per share (in euro)		**0.16**	**0.06**	**0.30**	**0.18**

[1] The calculation of earnings per share is based on unrounded figures.

Consolidated Statement of Comprehensive Income

(unaudited) for the three and six months ended March 31, 2016 and 2015

	Three months ended March 31,		Six months ended March 31,	
€ in millions	**2016**	2015	**2016**	2015
Net income	**180**	**65**	**332**	**201**
Other comprehensive income				
Items that will not be reclassified to profit or loss:				
Actuarial gains (losses) on pension plans and similar commitments	-	(149)	1	(149)
Total items that will not be reclassified to profit or loss	**-**	**(149)**	**1**	**(149)**
Items that may be reclassified subsequently to profit or loss:				
Currency translation effects	(43)	150	(15)	157
Net change in fair value of hedging instruments	4	(99)	3	(38)
Net change in fair value of available-for-sale financial assets	-	2	-	(1)
Total items that may be reclassified subsequently to profit or loss	**(39)**	**53**	**(12)**	**118**
Other comprehensive loss for the period, net of tax	**(39)**	**(96)**	**(11)**	**(31)**
Total comprehensive income for the period, net of tax	**141**	**(31)**	**321**	**170**
Attributable to:				
Non-controlling interests	-	2	-	2
Shareholders of Infineon Technologies AG	141	(33)	321	168

Consolidated Statement of Financial Position

as of March 31, 2016 and 2015 (unaudited) and September 30, 2015

€ in millions	Note:	March 31, 2016	March 31, 2015	September 30, 2015
ASSETS:				
Cash and cash equivalents		606	738	673
Financial investments		1,197	918	1,340
Trade receivables		757	739	742
Inventories		1,165	1,012	1,129
Income tax receivable		2	10	2
Other current assets		243	237	229
Assets classified as held for sale		-	21	-
Total current assets		**3,970**	**3,675**	**4,115**
Property, plant and equipment		2,014	2,028	2,093
Goodwill and other intangible assets		1,694	1,824	1,738
Investments accounted for using the equity method		34	36	33
Non-current income tax receivable		3	-	3
Deferred tax assets		600	395	604
Other non-current assets		155	165	155
Total non-current assets		**4,500**	**4,448**	**4,626**
Total assets		**8,470**	**8,123**	**8,741**
LIABILITIES AND EQUITY:				
Short-term debt and current maturities of long-term debt	5	848	39	33
Trade payables		690	677	802
Short-term provisions		269	315	402
Income tax payable		131	60	123
Other current liabilities		166	187	225
Total current liabilities		**2,104**	**1,278**	**1,585**
Long-term debt	5	928	1,793	1,760
Pension plans and similar commitments		433	537	426
Deferred tax liabilities		70	176	147
Long-term provisions		73	75	72
Other non-current liabilities		81	84	86
Total non-current liabilities		**1,585**	**2,665**	**2,491**
Total liabilities		**3,689**	**3,943**	**4,076**
Shareholders' equity:	6			
Ordinary share capital		2,263	2,258	2,259
Additional paid-in capital		5,004	5,222	5,213
Accumulated deficit		(2,563)	(3,451)	(2,897)
Other reserves		114	182	126
Own shares		(37)	(37)	(37)
Put options on own shares		-	-	-
Equity attributable to shareholders of Infineon Technologies AG		**4,781**	**4,174**	**4,664**
Non-controlling interests		-	6	1
Total equity		**4,781**	**4,180**	**4,665**
Total liabilities and equity		**8,470**	**8,123**	**8,741**

Consolidated Statement of Cash Flows

(unaudited) for the three and six months ended March 31, 2016 and 2015

	Three months ended March 31,		Six months ended March 31,	
€ in millions	**2016**	2015	**2016**	2015
Net income	**180**	**65**	**332**	**201**
Minus: income from discontinued operations, net of income taxes	(3)	-	(3)	(6)
Adjustments to reconcile net income to net cash provided by (used in) operating activities:				
Depreciation and amortization	213	203	424	344
Income tax	(21)	-	(19)	24
Net interest result	19	16	30	19
Gains on disposals of property, plant and equipment	-	-	1	-
Dividends from associated companies	-	1	-	1
Impairment charges	3	-	8	2
Other non-cash result	2	-	3	(3)
Change in trade receivables	(90)	(147)	(14)	(55)
Change in inventories	17	38	(39)	(8)
Change in trade payables	(66)	(4)	(112)	(78)
Change in provisions	54	36	(128)	(155)
Change in other assets and liabilities	(76)	(35)	(50)	(130)
Interest received	1	2	3	5
Interest paid	(13)	(2)	(18)	(3)
Income tax paid	(25)	(38)	(48)	(62)
Net cash provided by operating activities from continuing operations	**195**	**135**	**370**	**96**
Net cash provided by (used in) operating activities from discontinued operations	**(1)**	**4**	**(16)**	**(136)**
Net cash provided by (used in) operating activities	**194**	**139**	**354**	**(40)**

€ in millions	Three months ended March 31, 2016	Three months ended March 31, 2015	Six months ended March 31, 2016	Six months ended March 31, 2015
Purchases of financial investments	(1,011)	(495)	(1,904)	(630)
Proceeds from sales of financial investments	1,156	290	2,046	1,070
Purchases of other equity investments	-	(7)	-	(14)
Acquisitions of businesses, net of cash acquired	-	(1,864)	(9)	(1,864)
Purchases of intangible assets and other assets	(28)	(24)	(57)	(84)
Purchases of property, plant and equipment	(135)	(126)	(272)	(207)
Proceeds from sales of property, plant and equipment and other assets	13	6	13	22
Net cash used in investing activities from continuing operations	**(5)**	**(2,220)**	**(183)**	**(1,707)**
Net cash used in investing activities from discontinued operations	**-**	**-**	**-**	**-**
Net cash used in investing activities	**(5)**	**(2,220)**	**(183)**	**(1,707)**
Net change in short-term debt	-	2	(7)	1
Proceeds from the issuance of long-term debt	1	2,385	4	2,394
Repayments of long-term debt	(5)	(807)	(21)	(812)
Change in cash deposited as collateral	1	-	1	(1)
Proceeds from the issuance of ordinary shares	3	8	15	8
Dividend payments	(225)	(202)	(225)	(202)
Net cash provided by (used in) financing activities from continuing operations	**(225)**	**1,386**	**(233)**	**1,388**
Net cash used in financing activities from discontinued operations	**-**	**-**	**-**	**-**
Net cash provided by (used in) financing activities	**(225)**	**1,386**	**(233)**	**1,388**
Net change in cash and cash equivalents	(36)	(695)	(62)	(359)
Effect of foreign exchange rate changes on cash and cash equivalents	(9)	40	(5)	39
Cash and cash equivalents at beginning of period	651	1,393	673	1,058
Cash and cash equivalents at end of period	**606**	**738**	**606**	**738**

Consolidated Statement of Changes in Equity

(unaudited) for the three and six months ended March 31, 2016 and 2015

€ in millions; except for number of shares	Note	Ordinary shares issued				Other
		Shares	Amount	Additional paid-in capital	Accumulated deficit	Foreign currency translation adjustment
Balance as of October 1, 2014	6	**1,127,739,230**	**2,255**	**5,414**	**(3,502)**	**26**
Net income		-	-	-	200	-
Other comprehensive income (loss) for the period, net of tax		-	-	-	(149)	157
Total comprehensive income (loss) for the period, net of tax		-	-	-	51	157
Dividends		-	-	(202)	-	-
Issuance of ordinary shares:						
Exercise of stock options		1,138,934	3	7	-	-
Share based compensation		-	-	3	-	-
Put options on own shares		-	-	-	-	-
Other changes in equity		-	-	-	-	-
Balance as of March 31, 2015		**1,128,878,164**	**2,258**	**5,222**	**(3,451)**	**183**
Balance as of October 1, 2015		**1,129,271,481**	**2,259**	**5,213**	**(2,897)**	**126**
Net income		-	-	-	333	-
Other comprehensive income (loss) for the period, net of tax		-	-	-	1	(15)
Total comprehensive income (loss) for the period, net of tax		-	-	-	334	(15)
Dividends		-	-	(225)	-	-
Issuance of ordinary shares:						
Exercise of stock options		2,078,389	4	11	-	-
Share based compensation		-	-	4	-	-
Other changes in equity		-	-	1	-	-
Balance as of March 31, 2016		**1,131,349,870**	**2,263**	**5,004**	**(2,563)**	**111**

reserves						
Securities	Hedges	Own shares	Put options on own shares	Total equity attributable to shareholders of Infineon Technologies AG	Non-controlling interests	Total equity
3	**35**	**(37)**	**(40)**	**4,154**	**4**	**4,158**
-	-	-	-	200	-	200
(1)	(38)	-	-	(31)	-	(31)
(1)	(38)	-	-	169	-	169
-	-	-	-	(202)	-	(202)
-	-	-	-	10	-	10
-	-	-	-	3	-	3
-	-	-	40	40	-	40
-	-	-	-	-	2	2
2	**(3)**	**(37)**	**-**	**4,174**	**6**	**4,180**
(1)	**1**	**(37)**	**-**	**4,664**	**1**	**4,665**
-	-	-	-	333	(1)	332
-	3	-	-	(11)	-	(11)
-	3	-	-	322	(1)	321
-	-	-	-	(225)	-	(225)
-	-	-	-	15	-	15
-	-	-	-	4	-	4
-	-	-	-	1	-	1
(1)	**4**	**(37)**	**-**	**4,781**	**-**	**4,781**

Notes to the Condensed Consolidated Interim Financial Statements (unaudited)

1 BASIS OF PRESENTATION

The condensed Consolidated Interim Financial Statements of the Infineon Group ("Infineon") comprising Infineon Technologies AG (hereafter also "the Company") and its subsidiaries for the three and six months ended March 31, 2016 and 2015, have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), as adopted by the European Union (EU). The condensed Consolidated Interim Financial Statements have been prepared in compliance with IAS 34, "Interim Financial Reporting". Accordingly, certain information and footnote disclosures normally included in consolidated financial statements have been condensed or omitted. Although the Consolidated Statement of Financial Position as of September 30, 2015 presented herein was derived from audited consolidated financial statements, not all related disclosures required by IFRS for these are included. The condensed Consolidated Interim Financial Statements should be read in conjunction with the audited Consolidated Financial Statements prepared in accordance with IFRS, as adopted by the EU, for the 2015 fiscal year.

The accounting policies applied preparing the accompanying Consolidated Interim Financial Statements are consistent with those used for the 2015 fiscal year. An exemption to this principle is the application of new or revised standards and interpretations which are effective for fiscal years starting from January 1, 2015. The application of these new or revised standards does not have any material impact on Infineon`s financial position, results of operations and cash flows.

In the opinion of management, these condensed Consolidated Interim Financial Statements contain all necessary adjustments and present a true and fair view of the financial position, results of operations and cash flows. All adjustments recorded are of a normal recurring nature. The results of operations for any condensed interim period are not necessarily indicative of results for the full fiscal year.

The preparation of the condensed Consolidated Interim Financial Statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ materially from management's estimates.

All amounts presented in the condensed Consolidated Interim Financial Statements are shown in euro (€) unless stated otherwise. Negative amounts are presented in parentheses.

Deviations in amounts presented may occur due to rounding.

2 ACQUISITIONS

International Rectifier Corporation

The acquisition of 100 percent of the shares and associated voting rights of International Rectifier Corporation ("International Rectifier") based in El Segundo, California (USA) announced on August 20, 2014 was closed by Infineon on January 13, 2015. The purchase price allocation for International Rectifier was finalized in January 2016; there were no adjustments in the 2016 fiscal year. In the 2015 fiscal year there were retrospective adjustments recognized subsequent to March 31, 2015 which were backdated to the acquisition date.

€ in millions	(adjustments)
Property, plant and equipment	(3)
Intangible assets	58
Deferred tax assets	1
Total assets	**56**
Deferred tax liabilities	9
Long-term provisions	1
Other non-current liabilities	(2)
Total liabilities	**10**
Net assets acquired	**46**
Goodwill	**(54)**
Purchase price	**(8)**

3 DIVESTITURES AND DISCONTINUED OPERATIONS

On January 23, 2009, Qimonda AG ("Qimonda"), a majority owned company, filed an application at the Munich Local Court to commence insolvency proceedings. On April 1, 2009, the insolvency proceedings opened. Insolvency proceedings were also opened for further domestic and foreign subsidiaries of Qimonda. Some of these insolvency proceedings have already been completed. The impacts of these proceedings are reported as discontinued operations in Infineon's Consolidated Statement of Operations and Consolidated Statement of Cash Flows, to the extent that the underlying events occurred before the commencement of insolvency proceedings. To the extent that the events occurred after the commencement of insolvency proceedings, their results are reported as part of continuing operations

As a result of recent developments, adjustments to individual provisions in connection with the insolvency of Qimonda were required in the three and six months to March 31, 2016 and 2015 which resulted in a gain after tax shown in the table below.

	Three months ended March 31,		Six months ended March 31,	
€ in millions	**2016**	2015	**2016**	2015
Qimonda's share of discontinued operations, net of income taxes	3	-	3	6
Income from discontinued operations, net of income taxes	**3**	**-**	**3**	**6**

The risks and provisions relating to Qimonda's insolvency are described in detail in note 10 "Legal risks – Proceedings in relation to Qimonda".

4 INCOME TAX

In comparison to the three and six months to March 31, 2015, in the three and six months to March 31, 2016 the effective tax rate was primarily affected by income from deferred tax from the write-up of domestic and foreign deferred tax assets, as well as the release of deferred tax liabilities arising in connection with the acquisition of International Rectifier.

	Three months ended March 31,		Six months ended March 31,	
€ in millions	**2016**	2015	**2016**	2015
Income from continuing operations before income taxes	156	65	310	219
Income tax	21	-	19	(24)
Effective tax rate	(13%)	0%	(6%)	11%

5 DEBT

Debt consists of the following:

€ in millions	**March 31, 2016**	September 30, 2015
Current maturities of long-term debt, weighted average interest rate 2.27% (September 30, 2015: 3.48%)	848	25
Loans payable to banks (weighted average interest rate September 30, 2015: 4.35%)	-	8
Short-term debt and current maturities of long-term debt	**848**	**33**
Loans payable to banks:		
Unsecured loans, weighted average interest rate 0.57% (September 30, 2015: 1.76%), due 2017–2023	135	968
Bond €300 million, coupon 1.00%, due 2018	298	298
Bond €500 million, coupon 1.50%, due 2022	495	494
Long-term debt	**928**	**1,760**
Total	**1,776**	**1,793**

Infineon successfully completed a US private placement of notes (USPP) with a nominal value of US$935 million in April 2016. The senior, unsecured USPP notes, which bear average annual interest of 4.09 percent, consist of the following:

- Notes with a nominal value of US$350 million due in 2024,
- Notes with a nominal value of US$350 million due in 2026, and
- Notes with a nominal value of US$235 million due in 2028.

The term loan in the amount of US$934 million, which Infineon had raised from several international banks in connection with the acquisition of International Rectifier, was repaid in full out of the USPP proceeds on April 13, 2016 and is therefore recorded as short-term debt as of March 31, 2016.

6 EQUITY

The ordinary share capital of Infineon Technologies AG stood at €2,262,699,740 as of March 31, 2016 divided into 1,131,349,870 no par value registered shares, each representing €2 of the Company's ordinary share capital. As of September 30, 2015 the ordinary share capital stood at €2,258,542,962 divided into 1,129,271,481 no par value registered shares. 2,078,389 new shares were issued in the first half of the 2016 fiscal year (thereof 401,537 in the second quarter) as a result of the exercise of stock options by employees as well as current and past members of the Management Board.

At the Annual General Meeting on February 18, 2016, it was resolved that a dividend of €0.20 be paid for each eligible share out of the unappropriated profit of Infineon Technologies AG for the 2015 fiscal year. Taking into account the non-entitlement to a dividend of own shares as well as new shares issued following the exercise of stock options by employees as well as by current and past members of the Management Board, this resulted in a distribution of €225 million.

7 CAPITAL MANAGEMENT

Infineon's main capital management objective is to ensure financial flexibility on the basis of a solid capital structure. As with comparable companies in the semiconductor industry, it is of prime importance that sufficient cash funds are available to finance operating activities and planned investments throughout all phases of the business cycle. On the other hand, debt should only constitute a modest portion of the financing mix. Based on these principles Infineon has defined key objectives for capital management. These capital structure targets were adjusted in February 2016 to reflect the strong revenue growth and the positive development of Infineon's profitability.

In future Infineon plans to maintain a liquidity level (gross cash position) of at least €1 billion and additionally 10 to 20 percent of revenue. The previous target range for the gross cash position amounted to 30 to 40 percent of revenue. The upper limit for gross debt of no more than two times EBITDA continues to apply. The balance of these two capital structure targets is no longer subject to its own target (previously: positive net cash position).

Infineon is not subject to any statutory capital requirements, nor are such defined in the Articles of Association.

In February 2016, for the first time, Infineon was assigned a long-term credit rating (BBB with stable outlook) by the international rating agency Standard & Poor's (S&P). The solid investment grade rating reflects among other things Infineon's adjusted capital structure targets.

8 TRANSACTIONS WITH RELATED COMPANIES AND PERSONS

Infineon has transactions in the normal course of business with associated and other related companies (collectively, "related companies"). Related persons are persons in key management positions, in particular members of the Management and Supervisory Board and their close relatives (collectively, "related persons").

Infineon purchases certain raw materials and services from, and sells certain products and services to related companies. These purchases from and sales to related companies are generally effected at arm's length.

Related companies receivables and payables consist exclusively of trade and other receivables and payables from and to associated and other related companies.

Related companies receivables and payables as of March 31, 2016 and September 30, 2015 consist of the following:

€ in millions	**March 31, 2016**		September 30, 2015	
	Associates	other related companies	Associates	other related companies
Trade and other receivables	2	1	1	1
Trade and other payables	7	1	8	1
Financial payables	-	1	-	1

Sales and service charges to and products and services received from related companies for the three and six months ended March 31, 2016 and 2015 consist of the following:

€ in millions	Three months ended March 31,			
	2016		2015	
	Associates	other related companies	Associates	other related companies
Sales and service charges	-	-	1	1
Products and services received	19	8	20	7

€ in millions	Six months ended March 31,			
	2016		2015	
	Associates	other related companies	Associates	other related companies
Sales and service charges	2	1	3	1
Products and services received	37	12	36	11

80,964 (virtual) performance shares each with a fair value of €7.07 were allocated to the Management Board on October 1, 2015.

In the three and six months ended March 31, 2016 and 2015 there were no transactions between Infineon and related persons which fall outside the scope of the existing employment, service or appointment terms, or the contractual arrangements for their remuneration.

9 ADDITIONAL DISCLOSURES ON FINANCIAL INSTRUMENTS

Financial instruments measured at fair value are allocated to the following measurement levels in accordance with IFRS 13. The allocation to the different levels is based on the market proximity of the valuation parameters used in the determination of the fair value:

- Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities,
- Level 2: valuation parameters whose prices are not the ones considered in Level 1, but which can be observed either directly or indirectly for the assets or liabilities,
- Level 3: valuation parameters for assets and liabilities which are not based on observable market data.

The following table shows the allocation of financial instruments measured at fair value to each measurement level as of March 31, 2016 and September 30, 2015:

€ in millions	Fair value	Fair value by category		
March 31, 2016		Level 1	Level 2	Level 3
Current assets:				
Financial investments	**327**	267	60	-
Other current assets	**3**	-	3	-
Non-current assets:				
Other non-current assets	**32**	19	-	13
Total	**362**	**286**	**63**	**13**
Current liabilities:				
Other current liabilities	**1**	-	1	-
Total	**1**	**-**	**1**	**-**
September 30, 2015				
Current assets:				
Financial investments	**184**	122	62	-
Other current assets	**1**	-	1	-
Non-current assets:				
Other non-current assets	**32**	19	-	13
Total	**217**	**141**	**63**	**13**
Current liabilities:				
Other current liabilities	**9**	-	9	-
Total	**9**	**-**	**9**	**-**

For the securities included in financial investments no active market exists. The fair values are calculated as the present value of future expected cash flows, taking into account valuation parameters which can be observed in the market (Level 2).

Other current assets or liabilities include derivative financial instruments (including cash flow hedges). Their fair value is determined according to the discounted cash flow method. Where possible valuation parameters are based on market data (such as currency rates or commodity prices) observable on the reporting date and taken from reliable external sources (Level 2).

Other non-current assets include financial investments. Insofar as the holdings are traded on an active market, the fair value is determined based on the actual quoted price (Level 1). For financial investments which are not quoted on an active market, the fair value is determined by considering existing contractual arrangements based on the externally observable dividend policy (Level 3).

In addition, other non-current assets include an option to sell shares in an equity holding for a fixed price. The option is recognized as a derivative financial instrument and is not designated as a hedging instrument. The fair value is determined using the Black-Scholes option pricing model (Level 3).

No reclassification within the fair value hierarchy was carried out.

The allocation to classes of financial instruments, the valuation methods, and major assumptions are unchanged compared to September 30, 2015 and are described in detail in the notes to the 2015 consolidated financial statements in note 2. A detailed overview of Infineon's financial instruments, the financial risk factors, and the management of financial risks is included in the notes to the 2015 consolidated financial statements in notes 30 and 31.

10 LEGAL RISKS

Litigation and government inquiries

Smartcard antitrust litigation

In October 2008 the EU Commission initiated an investigation into the Company and other manufacturers of chips for smartcards for alleged violations of antitrust laws. On September 3, 2014 the EU Commission imposed a fine of €83 million on Infineon which was paid in October 2014. Infineon rejects the allegations as unfounded. Moreover Infineon believes its procedural rights to have been violated by the EU Commission and brought an action against the decision to fine before the European Court of Justice in Luxembourg in mid-November 2014. An oral hearing took place on April 28, 2016.

Two class actions for damages in connection with the EU Commission investigative proceedings have been filed in Canada: the first action was filed in the state of British Columbia in July 2013, and the second in the state of Quebec in September 2014. The actions followed the press reports on the investigation and subsequent decision of the EU Commission. No dates have been set for court proceedings.

In December 2014 an indirect customer filed a lawsuit against Infineon and Renesas in London (Great Britain) which was served upon the Company on April 20, 2015. In this lawsuit the plaintiff claims for damages in an amount still to be determined in connection with the allegations of the EU Commission.

Any further statements about these matters by the Company could therefore seriously compromise the Company's position in these proceedings.

Proceedings in relation to Qimonda

All significant assets, liabilities and business activities attributable to the memory business (Memory Products) were carved out from Infineon and transferred to Qimonda in the form of a non-cash contribution with economic effect from May 1, 2006. Qimonda filed an application at the Munich Local Court to commence insolvency proceedings on January 23, 2009. On April 1, 2009, the insolvency proceedings formally opened. The insolvency of Qimonda has given rise to various disputes between the insolvency administrator and Infineon.

On September 11, 2014 the Company and the insolvency administrator reached a partial settlement including the acquisition by Infineon of Qimonda's patent business which was closed on 9 October, 2014. On the closing day the Company paid €260 million to the insolvency administrator. With the partial settlement all claims made by the insolvency administrator have been settled, apart from those relating to the proceedings in connection with the alleged activation of a shell company and liability for impairment of capital as well as the residual liability of Qimonda Dresden.

Alleged activation of a shell company and liability for impairment of capital

The insolvency administrator filed a request for declaratory judgment in an unspecified amount against Infineon Technologies AG and, by way of third party notice, Infineon Technologies Holding B.V. and Infineon Technologies Investment B.V., at Regional Court Munich I in November 2010. This requested that Infineon be deemed liable to make good the deficit balance of Qimonda as it stood when the insolvency proceedings in respect of the assets of Qimonda began, i.e., to refund to Qimonda the difference between the latter's actual business assets when the insolvency proceedings began and its share capital (in German: "Unterbilanzhaftung"). The insolvency administrator contended that the commencement of operating activities by Qimonda amounted to what is considered in case law to be the activation of a shell company (in German: "Wirtschaftliche Neugründung"), and that this activation of a shell company was not disclosed in the correct manner. On March 6, 2012, with respect to another matter, the German Federal High Court issued a ruling on principle that any liability resulting from the activation of a shell company only depends on the situation at the date of the activation of a shell company and not, as asserted by the insolvency administrator, on the situation at the date on which insolvency proceedings are opened.

In addition to the request for declaratory judgment against Infineon in an unspecified amount, on February 14, 2012 the insolvency administrator also lodged a request for payment based on an alternative claim (in German: "Hilfsantrag"), as well as making other additional claims. In conjunction with this alternative claim, the insolvency administrator has requested the payment of at least €1.71 billion plus interest in connection with the alleged activation of a shell company. On June 15, 2012 the insolvency administrator increased his request for payment of February 14, 2012 on the grounds of activation of a shell company to at least approximately €3.35 billion plus interest. Furthermore, the insolvency administrator continues to base a substantial part of his alleged payment claims, as already asserted out of court against Infineon in August 2011 for an unspecified amount, on so-called liability for impairment of capital (in German "Differenzhaftung"). This claim is based on the allegation that, from the very beginning, the carved-out memory products business had a negative billion euro value. The insolvency administrator therefore asserts that Infineon is obliged to make good the difference between this negative value and the lowest issue price (in German: "geringster Ausgabebetrag") of the subscribed stock. Additionally the insolvency administrator has asserted a claim for repayment of allegedly unjustly charged consultancy fees in an amount of €10 million in connection with the flotation of Qimonda.

The alleged impairment of capital runs contrary to two valuations prepared as part of the preparatory documentation for the capital increase by independent auditing companies, one of which had been engaged by Infineon and the other of which was acting in the capacity of a court-appointed auditor of non-cash contributions and post-formation acquisitions. The auditing company engaged by Infineon concluded in its valuation that the business area contributed had a value of several times the lowest issue price of the shares issued, while the court-appointed auditor of non-cash contributions and post-formation acquisitions confirmed to the court that the lowest issue price of the shares issued was covered – as legally required – by the value of the non-cash contributions. Additionally, in the course of its defense against the claims asserted by the insolvency administrator, Infineon has commissioned several expert opinions all of which arrive at the same conclusion, that the objections raised by the insolvency administrator against the valuation of the non-cash contribution are not valid.

The legal dispute has, in the meantime, focused on the claims asserted for alleged lack of value. On August 29, 2013 the court appointed an independent expert in order to clarify the valuation issues raised by the insolvency administrator. The question as to whether an additional expert will be appointed to address technical issues is still open.

The legal dispute is being pursued with great effort by both parties, and many extensive written submissions have already been exchanged between the parties. Both sides have engaged numerous specialists and experts who are supporting the respective parties with assessments and opinions.

Due to the highly complex nature of the issues to be decided and the level of the claims asserted, it is not clear at this stage if this legal dispute can be resolved with an out of court settlement, and, if this is not the case, when a first-instance court decision would be reached.

Residual liability of Infineon as former shareholder of Qimonda Dresden GmbH & Co. OHG

Infineon was a shareholder with personal liability of Qimonda Dresden until the carve-out of the memory business; as a result certain long-standing creditors have residual liability claims against Infineon. These claims can only be exercised by the insolvency administrator acting in the name of the creditors concerned. In the meantime settlements have been concluded with most of the major liability creditors.

Liabilities, provisions and contingent liabilities relating to Qimonda

Infineon recognizes provisions and liabilities for such obligations and risks which it assesses at the end of each reporting period are more likely than not to be incurred (that is where, from Infineon's perspective at the end of each reporting period, the probability of having to settle an obligation or risk is greater than the probability of not having to) and the obligation or risk can be estimated with reasonable accuracy at this time.

As described above, Infineon faces certain risks in connection with the insolvency proceedings relating to the assets of Qimonda and that entity's subsidiaries. As a result, Infineon recorded provisions and liabilities in connection with some of the above mentioned matters totaling €35 million and €55 million as of March 31, 2016 and September 30, 2015, respectively. Of the provisions recorded as of March 31, 2016, €15 million has been provided in connection with the residual liability as former shareholder of Qimonda Dresden. For the defense of the proceedings still pending for the alleged activation of a shell company and liability for impairment of capital, the Company has recorded a provision of €16 million as of March 31, 2016. Remaining provisions in connection with the Qimonda insolvency total €4 million as of March 31, 2016.

There can be no certainty that the provisions recorded for Qimonda will be sufficient to cover all of the liabilities that could ultimately be incurred in relation to the insolvency of Qimonda and, in particular, the matters discussed above. In addition, it is possible that liabilities and risks materialize that are currently considered to be unlikely to do so, and accordingly represent contingent liabilities that are not included in provisions. This applies in particular to the legal dispute for alleged activation of a shell company and liability for impairment of capital described above. Should the alleged claims prove to be valid, substantial financial obligations could arise for Infineon which could have a material adverse effect on its business and its financial condition, liquidity position and results of operations. Any further statements about these matters by the Company could seriously compromise the Company's position in these proceedings.

Other

Infineon is also involved in various other legal disputes and proceedings in connection with its existing or previous business activities. These can relate to products, services, patents, environmental issues and other matters.

Based on its current knowledge, Infineon does not believe that the ultimate resolution of these other pending legal disputes and proceedings will have a material adverse effect on Infineon's financial condition, liquidity position and results of operations. However future revisions to this assessment cannot be ruled out and any re-assessment of the miscellaneous legal disputes and proceedings could have a material adverse effect on the financial condition, liquidity position and results of operations, particularly in the period in which re-assessment is made.

Furthermore, in connection with its existing or previous business operations, Infineon is also exposed to numerous legal risks which have until now not resulted in legal disputes. These include risks related to product liability, environment, capital market, anti-corruption, competition and antitrust legislation as well as other compliance regulations. Claims could also be made against Infineon in connection with these matters in the event of breaches of law committed by individual employees or third parties.

Provisions and contingent liabilities for legal proceedings and other uncertain legal issues

Provisions relating to legal proceedings and other uncertain legal issues are recorded when it is probable that a liability has been incurred and the associated amount can be reasonably estimated. To the extent that liabilities arising from legal disputes and other uncertain legal positions are not probable or cannot be reliably estimated, then they qualify as contingent liabilities.

Any potential liability is reviewed again as soon as additional information becomes available and the estimates are revised if necessary. Provisions with respect to these matters are subject to future developments or changes in circumstances in each of the matters, which could have a material adverse effect on Infineon's financial condition, liquidity position and results of operations.

A settlement or adverse judicial decision in any of the matters described above could result in significant financial liabilities for Infineon and other adverse effects, and these in turn could have a material adverse effect on its business and financial condition, liquidity position and results of operations. Irrespective of the validity of the allegations and the success of the aforementioned claims and other matters described above, Infineon could incur significant costs in the defense of these matters.

11 SEGMENT INFORMATION

Identification of Segments

Infineon's business is structured into the four operating segments Automotive, Industrial Power Control, Power Management & Multimarket and Chip Card & Security.

Other Operating Segments comprises the remaining activities of divested businesses and other business activities. Since the sale of the wireline communications and the wireless mobile phone businesses, sales of products to IMC under the corresponding production agreements, other than those assigned to discontinued operations, are included in this segment.

Corporate and Eliminations comprises the elimination of intragroup revenue and profits/losses as well as specific corporate functions that are not allocated to the operating segments.

Segment data

	Three months ended March 31,		Six months ended March 31,	
€ in millions	**2016**	2015	**2016**	2015
Revenue:				
Automotive	670	598	1,285	1,115
Industrial Power Control	265	241	513	431
Power Management & Multimarket	496	464	1,006	744
Chip Card & Security	180	182	353	314
Other Operating Segments	2	4	4	9
Corporate and Eliminations	(2)	(6)	5	(2)
Total	**1,611**	**1,483**	**3,166**	**2,611**

The business with XMC industrial microcontrollers developed by Automotive and Chip Card & Security was transferred to Power Management & Multimarket and Industrial Power Control with effect from October 1, 2015. The previous year's figures have been adjusted accordingly.

Revenue for the three and six month periods ended March 31, 2016 and 2015 does not contain any inter-segmental revenue.

€ in millions	Three months ended March 31, 2016	Three months ended March 31, 2015	Six months ended March 31, 2016	Six months ended March 31, 2015
Segment Result:				
Automotive	94	72	174	151
Industrial Power Control	26	18	48	45
Power Management & Multimarket	74	75	153	115
Chip Card & Security	36	33	70	53
Other Operating Segments	-	2	1	4
Corporate and Eliminations	(2)	(2)	2	(2)
Total	**228**	**198**	**448**	**366**

The following table provides the reconciliation of Segment Result to income from continuing operations before income taxes:

€ in millions	Three months ended March 31, 2016	Three months ended March 31, 2015	Six months ended March 31, 2016	Six months ended March 31, 2015
Segment Result	228	198	448	366
Plus/minus:				
Impairments on assets including assets classified as held for sale, net of reversals	(3)	-	(8)	(2)
Impact on earnings of restructuring and closures, net	(1)	(1)	9	(2)
Share-based compensation expense	(2)	(2)	(4)	(3)
Acquisition-related depreciation/amortization and other expenses	(47)	(108)	(103)	(116)
Gains (losses) on sales of assets, businesses, or interests in subsidiaries, net	-	-	(1)	-
Other income and expense, net	(1)	(8)	(1)	(11)
Operating income	**174**	**79**	**340**	**232**
Financial income	1	2	2	7
Financial expenses	(20)	(18)	(33)	(22)
Gain from investments accounted for using the equity method, net	1	2	1	2
Income from continuing operations before income taxes	**156**	**65**	**310**	**219**

Of the €47 million “acquisition-related depreciation/amortization and other expenses” incurred in the three months ended March 31, 2016, €22 million are attributable to cost of goods sold, €2 million to research and development expenses and €23 million to selling, general and administrative expenses.

Of the €103 million “acquisition-related depreciation/amortization and other expenses” incurred in the six months ended March 31, 2016, €49 million are attributable to cost of goods sold, €6 million to research and development expenses and €48 million to selling, general and administrative expenses.

Neubiberg, May 9, 2016

Responsibility Statement by the Management Board

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the Interim Consolidated Financial Statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the Interim Group Management Report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group for the remaining months of the fiscal year.

Neubiberg, May 9, 2016

Dr. Reinhard Ploss   Dominik Asam   Arunjai Mittal

Review Report

To the Supervisory Board of Infineon Technologies AG, Neubiberg

We have reviewed the condensed interim consolidated financial statements of the Infineon Technologies AG, Neubiberg – comprising statement of operations, statement of comprehensive income, statement of financial position, statement of cash flows, statement of changes in equity and selected explanatory notes - together with the interim group management report of the Infineon Technologies AG, Neubiberg, for the period from October 1, 2015 to March 31, 2016 that are part of the half-year financial report according to § 37 w WpHG [“Wertpapierhandelsgesetz”: “German Securities Trading Act”]. The preparation of the condensed interim consolidated financial statements in accordance with those IFRS applicable to interim financial reporting as adopted by the European Union (EU), and of the interim group management report in accordance with the requirements of the WpHG applicable to interim group management reports, is the responsibility of the Company’s management. Our responsibility is to issue a report on the condensed interim consolidated financial statements and on the interim group management report based on our review.

We performed our review of the condensed interim consolidated financial statements and the interim group management report in accordance with the German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW). Those standards require that we plan and perform the review so that we can preclude through critical evaluation, with a certain level of assurance, that the condensed interim consolidated financial statements have not been prepared, in material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU, and that the interim group management report has not been prepared, in material respects, in accordance with the requirements of the WpHG applicable to interim group management reports. A review is limited primarily to inquiries of company employees and analytical assessments and therefore does not provide the assurance attainable in a financial statement audit. Since, in accordance with our engagement, we have not performed a financial statement audit, we cannot issue an auditor’s report.

Based on our review, no matters have come to our attention that cause us to presume that the condensed interim consolidated financial statements have not been prepared, in material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU, or that the interim group management report has not been prepared, in material respects, in accordance with the requirements of the WpHG applicable to interim group management reports.

Munich, May 9, 2016

KPMG AG

Wirtschaftsprüfungsgesellschaft

Braun	Wolper
Wirtschaftsprüfer	Wirtschaftsprüfer

Supplementary Information (unaudited)

Forward-looking Statements

This Quarterly Report contains forward-looking statements about the business, financial condition and earnings performance of the Infineon Group.

These statements are based on assumptions and projections resting upon currently available information and present estimates. They are subject to a multitude of uncertainties and risks. Actual business development may therefore differ materially from what has been expected.

Beyond disclosure requirements stipulated by law, Infineon does not undertake any obligation to update forward-looking statements.

Financial Calendar

Fiscal Period	Period end date	Results press release (preliminary)
Third Quarter Fiscal Year 2016	June 30, 2016	August 2, 2016
Fourth Quarter and Fiscal Year 2016	September 30, 2016	November 23, 2016
First Quarter Fiscal Year 2017	December 31, 2016	February 2, 2017
Second Quarter Fiscal Year 2017	March 31, 2017	May 4, 2017

Publication date of half-year financial report March 31, 2016: May 10, 2016

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