

This Prospectus is dated February 20, 2015



**Infineon Technologies AG**

(Neubiberg, Federal Republic of Germany)

**EUR [●] [●] percent fixed rate notes due 2018**

**EUR [●] [●] percent fixed rate notes due 2022**

Infineon Technologies AG, Am Campeon 1-12, 85579 Neubiberg, Germany (the "**Issuer**" or "**Infineon**"), will issue on or about March 10, 2015 (the "**Issue Date**") EUR [●] [●] percent fixed rate notes in bearer form due 2018 with a denomination of EUR 1,000 (the "**Tranche 1 Notes**") and EUR [●] [●] percent fixed rate notes in bearer form due 2022 with a denomination of EUR 1,000 (the "**Tranche 2 Notes**", each tranche also referred to as a "**Tranche**" and the Tranche 1 Notes together with the Tranche 2 Notes, the "**Notes**"). The Notes will be governed by the laws of the Federal Republic of Germany ("**Germany**").

This prospectus (the "**Prospectus**") constitutes a prospectus within the meaning of Article 5.3 of the Directive 2003/71/EC of the European Parliament and of the Council of November 4, 2003 (as amended, inter alia, by Directive 2010/73/EU) (the "**Prospectus Directive**"). This Prospectus will be published in electronic form together with all documents incorporated by reference herein on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

This Prospectus has been approved by the *Commission de Surveillance du Secteur Financier* of the Grand Duchy of Luxembourg (the "**CSSF**") in its capacity as competent authority under the Luxembourg law relating to prospectuses for securities (*Loi du 10 juillet 2005 relative aux prospectus pour valeurs mobilières*), as amended, (the "**Luxembourg Prospectus Law**"), which implements the Prospectus Directive into Luxembourg law. Pursuant to Article 7(7) of the Luxembourg Prospectus Law, by approving this Prospectus, the CSSF gives no undertaking as to the economic and financial soundness of the transaction and the quality or solvency of the Issuer. The Issuer has requested the CSSF to provide the competent authorities in Germany, the Republic of Austria ("**Austria**") and The Netherlands and may request to provide competent authorities in additional host Member States within the European Economic Area with a certificate of approval attesting that the Prospectus has been drawn up in accordance with the Luxembourg Prospectus Law (the "**Notification**").

Application has been made to the Luxembourg Stock Exchange for the Notes to be admitted to trading on the Luxembourg Stock Exchange's regulated market and to be listed on the official list of the Luxembourg Stock Exchange (the "**Official List**"). The Luxembourg Stock Exchange's regulated market is a regulated market for the purposes of Directive 2004/39/EC of the European Parliament and of the Council of April 21, 2004 on markets in financial instruments, as amended.

The final issue price, the aggregate principal amount of each Tranche of Notes to be issued, the interest rate, the issue proceeds and the yield for each Tranche of Notes will be included in the Pricing Notice (as defined in "*SUBSCRIPTION, SALE AND OFFER OF THE NOTES*" below) which will be filed with the CSSF and published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) on or prior to the Issue Date of the Notes.

The Tranche 1 Notes have been assigned the following securities codes:  
ISIN XS1191115366, Common Code 119111536, WKN A13SAN.

The Tranche 2 Notes have been assigned the following securities codes:  
ISIN XS1191116174, Common Code 119111617, WKN A13SAP.

**The Notes have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act") and the Notes are in bearer form that are subject to U.S. tax law requirements. Subject to certain exceptions, the Notes may not be offered, sold or delivered within the United States of America ("United States") or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the U.S. Securities Act ("Regulation S")).**

**Investing in the Notes involves certain risks. See "*RISK FACTORS*" beginning on page 38.**

*Joint Lead Managers*

<b>BofA Merrill Lynch</b>		<b>Citigroup</b>
<b>Bayerische Landesbank</b>	<b>BNP PARIBAS</b>	<b>Commerzbank</b>
<b>Credit Suisse</b>	<b>DZ BANK AG</b>	<b>Erste Group Bank AG</b>
<b>Goldman Sachs International</b>	<b>Helaba</b>	<b>Raiffeisen Bank International</b>
<b>The Royal Bank of Scotland</b>		<b>UniCredit Bank</b>

## RESPONSIBILITY STATEMENT

Infineon Technologies AG (the "**Issuer**" or "**Infineon**" and together with its consolidated subsidiaries the "**Group**" or the "**Infineon Group**") accepts responsibility for the information contained in this Prospectus and hereby declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is, to the best of its knowledge, in accordance with the facts and does not omit anything likely to affect its import.

The Issuer further confirms that (i) this Prospectus contains all information with respect to the Issuer, Infineon Group and the Notes which is material in the context of the issue and offering of the Notes, including all information which, according to the particular nature of the Issuer and of the Notes is necessary to enable investors and their investment advisers to make an informed assessment of the assets and liabilities, financial position, profits and losses, and prospects of the Issuer and Infineon Group and of the rights attached to the Notes; (ii) the information contained in this Prospectus relating to the Issuer, Infineon Group and the Notes is accurate and complete in all material respects and not misleading; (iii) that any opinions and intentions expressed herein are honestly held and based on reasonable assumptions; (iv) there are no other facts in relation to the Issuer, Infineon Group or the Notes the omission of which would, in the context of the issue and offering of the Notes, make this Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading; and (v) reasonable enquiries have been made by the Issuer to ascertain all such facts for the purposes aforesaid.

## NOTICE

No person is authorized to give any information or to make any representations other than those contained in this Prospectus and, if given or made, such information or representations must not be relied upon as having been authorized by or on behalf of the Issuer or the Joint Lead Managers (as defined in "*SUBSCRIPTION, SALE AND OFFER OF THE NOTES*"). Neither the delivery of this Prospectus nor any offering, sale or delivery of any Notes made hereunder shall, under any circumstances, create any implication (i) that the information in this Prospectus is correct as of any time subsequent to the date hereof or, as the case may be, subsequent to the date on which this Prospectus has been most recently supplemented, or (ii) that there has been no adverse change in the financial situation of the Issuer which is material in the context of the issue and sale of the Notes since the date of this Prospectus or, as the case may be, the date on which this Prospectus has been most recently supplemented, or the balance sheet date of the most recent financial statements which are deemed to be incorporated into this Prospectus by reference or (iii) that any other information supplied in connection with the issue of the Notes is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

This Prospectus contains certain forward-looking statements, including statements using the words "believes", "anticipates" "intends", "expects" or other similar terms. This applies in particular to statements under the caption "*DESCRIPTION OF THE ISSUER – Business Overview*" and statements elsewhere in this Prospectus relating to, among other things, the future financial performance, plans and expectations regarding developments in the business of the Issuer. These forward-looking statements are subject to a number of risks, uncertainties, assumptions and other factors that may cause the actual results, including the financial position and profitability of the Issuer, to be materially different from or worse than those expressed or implied by these forward-looking statements. The Issuer does not assume any obligation to update such forward-looking statements and to adapt them to future events or developments.

Certain numerical figures set out in this Prospectus, including financial data presented in millions or thousands and percentages, have been subject to rounding adjustments and, as a result, the totals of the data in this Prospectus may vary slightly from the actual arithmetic totals of such information.

Furthermore, this Prospectus contains industry related data taken or derived from industry and market research reports published by third parties ("**External Data**"). Commercial publications generally state that the information they contain originated from sources assumed to be reliable, but that the

accuracy and completeness of such information is not guaranteed and that the calculations contained therein are based on a series of assumptions. The External Data have not been independently verified by the Issuer.

The External Data was reproduced accurately by the Issuer in the Prospectus, and as far as the Issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted that would render the reproduced External Data inaccurate or misleading. The Issuer does not have access to the underlying facts and assumptions of numerical and market data and other information contained in publicly available sources. Consequently, such numerical and market data or other information cannot be verified by the Issuer.

This Prospectus should be read and understood in conjunction with any supplement hereto and with any documents incorporated herein by reference. The final issue price, the aggregate principal amount of each Tranche of Notes to be issued, the interest rate, the issue proceeds and the yield of the issue for each Tranche of Notes will be included in the Pricing Notice (as defined in "*SUBSCRIPTION, SALE AND OFFER OF THE NOTES*" below) which will be filed with the CSSF and published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) on or prior to the Issue Date of the Notes.

Neither the Joint Lead Managers nor any other person mentioned in this Prospectus, except for the Issuer, is responsible for the information contained in this Prospectus or any other document incorporated herein by reference, and accordingly, and to the extent permitted by the laws of any relevant jurisdiction, none of these persons accepts any responsibility for the accuracy and completeness of the information contained in any of these documents.

Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness of the Issuer. This Prospectus does not constitute an offer of Notes or an invitation by or on behalf of the Issuer or the Joint Lead Managers to purchase any Notes. Neither this Prospectus nor any other information supplied in connection with the Notes should be considered as a recommendation by the Issuer or the Joint Lead Managers to a recipient hereof and thereof that such recipient should purchase any Notes.

The offer, sale and delivery of the Notes and the distribution of this Prospectus in certain jurisdictions is restricted by law. Persons into whose possession this Prospectus comes are required by the Issuer and the Joint Lead Managers to inform themselves about and to observe any such restrictions. In particular, the Notes have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), and are subject to special U.S. tax law requirements where held by U.S. persons (TEFRA D rules). Subject to certain limited exceptions, the Notes may not be offered, sold or delivered within the United States of America ("**United States**") or to U.S. persons.

For a further description of certain restrictions on offerings and sales of the Notes and distribution of this Prospectus (or of any part thereof) see "*SUBSCRIPTION, SALE AND OFFER OF THE NOTES – Selling Restrictions.*"

The legally binding language of this Prospectus is English. Any part of the Prospectus in German language constitutes a translation, except for the terms and conditions of the Notes (the "**Terms and Conditions**") in respect of which German is the legally binding language.

In this Prospectus, unless otherwise specified, all references to "€", "**EUR**" or "**Euro**" are to the currency introduced at the start of the third stage of the European economic and monetary union, and as defined in Article 2 of Council Regulation (EC) No 974/98 of 3 May 1998 on the introduction of the Euro, as amended, and references to "**USD**" or "**US dollar**" refer to the legal currency of the United States.

IN CONNECTION WITH THE ISSUE OF THE NOTES, MERRILL LYNCH INTERNATIONAL (OR PERSONS ACTING ON ITS BEHALF) MAY OVER-ALLOT NOTES OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE PRICE OF THE NOTES AT A LEVEL HIGHER THAN THAT

WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, THERE IS NO ASSURANCE THAT MERRILL LYNCH INTERNATIONAL (OR PERSONS ACTING ON ITS BEHALF) WILL UNDERTAKE STABILIZATION ACTION. ANY STABILIZATION ACTION MAY BEGIN AT ANY TIME AFTER THE ADEQUATE PUBLIC DISCLOSURE OF THE TERMS OF THE OFFER OF THE NOTES AND, IF BEGUN, MAY BE ENDED AT ANY TIME, BUT IT MUST END NO LATER THAN THE EARLIER OF 30 CALENDAR DAYS AFTER THE DATE OF THE RECEIPT OF THE PROCEEDS OF THE ISSUE BY THE ISSUER AND 60 CALENDAR DAYS AFTER THE DATE OF THE ALLOTMENT OF THE NOTES. SUCH STABILIZING SHALL BE IN COMPLIANCE WITH ALL LAWS, DIRECTIVES, REGULATIONS AND RULES OF ANY RELEVANT JURISDICTION.

**This Prospectus may only be used for the purpose for which it has been published.**

**This Prospectus does not constitute, and may not be used for the purpose of an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation.**

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## SUMMARY

Summaries are made up of disclosure requirements known as "Elements". These elements are numbered in Sections A – E (A.1 – E.7).

This summary contains all the Elements required to be included in a summary for this type of securities and Issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the summary because of the type of securities and Issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of "not applicable".

### Section A – Introduction and warnings

Element	Description of Element	Disclosure requirement
A.1	<b>Warnings</b>	<p>This summary should be read as an introduction to this Prospectus.</p> <p>Any decision to invest in the Notes should be based on consideration of this Prospectus as a whole by the investor.</p> <p>Where a claim relating to the information contained in this Prospectus is brought before a court, the plaintiff investor might, under the national legislation of its member state to the Agreement on the European Economic Area, have to bear the costs of translating this Prospectus before the legal proceedings are initiated.</p> <p>Civil liability attaches only to those persons who have tabled this summary including any translation thereof, but only if this summary is misleading, inaccurate or inconsistent when read together with the other parts of this Prospectus or it does not provide, when read together with the other parts of this Prospectus, key information in order to aid investors when considering whether to invest in the Notes.</p>
A.2	<b>Consent to the use of the Prospectus</b>	<p>Each of Merrill Lynch International, Citigroup Global Markets Limited, Bayerische Landesbank, BNP Paribas, Commerzbank Aktiengesellschaft, Credit Suisse Securities (Europe) Limited, DZ BANK AG Deutsche Zentral-Genossenschaftsbank, Frankfurt am Main, Erste Group Bank AG, Goldman Sachs International, Landesbank Hessen-Thüringen Girozentrale, Raiffeisen Bank International AG, The Royal Bank of Scotland plc and UniCredit Bank AG (each a "<b>Joint Lead Manager</b>" and together, the "<b>Joint Lead Managers</b>") and each further financial intermediary subsequently reselling or finally placing the Notes is entitled to use the Prospectus in Austria, Germany, Luxembourg and The Netherlands for the subsequent resale or final placement of the Notes during the period from and including February 23, 2015 to and including March 24, 2015, provided however, that the Prospectus is still valid in accordance with Article 11 of the Luxembourg law relating to prospectuses for securities (<i>Loi du 10 juillet 2005 relative aux prospectus pour valeurs mobilières</i>), as amended, which implements Directive 2003/71/EC of the European Parliament and of the Council of November 4, 2003 (as amended, inter alia, by Directive 2010/73/EU of the European Parliament and of the Council of November 24, 2010) (the</p>

		<p><b>"Luxembourg Prospectus Law").</b></p> <p>The Prospectus may only be delivered to potential investors together with all supplements in accordance with Article 13 of the Luxembourg Prospectus Law published before such delivery. Any supplement to the Prospectus in accordance with Article 13 of the Luxembourg Prospectus Law will be available for viewing in electronic form on the website of the Luxembourg Stock Exchange (www.bourse.lu).</p> <p>When using the Prospectus, each financial intermediary must make certain that it complies with all applicable laws and regulations in force in the respective jurisdictions.</p> <p><b>In the event of an offer being made by a financial intermediary, such financial intermediary shall provide information to investors on the terms and conditions of the offer at the time of that offer.</b></p>
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### Section B – Issuer

Element	Description of Element	Disclosure requirement
B.1	<b>Legal and commercial name</b>	Infineon Technologies Aktiengesellschaft is the legal and Infineon is the commercial name of the Issuer.
B.2	<b>Domicile, legal form, legislation, country of incorporation</b>	Infineon Technologies Aktiengesellschaft (" <b>Infineon</b> ") is a German stock corporation ( <i>Aktiengesellschaft</i> ) incorporated and operating under the laws of Germany and domiciled in Germany.
B.4b	<b>Known trends affecting the Issuer and the industries in which it operates</b>	<p>In offering semiconductor and system solutions Infineon is addressing three central challenges to modern society: energy efficiency, mobility and security, which in Infineon's view are the source for the continued increase in demand for Infineon Group's products.</p> <p>With respect to the market segments in which the Group operates, Infineon further identified the following trends:</p> <ul style="list-style-type: none"> <li>• In the Automotive segment Infineon Group identified three major trends which are expected to determine the development of automotive technology: low-emission vehicles including hybrid and electric vehicles, safe vehicles with particular focus on ADAS (Advanced Driver Assistance Systems) and security in increasingly connected vehicles.</li> <li>• With respect to the Industrial Power Control segment, IGBT (Insulated-Gate Bipolar Transistor) power components are found in an increasing number of applications: a) electrification of high-power vehicles such as agricultural, construction and mining vehicles is constantly growing, b) railways run almost exclusively on electrified lines, c) power generation via renewable energies is gaining importance, and d) the penetration rate of electronically controlled motors, so-called "variable speed drives", is steadily increasing. Infineon Group is striving to develop new products for this broad</li> </ul>

		<p>range of applications, for example by introducing new IGBT modules and driver ICs (Integrated Circuits) for electric motors including variable speed drives.</p> <ul style="list-style-type: none"> <li>• In the Power Management &amp; Multimarket segment, with regard to power supplies two trends are observed by Infineon: first, their efficiency is expected to increase due to regulatory targets, and second, especially in the case of chargers for smartphones and tablets, their size and weight is becoming increasingly important as well as improving the ability to charge at fast rates. Consequently, power density, i.e. the electrical power converted within a certain space, is becoming a decisive parameter. In addition, penetration of smartphones is growing with an increasing content of chips that are offered by Infineon Group. Furthermore, the continually more advanced transmission standards (for example the world-wide roll-out of LTE networks) are also expected to result in demand for Infineon Group products.</li> <li>• In the Chip Card &amp; Security segment, Infineon Group intends to focus on applications in which the security aspect is of increasing importance, including mobile payments with NFC (Near Field Communication) technology, the security of electronic devices in connected systems and several applications of authentication.</li> </ul>
<b>B.5</b>	<b>Description of the Group and the Issuer's position within the Group</b>	<p>Infineon is the parent company of Infineon Group, with 97 subsidiaries and affiliated companies (including minority holdings but excluding Qimonda AG i.L. and its affiliates) incorporated in jurisdictions throughout Europe and Asia, as well as the Americas and Australia (as of February 18, 2015).</p> <p>Infineon Group designs, develops, manufactures and markets a broad range of semiconductors and systems solutions.</p>
<b>B.9</b>	<b>Profit forecast or estimate</b>	Not applicable. No profit forecasts or estimates are made.
<b>B.10</b>	<b>Nature of any qualifications in the audit report on historical financial information</b>	Not applicable. The auditor has issued unqualified audit opinions on the IFRS consolidated financial statements of Infineon Group for the fiscal years ended September 30, 2013 and September 30, 2014.
<b>B.12</b>	<b>Selected historical key financial information</b>	The following table sets out selected financial information relating to Infineon Group. The information has been extracted from the audited IFRS consolidated financial statements of Infineon Group for the fiscal year ended September 30, 2013 and for the fiscal year ended September 30, 2014, respectively, as well as from the unaudited interim consolidated financial statements for the three-month period ended December 31, 2014, unless otherwise stated.

	As of and for the fiscal year ended September 30		As of and for the three- month period ended December 31	
	2014	2013	2014	2013
	(audited)	(audited)	(unaudited)	(unaudited)
	€ in millions (unless indicated otherwise)			
<b>Revenue</b>	<b>4,320</b>	<b>3,843</b>	<b>1,128</b>	<b>984</b>
by region:				
Europe, Middle East, Africa	1,707	1,567	412	368
Therein: Germany	859	795	201	190
Asia-Pacific (w/o Japan)	1,845	1,560	522	431
Therein: China	868	710	254	213
Japan	284	227	71	69
Americas	484	489	123	116
by Segment:				
Automotive	1,965	1,714	518	452
Industrial Power Control	783	651	190	179
Power Management & Multimarket	1,061	987	280	238
Chip Card & Security	494	463	132	108
Other Operating Segments	22	26	4	6
Corporate and Eliminations	(5)	2	4	1
<b>Gross profit</b>	<b>1,647</b>	<b>1,323</b>	<b>427</b>	<b>361</b>
<b>Gross margin</b>	<b>38.1%</b>	<b>34.4%</b>	<b>37.9%</b>	<b>36.7%</b>
Research and development expenses	(550)	(525)	(139)	(133)
Selling, general and administrative expenses	(496)	(440)	(136)	(114)
Operating income	525	325	153	108
Income from continuing operations	488	283	130	85
Gain (loss) from discontinued operations, net of income taxes	47	(11)	6	2
Net income	535	272	136	87
EBIT <sup>1</sup>	528	327	157	108
EBITDA <sup>2</sup>	1,042	793	298	228
Segment Result <sup>3</sup>	620	377	169	116
Segment Result Margin <sup>4</sup>	14.4%	9.8%	15.0%	11.8%
Property, plant and equipment	1,700	1,600	1,653	1,596
<b>Total assets</b>	<b>6,438</b>	<b>5,905</b>	<b>6,194</b>	<b>5,859</b>

<sup>1</sup> EBIT is defined as earnings from continued operations before interest and tax. EBIT is not defined by IFRS. Potential investors should take into consideration that this figure is not applied in a consistent manner or standardized, that its calculation can vary and that this figure by itself is not a basis to compare different companies. Furthermore, it does not substitute the key financial figures of the consolidated statement of income and the consolidated statement of cash flows that were recognized in accordance with IFRS.

<sup>2</sup> EBITDA is defined as EBIT plus scheduled depreciation and amortization. EBITDA is not defined by IFRS. Potential investors should take into consideration that this figure is not applied in a consistent manner or standardized, that its calculation can vary and that this figure by itself is not a basis to compare different companies. Furthermore, it does not substitute the key financial figures of the consolidated statement of income and the consolidated statement of cash flows that were recognized in accordance with IFRS.

<sup>3</sup> Segment Result is defined as operating income (loss) excluding: asset impairments (net of reversals); the impact on earnings of restructuring and closures; share-based compensation expense; acquisition-related depreciation/amortization and other expenses; gains (losses) on sales of assets, businesses, or interests in subsidiaries as well as other income (expense), including litigation costs. Segment Result is the indicator that Infineon uses to evaluate the operating performance of its segments.

<sup>4</sup> Segment Result Margin is calculated as the percentage of Segment Result in relation to revenue.

	<b>Total equity</b>	<b>4,158</b>	<b>3,776</b>	<b>4,392</b>	<b>3,867</b>
	Net cash provided by (used in) operating activities from continuing operations	988	610	(39)	158
	Net cash provided by (used in) investing activities from continuing operations	(272)	(328)	513	(176)
	Net cash provided by (used in) financing activities from continuing operations	(179)	(165)	2	(36)
	Free cash flow <sup>5</sup>	317	235	(171)	30
	Depreciation and amortization	514	466	141	120
	Capital expenditure	668	378	141	129
	Gross cash position <sup>6</sup>	2,418	2,286	2,107	2,279 <sup>7</sup>
	Net cash position <sup>8</sup>	2,232	1,983	1,917	2,048 <sup>7</sup>
	Debt (long-term and short-term)	186	303	190	231 <sup>7</sup>
	Basic earnings per share in €	0.48	0.25	0.12	0.08
	Diluted earnings per share in €	0.48	0.25	0.12	0.08
	Dividend per share in €	0.18	0.12	-	-
	Equity ratio	64.6%	63.9%	70.9%	66.0% <sup>7</sup>
	Return on equity <sup>9</sup>	12.9%	7.2%	-	-
	Return on assets <sup>10</sup>	8.3%	4.6%	-	-
	Inventory intensity <sup>11</sup>	11.0%	10.3%	-	-
	Debt-to-equity ratio <sup>12</sup>	4.5%	8.0%	-	-
	Debt-to-total-capital ratio <sup>13</sup>	2.9%	5.1%	-	-
	Return on Capital Employed (RoCE) <sup>14</sup>	20.3%	14.1%	-	-
	Employees Infineon Group as of the end of the period	29,807	26,725	30,493	27,583 <sup>7</sup>
	<b>Material adverse change in the prospects of the Issuer</b>	There has been no material adverse change in the prospects of Infineon since September 30, 2014.			
	<b>Significant change in the financial or trading position</b>	Other than the acquisition of International Rectifier, there have been no significant changes in the financial or trading position of Infineon Group since December 31, 2014.			

<sup>5</sup> Free cash flow: Cash flow provided by/used in operating and investing activities from continuing operations excluding cash flows related to the purchase or sale of financial investments.

<sup>6</sup> Gross cash position: Total of cash and cash equivalents plus financial investments.

<sup>7</sup> Extracted from the unaudited interim consolidated financial statements of Infineon Group for the three-month period ended December 31, 2013.

<sup>8</sup> Net cash position: Gross cash position less short-term and long-term debt.

<sup>9</sup> Return on equity = net income divided by total equity.

<sup>10</sup> Return on assets = net income divided by total assets.

<sup>11</sup> Inventory intensity = inventories (net) divided by total assets.

<sup>12</sup> Debt-to-equity ratio = long-term and short-term debt divided by total equity.

<sup>13</sup> Debt-to-total-capital-ratio = long-term and short-term debt divided by total assets.

<sup>14</sup> Return on Capital Employed (RoCE): Operating result after tax from continuing operations divided by capital employed. RoCE shows the correlation between profitability and the capital resources required to operate the business.

<b>B.13</b>	<b>Recent Events</b>	On January 13, 2015, Infineon completed the acquisition of International Rectifier Corporation and its subsidiaries (" <b>International Rectifier</b> ").
<b>B.14</b>	<b>Statement on dependency upon other entities within the Group</b>	Not applicable. Infineon is the parent company of Infineon Group and not dependent on other entities within Infineon Group.
<b>B.15</b>	<b>Principal activities</b>	<p>Infineon is the parent company of Infineon Group.</p> <p>Infineon Group designs, develops, manufactures and markets a broad range of semiconductors and systems solutions. The focus of its activities is on automotive electronics, industrial and multimarket electronics and chip card-based security. Infineon Group's products are used in a wide variety of applications such as automobiles, electric drives, computer systems, telecommunication systems and consumer goods. The product range comprises standard components, customer-specific solutions for devices and systems, as well as specific components for digital, analogue, and mixed-signal applications. As of September 30, 2014, more than half of Infineon Group's revenue was generated by power semiconductors, about a fifth by embedded control products (microcontrollers for automotive and industrial applications as well as security controllers), and the remainder by radio-frequency components and other product categories. Infineon Group's operations and customers are located mainly in Europe, Asia and North America.</p> <p>Infineon Group organizes its operations in four main segments: Automotive, Industrial Power Control, Power Management &amp; Multimarket and Chip Card &amp; Security. The Automotive segment designs, develops, manufactures and markets semiconductors for use in automotive applications. The Industrial Power Control segment designs, develops, manufactures and markets semiconductors and system solutions primarily for the use in industrial electronics applications. The Power Management &amp; Multimarket segment designs, develops, manufactures and markets power semiconductors for the use in power supplies as well as components for mobile devices and cellular network infrastructure. The Chip Card &amp; Security segment designs, develops, manufactures and markets various contact-based and contactless security controllers for chip card and security applications.</p> <p>On January 13, 2015, Infineon completed the acquisition of International Rectifier. International Rectifier designs, develops, manufactures and markets a broad range of power semiconductors, ICs and systems solutions. The focus of its activities is on automotive electronics, industrial electronics, home appliances, and high-reliability components.</p>
<b>B.16</b>	<b>Controlling Persons</b>	<p>Not applicable. Infineon is to its knowledge not controlled.</p> <p>The following shareholders have notified Infineon in accordance with Sections 21 et seq. of the German Securities Trading Act (<i>Wertpapierhandelsgesetz; WpHG</i>) that at least 3% of the voting rights in Infineon are either held directly by them or are attributed to them:</p>

		<u>Name</u>	<u>Percentage of voting rights<sup>15</sup></u>	<u>Date of latest notice</u>
		Dodge & Cox Investment Managers	9.47%	August 5, 2009
		thereof: Dodge & Cox International Stock Fund	9.39%	August 5, 2009
		The Capital Group Companies, Inc.	7.74%	September 1, 2012
		thereof: Capital Research and Management Company	4.88%	July 28, 2011
		thereof: EuroPacific Growth Fund	4.86%	September 13, 2012
		BlackRock, Inc.	5.17%	January 7, 2015
		thereof: BlackRock Holdco 2, Inc.	5.04%	January 7, 2015
		thereof: BlackRock Financial Management, Inc.	4.84%	November 25, 2014
		Allianz Global Investors Europe GmbH	5.03%	July 24, 2014
		State of Kuwait	3.25%	December 23, 2014
		thereof: Kuwait Investment Authority	3.25%	December 23, 2014
		Sun Life Financial Inc.	3.001%	February 11, 2015
		thereof: Sun Life Global Investments Inc.	3.001%	February 11, 2015
		thereof: Sun Life Assurance Company of Canada - U.S. Operations Holdings, Inc.	3.001%	February 11, 2015
		thereof: Sun Life Financial (U.S.) Holdings, Inc.	3.001%	February 11, 2015
		thereof: Sun Life Financial (U.S.) Investments, LLC	3.001%	February 11, 2015
		thereof: Sun Life of Canada (U.S.) Financial Services Holdings, Inc.	3.001%	February 11, 2015
		thereof: Massachusetts Financial Services Company (MFS)	3.001%	February 11, 2015
<b>B.17</b>	<b>Credit ratings of the Issuer or its debt securities</b>	Not applicable. Neither the Issuer nor the Notes are rated.		

### Section C – Securities

Element	Description of Element	Disclosure requirement
<b>C.1</b>	<b>Type and class of securities being offered including any security</b>	The Issuer will issue on or about March 10, 2015 EUR [●] [●] percent fixed rate notes (the " <b>Tranche 1 Notes</b> ") and EUR [●] [●] percent fixed rate notes (the " <b>Tranche 2 Notes</b> ", each tranche also referred to as a " <b>Tranche</b> " and the Tranche 1 Notes together with the Tranche 2 Notes, the " <b>Notes</b> "). The Notes are unsecured and unsubordinated notes bearing fixed interest.

<sup>15</sup> Based on Infineon's share capital as of December 31, 2014.

	<b>identification number</b>	<p>The security identification numbers of the Tranche 1 Notes are:          ISIN: XS1191115366;          Common Code: 119111536; and          WKN: A13SAN.</p> <p>The security identification numbers of the Tranche 2 Notes are:          ISIN: XS1191116174;          Common Code: 119111617; and          WKN: A13SAP.</p>
<b>C.2</b>	<b>Currency of the securities issue</b>	Euro
<b>C.5</b>	<b>Restrictions on free transferability of the Notes.</b>	Not applicable. The Notes are freely transferable. However, the offer and the sale of the Notes and the distribution of offering materials are subject to specific restrictions that vary depending on the jurisdiction where the Notes are offered or sold or the offering materials are distributed.
<b>C.8</b>	<b>Rights attached to the Notes, ranking of the Notes, limitations of the rights attached to the Notes</b>	<p><i>Negative Pledge:</i>          The terms and conditions of the Notes (the "<b>Terms and Conditions</b>") contain a negative pledge provision.</p> <p><i>Taxation:</i>          All payments of principal and interest in respect of the Notes shall be made free and clear of, and without withholding or deduction for, any taxes or duties of whatever nature imposed or levied by way of withholding or deduction by the Issuer on behalf of Germany, or on behalf of any political subdivision or authority therein having power to tax, unless such deduction or withholding is required by law. In such event, the Issuer will, subject to certain exceptions, pay such additional amounts as shall result in receipt by the holders of the Notes of such amounts as would have been received by them had no such withholding or deduction been required.</p> <p><i>Events of Default:</i>          The Terms and Conditions provide for events of default entitling holders to demand immediate redemption of the Notes. In case of certain events of default, each Tranche of Notes will only be redeemable if holders of at least 10 percent of the aggregate principal amount of the respective Tranche of Notes then outstanding declare such Tranche of Notes due and payable. Such declaration of acceleration might be rescinded by majority resolution of the holders of such Tranche of Notes.</p> <p><i>Cross Default:</i>          The Terms and Conditions include a cross default provision.</p> <p><i>Change of Control:</i>          The Terms and Conditions include a change of control provision. Each holder is entitled to request the Issuer to redeem the Notes of each such requesting holder at their principal amount together with accrued interest upon the occurrence of a change of control.</p> <p><i>Status of the Notes, pari passu:</i>          The Notes will constitute unsecured and unsubordinated obligations of the</p>

		<p>Issuer ranking pari passu among themselves and pari passu with all other unsecured and unsubordinated obligations of the Issuer, save for certain mandatory exceptions by law.</p> <p><i>Early Redemption for Taxation Reasons:</i> Early redemption of the Notes for reasons of taxation will be permitted, if as a result of any change in, or amendment to, the laws or regulations (including any amendment to, or change in, an official interpretation or application of such laws or regulations) of Germany or any political subdivision or taxing authority thereto or therein affecting taxation or the obligation to pay duties of any kind, the Issuer will become obligated to pay additional amounts on the Notes.</p> <p><i>Early Redemption for reason of minimal outstanding principal amount:</i> The Issuer may redeem each Tranche of Notes early at their principal amount together with accrued interest in case 80% or more in principal amount of the Tranche of Notes originally outstanding have been redeemed or repurchased.</p> <p><i>Resolutions of holders:</i> The Notes contain provisions pursuant to which the holders may by resolution consent to amendments of the Terms and Conditions in accordance with the German Act on Debt Securities of 2009 (<i>Schuldverschreibungsgesetz</i> – "<b>SchVG</b>"), and pursuant to which the holders decide upon certain other matters regarding the Notes.</p>
C.9	<b>Interest and Redemption Payments, Yield, Name of holders' representative</b>	<p>Please see C.8.</p> <p><i>Interest and Interest Payment Dates:</i> Unless previously redeemed in whole or in part or repurchased and cancelled, the Tranche 1 Notes will bear interest from and including March 10, 2015 to, but excluding, September 10, 2018 at a rate per annum indicated in the Pricing Notice, payable annually in arrear on September 10 in each year, commencing on September 10, 2015 (short first coupon).</p> <p>Unless previously redeemed in whole or in part or repurchased and cancelled, the Tranche 2 Notes will bear interest from and including March 10, 2015 to, but excluding, March 10, 2022 at a rate per annum indicated in the Pricing Notice, payable annually in arrear on March 10 in each year, commencing on March 10, 2016.</p> <p><i>Underlying on which Interest Rate is based:</i> Not applicable. The interest rate is not based on any underlying.</p> <p><i>Maturity Date, Amortization, Repayment Procedures:</i> Unless previously redeemed in whole or in part or repurchased and cancelled, the Tranche 1 Notes shall be redeemed at their principal amount together with accrued interest on September 10, 2018.</p> <p>Unless previously redeemed in whole or in part or repurchased and cancelled, the Tranche 2 Notes shall be redeemed at their principal amount together with accrued interest on March 10, 2022.</p> <p>Payment of principal shall be made for on-payment to the clearing system or to its order for credit to the accounts of the respective account holders in the clearing system.</p>

		<p><i>Indication of yield:</i> The yield of each Tranche of Notes will be set out in the Pricing Notice and is calculated on the basis of the issue price of the relevant Tranche of Notes and the assumption that the Notes will not be redeemed prior to their stated maturity.</p> <p><i>Name of holders' representative:</i> Not applicable. A representative of the holders is not initially appointed. The Terms and Conditions provide that the respective holders may agree by majority resolution to amendments of the Terms and Conditions and appoint a holders' representative (<i>gemeinsamer Vertreter</i>) to exercise the holders' rights on behalf of each holder.</p>
<b>C.10</b>	<b>Derivative component in interest payment</b>	<p>Please see C.9.</p> <p>Not applicable. The Notes have no derivative component when paying interest, which could influence the value of the Notes by having an impact on the value of the underlying instrument or several underlying instruments.</p>
<b>C.11</b>	<b>Admission to trading of securities on a regulated market</b>	<p>Application has been made for the Notes to be admitted to trading on the regulated market of the Luxembourg Stock Exchange.</p>

#### Section D – Risks

<b>Element</b>	<b>Description of Element</b>	<b>Disclosure requirement</b>
<b>D.2</b>	<b>Key information on the key risks specific to the Issuer or its industry</b>	<p>The following are risk factors regarding the Issuer and the Infineon Group that may affect the Issuer's ability to fulfill its obligations under the Notes:</p> <ul style="list-style-type: none"> <li>• Adverse developments in the global economic environment could have an adverse impact on Infineon Group's business, financial condition and operating results.</li> <li>• Political or social changes in countries in which Infineon Group manufactures and/or sells products could have an adverse impact on Infineon Group's business, financial condition and operating results.</li> <li>• Infineon Group operates in a highly cyclical industry and its business could be adversely impacted by periodic downturns in target markets.</li> <li>• The industry in which Infineon Group operates is characterized by intense competition and commoditization of products, which could reduce Infineon Group's sales or put continued pressure on Infineon Group's sales prices.</li> <li>• The competitive environment of the semiconductor industry has led to industry consolidation, and Infineon Group may face even more intense competition from newly merged competitors.</li> <li>• Products that do not meet customer specifications or that contain, or are perceived to contain, defects or errors or that are otherwise incompatible with their intended end use could impose significant costs on Infineon. In addition, quality risks could also damage Infineon Group's reputation and, consequently, demand for its products.</li> </ul>

		<ul style="list-style-type: none"> <li>• Infineon Group's business could suffer if Infineon Group is not able to secure the development of new technologies or if Infineon Group cannot keep pace with the technology development of its competitors.</li> <li>• Infineon Group may not be able to match its production capacity to demand.</li> <li>• Infineon Group is dependent on individual production sites.</li> <li>• Infineon Group's business could suffer due to decreases in customer demand.</li> <li>• Infineon may be unable to successfully integrate businesses it acquires, in particular the recently acquired business of International Rectifier, or to effectively manage its own growth or to develop or raise the resources necessary in order to control or support its growth. Infineon may be required to record charges related to the goodwill or other long-lived assets associated with the acquired businesses.</li> <li>• The loss or insolvency of one or more of Infineon Group's key customers may adversely affect Infineon Group's business.</li> <li>• Infineon Group's operations rely on complex information technology systems and networks, and any disruptions of security breaches in such systems or networks could have a material adverse impact on Infineon Group's business and results of operations.</li> <li>• Infineon Group relies on a limited number of suppliers of services, manufacturing equipment and materials and could suffer shortages if these suppliers were to interrupt supply or increase their prices.</li> <li>• Infineon Group's business could suffer from problems with manufacturing or suppliers. If Infineon Group's outside foundry suppliers fail to meet Infineon Group's expectations, Infineon Group's results of operations could be adversely affected.</li> <li>• Infineon Group relies on strategic partners and other third parties, and Infineon Group's business could be harmed if they fail to perform as expected or relationships with them were to be terminated.</li> <li>• Infineon Group may be adversely affected by rising raw material prices.</li> <li>• Infineon Group is dependent on energy supply and may face risks from rising energy prices.</li> <li>• Infineon Group's success depends on its ability to recruit and retain sufficient qualified key personnel.</li> <li>• Infineon Group could be adversely affected by property damage or loss and business interruption.</li> <li>• Infineon is dependent to a significant extent upon the payments by its subsidiaries.</li> <li>• Infineon Group is exposed to the risk of default by banking partners.</li> <li>• Infineon Group's results of operations and financial condition can be adversely impacted by changes in exchange rates.</li> <li>• Infineon Group's results of operations and financial condition can be adversely impacted by changes in interest rates.</li> <li>• The financial resources available to Infineon Group may be insufficient to meet Infineon Group's capital needs.</li> <li>• Infineon Group's business and financial condition could be adversely affected by proceedings and liabilities as a result of the insolvency of Qimonda.</li> <li>• Infineon Group's business and financial condition could be adversely affected by current or future litigation, investigations and antitrust proceedings.</li> </ul>
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D.3	<p><b>Key information on the key risks specific to the securities</b></p>	<p>An investment in any Tranche of the Notes involves certain risks associated with the respective characteristics of the Notes which could lead to substantial losses that holders would have to bear in the case of selling their Notes or with regard to receiving interest payments and repayment of principal. Those risks include that:</p> <ul style="list-style-type: none"> <li>• The Notes may not be a suitable investment for all investors.</li> <li>• The Notes do not have an established trading market and an active trading market for the Notes may not develop.</li> <li>• The Notes will be structurally subordinated to indebtedness of the subsidiaries of the Issuer.</li> <li>• The Notes will be effectively subordinated to Issuer's debt to the extent such debt is secured by assets or guarantees by subsidiaries of the Issuer that are not also securing the Notes.</li> <li>• The Notes are subject to a risk of early redemption, since the Issuer has the right to call each Tranche of Notes prior to maturity for reason of minimal outstanding amount or if the Issuer is required to pay additional amounts on the Notes for reasons of taxation.</li> <li>• Although the occurrence of specific change of control events will permit the holders to require redemption or repurchase of the Notes, the Issuer may not be able to redeem or repurchase such Notes.</li> <li>• The Terms and Conditions of each Tranche of Notes including the terms of payment of principal and interest, can be amended by a holders' resolution and any such resolution will be binding for all holders of the respective Tranche of Notes. Any such resolution may effectively be passed with the consent of less than a majority of the aggregate principal amount of any Tranche of Notes outstanding.</li> <li>• In case of certain events of default, each Tranche of Notes will only be redeemable if holders of at least 10 percent of the aggregate principal</li> </ul>

		<p>amount of the respective Tranche of Notes then outstanding declare such Tranche of Notes due and payable. Such declaration of acceleration might be rescinded by majority resolution of the holders of such Tranche of Notes.</p> <ul style="list-style-type: none"> <li>• Since no holders' representative will be appointed as from the issue date of the Notes, it will be more difficult for holders to take collective action with respect to the Notes.</li> <li>• It is possible that a holder may be deprived in its individual right to pursue and enforce its rights under the Terms and Conditions if such right was passed on a holders' representative.</li> <li>• The market value of the Notes could decrease if the creditworthiness of the Issuer worsens or is perceived to worsen.</li> <li>• The Notes bear specific risks typical for fixed rate notes.</li> <li>• The trading market for debt securities may be volatile and may be adversely impacted by many events.</li> <li>• No assurance can be given as to the impact of any possible judicial decision or change of laws or administrative practices after the date of this Prospectus.</li> <li>• The Notes are subject to exchange rate risks and exchange controls.</li> <li>• Investors are subject to tax risks.</li> <li>• The Notes are subject to inflation risks.</li> <li>• The Notes are subject to transaction costs and charges.</li> <li>• Because the Global Notes are held by or on behalf of Euroclear and Clearstream, Luxembourg, investors will have to rely on their procedures for transfer, payment and communication with the Issuer.</li> <li>• Risks in relation to FATCA.</li> </ul> <p>The realization of any of the risks described above may affect the Issuer's ability to fulfill its payment obligations under the Notes and/or lead to a decline in the market price of the Notes.</p>
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### Section E – Offer

Element	Description of Element	Disclosure requirement
E.2b	<b>Reasons for the offer and use of proceeds</b>	The Issuer intends to use the proceeds to repay loans entered into for financing the acquisition of International Rectifier and for general corporate purposes.
E.3	<b>Terms and conditions of the offer</b>	<p><i>Offering of the Notes:</i></p> <p>The Notes will be offered to institutional investors and retail investors in compliance with applicable public offer restrictions by the Joint Lead Managers during an offer period which will commence on February 23, 2015 and will be open until and including March 24, 2015 subject to a shortening or extension agreed by the Issuer and the Joint Lead Managers. Should the Issuer and the Joint Lead Managers determine any shortening or extension of the offer period (e.g. due to changing market conditions), such changes will be published on the website of the Luxembourg Stock Exchange (<a href="http://www.bourse.lu">www.bourse.lu</a>).</p> <p>The Notes may be offered to the public in each of Austria, Germany,</p>

		<p>Luxembourg and The Netherlands following the effectiveness of the notification of the Prospectus by the CSSF according to Article 18 of the Prospectus Directive.</p> <p><i>Pricing Notice:</i> The final issue price, the aggregate principal amount of each Tranche of Notes to be issued, the interest rate, the issue proceeds and the yield for each Tranche will be included in a pricing notice (the "<b>Pricing Notice</b>") which will be filed with the CSSF and published on the website of the Luxembourg Stock Exchange (www.bourse.lu) on or prior to the Issue Date of the Notes.</p> <p><i>Conditions of the offer:</i> There are no conditions to which the offer is subject.</p> <p><i>Technical details of the offer:</i> During the offer period investors may submit offers to purchase Notes to the Joint Lead Managers by using the information system Bloomberg or any other commonly used information system. In the case of an order prior to the determination of the pricing details, the investors shall specify at which price they would be prepared to purchase which amount of Notes. Following determination and notification of the pricing details the Joint Lead Managers will offer the Notes upon request in Austria, Germany, Luxembourg and The Netherlands.</p> <p><i>Method of determination of the issue price and the interest rate:</i> The rate of interest and the issue price for each Tranche of Notes will be determined at the time of pricing on the basis of a yield which is determined by adding a credit spread to the level of the midswaps at the time of pricing. The credit spread will be determined on the basis of the orders of the investors which are received by the Joint Lead Managers during the offer period.</p> <p><i>Confirmation of offers placed by, and allotments to, investors:</i> Each investor who has submitted an order in relation to a Tranche of Notes and whose order is accepted by the Joint Lead Managers will receive a confirmation by electronic mail, fax or through commonly used information systems setting out its respective allotment of Notes of such Tranche. Before an investor receives a confirmation from the Joint Lead Managers that its offer to purchase Notes of a Tranche has been accepted, the investor may reduce or withdraw its purchase order.</p> <p><i>Delivery of the Notes to investors:</i> Following the determination of the pricing details and confirmation which orders have been accepted and which amounts have been allotted to particular investors, delivery and payment of the Notes of a Tranche will be made within eight business days after the date of pricing of the Notes and the confirmation of the allotment to investors. The Notes of a Tranche so purchased will be delivered via book-entry through the clearing systems and their depository banks against payment of the issue price.</p>
E.4	<b>A description of any interest that is material</b>	The Joint Lead Managers or their affiliates have provided from time to time, and expect to provide in the future, banking services to the Issuer and its affiliates, for which the Joint Lead Managers or their affiliates have received

	<b>to the issue/ offer including conflicting interests</b>	<p>or will receive customary fees and commissions.</p> <p>There are no interests of natural and legal persons other than the Issuer and the Joint Lead Managers involved in the issue, including conflicting ones that are material to the issue.</p>
<b>E.7</b>	<b>Estimated expenses charged to the investor by the issuer or the offeror</b>	<p>Not applicable. The investors will not directly be charged any costs, expenses or taxes. Investors must, however, inform themselves about any costs, expenses or taxes in connection with the Notes which are generally applicable in their respective country of residence, including any charges their own depository banks charge them for purchasing or holding securities.</p>

**GERMAN TRANSLATION OF THE SUMMARY  
(ZUSAMMENFASSUNG)**

*Zusammenfassungen bestehen aus Informationsblöcken, die als "Angaben" bezeichnet werden. Diese Angaben sind in Abschnitten A-E (A.1 – E.7) nummeriert.*

*Diese Zusammenfassung enthält alle Angaben, die für eine Zusammenfassung für diese Art von Wertpapier und diese Emittentin erforderlich sind. Da einige Angaben nicht aufgenommen werden müssen, kann die Nummerierung Lücken enthalten.*

*Auch wenn eine Angabe für diese Art von Wertpapier und diese Emittentin in diese Zusammenfassung aufgenommen werden muss, kann es sein, dass keine relevanten Informationen zur Verfügung stehen. In diesem Fall wird eine kurze Beschreibung der geforderten Angabe mit dem Hinweis "entfällt" in die Zusammenfassung aufgenommen.*

**Abschnitt A – Einleitung und Warnhinweise**

<b>Punkt</b>	<b>Beschreibung</b>	<b>Geforderte Angaben</b>
<b>A.1</b>	<b>Warnhinweise</b>	<p>Die Zusammenfassung sollte als Einleitung zu diesem Prospekt verstanden werden.</p> <p>Ein Anleger sollte sich bei jeder Entscheidung, in die Schuldverschreibungen zu investieren, auf den Prospekt als Ganzes stützen.</p> <p>Ein Anleger, der wegen der in dem Prospekt enthaltenen Angaben Klage einreichen will, muss möglicherweise nach den nationalen Rechtsvorschriften seines Mitgliedstaats zum Vertrag über den Europäischen Wirtschaftsraum für die Übersetzung des Prospekts aufkommen, bevor das Verfahren eingeleitet werden kann.</p> <p>Anleger sollten beachten, dass zivilrechtlich nur diejenigen Personen haften, die die Zusammenfassung samt etwaiger Übersetzungen vorgelegt und übermittelt haben, und dies auch nur für den Fall, dass die Zusammenfassung irreführend, unrichtig oder widersprüchlich ist, wenn sie zusammen mit den anderen Teilen des Prospekts gelesen wird, oder sie, wenn sie zusammen mit den anderen Teilen des Prospekts gelesen wird, nicht alle erforderlichen Schlüsselinformationen vermittelt, die in Bezug auf Anlagen in die Schuldverschreibungen für die Anleger eine Entscheidungshilfe darstellen.</p>
<b>A.2</b>	<b>Zustimmung zur Verwendung des Prospekts</b>	<p>Merrill Lynch International, Citigroup Global Markets Limited, Bayerische Landesbank, BNP Paribas, Commerzbank Aktiengesellschaft, Credit Suisse Securities (Europe) Limited, DZ BANK AG Deutsche Zentral-Genossenschaftsbank, Frankfurt am Main, Erste Group Bank AG, Goldman Sachs International, Landesbank Hessen-Thüringen Girozentrale, Raiffeisen Bank International AG, The Royal Bank of Scotland plc und UniCredit Bank AG (jeweils ein "<b>Gemeinsamer Konsortialführer</b>" und zusammen die "<b>Gemeinsamen Konsortialführer</b>") und jeder weitere Finanzintermediär, der die emittierten Schuldverschreibungen nachfolgend weiter verkauft oder endgültig platziert, ist berechtigt, den Prospekt für den späteren Weiterverkauf oder die endgültige Platzierung der Schuldverschreibungen während des Zeitraums vom 23. Februar 2015 (einschließlich) bis 24. März 2015 (einschließlich) in Österreich, Deutschland, Luxemburg und</p>

		<p>den Niederlanden zu verwenden, vorausgesetzt jedoch, dass der Prospekt in Übereinstimmung mit Artikel 11 des Luxemburger Wertpapierprospektgesetzes (<i>Loi du 10 juillet 2005 relative aux prospectus pour valeurs mobilières</i>), in seiner jeweils gültigen Fassung, welches die Richtlinie 2003/71/EG des Europäischen Parlaments und des Rates vom 4. November 2003 (unter anderem geändert durch Richtlinie 2010/73/EU des Europäischen Parlaments und des Rates vom 24. November 2010) (das "<b>Luxemburger Prospektrecht</b>") umsetzt, noch gültig ist.</p> <p>Der Prospekt darf potentiellen Investoren nur zusammen mit sämtlichen bis zur Übergabe veröffentlichten Nachträgen nach Artikel 13 des Luxemburger Prospektrechts übergeben werden. Jeder Nachtrag zum Prospekt nach Artikel 13 des Luxemburger Prospektrechts kann in elektronischer Form auf der Internetseite der Wertpapierbörse Luxemburg (<a href="http://www.bourse.lu">www.bourse.lu</a>) eingesehen werden.</p> <p>Bei der Nutzung des Prospektes hat jeder Finanzintermediär sicherzustellen, dass er alle anwendbaren, in den jeweiligen Jurisdiktionen geltenden Gesetze und Rechtsvorschriften beachtet.</p> <p><b>Für den Fall, dass ein Finanzintermediär ein Angebot macht, informiert dieser Finanzintermediär die Anleger zum Zeitpunkt der Angebotsvorlage über die Angebotsbedingungen der Schuldverschreibungen.</b></p>
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#### Abschnitt B – Emittentin

Punkt	Beschreibung	Geforderte Angaben
B.1	<b>Gesetzliche und kommerzielle Bezeichnung</b>	Infineon Technologies Aktiengesellschaft ist die gesetzliche und Infineon die kommerzielle Bezeichnung der Emittentin.
B.2	<b>Sitz, Rechtsform, geltendes Recht und Land der Gründung</b>	Infineon Technologies Aktiengesellschaft (" <b>Infineon</b> ") ist eine nach dem Recht der Bundesrepublik Deutschland gegründete und operierende Aktiengesellschaft mit Sitz in der Bundesrepublik Deutschland.
B.4b	<b>Bereits bekannte Trends, die sich auf die Emittentin und die Branchen, in denen sie tätig ist, auswirken</b>	<p>Mit ihrem Angebot an Halbleitern und Systemlösungen adressiert Infineon drei zentrale Herausforderungen der modernen Gesellschaft: Energieeffizienz, Mobilität und Sicherheit. Diese führen nach Ansicht von Infineon zu einer kontinuierlich steigenden Nachfrage nach den Produkten der Infineon-Gruppe.</p> <p>In Bezug auf die Marktsegmente, in denen die Gruppe tätig ist, hat Infineon ferner folgende Trends festgestellt:</p> <ul style="list-style-type: none"> <li>Im Segment Automotive hat die Infineon-Gruppe drei wesentliche Trends festgestellt, die, wie erwartet wird, die Entwicklung der Automobiltechnik bestimmen: emissionsarme Fahrzeuge einschließlich Hybrid- und reine Elektrofahrzeuge, sichere Fahrzeuge mit dem Schwerpunkt auf Fahrerassistenzsystemen (ADAS,</li> </ul>

		<p><i>Advanced Driver Assistance Systems</i>) sowie Informationssicherheit in zunehmend vernetzten Fahrzeugen.</p> <ul style="list-style-type: none"> <li>• Im Segment Industrial Power Control finden sich IGBT (<i>Insulated-Gate Bipolar Transistor</i>)-Leistungskomponenten in einer zunehmenden Zahl von Anwendungen: a) die Elektrifizierung von Hochleistungsfahrzeugen wie Landwirtschafts-, Baustellen- und Minenfahrzeugen nimmt ständig zu, b) der Schienenverkehr findet fast nur noch auf elektrifizierten Strecken statt, c) die Stromerzeugung durch erneuerbare Energien gewinnt an Bedeutung und d) die Durchdringungsrate von elektronisch gesteuerten Motoren, sogenannten „drehzahlgeregelten Antrieben“, nimmt stetig zu. Die Infineon-Gruppe strebt an, neue Produkte für dieses breite Anwendungsspektrum zu entwickeln, z.B. Einführung von IGBT-Modulen und integrierten Schaltkreisen (ICs, <i>Integrated Circuits</i>) für Antriebe in Elektromotoren, einschließlich drehzahlgeregelten Antrieben.</li> <li>• Im Segment Power Management &amp; Multimarket sieht Infineon bei Stromversorgungen zwei Trends: erstens müssen diese aufgrund regulatorischer Vorgaben immer effizienter werden, und zweitens gewinnen Größe und Gewicht der Netzteile, insbesondere bei Ladegeräten für Smartphones und Tablets, und die Verkürzung der Ladezeit immer mehr an Bedeutung. Daher wird die Leistungsdichte, d. h. die in einer bestimmten Baugröße gewandelte elektrische Leistung, zu einer entscheidenden Größe. Darüber hinaus nimmt die Durchdringung von Smartphones mit einer wachsenden Anzahl von Chips, die von der Infineon Gruppe angeboten werden, zu. Und letztlich lassen die sich ständig weiterentwickelnden Übertragungsstandards (zum Beispiel die weltweite Einführung des LTE-Netzwerks) eine höhere Nachfrage nach Produkten der Infineon Gruppe erwarten.</li> <li>• Im Segment Chip Card &amp; Security beabsichtigt die Infineon-Gruppe, sich verstärkt auf Anwendungen auszurichten, bei denen der Sicherheitsaspekt an Bedeutung gewinnt. Hierzu zählen mobiles Bezahlen mit NFC (Near Field Communication; drahtlose Kommunikation über kurze Distanzen)-Technologie, der Schutz elektronischer Geräte in vernetzten Systemen und mehrere Anwendungsbereiche der Authentifizierung.</li> </ul>
<b>B.5</b>	<b>Beschreibung der Gruppe und der Stellung der Emittentin innerhalb dieser Gruppe</b>	<p>Infineon ist die Muttergesellschaft der Infineon-Gruppe mit 97 Tochtergesellschaften und verbundenen Unternehmen (einschließlich Minderheitsbeteiligungen aber ausschließlich Qimonda AG i.L. und deren verbundenen Unternehmen) mit Sitz in Europa, Asien, sowie Nord-, Mittel- und Südamerika und Australien (Stand: 18. Februar 2015).</p> <p>Die Infineon-Gruppe entwirft, entwickelt, fertigt und vertreibt ein breites Spektrum an Halbleitern und Systemlösungen.</p>
<b>B.9</b>	<b>Gewinnprognosen oder -schätzungen</b>	Entfällt. Es wird keine Gewinnprognose oder -schätzung getätigt.

<b>B.10</b>	<b>Art etwaiger Beschränkungen im Bestätigungsvermerk zu den historischen Finanzinformationen</b>	Entfällt. Der Abschlussprüfer hat jeweils einen uneingeschränkten Bestätigungsvermerk zu den IFRS Konzernabschlüssen der Infineon Gruppe für die am 30. September 2013 und am 30. September 2014 endenden Geschäftsjahre erteilt.															
<b>B.12</b>	<b>Ausgewählte wesentliche historische Finanzinformationen</b>	Die folgende Tabelle enthält ausgewählte Finanzinformationen über die Infineon Gruppe. Die Informationen entstammen den geprüften IFRS Konzernabschlüssen der Infineon Gruppe für die zum 30. September 2013 und zum 30. September 2014 endenden Geschäftsjahre sowie dem ungeprüften Konzernzwischenabschluss für den am 31. Dezember 2014 endenden Drei-Monats-Zeitraum, sofern nicht anders angegeben.															
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	Zum 30. September und für das am 30. September endende Geschäftsjahr		Zum 31. Dezember und für den am 31. Dezember endenden Drei-Monats-Zeitraum														
	2014	2013	2014	2013													
	(geprüft)	(geprüft)	(ungeprüft)	(ungeprüft)													
		in Mio. € (sofern nicht anders angegeben)															
		<b>4.320</b>	<b>3.843</b>	<b>1.128</b>	<b>984</b>												
		nach Regionen:															
		1.707	1.567	412	368												
		859	795	201	190												
		1.845	1.560	522	431												
		868	710	254	213												
		284	227	71	69												
		484	489	123	116												
		nach Segmenten:															
		1.965	1.714	518	452												
		783	651	190	179												
		1.061	987	280	238												
		494	463	132	108												
		22	26	4	6												
		(5)	2	4	1												
		<b>1.647</b>	<b>1.323</b>	<b>427</b>	<b>361</b>												
		<b>38,1 %</b>	<b>34,4 %</b>	<b>37,9%</b>	<b>36,7 %</b>												
		(550)	(525)	(139)	(133)												
		(496)	(440)	(136)	(114)												
		525	325	153	108												
		488	283	130	85												
		47	(11)	6	2												

Konzernjahresüberschuss	535	272	136	87
EBIT <sup>1</sup>	528	327	157	108
EBITDA <sup>2</sup>	1.042	793	298	228
Segmentergebnis <sup>3</sup>	620	377	169	116
Segmentergebnis-Marge <sup>4</sup>	14,4 %	9,8 %	15,0%	11,8 %
Sachanlagen	1.700	1.600	1.653	1.596
<b>Bilanzsumme</b>	<b>6.438</b>	<b>5.905</b>	<b>6.194</b>	<b>5.859</b>
<b>Summe Eigenkapital</b>	<b>4.158</b>	<b>3.776</b>	<b>4.392</b>	<b>3.867</b>
Mittelzufluss /-abfluss aus laufender Geschäftstätigkeit aus fortgeführten Aktivitäten	988	610	(39)	158
Mittelzufluss /-abfluss aus Investitionstätigkeit aus fortgeführten Aktivitäten	(272)	(328)	513	(176)
Mittelzufluss /-abfluss aus Finanzierungstätigkeit aus fortgeführten Aktivitäten	(179)	(165)	2	(36)
Free-Cash-Flow <sup>5</sup>	317	235	(171)	30
Planmäßige Abschreibungen	514	466	141	120
Investitionen	668	378	141	129
Brutto-Cash-Position <sup>6</sup>	2.418	2.286	2.107	2.279 <sup>7</sup>
Netto-Cash-Position <sup>8</sup>	2.232	1.983	1.917	2.048 <sup>7</sup>
Finanzverbindlichkeiten (lang- und kurzfristig)	186	303	190	231 <sup>7</sup>
Ergebnis je Aktie - unverwässert in €	0,48	0,25	0,12	0,08
Ergebnis je Aktie - verwässert in €	0,48	0,25	0,12	0,08
Dividendenertrag pro Aktie in €	0,18	0,12	-	-
Eigenkapitalquote	64,6 %	63,9 %	70,9 %	66,0 % <sup>7</sup>
Eigenkapitalrendite <sup>9</sup>	12,9 %	7,2 %	-	-
Gesamtkapitalrendite <sup>10</sup>	8,3 %	4,6 %	-	-
Vorratsintensität <sup>11</sup>	11,0 %	10,3 %	-	-
Verschuldungsgrad <sup>12</sup>	4,5 %	8,0 %	-	-

<sup>1</sup> EBIT ist definiert als Ergebnis aus fortgeführten Aktivitäten vor Zinsen und Steuern. EBIT ist nicht durch IFRS definiert. Potentielle Investoren sollten bedenken, dass diese Kennzahl nicht in einer konsistenten Weise verwandt wird oder standardisiert ist, ihre Berechnung variieren kann und dass die Kennzahl an sich keine Basis darstellt, verschiedene Gesellschaften zu vergleichen. Zudem ersetzt sie nicht die wesentlichen Finanzzahlen der Konzern-Gewinn- und Verlustrechnung und der Konzern-Kapitalflussrechnung, die in Übereinstimmung mit IFRS ermittelt wurden.

<sup>2</sup> EBITDA ist definiert als EBIT zuzüglich planmäßiger Abschreibungen. EBITDA ist nicht durch IFRS definiert. Potentielle Investoren sollten bedenken, dass diese Kennzahl nicht in einer konsistenten Weise verwandt wird oder standardisiert ist, ihre Berechnung variieren kann und dass die Kennzahl an sich keine Basis darstellt, verschiedene Gesellschaften zu vergleichen. Zudem ersetzt sie nicht die wesentlichen Finanzzahlen der Konzern-Gewinn- und Verlustrechnung und der Konzern-Kapitalflussrechnung, die in Übereinstimmung mit IFRS ermittelt wurden.

<sup>3</sup> Das Segmentergebnis ist definiert als Betriebsergebnis ohne Berücksichtigung von: Wertminderungen von Vermögenswerten (abzüglich Wertaufholungen); Ergebniseffekten aus Umstrukturierungen und Schließungen; Aufwendungen für aktienbasierte Vergütungen; akquisitionsbedingten Abschreibungen und sonstigen Aufwendungen; Gewinnen (Verlusten) aus dem Verkauf von Vermögenswerten, Geschäftsbereichen oder Beteiligungen an Tochtergesellschaften sowie sonstigen Erträgen (Aufwendungen), einschließlich Kosten für Gerichtsverfahren. Das Segmentergebnis ist die Kennzahl, mit der Infineon die operative Ertragskraft ihrer Segmente bewertet.

<sup>4</sup> Die Segmentergebnis-Marge stellt das Segmentergebnis im Verhältnis zum Umsatz dar.

<sup>5</sup> Free-Cash-Flow: Mittelzufluss/-abfluss aus laufender Geschäftstätigkeit aus fortgeführten Aktivitäten und Mittelzufluss /-abfluss aus Investitionstätigkeit aus fortgeführten Aktivitäten, bereinigt um Zahlungsströme aus dem Kauf und Verkauf von Finanzinvestments.

<sup>6</sup> Brutto-Cash-Position: Zahlungsmittel und Zahlungsmitteläquivalente zuzüglich Finanzinvestments.

<sup>7</sup> Dem ungeprüften Konzernzwischenabschluss der Infineon Gruppe für den am 31. Dezember 2013 endenden Drei-Monats-Zeitraum entnommen.

<sup>8</sup> Netto-Cash-Position: Brutto-Cash-Position abzüglich kurz- und langfristiger Finanzverbindlichkeiten.

<sup>9</sup> Eigenkapitalrendite = Konzernjahresüberschuss im Verhältnis zum Eigenkapital.

<sup>10</sup> Gesamtkapitalrendite = Konzernjahresüberschuss im Verhältnis zum Gesamtvermögen.

<sup>11</sup> Vorratsintensität = Vorräte (netto) im Verhältnis zum Gesamtvermögen.

	Gesamtverschuldungsgrad <sup>13</sup>	2,9 %	5,1 %	-	
	Rendite auf das eingesetzte Kapital (RoCE) <sup>14</sup>	20,3 %	14,1 %	-	-
	Infineon Gruppe-Mitarbeiter zum Periodenende	29.807	26.725	30.493	27.583 <sup>7</sup>
	<b>Wesentliche Verschlechterung der Aussichten der Emittentin</b>	Die Aussichten von Infineon haben sich seit dem 30. September 2014 nicht wesentlich verschlechtert.			
	<b>Signifikante Veränderungen in der Finanz- bzw. Handelsposition</b>	Mit Ausnahme der Akquisition von International Rectifier, gab es seit dem 31. Dezember 2014 keine wesentlichen Änderungen in der Finanzlage oder der Handelsposition der Infineon Gruppe.			
<b>B.13</b>	<b>Letzte Entwicklungen</b>	Am 13. Januar 2015 hat Infineon die Akquisition der International Rectifier Corporation und deren Tochtergesellschaften (" <b>International Rectifier</b> ") vollzogen.			
<b>B.14</b>	<b>Angabe zur Abhängigkeit von anderen Unternehmen innerhalb der Gruppe</b>	Entfällt. Infineon ist die Muttergesellschaft der Infineon Gruppe und nicht von anderen Gesellschaften innerhalb der Infineon Gruppe abhängig.			
<b>B.15</b>	<b>Haupttätigkeiten</b>	<p>Infineon ist die Muttergesellschaft der Infineon-Gruppe.</p> <p>Die Infineon-Gruppe entwirft, entwickelt, fertigt und vertreibt ein breites Spektrum an Halbleitern und Systemlösungen. Der Schwerpunkt der Aktivitäten liegt auf Automobilelektronik, Industrieelektronik und Elektronik für unterschiedliche Märkte und chipkartenbasierter Sicherheit. Die Produkte der Infineon Gruppe werden in einer Vielzahl von Anwendungen eingesetzt, wie in Automobilen, elektronischen Antrieben, Computersystemen, Telekommunikationssystemen und Konsumgütern. Das Produktspektrum umfasst Standardkomponenten, kundenspezifische Teil- oder Systemlösungen sowie spezifische Bauelemente für Digital-, Analog- und Mixed-Signal-Anwendungen. Zum 30. September 2014 erzielte die Infineon-Gruppe mehr als die Hälfte ihrer Umsätze mit Leistungshalbleitern und ca. ein Fünftel mit Embedded Control-Produkten (Mikrocontroller für Automobil- und Industrieanwendungen sowie Sicherheitscontroller). Die übrigen Umsätze entfielen auf Hochfrequenzkomponenten und andere Produktkategorien. Fertigungsstätten und Kunden der Infineon-Gruppe befinden sich hauptsächlich in Europa, Asien und Nordamerika.</p>			

<sup>12</sup> Verschuldungsgrad = Verhältnis von kurz- und langfristigen Finanzverbindlichkeiten zum Eigenkapital.

<sup>13</sup> Gesamtverschuldungsgrad = Verhältnis von kurz- und langfristigen Finanzverbindlichkeiten zur Bilanzsumme.

<sup>14</sup> Rendite auf das eingesetzte Kapital (RoCE): Betriebsergebnis aus fortgeführten Aktivitäten nach Steuern, dividiert durch das eingesetzte Kapital. Die Kennzahl RoCE zeigt den Zusammenhang zwischen Profitabilität und dem für den Geschäftsbetrieb notwendigen Kapital auf.

		<p>Die Infineon Gruppe organisiert ihre Aktivitäten in vier Hauptsegmenten: Automotive, Industrial Power Control, Power Management &amp; Multimarket und Chip Card &amp; Security. Das Segment Automotive entwirft, entwickelt, fertigt und vertreibt Halbleiterprodukte für Anwendungen in der Automobilindustrie. Das Segment Industrial Power Control entwirft, entwickelt, fertigt und vertreibt Halbleiterprodukte und Systemlösungen vorwiegend für Anwendungen im Bereich der Industrieelektronik. Das Segment Power Management &amp; Multimarket entwirft, entwickelt, fertigt und vertreibt Leistungshalbleiter für Stromversorgungen und Komponenten für mobile Endgeräte und Mobilfunk-Infrastruktur. Das Segment Chip Card &amp; Security entwirft, entwickelt, fertigt und vertreibt verschiedene kontaktbasierte und kontaktlose Sicherheitscontroller für Chipkarten- und Sicherheitsanwendungen.</p> <p>Am 13. Januar 2015 hat Infineon die Akquisition von International Rectifier Corporation vollzogen. International Rectifier entwirft, entwickelt, fertigt und vertreibt ein breites Spektrum an Leistungshalbleitern, integrierten Schaltkreisen und Systemlösungen. Der Schwerpunkt ihrer Aktivitäten liegt auf Automobilelektronik, Industrieelektronik, Haushaltsgeräten und hochzuverlässigen Komponenten.</p>																																				
<p><b>B.16</b></p>	<p><b>Beteiligung; Beherr- schungs- verhältnis</b></p>	<p>Entfällt. Infineon wird ihrer Kenntnis nach nicht von einer anderen Gesellschaft beherrscht.</p> <p>Die folgenden Anteilseigner haben Infineon in Übereinstimmung mit §§ 21 ff. Wertpapierhandelsgesetz (<i>WpHG</i>) mitgeteilt, dass mindestens 3% der Stimmrechte an Infineon entweder unmittelbar von ihnen gehalten werden oder ihnen zugerechnet werden:</p> <table border="1" data-bbox="544 1137 1453 1706"> <thead> <tr> <th style="text-align: center;">Name</th> <th style="text-align: center;">Anteil<sup>15</sup></th> <th style="text-align: center;">Referenzdatum der letzten Mitteilung</th> </tr> </thead> <tbody> <tr> <td>Dodge &amp; Cox Investment Managers</td> <td style="text-align: center;">9,47%</td> <td style="text-align: center;">5. August 2009</td> </tr> <tr> <td style="padding-left: 20px;">davon: Dodge &amp; Cox International Stock Fund</td> <td style="text-align: center;">9,39%</td> <td style="text-align: center;">5. August 2009</td> </tr> <tr> <td>The Capital Group Companies, Inc.</td> <td style="text-align: center;">7,74%</td> <td style="text-align: center;">1. September 2012</td> </tr> <tr> <td style="padding-left: 20px;">davon: Capital Research and Management Company</td> <td style="text-align: center;">4,88%</td> <td style="text-align: center;">28. Juli 2011</td> </tr> <tr> <td style="padding-left: 20px;">davon: EuroPacific Growth Fund</td> <td style="text-align: center;">4,86%</td> <td style="text-align: center;">13. September 2012</td> </tr> <tr> <td>BlackRock, Inc.</td> <td style="text-align: center;">5,17%</td> <td style="text-align: center;">7. Januar 2015</td> </tr> <tr> <td style="padding-left: 20px;">davon: BlackRock Holdco 2, Inc.</td> <td style="text-align: center;">5,04%</td> <td style="text-align: center;">7. Januar 2015</td> </tr> <tr> <td style="padding-left: 20px;">davon: BlackRock Financial Management, Inc.</td> <td style="text-align: center;">4,84%</td> <td style="text-align: center;">25. November 2014</td> </tr> <tr> <td>Allianz Global Investors Europe GmbH</td> <td style="text-align: center;">5,03%</td> <td style="text-align: center;">24. Juli 2014</td> </tr> <tr> <td>Kuwait</td> <td style="text-align: center;">3,25%</td> <td style="text-align: center;">23. Dezember 2014</td> </tr> <tr> <td style="padding-left: 20px;">davon: Kuwait Investment Authority</td> <td style="text-align: center;">3,25%</td> <td style="text-align: center;">23. Dezember 2014</td> </tr> </tbody> </table>	Name	Anteil <sup>15</sup>	Referenzdatum der letzten Mitteilung	Dodge & Cox Investment Managers	9,47%	5. August 2009	davon: Dodge & Cox International Stock Fund	9,39%	5. August 2009	The Capital Group Companies, Inc.	7,74%	1. September 2012	davon: Capital Research and Management Company	4,88%	28. Juli 2011	davon: EuroPacific Growth Fund	4,86%	13. September 2012	BlackRock, Inc.	5,17%	7. Januar 2015	davon: BlackRock Holdco 2, Inc.	5,04%	7. Januar 2015	davon: BlackRock Financial Management, Inc.	4,84%	25. November 2014	Allianz Global Investors Europe GmbH	5,03%	24. Juli 2014	Kuwait	3,25%	23. Dezember 2014	davon: Kuwait Investment Authority	3,25%	23. Dezember 2014
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<sup>15</sup> Basierend auf Infineon's Grundkapital am 31. Dezember 2014.

		Sun Life Financial Inc.	3,001%	11. Februar 2015
		davon: Sun Life Global Investments Inc.	3,001%	11. Februar 2015
		davon: Sun Life Assurance Company of Canada - U.S. Operations Holdings, Inc.	3,001%	11. Februar 2015
		davon: Sun Life Financial (U.S.) Holdings, Inc.	3,001%	11. Februar 2015
		davon: Sun Life Financial (U.S.) Investments, LLC	3,001%	11. Februar 2015
		davon: Sun Life of Canada (U.S.) Financial Services Holdings, Inc.	3,001%	11. Februar 2015
		davon: Massachusetts Financial Services Company (MFS)	3,001%	11. Februar 2015
<b>B.17.</b>	<b>Kreditratings der Emittentin oder ihrer Schuldtitel</b>	Entfällt. Weder für die Emittentin noch für ihre Schuldverschreibungen wurde ein Rating erstellt.		

### Abschnitt C – Wertpapiere

Punkt	Beschreibung	Geforderte Angaben
<b>C.1</b>	<b>Gattung und Art der Wertpapiere, einschließlich der Wertpapierkennnummer</b>	<p>Die Emittentin begibt an oder um den 10. März 2015 EUR [●] [●]% festverzinsliche Schuldverschreibungen (die "<b>Tranche 1 Schuldverschreibungen</b>") sowie EUR [●] [●]% festverzinsliche Schuldverschreibungen (die "<b>Tranche 2 Schuldverschreibungen</b>", jede Tranche von Schuldverschreibungen wird auch als eine "<b>Tranche</b>" bezeichnet und die Tranche 1 Schuldverschreibungen und die Tranche 2 Schuldverschreibungen zusammen als die "<b>Schuldverschreibungen</b>") Die Schuldverschreibungen unbesicherte und nicht nachrangige festverzinsliche Schuldverschreibungen.</p> <p>Die Wertpapierkennnummern der Tranche 1 Schuldverschreibungen sind:            ISIN: XS1191115366;            Common Code: 119111536; und            WKN: A13SAN.</p> <p>Die Wertpapierkennnummern der Tranche 2 Schuldverschreibungen sind:            ISIN: XS1191116174;            Common Code: 119111617; und            WKN: A13SAP.</p>
<b>C.2</b>	<b>Währung der Wertpapieremission</b>	Euro
<b>C.5</b>	<b>Beschränkungen für die freie Übertragbarkeit</b>	Entfällt. Die Schuldverschreibungen sind frei übertragbar. Jedoch unterliegen das Angebot und der Verkauf von Schuldverschreibungen sowie die Verteilung von Angebotsmaterialien regulatorischen Beschränkungen, die abhängig von der jeweiligen Rechtsordnung, in der die Schuldverschreibungen angeboten oder verkauft werden oder die Angebotsmaterialien verteilt werden, variieren.

C.8	<b>Rechte, die mit den Schuldverschreibungen verbunden sind, Rangordnung, Beschränkung der Rechte</b>	<p><i>Negativverpflichtung:</i> Die Anleihebedingungen der Schuldverschreibungen (die "<b>Anleihebedingungen</b>") enthalten eine Negativverpflichtung.</p> <p><i>Steuern:</i> Alle in Bezug auf die Schuldverschreibungen zahlbaren Kapital- oder Zinsbeträge werden ohne Einbehalt oder Abzug durch die Emittentin für oder wegen Steuern oder Abgaben gleich welcher Art gezahlt, die von der Bundesrepublik Deutschland, oder für deren Rechnung oder von oder für Rechnung einer politischen Untergliederung oder Steuerbehörde dieses Staates auferlegt oder erhoben werden, es sei denn, ein solcher Einbehalt oder Abzug ist gesetzlich vorgeschrieben. In einem solchen Fall wird die Emittentin, vorbehaltlich einiger Ausnahmen, zusätzliche Beträge in der Höhe leisten, die erforderlich sind, damit die den Gläubigern der Schuldverschreibungen zufließenden Beträge jeweils den Beträgen entsprechen, die die Gläubiger der Schuldverschreibungen ohne einen solchen Einbehalt oder Abzug erhalten hätten.</p> <p><i>Kündigungsgründe:</i> In den Anleihebedingungen sind Kündigungsgründe enthalten, die die Gläubiger der Schuldverschreibungen berechtigen, die unverzügliche Rückzahlung der Schuldverschreibungen zu verlangen. Bei Eintritt bestimmter Kündigungsgründe wird jede Tranche der Schuldverschreibungen erst zurückgezahlt, wenn die Gläubiger von mindestens 10% des jeweiligen Gesamtnennbetrages der zum jeweiligen Zeitpunkt ausstehenden Tranche der Schuldverschreibungen kündigen. Eine solche Kündigung könnte durch Mehrheitsbeschluss der Gläubiger der jeweiligen Tranche der Schuldverschreibungen aufgehoben werden.</p> <p><i>Cross Default:</i> Die Anleihebedingungen enthalten eine Cross-Default-Klausel.</p> <p><i>Kontrollwechsel:</i> Die Anleihebedingungen enthalten eine Kontrollwechsel-Klausel. Jeder Gläubiger der Schuldverschreibungen hat das Recht, die Rückzahlung seiner Schuldverschreibungen durch die Emittentin zum Nennbetrag zuzüglich aufgelaufener Zinsen zu verlangen, wenn ein Kontrollwechsel eingetreten ist.</p> <p><i>Status der Schuldverschreibungen, pari passu :</i> Die Schuldverschreibungen sind unbesicherte, nicht nachrangige Verbindlichkeiten der Emittentin, die untereinander und mit allen anderen unbesicherten und nicht nachrangigen Verbindlichkeiten der Emittentin gleichrangig sind, soweit bestimmte zwingende gesetzliche Bestimmungen nichts anderes vorschreiben.</p> <p><i>Vorzeitige Rückzahlung aus steuerlichen Gründen:</i> Die vorzeitige Rückzahlung der Schuldverschreibungen aus steuerlichen Gründen ist zulässig, falls als Folge einer Änderung oder Ergänzung der Steuer- oder Abgabengesetze oder Vorschriften (einschließlich jeder Änderung oder Ergänzung der Anwendung oder der offiziellen Auslegung dieser Gesetze oder Vorschriften) der Bundesrepublik Deutschland oder deren politischen Untergliederungen oder Steuerbehörden, die Emittentin zur Zahlung zusätzlicher Beträge auf die Schuldverschreibungen verpflichtet ist.</p>
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		<p><i>Vorzeitige Rückzahlung bei geringfügig ausstehendem Nennbetrag:</i> Die Emittentin kann jede Tranche der Schuldverschreibungen vorzeitig zurückzahlen zum Nennbetrag zuzüglich aufgelaufener Zinsen, wenn 80% oder mehr des ursprünglichen Nennbetrags der Tranche der Schuldverschreibungen zurückgezahlt oder zurückgekauft wurden.</p> <p><i>Gläubigerbeschlüsse:</i> Die Schuldverschreibungen enthalten Bestimmungen, nach denen die Gläubiger der Schuldverschreibungen einer Änderung der Anleihebedingungen in Übereinstimmung mit dem Schuldverschreibungsgesetz 2009 ("<b>SchVG</b>") zustimmen und gewisse sonstige Maßnahmen in Bezug auf die Schuldverschreibungen treffen können.</p>
<p><b>C.9</b></p>	<p><b>Zinssatz und Fälligkeits- termine, Rendite, Name des Gläubigerver- treters</b></p>	<p>Siehe C.8</p> <p><i>Zinssatz und Zinszahlungstage:</i> Soweit nicht zuvor bereits ganz oder teilweise zurückgezahlt oder zurückgekauft und entwertet, werden die Tranche 1 Schuldverschreibungen vom 10. März 2015 (einschließlich) bis zum 10. September 2018 (ausschließlich) mit einem in der Pricing Notice angegebenen jährlichen Zinssatz verzinst. Die Zinsen sind nachträglich am 10. September eines jeden Jahres, erstmals am 10. September 2015 (kurze erste Zinsperiode), zahlbar.</p> <p>Soweit nicht zuvor bereits ganz oder teilweise zurückgezahlt oder zurückgekauft und entwertet, werden die Tranche 2 Schuldverschreibungen vom 10. März 2015 (einschließlich) bis zum 10. März 2022 (ausschließlich) mit einem in der Pricing Notice angegebenen jährlichen Zinssatz verzinst. Die Zinsen sind nachträglich am 10. März eines jeden Jahres, erstmals am 10. März 2016, zahlbar.</p> <p><i>Basiswert, auf dem der Zinssatz basiert:</i> Entfällt. Der Zinssatz basiert auf keinem Basiswert.</p> <p><i>Fälligkeitstag, Tilgung einschließlich Rückzahlungsverfahren:</i> Soweit nicht zuvor bereits ganz oder teilweise zurückgezahlt oder zurückgekauft und entwertet, werden die Tranche 1 Schuldverschreibungen zu ihrem Nennbetrag zuzüglich aufgelaufener Zinsen am 10. September 2018 zurückgezahlt.</p> <p>Soweit nicht zuvor bereits ganz oder teilweise zurückgezahlt oder zurückgekauft und entwertet, werden die Tranche 2 Schuldverschreibungen zu ihrem Nennbetrag zuzüglich aufgelaufener Zinsen am 10. März 2022 zurückgezahlt.</p> <p>Die Zahlung des Nennbetrags erfolgt an das Clearingsystem oder dessen Order zur Gutschrift für die jeweiligen Kontoinhaber des Clearingsystems.</p> <p><i>Rendite:</i> Die Rendite der jeweiligen Tranche der Schuldverschreibungen wird in der Pricing Notice angegeben und wird auf Basis des Ausgabepreises der jeweiligen Tranche der Schuldverschreibungen sowie unter der Annahme, dass die Schuldverschreibungen nicht vor ihrer angegebenen Endfälligkeit zurückgezahlt werden, berechnet.</p>

		<p><i>Name des Gläubigervertreeters:</i> Entfällt. Ein Gläubigervertreter wird nicht bestellt. Die Anleihebedingungen sehen vor, dass die Gläubiger der Schuldverschreibungen durch Mehrheitsbeschluss Änderungen der Anleihebedingungen zustimmen und zur Wahrnehmung ihrer Rechte einen gemeinsamen Vertreter für alle Gläubiger der Schuldverschreibungen bestellen können.</p>
<b>C.10</b>	<b>Derivative Komponente bei der Zinszahlung</b>	<p>Siehe C.9</p> <p>Entfällt. Die Schuldverschreibungen haben keine derivative Komponente bei der Zinszahlung, die den Wert der Schuldverschreibungen durch den Wert eines Basisinstruments oder verschiedener Basisinstrumente beeinflussen könnte.</p>
<b>C.11</b>	<b>Einführung in einen regulierten Markt oder einen gleichwertigen Markt</b>	<p>Die Zulassung der Schuldverschreibungen zum Handel am regulierten Markt der Luxemburger Wertpapierbörse wurde beantragt.</p>

#### Abschnitt D – Risiken

<b>Punkt</b>	<b>Beschreibung</b>	<b>Geforderte Angaben</b>
<b>D.2</b>	<b>Zentrale Angaben zu den zentralen Risiken, die der Emittentin oder ihrer Branche eigen sind</b>	<p>Es folgen die Risikofaktoren bezüglich der Emittentin und der Infineon Gruppe, die sich auf die Fähigkeit der Emittentin auswirken können, ihren Verpflichtungen unter den Schuldverschreibungen nachzukommen.</p> <ul style="list-style-type: none"> <li>• Ungünstige Entwicklungen der globalen wirtschaftlichen Rahmenbedingungen könnten sich negativ auf das Geschäft und die Vermögens-, Finanz- und Ertragslage der Infineon Gruppe auswirken.</li> <li>• Politische oder soziale Veränderungen in Ländern, in denen die Infineon Gruppe Produkte herstellt und/oder vertreibt, könnten sich negativ auf das Geschäft und die Vermögens-, Finanz- und Ertragslage der Infineon Gruppe auswirken.</li> <li>• Die Infineon Gruppe ist in einer ausgesprochen zyklischen Branche tätig und ihr Geschäft könnte durch wiederkehrende Nachfragerückgänge in ihren Zielmärkten beeinträchtigt werden.</li> <li>• Die Branche, in der die Infineon Gruppe tätig ist, ist durch intensiven Wettbewerb und Austauschbarkeit der Produkte gekennzeichnet, und diese könnten zu Absatzrückgängen der Infineon Gruppe oder anhaltendem Druck auf die Verkaufspreise der Infineon Gruppe führen.</li> <li>• Das Wettbewerbsumfeld in der Halbleiterindustrie hat zu einer Branchenkonsolidierung geführt, und die Infineon Gruppe könnte sich durch Wettbewerber, die aus einer Verschmelzung hervorgehen, einem noch stärkeren Wettbewerb ausgesetzt sehen.</li> <li>• Produkte, die die Kundenvorgaben nicht einhalten oder die Defekte oder Fehler enthalten oder als fehlerhaft wahrgenommen werden oder auf sonstige Weise nicht für ihren beabsichtigten Endverwendungszweck geeignet sind, könnten zu erheblichen Kosten für Infineon führen. Ferner könnten Qualitätsrisiken die</li> </ul>

		<p>Reputation der Infineon Gruppe schädigen und damit der Nachfrage ihrer Produkte.</p> <ul style="list-style-type: none"> <li>• Das Geschäft der Infineon Gruppe könnte beeinträchtigt werden, wenn es der Infineon Gruppe nicht gelingt, neue Technologien zu entwickeln oder mit der technologischen Entwicklung ihrer Wettbewerbern Schritt zu halten.</li> <li>• Die Infineon Gruppe könnte nicht in der Lage sein, ihre Produktionskapazitäten an die Nachfrage anzupassen.</li> <li>• Die Infineon Gruppe ist von einzelnen Produktionsstandorten abhängig.</li> <li>• Das Geschäft der Infineon Gruppe könnte unter nachlassender Kundennachfrage leiden.</li> <li>• Infineon könnte nicht in der Lage sein, erworbene Unternehmen erfolgreich zu integrieren, insbesondere das kürzlich erworbene Geschäft von International Rectifier, oder ihr eigenes Wachstum effektiv zu steuern oder die Ressourcen zu entwickeln oder zu beschaffen, die zur Steuerung oder Unterstützung ihres Wachstums notwendig sind. Infineon muss im Zusammenhang mit den erworbenen Unternehmen möglicherweise Abschreibungen auf den Geschäfts- oder Firmenwert oder anderes Anlagevermögen vornehmen.</li> <li>• Der Verlust oder die Insolvenz eines oder mehrerer Schlüsselkunden der Infineon Gruppe könnte sich negativ auf das Geschäft der Infineon Gruppe auswirken.</li> <li>• Die Geschäftsaktivitäten der Infineon Gruppe sind von komplexen IT-Systemen und –Netzwerken abhängig und jede Störung oder Sicherheitsverletzung in diesen Systemen oder Netzwerken könnte das Geschäft und die Ertragslage der Infineon Gruppe erheblich beeinträchtigen.</li> <li>• Die Infineon Gruppe ist von einer begrenzten Anzahl Lieferanten von Dienstleistungen, Maschinen, Ausrüstung und Materialien abhängig und könnte unter Ausfällen leiden, wenn diese ihre Lieferungen bzw. Leistungen aussetzen oder ihre Preise erhöhen.</li> <li>• Das Geschäft der Infineon Gruppe könnte unter Problemen im Zusammenhang mit der Fertigung oder Lieferanten leiden. Falls externe Lieferanten in der Auftragsfertigung die Erwartungen der Infineon Gruppe nicht erfüllen, könnte sich dies negativ auf die Ertragslage der Infineon Gruppe auswirken.</li> <li>• Die Infineon Gruppe ist von strategischen Partnern und anderen Dritten abhängig, und das Geschäft der Infineon Gruppe könnte beeinträchtigt werden, wenn diese die Erwartungen der Infineon Gruppe nicht erfüllen oder die Beziehungen zu ihnen beendet werden.</li> <li>• Die Infineon Gruppe könnte durch steigende Rohstoffpreise beeinträchtigt werden.</li> <li>• Die Infineon Gruppe ist von der Energieversorgung abhängig und könnte Risiken ausgesetzt sein, die sich aus steigenden Energiepreisen ergeben.</li> <li>• Gelingt es der Infineon Gruppe nicht, eine ausreichende Anzahl qualifizierter Schlüsselmitarbeiter zu gewinnen und zu binden, könnte dadurch die Vermögens-, Finanz- und Ertragslage der Infineon Gruppe negativ beeinflusst werden.</li> </ul>
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		<ul style="list-style-type: none"> <li>• Die Infineon Gruppe könnte durch Vermögensschäden oder -verluste und Betriebsunterbrechungen beeinträchtigt werden.</li> <li>• Infineon ist in erheblichem Umfang von Zahlungen seiner Tochtergesellschaften abhängig.</li> <li>• Die Infineon Gruppe ist dem Risiko des Ausfalls von Bankpartnern ausgesetzt.</li> <li>• Die Vermögens-, Finanz- und Ertragslage der Infineon Gruppe kann durch die Wechselkursentwicklung beeinträchtigt werden.</li> <li>• Die Vermögens-, Finanz- und Ertragslage der Infineon Gruppe kann durch die Zinsentwicklung beeinträchtigt werden.</li> <li>• Die der Infineon Gruppe zur Verfügung stehenden finanziellen Mittel reichen möglicherweise nicht aus, um den Kapitalbedarf der Infineon Gruppe zu decken.</li> <li>• Das Geschäft und die Vermögens- und Finanzlage der Infineon Gruppe könnten durch Verfahren und Verbindlichkeiten aufgrund der Insolvenz von Qimonda beeinträchtigt werden.</li> <li>• Das Geschäft und die Vermögens- und Finanzlage der Infineon Gruppe könnten durch anhängige oder zukünftige Rechtsstreitigkeiten, Ermittlungen oder Kartellverfahren beeinträchtigt werden.</li> <li>• Die Infineon Gruppe könnte Produkthaftungs- oder Gewährleistungsansprüchen ausgesetzt sein.</li> <li>• Die Infineon Gruppe ist verschiedenen steuerlichen Risiken ausgesetzt, und verschiedene Faktoren könnten sich negativ auf die Steuerlast der Infineon Gruppe auswirken.</li> <li>• Umweltrechtliche Vorschriften könnten zu einer Haftung der Infineon Gruppe führen und die Kosten der Infineon Gruppe erhöhen.</li> <li>• Die Infineon Gruppe ist in verschiedenen Ländern tätig und unterliegt Änderungen von Gesetzen und Regelungen, die den Handel und Investitionen betreffen, und unterschiedlichen Praktiken von Aufsichts-, Steuer-, Justiz- und Verwaltungsbehörden in diesen Ländern.</li> <li>• Die Infineon Gruppe ist möglicherweise nicht in der Lage, ihr geistiges Eigentum zu schützen, und könnte beschuldigt werden, das geistige Eigentum Dritter zu verletzen.</li> <li>• Die Infineon Gruppe ist Compliance-Risiken ausgesetzt.</li> <li>• Sollte die Infineon Gruppe keine effektiven internen Kontrollen durchführen oder sollten sich ihre Risikomanagement-Strategien als nicht erfolgreich erweisen, könnte dies erhebliche negative Auswirkungen auf das Geschäft der Infineon Gruppe haben.</li> <li>• Geringere staatliche Fördermittel oder Aufforderungen zur Rückzahlung solcher Fördermittel könnten die ausgewiesenen Aufwendungen der Infineon Gruppe erhöhen und ihre Investitionsfähigkeit beeinträchtigen.</li> </ul> <p>Der Eintritt eines jeden der vorgenannten Risiken kann die Fähigkeit der Emittentin beeinträchtigen, ihren aus den Schuldverschreibungen resultierenden Zahlungsverpflichtungen nachzukommen, und/oder zu einem Wertverlust der Schuldverschreibungen führen.</p>
<b>D.3</b>	<b>Zentrale Angaben zu den zentralen Risiken, die</b>	Eine Anlage in eine Tranche der Schuldverschreibungen ist mit bestimmten Risiken im Zusammenhang mit den jeweiligen Merkmalen der Schuldverschreibungen verbunden. Diese Risiken könnten zu erheblichen Verlusten führen, welche die Gläubiger zu tragen hätten, wenn sie ihre

	<p><b>den Wertpapieren eigen sind</b></p>	<p>Schuldverschreibungen verkaufen oder wenn Verluste im Zusammenhang mit der Zahlung von Zinsen oder der Rückzahlung entstehen. Zu diesen Risiken gehören:</p> <ul style="list-style-type: none"> <li>• Die Schuldverschreibungen sind möglicherweise nicht für alle Anleger geeignet.</li> <li>• Für die Schuldverschreibungen existiert kein etablierter Handelsmarkt, und möglicherweise entwickelt sich kein aktiver Handelsmarkt für die Schuldverschreibungen.</li> <li>• Die Schuldverschreibungen gehen strukturell den Verbindlichkeiten der Tochtergesellschaften der Emittentin im Rang nach.</li> <li>• Die Schuldverschreibungen gehen effektiv den besicherten Verbindlichkeiten der Emittentin nach, soweit diese Verbindlichkeiten mit Vermögenswerten oder Garantien von Tochtergesellschaften der Emittentin besichert sind, die nicht ebenfalls die Schuldverschreibungen besichern.</li> <li>• Die Schuldverschreibungen unterliegen dem Risiko, vorzeitig zurückgezahlt zu werden, da die Emittentin das Recht zur Kündigung jeder Tranche der Schuldverschreibungen vor Endfälligkeit im Fall eines geringen ausstehenden Nennbetrags oder falls die Emittentin zur Zahlung zusätzlicher Beträge aus steuerlichen Gründen verpflichtet wäre, hat.</li> <li>• Auch wenn die Gläubiger nach Eintritt bestimmter Kontrollwechsel-Ereignisse berechtigt sind, die Rückzahlung oder den Rückkauf der Schuldverschreibungen zu verlangen, könnte die Emittentin nicht in der Lage sein, die betreffenden Schuldverschreibungen zurückzuzahlen bzw. zurückzukaufen.</li> <li>• Die Anleihebedingungen jeder Tranche der Schuldverschreibungen, einschließlich der Bestimmungen für die Zahlung von Kapital und Zinsen, können durch einen Beschluss der Gläubiger geändert werden, und ein solcher Beschluss ist für alle Gläubiger der jeweiligen Tranche der Schuldverschreibungen verbindlich. Ein solcher Beschluss kann effektiv mit Zustimmung von weniger als der Mehrheit des jeweiligen Gesamtnennbetrages der ausstehenden Tranche der Schuldverschreibungen gefasst werden.</li> <li>• Bei Eintritt bestimmter Kündigungsgründe wird jede Tranche der Schuldverschreibungen erst zurückgezahlt, wenn die Gläubiger von mindestens 10% des jeweiligen Gesamtnennbetrages der zum jeweiligen Zeitpunkt ausstehenden Tranche der Schuldverschreibungen kündigen. Eine solche Kündigung könnte durch Mehrheitsbeschluss der Gläubiger der jeweiligen Tranche der Schuldverschreibungen aufgehoben werden.</li> <li>• Da ab dem Begebungstag der Schuldverschreibungen kein gemeinsamer Vertreter der Gläubiger bestellt wird, ist es für die Gläubiger schwieriger, gemeinsam Maßnahmen in Bezug auf die Schuldverschreibungen zu treffen.</li> <li>• Einem Gläubiger könnte kein individuelles Recht zur Verfolgung und Geltendmachung seiner Rechte aus den Anleihebedingungen mehr zustehen, wenn dieses Recht auf den gemeinsamen Vertreter der Gläubiger übertragen wurde.</li> <li>• Der Marktwert der Schuldverschreibungen könnte abnehmen, wenn sich die Bonität der Emittentin verschlechtert oder als verschlechtert</li> </ul>
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		<p>wahrgenommen wird.</p> <ul style="list-style-type: none"> <li>• Die Schuldverschreibungen unterliegen spezifischen Risiken, die für festverzinsliche Schuldverschreibungen typisch sind.</li> <li>• Der Markt für Schuldverschreibungen kann volatil sein und durch verschiedenste Ereignisse negativ beeinflusst werden.</li> <li>• Es kann nicht garantiert werden, welche Auswirkungen mögliche Gerichtsentscheidungen oder Änderungen von Rechtsvorschriften oder der Verwaltungspraxis nach dem Datum dieses Prospekts haben werden.</li> <li>• Die Schuldverschreibungen sind Wechselkursrisiken und Wechselkurskontrollen ausgesetzt.</li> <li>• Investoren sind Steuerrisiken ausgesetzt.</li> <li>• Die Schuldverschreibungen sind Inflationsrisiken ausgesetzt.</li> <li>• Die Schuldverschreibungen unterliegen Transaktionskosten und Gebühren.</li> <li>• Da die Globalurkunden von oder für Euroclear und Clearstream, Luxemburg gehalten werden, müssen sich die Gläubiger auf deren Verfahren zur Übertragung, Zahlung und Kommunikation mit der Emittentin verlassen.</li> <li>• Risiken in Bezug auf FATCA.</li> </ul> <p>Der Eintritt eines jeden der vorgenannten Risiken kann zu einem Wertverlust der Schuldverschreibungen führen.</p>
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#### Abschnitt E – Angebot

Punkt	Beschreibung	Geforderte Angaben
E.2b	<b>Gründe für das Angebot und Zweckbestimmung der Erlöse</b>	Die Emittentin beabsichtigt, die Erlöse aus dem Angebot für die Rückzahlung von Darlehen, die zur Finanzierung der Akquisition von International Rectifier aufgenommen wurden, und für allgemeine Unternehmenszwecke zu verwenden.
E.3	<b>Beschreibung der Angebotskonditionen</b>	<p><i>Angebot der Schuldverschreibungen:</i></p> <p>Die Schuldverschreibungen werden institutionellen Anlegern und Privatanlegern von den Gemeinsamen Konsortialführern innerhalb einer Angebotsfrist, die ab dem 23. Februar 2015 beginnt und bis zum 24. März 2015 (einschließlich) dauern wird (vorbehaltlich einer zwischen der Emittentin und den Gemeinsamen Konsortialführern vereinbarten Verkürzung oder Verlängerung), unter Beachtung der für öffentliche Angebote geltenden Beschränkungen angeboten. Sollten die Emittentin und die Gemeinsamen Konsortialführer die Angebotsfrist (z.B. aufgrund veränderter Marktbedingungen) verkürzen oder verlängern, so werden die betreffenden Änderungen auf der Internetseite der Luxemburger Wertpapierbörse (<a href="http://www.bourse.lu">www.bourse.lu</a>) veröffentlicht.</p> <p>Die Schuldverschreibungen können nach Wirksamwerden der Notifizierung des Prospekts durch die CSSF gemäß Artikel 18 der Prospektrichtlinie in Österreich, Deutschland, Luxemburg und den Niederlanden öffentlich angeboten werden.</p> <p><i>Preisfestsetzungsmittteilung:</i></p> <p>Der endgültige Ausgabepreis, der jeweilige Gesamtnennbetrag der zu</p>

	<p>begebenden Tranche der Schuldverschreibungen, der Zinssatz, der Emissionserlös und die Rendite jeder Tranche der Schuldverschreibungen werden in einer Preisfestsetzungsmitteilung (<i>Pricing Notice</i>) (die "<b>Pricing Notice</b>") enthalten sein, die bei der CSSF hinterlegt und am oder vor dem Ausgabetag der Schuldverschreibungen auf der Internetseite der Luxemburger Wertpapierbörse (<a href="http://www.bourse.lu">www.bourse.lu</a>) veröffentlicht wird.</p> <p><i>Bedingungen für das Angebot:</i> Das Angebot unterliegt keinen Bedingungen.</p> <p><i>Technische Einzelheiten des Angebots:</i> Innerhalb der Angebotsfrist können Anleger Angebote zum Kauf der Schuldverschreibungen an die Gemeinsamen Konsortialführer über das Informationssystem Bloomberg oder ein anderes üblicherweise verwendetes Informationssystem übermitteln. Anleger, die vor der Festsetzung der Preisdetails ein Angebot abgeben, müssen darin angeben, zu welchem Preis sie zum Kauf welchen Betrages an Schuldverschreibungen bereit wären. Nach der Festsetzung und Bekanntmachung der Preisdetails werden die Gemeinsamen Konsortialführer die Schuldverschreibungen auf Anfrage in Österreich, Deutschland, Luxemburg und den Niederlanden anbieten.</p> <p><i>Feststellungsmethode des Ausgabepreises und des Zinssatzes:</i> Der Zinssatz und der Ausgabepreis der jeweiligen Tranche der Schuldverschreibungen werden bei Preisfestsetzung auf der Basis einer Rendite, die durch Aufschlag eines Credit-Spread auf das Niveau eines Midswaps zur Zeit der Preisfestsetzung ermittelt wird, errechnet. Der Credit-Spread wird durch Zugrundelegung der von den Gemeinsamen Konsortialführern erhaltenen Angebote der Anleger während der Angebotsperiode bestimmt.</p> <p><i>Bestätigung der von Anlegern abgegebenen Angebote und Zuteilung an Anleger:</i> Jeder Anleger, der ein Angebot bezüglich einer Tranche der Schuldverschreibungen abgegeben hat, das von den Gemeinsamen Konsortialführern angenommen wurde, erhält per E-Mail, Fax oder über ein anderes üblicherweise verwendetes Informationssystem eine Bestätigung über den Betrag der Schuldverschreibungen dieser Tranche, der ihm zugeteilt wurde. Jeder Anleger ist berechtigt, sein Kaufangebot zu reduzieren oder zu widerrufen, bevor er eine Bestätigung der Gemeinsamen Konsortialführer über die Annahme seines Angebots zum Kauf der Schuldverschreibungen einer Tranche erhält.</p> <p><i>Lieferung der Schuldverschreibungen an die Anleger:</i> Nach der Festsetzung der Preisdetails und der Bestätigung, welche Angebote angenommen wurden und welche Beträge den einzelnen Anlegern zugeteilt wurden, erfolgt die Lieferung und Zahlung der Schuldverschreibungen einer Tranche innerhalb von acht Werktagen nach dem Tag der Preisfestsetzung der Schuldverschreibungen und der Bestätigung der Zuteilung an die Anleger. Die in dieser Weise gekauften Schuldverschreibungen einer Tranche werden durch buchmäßige Übertragung über die Clearingsysteme und ihre depotführenden Banken gegen Zahlung des Ausgabepreises geliefert.</p>
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<b>E.4</b>	<b>Beschreibung aller für die Emission/ das Angebot wesentlichen, auch kollidierenden Interessen</b>	<p>Die Gemeinsamen Konsortialführer sowie mit ihnen verbundene Unternehmen haben bisher Bank-Dienstleistungen gegenüber der Emittentin und den mit ihr verbundenen Unternehmen erbracht und beabsichtigen dies auch in Zukunft zu tun, wofür die Gemeinsamen Konsortialführer sowie mit ihnen verbundene Unternehmen marktübliche Gebühren und Kommissionen erhalten haben und erhalten werden.</p> <p>Außer den Interessen der Emittentin und der Gemeinsamen Konsortialführer bestehen keinerlei Interessen von natürlichen oder juristischen Personen an der Emission, auch nicht solche Interessen, die im Widerspruch stehen und wesentlich für die Emission sein würden.</p>
<b>E.7</b>	<b>Schätzung der Ausgaben, die dem Anleger von der Emittentin oder Anbietern in Rechnung gestellt werden</b>	<p>Entfällt. Den Investoren werden in Verbindung mit den Schuldverschreibungen keine Kosten, Ausgaben oder Steuern direkt in Rechnung gestellt. Die Investoren müssen sich aber über etwaige Kosten, Ausgaben oder Steuern in Verbindung mit den Schuldverschreibungen informieren, die generell in ihrem jeweiligen Herkunftsstaat anfallen, einschließlich etwaiger Gebühren, die ihre eigenen Depotbanken für den Erwerb oder das Halten von Wertpapieren berechnen.</p>

## RISK FACTORS

Before deciding to purchase the Notes, investors should carefully review and consider the following risk factors and the other information contained in this Prospectus. The occurrence of one or more of the risks described below alone or in combination with other circumstances may have a material adverse effect on the business, cash flows, results of operations and financial conditions of the Issuer and Infineon Group. Moreover, if any of these risks materialize, the market value of the Notes and the likelihood that the Issuer will be in a position to fulfill its payment obligations under the Notes may decrease, in which case the holders of the Notes (the "**Holders**") could lose all or part of their investments. Investors should note that the risks discussed below may prove to not be exhaustive and, therefore, may not be the only risks to which the Issuer and Infineon Group are exposed. Additional risks and uncertainties, which are not currently known to the Issuer, or which the Issuer currently believes are immaterial, could likewise impair the business operations of the Issuer or Infineon Group and have a material adverse effect on business, cash flows, financial condition and results of operations. The order in which the risks are presented does not reflect the likelihood of their occurrence or the magnitude of their potential impact on the business, cash flows, results of operations and financial condition of Infineon Group.

Words and expressions defined in the section "*Terms and Conditions*" shall have the same meanings in this section of the Prospectus.

### **Risk Factors relating to Infineon as the Issuer and Infineon Group**

#### ***Adverse developments in the global economic environment could have an adverse impact on Infineon Group's business, financial condition and operating results.***

As a globally operating company, Infineon Group's business is highly dependent on global economic developments. A worldwide economic downturn, particularly in the markets that Infineon Group serves, may result in lower revenues. As a consequence of the European debt crisis, European governments are implementing a wide range of measures to consolidate budgetary shortfalls and cut investment expenditure. As a consequence of these developments, the level of trust of consumers and companies is characterized by uncertainty, while unemployment figures remain high. The current geopolitical risks arising from the crises in the Ukraine and unrest in the Middle East additionally aggravate these circumstances. The U.S. economic recovery is only proceeding at a slow pace, while industrial companies in China are dealing with weak export demand and the consequences of high credit volumes.

Following the financial crisis in 2008, Infineon Group's business, financial condition and results of operations were to a significant degree negatively impacted by general economic conditions and a related downturn in the semiconductor market. Infineon Group could again be so affected in the future which could have an adverse impact on Infineon Group's business, financial condition and results of operations.

#### ***Political or social changes in countries in which Infineon Group manufactures and/or sells products could have an adverse impact on Infineon Group's business, financial condition and operating results.***

Risks can arise due to political or social changes in countries in which Infineon Group manufactures and/or sells its products. Asian markets are particularly important to Infineon Group's long-term strategy. Infineon Group's operations in China are impacted by the fact that the legal system in that country is still going through a phase of development and change. One example of this is the fact that local regulations could make it mandatory to enter into partnerships with local companies. These circumstances could lead to Infineon Group's intellectual property no longer being sufficiently protected. Furthermore, intellectual property developed in China may not be freely transferred to other countries and locations, all of which could impair Infineon Group's business and thus have an adverse impact on its financial condition and results of operations.

***Infineon Group operates in a highly cyclical industry and its business could be adversely impacted by periodic downturns in target markets.***

The worldwide semiconductor industry is highly cyclical and Infineon Group therefore faces risks with respect to rapid market change in its target markets. As a result, Infineon Group's own forecasts of business developments are subject to a high degree of uncertainty. Total revenues attributable to Infineon Group's Automotive segment amounted to 45.5 percent in the 2014 fiscal year. Also, the two largest key customers of Infineon Group operate in the automotive industry which showed to be particularly cyclical in the past.

In the past, the cyclical pattern of the semiconductor industry was fairly regular, at the end of which Infineon Group was able to participate in the upturn after a period of market weakness. It is, however, possible that future market downturns will follow another pattern. The absence of market growth or its decline would make it considerably more difficult for Infineon Group to attain its own growth targets. There is no assurance that the markets in which Infineon Group operates will continue to grow, that the growth rates experienced in past years will be attainable again in future years, or that Infineon Group will be successful in managing any future downturn or substantial decline in average selling prices. In the event that Infineon Group is unprepared for market fluctuations, or its response strategy to such fluctuations turns out to be inappropriate, this could have a material adverse effect on Infineon Group's financial condition and results of operations.

***The industry in which Infineon Group operates is characterized by intense competition and commoditization of products, which could reduce Infineon Group's sales or put continued pressure on Infineon Group's sales prices.***

The semiconductor industry is highly competitive, and has been characterized by rapid technological change, high capital expenditures, short product lifecycles and continuous advancements in process technologies and manufacturing facilities. The rapid pace of technological change in the semiconductor market also results in greater interchangeability of products. This may lead to aggressive pricing tactics in the marketplace which may hinder Infineon Group from achieving its long-term, strategic targets with respect to market share gains, maintenance and product pricing. Increased competitive pressure or the relative weakening of Infineon Group's competitive position could materially and adversely affect Infineon Group's business, financial condition and results of operations.

***The competitive environment of the semiconductor industry has led to industry consolidation, and Infineon Group may face even more intense competition from newly merged competitors.***

The highly competitive environment of the semiconductor industry and the high costs associated with manufacturing technologies and developing marketable products have resulted in significant consolidation in the industry and are likely to lead to further consolidation in the future. Such consolidation can allow competitors of Infineon Group to further benefit from economies of scale, enjoy improved or more comprehensive product portfolios and increase the size of their serviceable markets. Consequently, Infineon Group's competitive position may be adversely impacted by consolidation among other industry participants, who may leverage increased market share and economies of scale to improve their competitive position. In addition, Infineon Group may become a target for a company looking to improve its competitive position. Any such corporate event could result in unpredictable consequences, which could have a material adverse effect on Infineon Group's results of operations and financial condition.

***Products that do not meet customer specifications or that contain, or are perceived to contain, defects or errors or that are otherwise incompatible with their intended end use could impose significant costs on Infineon. In addition, quality risks could also damage Infineon Group's reputation and, consequently, demand for its products.***

The design and production processes for Infineon Group's products are highly complex. Infineon Group might introduce products that do not meet customer specifications, contain or are perceived to

contain defects or errors, or are otherwise incompatible with their intended uses. The smallest shortfall in product quality can lead to product recalls and potential costs related to liability claims. Infineon Group may incur substantial costs in remedying such defects or errors, which could include material inventory write-downs. Moreover, if actual or perceived problems with nonconforming, defective or incompatible products occur after Infineon Group has shipped the products, Infineon Group might not only bear direct liability for providing replacements or otherwise compensating customers, but could also suffer from long-term damage to Infineon Group's relationship with important customers or to Infineon Group's reputation in the industry generally. In addition, in the HiRel business of International Rectifier, Infineon Group is subject to government procurement regulations and other laws that could result in lower demand for its HiRel products and/or costly investigations and other legal proceedings as a consequence of allegedly defective products or other actions. Any perception that products are defective would likely result in reduced sales, loss of customers and harm to Infineon Group's business and reputation.

This could have a material adverse effect on Infineon Group's business, financial condition and results of operations.

***Infineon Group's business could suffer if Infineon Group is not able to secure the development of new technologies or if Infineon Group cannot keep pace with the technology development of its competitors.***

The semiconductor industry is characterized by rapid technological development. The annual or biannual introduction of new process technologies leads to an increase of functions per chip and to the improvement of performance parameters, such as power consumption or processing speed. In addition, using smaller feature sizes offering better performance characteristics entails that smaller chips offering the same functionality can be produced which in turn means a considerable reduction in costs per function. In order to remain competitive, it is essential that Infineon Group secures the capabilities to develop and qualify new technologies for the manufacturing of new products. However, the increasing complexity of technologies and products, shorter development cycles and greater customer expectations can cause tension in the field of product development. Buffer times built into processes to compensate for potential delays are reduced accordingly. If Infineon Group is unable to develop and qualify new technologies and products or to execute its development plans at the desired quality levels or if Infineon Group devotes resources to the pursuit of technologies or products that fail to be accepted in the marketplace or that fail to be commercially viable, development delays and increased or failed development costs could have an adverse impact on Infineon Group's business, financial condition and results of operations.

***Infineon Group may not be able to match its production capacity to demand.***

It is difficult to predict future growth or diminution of the markets that Infineon Group serves, making it hard to estimate requirements for production capacity. If markets do not develop as Infineon Group has anticipated, Infineon Group risks underutilization of its facilities or insufficient capacity to meet customer demand. Underutilization of Infineon Group's facilities may result in idle capacity costs, write-offs of inventories and losses on products due to falling average selling prices. In the past, the net increases of supply sometimes exceeded demand requirements, leading to oversupply situations and downturns in the industry. Such a development could potentially require Infineon Group to undertake restructuring activities that may involve significant charges to Infineon Group's results of operations. Fluctuations in the rate at which industry capacity grows relative to the growth rate in demand for semiconductor products may in the future put pressure on Infineon Group's average selling prices and negatively affect Infineon Group's results of operations.

In addition, during periods of increased demand, Infineon Group may not have sufficient capacity to meet customer orders. Infineon Group could lose future business and design wins in case it is unable to deliver volumes above its contractual obligations if called upon by its customers to do so. In the past, Infineon Group responded to increased demand by opening new production facilities or entering into strategic alliances, which in many cases resulted in significant expenditures. Infineon Group has

also purchased an increasing number of processed wafers and packages from semiconductor foundries and subcontractors to meet higher levels of demand and has incurred higher costs of goods sold as a result. To expand Infineon Group's production capacity in the future, Infineon Group may have to spend substantial amounts which could negatively affect Infineon Group's results of operations.

Frontend and backend manufacturing need to be optimally synchronized to enable Infineon Group to develop competitive and high-quality products designed to provide products and customized technological solutions. In view of the rapid pace of technological change and increasingly stringent customer requirements, coordination processes have to become increasingly sophisticated. Failure in continuing to make progress in this area could result in quality problems or delays in time-to-market as well as higher research and development ("R&D") expenses and hence adversely impact Infineon Group's revenue and earnings.

One risk that semiconductor companies operating in-house production facilities typically face is that of delays in the ramping-up of production volumes at new production sites, coupled with the required transfer of technology. For example, in the Automotive segment customers' product approval and testing processes can take place over an extended period of time and thus influence Infineon Group's global production strategy as well as short- and medium-term capacity utilization. Failure to anticipate necessary production changes in time could result in capacity shortages and hence lower revenue on the one hand and costs caused by under-utilization on the other.

***Infineon Group is dependent on individual production sites.***

Infineon Group's South East Asian manufacturing sites are of critical importance for its production. Further, International Rectifier manufactures a substantial part of its semiconductor wafers at its Temecula, California, USA and Newport, Wales facilities. If, for example, political upheavals or natural disasters in the respective region were to impede Infineon Group's ability to manufacture at these or other important sites on the planned scale or to export products manufactured at those sites, it could have an adverse impact on Infineon Group's business, financial condition and results of operations. Furthermore, Infineon Group's current production capacities in the South East Asian region are to a large extent not insured against political risks such as expropriation of assets. A transfer of manufacturing capacities from these sites would therefore not only involve a great deal of time and technical effort, Infineon would also be required to bear the necessary cost of investment, which could have a material adverse effect on Infineon Group's results of operations.

***Infineon Group's business could suffer due to decreases in customer demand.***

Infineon Group's sales volume depends significantly on the market success of Infineon Group's customers in developing and selling end-products that incorporate Infineon Group's products. The fast pace of technological change, difficulties in the execution of individual projects, general economic conditions and other factors may limit the market success of Infineon Group's customers, resulting in a decrease in the volume of demand for Infineon Group's products and adversely affecting Infineon Group's results of operations.

***Infineon may be unable to successfully integrate businesses it acquires or to effectively manage its own growth or to develop or raise the resources necessary in order to control or support its growth. Infineon may be required to record charges related to the goodwill or other long-lived assets associated with the acquired businesses.***

Infineon or other members of the Infineon Group occasionally acquire or make investments in other companies, businesses and technologies or enters into various forms of cooperation arrangements and faces risks resulting from the expansion of their operations through acquisitions or co-operations. In case of acquisitions, Infineon Group might be unable to successfully integrate new businesses or teams with Infineon Group's culture, structures and strategies on a timely basis or at all. Neither can Infineon Group be certain that it will be able to achieve the full scope of the benefits it expects from a particular acquisition or investment. Infineon Group's business, financial condition and results of

operations may suffer if it fails to coordinate its resources effectively to manage both its existing businesses and any businesses it acquires.

Infineon Group reviews the goodwill associated with its acquisitions for impairment at least once a year. Changes in Infineon Group's expectations due to changes in market developments which Infineon Group cannot foresee have in the past resulted in Infineon Group writing off amounts associated with the goodwill of acquired companies, and future changes may require additional write-offs in future periods, which could have a material adverse effect on its financial results.

The acquisition of International Rectifier represents approximately 24 percent of Infineon Group's market capitalization as of September 30, 2014 based on the offer price and is therefore of great significance for Infineon Group's future success. The risks described above, especially in terms of assimilating the two businesses, are therefore highly relevant.

Also, the integration of International Rectifier into Infineon Group may result in a loss of International Rectifier's key personnel and may disrupt International Rectifier's sales and marketing or other key business activities as well as its relationships with third parties, including customers, which may have an adverse impact on International Rectifier's and thus Infineon Group's financial performance. Additionally, International Rectifier and Infineon Group have incurred substantial financial advisory, legal, and other professional fees and expenses in connection with acquisition and might continue to incur such expenses.

***The loss or insolvency of one or more of Infineon Group's key customers may adversely affect Infineon Group's business.***

Historically, a significant portion of Infineon Group's revenue has come from a relatively small number of customers and distributors. The loss or financial failure or insolvency of any significant customer or distributor, or any reduction in orders by any of Infineon Group's key customers or distributors could materially and adversely affect Infineon Group's business.

***Infineon Group's operations rely on complex information technology systems and networks, and any disruptions or security breaches in such systems or networks could have a material adverse impact on Infineon Group's business and results of operations.***

Infineon Group relies heavily on information technology systems and networks to support business processes as well as internal and external communications. The reliability and security of Infineon Group's information technology systems is therefore of crucial importance. However, these systems and networks are potentially vulnerable to damage or interruption from a variety of sources. Despite precautionary measures Infineon Group has put in place to manage its data and information technology risks an extended outage in a telecommunications network utilized by Infineon Group's systems or a similar event could lead to an extended unanticipated interruption of Infineon Group's systems or networks. Furthermore, confidential information and data could be leaked as a result of information technology security breaches. Additionally, potential virus attacks, in particular on Infineon Group's information technology systems for production processes, present additional risks that could result in loss of production or supply bottlenecks.

Such disruptions and security breaches could endanger the confidentiality, availability and reliability of data and systems used in development, production, selling or administration functions, which, in turn, could have an adverse impact on Infineon Group's reputation, competitiveness and ultimately its business operations.

***Infineon Group relies on a limited number of suppliers of services, manufacturing equipment and materials and could suffer shortages if these suppliers were to interrupt supply or increase their prices.***

Infineon Group's manufacturing operations depend on the delivery of services, equipment and adequate supplies on a timely basis. Infineon Group purchases equipment and materials from a number of suppliers on a just-in-time basis. From time to time, suppliers may extend lead times, limit supply to Infineon Group or increase prices due to capacity constraints or other factors. Due to the

complex nature of the equipment that Infineon Group purchases, it is difficult for Infineon Group to substitute one supplier for another or one piece of equipment for another. Infineon Group does not always have alternative sources for some of these suppliers and therefore depends on their ability to deliver products of the required quality at the required time. Infineon Group's results of operations would be negatively affected if Infineon Group were not able to obtain adequate supplies of quality services, equipment or materials in a timely manner or if there were significant increases in the costs of equipment or materials.

***Infineon Group's business could suffer from problems with manufacturing or suppliers. If Infineon Group's outside foundry suppliers fail to meet Infineon Group's expectations, Infineon Group's results of operations could be adversely affected.***

Infineon Group outsources production of some of its products to third-party suppliers, including semiconductor foundry manufacturers and assembly and test facilities. If Infineon Group's outside suppliers are unable to satisfy Infineon Group's demand, or experience manufacturing difficulties, delays or reduced yields, Infineon Group's results of operations and ability to satisfy customer demand could suffer. In addition, purchasing rather than manufacturing these products may adversely affect Infineon Group's gross profit margin if the purchase costs of these products are higher than Infineon Group's own manufacturing costs. Infineon Group's internal manufacturing costs include depreciation and other fixed costs, while costs for products outsourced are based in large part on market conditions. Prices for foundry products also vary depending on capacity utilization rates at Infineon Group's suppliers, quantities demanded, product technology and geometry. Furthermore, these outsourcing costs can vary materially from quarter to quarter and, in cases of industry shortages, they can increase significantly and negatively impact Infineon Group's results of operations.

***Infineon Group relies on strategic partners and other third parties, and Infineon Group's business could be harmed if they fail to perform as expected or relationships with them were to be terminated.***

Infineon Group has entered into a number of long-term strategic alliances with leading industry participants, on the one hand to manufacture semiconductors and on the other hand to develop new products and manufacturing process technologies. If Infineon Group's strategic partners encounter financial difficulties or change their business strategies, they may no longer be able or willing to participate in these alliances. Some of the agreements governing Infineon Group's strategic alliances allow Infineon Group's partners to terminate the agreement if a third party gains control of the Issuer or of a significant portion of the Issuer's shares. Infineon Group's business could be harmed if any of Infineon Group's strategic partners were to discontinue Infineon Group's participation in a strategic alliance or if the alliance were otherwise terminated. To the extent Infineon Group relies on alliances and third-party design and/or manufacturing relationships, Infineon Group faces the risks of:

- reduced control over delivery schedules and product costs;
- manufacturing costs that are higher than anticipated;
- the inability of Infineon Group's manufacturing partners to develop manufacturing methods appropriate for Infineon Group's products and their unwillingness to devote adequate capacity to produce Infineon Group's products;
- a decline in product reliability;
- an inability to maintain continuing relationships with Infineon Group's suppliers; and
- limited ability to meet customer demand when faced with product shortages.

If any of these risks materialize, Infineon Group could experience an interruption in its supply chain or an increase in costs, which could delay or decrease Infineon Group's revenues or adversely affect Infineon Group's business, financial condition and results of operations.

***Infineon Group may be adversely affected by rising raw material prices.***

Infineon Group is exposed to fluctuations in raw material prices. In particular gold, copper and petroleum-based organic polymer prices fluctuate worldwide on a regular basis. Infineon Group also depends on supplies of rare earths required for selected production processes within the process integration. Infineon Group has financial instruments in place to hedge short term price risk exposure to gold, however, there is no assurance that these hedges will be sufficient. The prices of raw materials and energy have recently been subject to significant fluctuation, and there is no reason to assume the situation will change in the near future. If Infineon Group is unable to offset cost rises or pass them on to customers, such price increases could have a material adverse effect on Infineon Group's financial results.

***Infineon Group is dependent on energy supply and may face risks from rising energy prices.***

Infineon Group's business requires reliable electrical power at reasonable cost and may be adversely affected by power shortages due to disruptions in supply, as well as by increases in market prices for fuel or electricity.

***Infineon Group's success depends on its ability to recruit and retain sufficient qualified key personnel.***

Infineon Group's success depends significantly on the recruitment and retention of highly skilled personnel, particularly in the areas of R&D, marketing, production management and general management. The competition for such highly skilled employees is intense and the loss of the services of key personnel without adequate replacement or the inability to attract new qualified personnel could have a material adverse effect on Infineon Group. Infineon Group can provide no assurance that it will be able to successfully retain and/or recruit the key personnel it requires.

***Infineon Group could be adversely affected by property damage or loss and business interruption.***

Fire, natural hazards, earthquakes, supply shortage, terrorism, power failures, or other disturbances at semiconductor facilities or within Infineon Group's supply chain – at customers and at suppliers – can result in severe damage and loss. Such far-reaching negative consequences can also arise from political unrest or instability, especially in emerging economies. The risks arising from business interruption and loss of production are insured up to levels considered economically reasonable by Infineon Group. Infineon Group believes that it has taken out the business liability insurance that is necessary and customary in the industry (including product and environmental liability), as well as property insurance, business interruption insurance, insurance for damages resulting from earthquakes and other insurance, but its insurance coverage could prove insufficient in individual cases. Furthermore, such events could injure or damage individuals, third-party property or the environment, which could, among other things, lead to considerable financial costs for Infineon Group. The realization of any of these risks could have a material adverse effect on Infineon Group's business, financial condition and results of operations.

**Financial Risks**

***Infineon is dependent to a significant extent upon the payments by its subsidiaries.***

Infineon's cash flow and its ability to meet its cash requirements, including its obligations under the Notes, is dependent to a significant extent upon the profitability and cash flow of its subsidiaries and payments by such subsidiaries to Infineon in the form of loans, dividends, fees, rental payments, or otherwise.

The ability of Infineon's subsidiaries to make payments to Infineon may be restricted by, among other things, applicable corporate and other laws and regulations and by the terms of covenants and restrictions contained in financing agreements to which such subsidiaries are or will be a party.

***Infineon Group is exposed to the risk of default by banking partners.***

The relatively high level of Infineon Group's liquid financial assets exposes Infineon Group to the risk of a potential default by one of its banking partners. Although Infineon Group has processes in place to mitigate this risk, these measures could turn out to be ineffective which could have a materially adverse effect on Infineon Group's financial condition.

***Infineon Group's results of operations and financial condition can be adversely impacted by changes in exchange rates.***

Infineon Group's results of operations can be negatively affected by changes in exchange rates, particularly between the euro and the US dollar, the Japanese yen, the Malaysian ringgit, the Singapore dollar and the Chinese renminbi. In addition, the impact of currency translation adjustments on the consolidated financial position has been, and may continue to be, material. While Infineon Group operates in an industry with prices primarily denominated in US dollars and Japanese yen and therefore receives a large portion of its revenues in US dollars Japanese yen, a large portion of its expenses are in euro, Malaysian ringgit, Singapore dollar or Chinese renminbi and it reports its financial results in euro, which is its operational currency. As a result, Infineon Group's financial results can to a significant extent be negatively affected by exchange rate fluctuations of such currencies against the euro. Specified currencies are hedged group-wide by means of derivative financial instruments. Depending on how exchange rates develop, these hedging contracts could have a significant influence on cash flows. In these circumstances, exchange rate fluctuations could also have an impact on earnings.

***Infineon Group's results of operations and financial condition can be adversely impacted by changes in interest rates.***

Infineon Group is exposed to interest rate risk through its financial assets and debt instruments resulting from its debt financing. Furthermore, Infineon Group holds a relatively high amount of liquid financial assets that are invested in short-term fixed-interest instruments due to the cyclical nature of its core business and the need to maintain high operational flexibility. These investments generally have a contract duration of between one day and twelve months. Although Infineon partially offsets the risk to these assets of changing interest rates by financial liabilities, some of which are based on variable interest rates, and potentially by using interest rate derivatives, such as interest swaps, in order to align the fixed interest periods of assets and liabilities, Infineon Group's results of operations and financial condition can be adversely impacted by changes in interest rates.

***The financial resources available to Infineon Group may be insufficient to meet Infineon Group's capital needs.***

Infineon concluded a financing agreement for facilities of EUR 800 million and USD 934 million respectively with several domestic and international banks, specifically for the acquisition of International Rectifier (see "INFORMATION ABOUT INFINEON – Material Financings"). In addition, Infineon Group has access to various stand-alone credit facilities from various financial institutions totaling EUR 263 million, of which EUR 190 million were drawn as of December 31, 2014. Nevertheless, Infineon Group's cash from operating activities, current cash resources, existing sources of external financing and the proceeds from the offering of the Notes may be insufficient to meet Infineon Group's further capital needs.

Furthermore, Infineon Group may be unable to successfully place the Notes that are the subject of the offering. If the offering fails to raise the anticipated amount of capital or if Infineon Group is unable to obtain financing from other sources on commercially reasonable terms, or at all, then Infineon Group may face difficulties in repaying or be unable to repay its debts as they come due.

## Legal Risks

### ***Infineon Group's business and financial condition could be adversely affected by proceedings and liabilities as a result of the insolvency of Qimonda.***

All significant assets, liabilities and business activities attributable to the memory business (Memory Products) were carved out from the Issuer and transferred to Qimonda AG ("**Qimonda**"), a fully-owned company at that time, in the form of a non-cash contribution in 2006. Various service agreements were concluded with Qimonda in addition to the demerger and contribution agreement as part of the establishment of Qimonda as a separate legal entity. In January 2009, Qimonda filed an application at the Munich Local Court to commence insolvency proceedings which were subsequently opened in April 2009. Insolvency proceedings were also opened for further domestic and foreign subsidiaries of Qimonda. While some of these proceedings have already been completed, the insolvency of Qimonda has given rise to various disputes between the administrator and the Issuer.

In September 2014, the Issuer and the administrator reached a partial settlement which includes the acquisition by the Issuer of Qimonda's entire patent portfolio. The actions with respect to the continuing use of Qimonda patents and the Issuer's ownership of the license and the insolvency law proceedings contesting intercompany payments were thus settled. Additionally, further out-of-court claims of right to contest under insolvency law, as well as any other claims made by the administrator are settled. However, claims relating to the proceedings in connection with the alleged economic reincorporation and liability for impairment of capital, which involve the Issuer, Infineon Technologies Holding B.V. or Infineon Technologies Investment B.V., as the case may be, have not been concluded yet.

Should the alleged claims prove to be valid, Infineon Group faces substantial financial obligations, which could have a material adverse effect on Infineon Group's financial condition and cash flows.

### ***Infineon Group's business and financial condition could be adversely affected by current or future litigation, investigations and antitrust proceedings.***

Infineon Group is involved in various legal disputes and proceedings in connection with its existing or previous business activities. These relate, inter alia, to products, services, patents and environmental issues. The ultimate resolution of these legal disputes could have a material adverse effect on Infineon Group's results of operations.

Furthermore, in connection with its existing or previous business operations, Infineon Group is also exposed to numerous legal risks, including risks relating to anti-corruption, competition and antitrust legislation as well as other compliance regulations. Claims could also be made against Infineon Group on the basis of breaches of law committed by individual employees or third parties.

In October 2008, the EU Commission initiated an investigation into the Issuer and other manufacturers of chips for smartcards for alleged violations of antitrust laws. In September 2014, the EU Commission imposed a fine of EUR 83 million on Infineon Group; Infineon Group has brought an action against this decision before the European Court of Justice. Two class actions for damages following these investigative proceedings and the decision of the EU Commission have been filed in Canada. Further, in December 2014, an indirect customer filed a lawsuit against Infineon and Renesas in London (United Kingdom). The lawsuit has not been served yet and is presumably related to the aforementioned EU antitrust case.

Should further legal proceedings be commenced and should the above mentioned alleged claims and potential other claims prove to be valid, Infineon Group might face substantial financial obligations, which could have a material adverse effect on Infineon Group's financial condition and cash flows.

### ***Infineon Group might be faced with product liability or warranty claims.***

Despite Infineon Group's current efforts, defects may occur in Infineon Group's products. The occurrence of defects, particularly in consumer areas and areas in which personal injury could result, such as Infineon Group's automotive division, could give rise to warranty claims or to liability for

damages caused by such defects. Infineon Group could also incur consequential damages and experience limited acceptance of Infineon Group's products in the market. In addition, customers have from time to time notified Infineon Group of potential contractual warranty claims in respect of products that Infineon Group supplied, and are likely to do so in the future. These matters could have a material adverse effect on Infineon Group's business and financial condition.

***Infineon Group is exposed to various tax risks, and several factors could have an adverse effect on the tax burden of Infineon Group.***

Infineon Group's German and foreign tax returns are periodically examined by tax authorities, and several entities of the consolidated group have been subject to such an examination. Infineon Group regularly assesses the adequacy of its domestic and foreign tax provisions in light of new evidence and makes adjustments to the extent necessary. Due to the complexities in tax laws and their interpretation by the tax authorities there can be no assurance that the outcome of German and foreign tax audits will not differ from these estimates, that is, additional tax charges imposed by the tax authorities may exceed taxes accrued for as liabilities or provisions and may require additional liquidity.

Furthermore, future changes of the tax laws or their interpretation in Germany or other jurisdictions relevant for Infineon Group could increase its tax burden. This as well as the above mentioned risks could have a material adverse effect on Infineon Group's cash flows, financial condition and results of operations.

***Environmental laws and regulations may expose Infineon Group to liability and increase Infineon Group's costs.***

Infineon Group's operations are subject to many environmental laws and regulations wherever Infineon Group operates, governing, among other things, air and noise emissions, wastewater discharges, the use and handling of hazardous substances, waste disposal and the investigation and remediation of soil and ground water contamination. Similar regulations or substance bans have been implemented in various countries of the world.

Such legislation may complicate Infineon Group's research and development activities, may require Infineon Group to change certain of its manufacturing processes and may lead to the implementation of additional compliance programs which could result in substantial additional costs. Infineon Group is not able at this time to estimate the amount of additional costs that it may incur in connection with these regulations.

There is a risk that Infineon Group may become the subject of environmental, health or safety liabilities or litigation. Environmental, health, and safety claims or the failure to comply with current or future regulations could result in the assessment of damages or imposition of fines against Infineon Group, suspension of production or a cessation of operations. This is also true if facilities or equipment are not operated in technical compliance with permit conditions or if required reports are not timely filed with applicable agencies. Significant financial reserves or additional compliance expenditures could be required in the future due to changes in law or new information regarding environmental conditions or other events, and those expenditures could adversely affect Infineon Group's business or financial condition.

Infineon Group also faces inherent risks of environmental liability in its current and historical manufacturing locations. Costs associated with future additional environmental compliance or remediation obligations could adversely affect Infineon Group's business.

***Infineon Group operates in various jurisdictions and is exposed to changes in legislation and policies affecting trade and investments and varying practices of the regulatory, tax, judicial and administrative bodies in those jurisdictions.***

In the 2013 fiscal year and in the 2014 fiscal year, 79.3 percent and 80.1 percent of Infineon Group's revenues, respectively, were generated outside Germany and 59.2 percent and 60.5 percent, respectively, were generated outside Europe, Middle East and Africa ("**EMEA**"). Infineon Group's

business strategy envisages that it maintains R&D locations and manufacturing sites across the globe, with numerous manufacturing, assembly and testing facilities on three continents, including facilities that Infineon Group operates jointly with a partner. The location of such facilities is determined by market entry hurdles, technology and cost factors. Likewise, Infineon Group's business is subject to specific risks of international business, including:

- negative economic developments in foreign economies and instability of foreign governments, including the threat of war, terrorist attacks, epidemic or pandemic outbreaks and civil unrest;
- changes in laws and policies affecting trade and investment, including export controls as well as country specific trade restrictions or limitations that may be imposed by countries in which Infineon Group operates; and
- varying practices of the regulatory, tax, judicial and administrative bodies in the jurisdictions where Infineon Group operates.

Substantial changes in any of these conditions could restrict Infineon Group's business activities in these countries and expose Infineon Group to fines, sanctions and loss of reputation, which all could have an adverse effect on Infineon Group's business and results of operations. Infineon Group's results of operations could also be hurt if demand for the products made by Infineon Group's customers decreases due to adverse economic conditions in any of the regions where they sell their own products.

In particular International Rectifier's HiRel business unit, manufacture and sell many products that are subject to U.S. export control laws and related regulations, as well as certain specific commitments to the U.S. government with respect to a subset of HiRel business unit products. International Rectifier also manufactures and sells products that are sold indirectly to the U.S. government and may subject us to government procurement regulations, investigations or review. While International Rectifier maintains a system of controls over such products designed to maintain compliance with such laws and regulations, it cannot promise that these controls will be effective in all cases. If it fails to maintain an effective system of controls or it is otherwise found non-compliant with applicable laws and regulations, violations could lead to governmental investigations, fines, penalties and limitations on International Rectifier's ability to export product from the U.S., all of which could have a material effect on its financial result. Also, if these laws or regulations affecting exports change, they could adversely affect International Rectifier's ability to design, manufacture and sell many of its products of its HiRel business unit outside the U.S., and could thereby materially adversely affect International Rectifier's and therefore Infineon Group's business as a whole.

***Infineon Group may not be able to protect its proprietary intellectual property and may be accused of infringing the intellectual property rights of others.***

Infineon Group's success depends on its ability to obtain patents, licenses and other intellectual property rights covering Infineon Group's products and its design and manufacturing processes. The process of seeking patent protection can be long and expensive. Patents may not be granted on currently pending or future applications or may not be of sufficient scope or strength to provide Infineon Group with meaningful protection or commercial advantage. In addition, effective copyright, trademark and trade secret protection may be unavailable or limited in some countries, and Infineon Group's trade secrets may be vulnerable to disclosure or misappropriation by employees, contractors and other persons.

Competitors may also develop technologies that are protected by patents and other intellectual property rights. These technologies may therefore either be unavailable to Infineon Group or be made available to Infineon Group only on unfavorable terms.

Litigation, which could require significant financial and management resources, may be necessary to enforce Infineon Group's intellectual property rights or to defend against claims of infringement of intellectual property rights brought against Infineon Group. Lawsuits may have a material adverse

effect on Infineon Group's business. Infineon Group may further be forced to stop producing substantially all or some of its products or to license the underlying technology upon economically unfavorable terms or Infineon Group may be required to pay damages for the prior use of third-party intellectual property.

***Infineon Group is exposed to compliance risks.***

Infineon Group is exposed to a large variety of compliance risks. Since Infineon Group's domestic and foreign management personnel retains a certain amount of operational and decision-making flexibility, Infineon Group cannot guarantee that its domestic and foreign management will not take actions, or, in particular cases, take fraudulent actions against Infineon Group, or experience problems that could, through damage to Infineon Group's reputation or otherwise, be detrimental to Infineon Group's business, financial condition and results of operations.

Furthermore, individual employees of Infineon Group could violate applicable laws, for example in the areas of antitrust and competition law as well as anticorruption laws. This is particularly true in case of acquisitions or portfolio decisions, where lack of knowledge or failure to make the people involved in such deals adequately aware of the issues increases the risk of non-compliance with anti-trust regulations. This can result in high levels of cost for work performed in-house and/or by external service providers and in settling fines. Infineon Group's reputation may also suffer damage under these circumstances.

A realization of Infineon Group's compliance risks could thus have a material adverse effect on Infineon Group's business operations, its financial condition and results of operations.

***If Infineon Group fails to maintain effective internal controls or if risk management strategies are unsuccessful this could have a material adverse effect on Infineon Group's business.***

Effective internal controls are necessary for Infineon Group to provide reasonable assurance with respect to Infineon Group's financial reports and to effectively prevent financial fraud. Infineon Group is required to periodically evaluate the effectiveness of the design and operation of Infineon Group's internal controls. Internal controls over financial reporting may not prevent or detect misstatements because of inherent limitations, including the possibility of human error or collusion, the circumvention or overriding of controls, or fraud. If Infineon Group fails to maintain an effective system of internal controls, Infineon Group's business and operating results could be harmed, and Infineon Group could fail to meet its reporting obligations, which could have a material adverse effect on Infineon Group's business.

***Reductions in government subsidies or demands for repayment of such subsidies could increase Infineon Group's reported expenses or limit its ability to fund capital expenditures.***

Infineon Group's reported expenses have been reduced in recent years by various subsidies received from governmental entities. In particular, Infineon Group has received, and expects to continue to receive, subsidies for investment projects as well as for R&D projects. Infineon Group recognized governmental subsidies as a reduction of R&D expenses and cost of sales in an aggregate amount of EUR 78 million in the 2012 fiscal year, EUR 80 million in the 2013 fiscal year and EUR 105 million in the 2014 fiscal year.

As the general availability of government funding is outside Infineon Group's control, Infineon Group can provide no assurance that it will continue to benefit from such support, that sufficient alternative funding would be available if necessary or that any such alternative funding would be provided on terms as favorable to Infineon Group as those it currently receives. In addition, if certain conditions are not met or certain events occur, Infineon Group may have to repay the government subsidies that it has already received.

The application for and implementation of such subsidies often involves compliance with extensive regulatory requirements, including, in the case of subsidies to be granted within the European Union, notification to the European Commission of the contemplated grant prior to disbursement. In particular, establishment of compliance with project-related ceilings on aggregate subsidies defined

under European Union law often involves highly complex economic evaluations. If Infineon Group fails to meet applicable requirements, it may not be able to receive the relevant subsidies or may be obliged to repay current or future subsidies, which could have a material adverse effect on Infineon Group's business.

The terms of certain of the subsidies Infineon Group has received impose conditions that may limit Infineon Group's flexibility to utilize subsidized facilities as it deems appropriate, to divert equipment to other facilities, to reduce employment at the site, or to use related intellectual property outside the European Union. This could impair Infineon Group's ability to operate its business in the manner Infineon Group believes to be most cost effective.

### **Risk Factors relating to the Notes**

An investment in the Notes involves certain risks associated with the characteristics, specification and type of the Notes which could lead to substantial losses that Holders would have to bear in the case of selling their Notes or with regard to receiving interest payments and repayment of principal. Risks regarding the Notes comprise, inter alia, the following risks:

#### ***The Notes may not be a suitable investment for all investors.***

Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the relevant Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Prospectus, the Pricing Notice or any applicable supplement to the Prospectus;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation and the investment(s) it is considering, an investment in the Notes and the impact the investment in the Notes will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including where the currency for principal or interest payments is different from the potential investor's currency;
- understand thoroughly the terms of the Notes and be familiar with the financial markets; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

The investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers prior to investing in the Notes to determine whether and to what extent (i) the Notes are permitted investments for it, (ii) where relevant, the Notes can be used as collateral for various types of borrowing, and (iii) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the Notes under any applicable risk-based capital or similar rules. Each investor should also consider the tax consequences of investing in the Notes and consult its own tax advisers with respect to the acquisition, sale and redemption of the Notes in light of its personal situation.

#### ***The Notes do not have an established trading market and an active trading market for the Notes may not develop.***

The Notes represent new issues of securities which may not be widely distributed and for which there is currently no established trading market. Although the Issuer intends to obtain admission of the

Notes to trading on the regulated market of the Luxembourg Stock Exchange, there can be no assurance that such admission will be obtained or a market for the Notes will develop or, if it does develop, continue or that it will be liquid, thereby enabling investors to sell their Notes when desired, or at all, or at prices they find acceptable.

The development or continued liquidity of any secondary market for the Notes will be affected by a number of factors including the prevailing interest rates, the market for similar securities, general economic conditions and the creditworthiness of the Issuer as well as other factors such as the time remaining to maturity of the Notes, the outstanding amount of the Notes and the redemption features of the Notes. Such factors will also affect the market value of the Notes.

Investors may not be able to sell Notes readily or at prices that will enable investors to realize their anticipated yield. No investor should purchase Notes unless the investor understands and is able to bear the risk that the Notes may not be readily sellable, that the value of the Notes will fluctuate over time and that such fluctuations may be significant.

***The Notes will be structurally subordinated to indebtedness of the subsidiaries of the Issuer.***

The Notes will not be guaranteed by any of the subsidiaries of the Issuer. In the event of a liquidation, winding-up or dissolution or a bankruptcy, administration, reorganization, insolvency, receivership or similar proceeding of any subsidiary of the Issuer, such subsidiary will pay the holders of its own debt (including holders of third-party debt which such subsidiaries have guaranteed) before they would be able to distribute any of their assets to the Issuer. As a result, the Issuer may not have sufficient assets to make payments on the Notes, respectively.

***The Notes will be effectively subordinated to Issuer's debt to the extent such debt is secured by assets or guarantees by subsidiaries of the Issuer that are not also securing the Notes.***

The Notes will be effectively subordinated to the Issuer's debt to the extent such debt is secured by assets or by guarantees of subsidiaries of the Issuer that are not also securing the Notes. Although the Terms and Conditions require the Issuer to secure the Notes equally if it provides security for the benefit of Capital Market Indebtedness (as defined in the Terms and Conditions), the requirement to provide equal security to the Notes is subject to a number of significant exceptions and carve-outs as set out in detail in the Terms and Conditions included in this Prospectus. To the extent the Issuer or any of its subsidiaries provides security interest over their assets for the benefit of other debt without also securing the Notes, the Notes will be effectively junior to such debt to the extent of such assets. The same applies to debt incurred by the Issuer or any other member of Infineon Group which is guaranteed by a subsidiary of the Issuer. In each case, holders of (present or future) secured or guaranteed debt of the Issuer may recover disproportionately more on their claims than the Holders in an insolvency, bankruptcy or similar proceeding. The Issuer may not have sufficient assets remaining to make payments under the Notes.

***The Notes are subject to a risk of early redemption, since the Issuer has the right to call each Tranche of Notes prior to maturity for reason of minimal outstanding amount or if the Issuer is required to pay additional amounts on the Notes for reasons of taxation.***

The Issuer has the right to call each Tranche of Notes prior to maturity for reason of minimal outstanding amount in relation to such Tranche of Notes or if the Issuer is required to pay additional amounts (gross-up payments) on the Notes for reasons of taxation as set out in the Terms and Conditions. If the Issuer redeems the Notes prior to maturity a Holder is exposed to the risk that due to such early redemption his investment will have a lower than expected yield. Also, in case of an early redemption of the Notes, a Holder may only be able to reinvest on less favorable conditions as compared to the original investment.

***Although the occurrence of specific change of control events will permit the Holders to require redemption or repurchase of the Notes, the Issuer may not be able to redeem or repurchase such Notes.***

Upon the occurrence of specific change of control events, the Holders will have the right to require the redemption of all of their Notes at their principal amount, plus accrued and unpaid interest. The Issuer's ability to redeem Notes upon such a change of control event will be limited by its access to funds at the time of the redemption or repurchase. Upon a change of control event, the Issuer may be required to immediately repay the outstanding principal, any accrued interest on and any other amounts owed by it under other debt outstanding. The source of funds for these repayments would be the available cash or cash generated from other sources. However, there can be no assurance that there will be sufficient funds available upon a change of control event to make these repayments and any required redemption of the Notes.

***The Terms and Conditions of each Tranche of Notes, including the terms of payment of principal and interest, can be amended by a Holders' resolutions and any such resolution will be binding for all Holders of the respective Tranche of Notes. Any such resolution may effectively be passed with the consent of less than a majority of the aggregate principal amount of any Tranche of Notes outstanding.***

According to the Terms and Conditions and the German Act on Issues of Debt Securities of 2009 (*Schuldverschreibungsgesetz*, the "**SchVG**"), Holders of any Tranche of Notes can, by resolution, consent to amendments of the Terms and Conditions of such Tranche of Notes. Accordingly, although no obligation to make any payment or render any other performance may be imposed on any Holder, the Holders of any Tranche of Notes may, by resolution, among other things agree to:

- change the due date for payment of interest and reduce, or cancel interest;
- change the maturity date of the Notes or reduce the principal amount payable on the Notes;
- convert the Notes into, or exchange the Notes for, shares or other securities or obligations;
- change the currency of the Notes;
- waive or restrict Holders' rights to accelerate the Notes; or
- subordinate some or all of the claims under the Notes in an insolvency proceeding.

Under the SchVG and the Terms and Conditions of each Tranche of Notes, such amendments require a resolution of Holders holding in the aggregate at least 75 percent of the votes cast in respect of the respective Tranche of Notes. Subject to contestation in court, any such resolution will be binding on all Holders of the relevant Tranche of Notes.

The voting process under the Terms and Conditions will be governed in accordance with the SchVG, pursuant to which the required participation of Holder votes (quorum) is principally set at 50 percent of the aggregate principal amount of outstanding notes in the first Holders' meeting or a vote without meeting. In case there is no sufficient quorum in the first voting process, there is no minimum quorum requirement in a second meeting for voting on the same resolution (unless the resolution to be passed requires a qualified majority, in which case Holders representing at least 25 percent of outstanding notes by principal amount must participate in the meeting). As the relevant majority for Holders' resolutions is generally based on votes cast, rather than on principal amount of notes outstanding, the aggregate principal amount of notes required to vote in favor of an amendment will vary based on the Holders' votes participating. As a result, a Holder is subject to the risk of being outvoted and losing rights towards the Issuer against its will in the event that Holders holding a sufficient aggregate principal amount of the relevant Tranche of Notes participate in the vote and agree to amend the Terms and Conditions of such Tranche of Notes by majority vote in accordance with the Terms and Conditions of the Notes and the SchVG.

***In case of certain events of default, each Tranche of Notes will only be redeemable if Holders of at least 10 percent of the aggregate principal amount of the respective Tranche of Notes then outstanding declare such Tranche of Notes due and payable. Such declaration of acceleration might be rescinded by majority resolution of the Holders of such Tranche of Notes.***

The Terms and Conditions of each Tranche of Notes provide that, in case of certain events of default, any notice declaring the respective Tranche of Notes due and payable shall become effective only when the Principal Paying Agent has received such default notices from Holders representing at least 10 percent of the aggregate principal amount of such Tranche of Notes then outstanding. Under the SchVG, even if a default notice is given by a sufficient number of Holders of Notes, this could be rescinded by majority resolution of the Holders of such Tranche of Notes within three months. A simple majority of votes would be sufficient for a resolution on the rescission of such acceleration but, in any case, more Holders would have to consent to a rescission than have delivered default notices.

Holders should be aware that, as a result, they may not be able to accelerate their Notes upon the occurrence of certain events of default, unless the required quorum of Holders with respect to the respective Tranche of Notes delivers default notices and such acceleration is not rescinded by majority resolution of the Holders of such Tranche of Notes.

***Since no Holders' Representative will be appointed as from the issue date of the Notes, it will be more difficult for Holders to take collective action with respect to the Notes.***

No initial Holders' Representative will be appointed under the Terms and Conditions of any Tranche of Notes. Any appointment of a Holders' Representative post issuance for any Tranche of Notes will, therefore, require a majority resolution of the Holders of each Tranche of Notes. If the appointment of a Holders' Representative is delayed, this will make it more difficult for Holders to take collective action to enforce their rights under the Notes.

***It is possible that a Holder may be deprived in its individual right to pursue and enforce its rights under the Terms and Conditions if such right was passed on a Holders' Representative.***

If a Holders' Representative will be appointed by majority decision of the Holders of any Tranche of Notes it is possible that a Holder may be deprived of its individual right to pursue and enforce its rights under the Terms and Conditions against the Issuer, if such right was passed to the Holders' Representative by majority vote for the respective Tranche of Notes who is then exclusively responsible to claim and enforce the rights of all the Holders of such Tranche.

***The market value of the Notes could decrease if the creditworthiness of the Issuer worsens or is perceived to worsen.***

If, for example, because of the materialization of any of the risks regarding Infineon Group, the Issuer is less likely to be in a position to fully perform all obligations under the Notes when they fall due, the market value of the Notes will suffer. In addition, even if the Issuer is not actually less likely to be in a position to fully perform all obligations under the Notes when they fall due, market participants could nevertheless have a different perception. In addition, the market participants' estimation of the creditworthiness of corporate debtors in general or debtors operating in the same business areas as Infineon Group could adversely change.

Also, changes in accounting standards may lead to adjustments in the relevant accounting positions of Infineon Group which could have an adverse effect on Infineon Group's financial condition and could impact the market value of the Notes.

If any of these risks occurs, third parties would only be willing to purchase Notes for a lower price than before the materialization of the relevant risk. Under these circumstances, the market value of the Notes would decrease.

***The Notes bear specific risks typical for fixed rate notes.***

The Notes are fixed rate notes. Therefore, each Holder is particularly exposed to the risk that the price of the Notes falls as a result of changes in market interest rates. While the nominal interest rate of the Notes as specified in the Terms and Conditions is fixed during the term of the Notes, the current market interest rates typically change on a daily basis. As the market interest rates changes, the price of fixed rate notes also changes, but in the opposite direction. If the market interest rate increases, the price of fixed rate notes typically decreases, until the yield of such notes is approximately equal to the market interest rate of comparable issues. If the market interest rate decreases, the price of fixed rate notes typically increases, until the yield of such notes is approximately equal to the market interest rate. However, notwithstanding the factors described above, the Issuer is obliged to redeem the Notes at their principal amount at maturity.

***The trading market for debt securities may be volatile and may be adversely impacted by many events.***

The market for debt securities issued by the Issuer is influenced by a number of interrelated factors, including economic, financial and political conditions and events in Germany and other jurisdictions in which Infineon Group is active as well as economic conditions and, to varying degrees, market conditions, interest rates, currency exchange rates and inflation rates in other European and other industrialized countries. There can be no assurance that events in Germany, Europe or elsewhere will not cause market volatility or that such volatility will not adversely affect the market price of the Notes or that economic and market conditions will not have any other adverse effect. Accordingly, the price at which an investor in the Notes will be able to sell the Notes prior to maturity may be at a discount, which could be substantial, from the issue price of the Notes or the purchase price paid by such investor.

***No assurance can be given as to the impact of any possible judicial decision or change of laws or administrative practices after the date of this Prospectus.***

The Terms and Conditions are based on the laws of Germany in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to the laws of Germany or administrative practice or the official application or interpretation of German law after the date of this Prospectus.

***The Notes are subject to exchange rate risks and exchange controls***

The Issuer will pay principal and interest on the Notes in Euro. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than Euro. These include the risk that exchange rates may change significantly (including changes due to devaluation of Euro or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Euro would decrease (i) the Investor's Currency-equivalent yield on the Notes, (ii) the Investor's Currency equivalent value of the principal payable on the Notes and (iii) the Investor's Currency-equivalent market value of the Notes. Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

***Investors are subject to tax risks.***

Potential purchasers of the Notes should be aware that stamp duty and other taxes and/or charges may be levied in accordance with the laws and practices in the countries where the Notes are transferred and other relevant jurisdictions. The summaries set out under the heading "**TAXATION**" discuss only specific tax considerations, and they do not purport to be a comprehensive description of all tax considerations in any particular jurisdiction which may be relevant to a decision to purchase the

Notes. Potential purchasers of the Notes should note that the tax treatment of payments in respect of the Notes may be different (and in some cases significantly different) from that set out in those summaries. Potential purchasers of the Notes who are in any doubt as to their tax position should consult their own independent tax advisers. In addition, potential purchasers should be aware that tax regulations and their application by the relevant taxation authorities may change from time to time (see "*TAXATION – EU Savings Directive*"). Accordingly, it is not possible to predict the precise tax treatment of the Notes which will apply at any given time.

***The Notes are subject to inflation risks.***

The inflation risk is the risk of future money depreciation. The real yield from an investment is reduced by inflation. The higher the rate of inflation, the lower the real yield on a Note. If the inflation rate is equal to or higher than the nominal yield, the real yield is zero or even negative.

***The Notes are subject to transaction costs and charges.***

When Notes are purchased or sold, several types of incidental costs (including transaction fees and commissions) are incurred in addition to the purchase or sale price of the Note. These incidental costs may significantly reduce or eliminate any profit from holding the Notes. Credit institutions as a rule charge commissions which are either fixed minimum commissions or pro-rata commissions, depending on the order value. To the extent that additional – domestic or foreign – parties are involved in the execution of an order, including, but not limited to, domestic dealers or brokers in foreign markets, Holders may also be charged for the brokerage fees, commissions and other fees and expenses of such parties (third party costs).

In addition to such costs directly related to the purchase of securities (direct costs), potential investors must also take into account any follow-up costs (such as custody fees). Potential investors should inform themselves about any additional costs incurred in connection with the purchase, custody or sale of the Notes before investing in the Notes.

***Because the Global Notes are held by or on behalf of Euroclear and Clearstream, Luxembourg, investors will have to rely on their procedures for transfer, payment and communication with the Issuer.***

The Notes will be represented by one or more Global Notes. Such Global Notes will be deposited with a common safekeeper for Euroclear and Clearstream, Luxembourg (together, the "ICSDs"). Investors will not be entitled to receive definitive Notes. The ICSDs will maintain records of the beneficial interests in the Global Notes. While the Notes are represented by one or more Global Notes, investors will be able to trade their beneficial interests only through the ICSDs and the Issuer will discharge its payment obligations under the Notes by making payments to or to the order of the common safekeeper for the ICSDs for distribution to their account holders. A holder of a beneficial interest in a Global Note must rely on the procedures of the ICSDs to receive payments under the Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of beneficial interests in the Global Notes.

***Risks in relation to FATCA***

Whilst the Notes are in global form and held within the ICSDs, it is not expected that the reporting regime and potential withholding tax imposed by Sections 1471 through 1474 (including any agreements under Section 1471(b)) of the United States Internal Revenue Code of 1986, certain intergovernmental agreements relating thereto, or laws implementing any foregoing (collectively "**FATCA**") will affect the amount of any payment received by the ICSDs. However, FATCA may affect payments made to custodians or intermediaries in the subsequent payment chain leading to the ultimate investor if any such custodian or intermediary is not entitled (or has failed to establish its eligibility) to receive payments free of FATCA withholding. It also may affect payment to any ultimate investor that is a financial institution that is not entitled to receive payments free of withholding under

FATCA, or an ultimate investor that fails to provide its broker (or other custodian or intermediary from which it receives payment) with any information, forms, other documentation or consents that may be necessary for the payments to be made free of FATCA withholding. Investors should choose the custodians or intermediaries with care (to ensure each is compliant with FATCA or other laws or agreements related to FATCA) and provide each custodian or intermediary with any information, forms, other documentation or consents that may be necessary for such custodian or intermediary to make a payment free of FATCA withholding. Investors should consult their own tax adviser to obtain a more detailed explanation of FATCA and how FATCA may affect them. The Issuer's obligations under the Notes are discharged once it has paid the common depository or common safekeeper for the ICSDs (as bearer of the Notes) and the Issuer has therefore no responsibility for any amount thereafter transmitted through the ICSDs and subsequent custodians or intermediaries.

## USE OF PROCEEDS

In connection with the offering of the Notes, the Issuer will receive net proceeds of EUR [●], consisting of (i) approximately EUR [●] with respect to the Tranche 1 Notes (representing the issue price of the Tranche 1 Notes after deduction of the fees of up to 0.50 percent of the aggregate principal amount of the Tranche 1 Notes to be paid in connection with the offer of the Tranche 1 Notes to the Joint Lead Managers) and of (ii) approximately EUR [●] with respect to the Tranche 2 Notes (representing the issue price of the Tranche 2 Notes after deduction of the fees of up to 0.60 percent of the aggregate principal amount of the Tranche 2 Notes to be paid in connection with the offer of the Tranche 2 Notes to the Joint Lead Managers), less (iii) the other expenses incurred in connection with the issue of the Notes of approximately EUR 420,000.

The Issuer intends to use these proceeds to repay loans entered into for financing the acquisition of International Rectifier (see "*INFORMATION ABOUT INFINEON – Acquisition of International Rectifier*" below) and for general corporate purposes.

The issue proceeds will be included in the Pricing Notice (as defined in "*SUBSCRIPTION, SALE AND OFFER OF THE NOTES*" below) which will be published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) on or prior to the Issue Date of the Notes.

## INFORMATION ABOUT INFINEON

### General

Infineon is a stock corporation (*Aktiengesellschaft*) organized under German law. It was incorporated in March 1999, when the semiconductor operations of the then parent company Siemens AG were spun off to form a separate legal entity.

Already as part of the group of Siemens AG and its subsidiaries ("**Siemens Group**"), Infineon has been at the forefront of the development, manufacture and marketing of semiconductors starting in 1952 when the production of modern transistors was taken up in the Siemens electron tube factory in Munich. The transistor effect had only been discovered and the first germanium and silicon semiconductor elements had only been developed four years before, by Siemens among others. In 1999, the Siemens semiconductors group was spun off of the Siemens Group to form Infineon Group. Infineon Technologies AG was listed on the Frankfurt Stock Exchange in March 2000. Starting in 2001, Siemens AG gradually reduced its stake in Infineon and completed its divestment in March 2006.

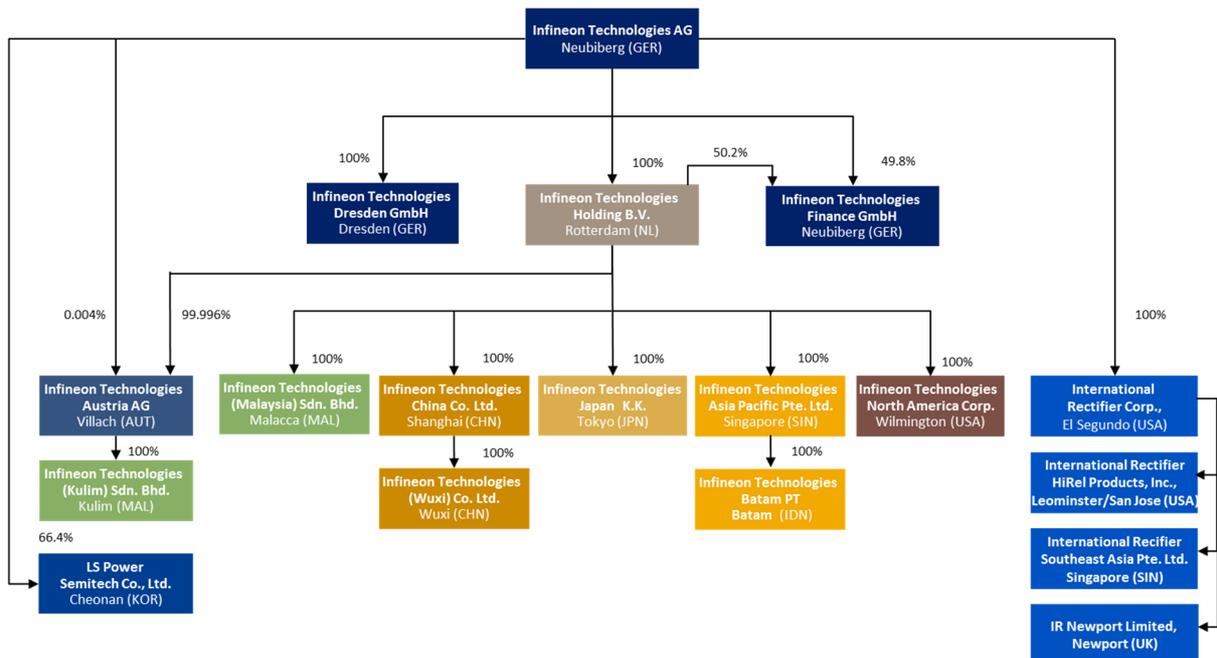
Infineon's registered office is in Neubiberg, Germany. It is registered with the commercial register of the District Court (*Amtsgericht*) of Munich under registration number HRB 126492. "Infineon Technologies AG" is the legal name and "Infineon" is the commercial name of the Issuer.

Infineon's principal office is located at Am Campeon 1-12, 85579 Neubiberg, Germany; its telephone number is: +49 89 234-0.

### Organizational Structure

Infineon is the parent company of Infineon Group, with 97 subsidiaries and affiliated companies (including minority holdings but excluding Qimonda AG i.L. and its affiliates) incorporated in jurisdictions throughout Europe and Asia, as well as in the Americas and Australia (as of February 18, 2015).

The following diagram depicts, in simplified form, the Infineon Group's corporate structure, as of February 18, 2015.



Infineon's most significant subsidiaries are set out below. Unless otherwise indicated, all of the subsidiaries within Infineon Group are directly or indirectly wholly owned by Infineon as of February 18, 2015.

<b>Name of company</b>	<b>Main location</b>	<b>Shareholdings in %</b>
Infineon Technologies (Kulim) Sdn. Bhd.	Kulim, Malaysia	100
Infineon Technologies (Malaysia) Sdn. Bhd.	Malacca, Malaysia	100
Infineon Technologies (Wuxi) Co., Ltd.	Wuxi, China	100
Infineon Technologies Asia Pacific Pte. Ltd.	Singapore	100
Infineon Technologies Austria AG	Villach, Austria	100
Infineon Technologies Batam PT	Batam, Indonesia	100
Infineon Technologies Cegléd Kft.	Cegléd, Hungary	100
Infineon Technologies China Co., Ltd.	Shanghai, China	100
Infineon Technologies Dresden GmbH	Dresden, Germany	100
Infineon Technologies Finance GmbH	Neubiberg, Germany	100
Infineon Technologies Holding B.V.	Rotterdam, The Netherlands	100
Infineon Technologies Japan K.K.	Tokyo, Japan	100
Infineon Technologies North America Corp.	Milpitas, California, USA	100
International Rectifier Corporation	El Segundo, California, USA	100
International Rectifier HiRel Products, Inc.	Leominster/San Jose, USA	100
International Rectifier Hong Kong Limited	Hong Kong	100
International Rectifier Southeast Asia Pte. Ltd.	Singapore	100
IR EPI Services, Inc.	Mesa, Arizona, USA	100
IR Newport Limited	Newport, UK	100
LS Power Semitech Co., Ltd	Cheonan, Korea	66

#### **Acquisition of International Rectifier**

In August 2014, Infineon and International Rectifier Corporation entered into a merger agreement. Under the terms of the merger agreement, Infineon has acquired International Rectifier Corporation and its subsidiaries ("**International Rectifier**") by means of a merger transaction. International Rectifier Corporation shareholders received USD 40 in cash for each share of common stock. This represents a premium of 50.6 percent over the closing share price on the day prior to signing and a premium of 47.7 percent over the average closing share prices over the three-month period ended on

that day. At this price, the fully diluted equity consideration amounted to USD 3.0 billion. Net of the value of International Rectifier's cash and cash equivalents of USD 0.6 billion as of June 30, 2014, the fully diluted enterprise value corresponded to approximately USD 2.4 billion. The acquisition was completed on January 13, 2015. Please see a description of the business of International Rectifier under "*Business Overview – Principal Activities of Infineon and Infineon Group – International Rectifier*", for the financing of the International Rectifier acquisition see "*Material Financings*".

## **Business Overview**

### ***Principal Activities of Infineon and Infineon Group***

#### ***General Overview***

Infineon Group designs, develops, manufactures and markets a broad range of semiconductors and systems solutions. The focus of its activities is on automotive electronics, industrial and multimarket electronics and chip card-based security. Infineon Group's products are used in a wide variety of applications such as automobiles, electric drives, computer systems, telecommunication systems and consumer goods. The product range comprises standard components, customer-specific solutions for devices and systems, as well as specific components for digital, analogue, and mixed-signal applications. As of September 30, 2014, more than half of Infineon Group's revenue was generated by power semiconductors, about a fifth by embedded control products (microcontrollers for automotive and industrial applications as well as security controllers), and the remainder by radio-frequency components and other product categories. Infineon Group's operations and customers are located mainly in Europe, Asia and North America.

Infineon Group organizes its business operations in four main operating segments: Automotive, Industrial Power Control, Power Management & Multimarket and Chip Card & Security. The Automotive segment designs, develops, manufactures and markets semiconductors for use in automotive applications. The Industrial Power Control segment designs, develops, manufactures and markets semiconductors and system solutions primarily for the use in industrial electronics applications. The Power Management & Multimarket segment designs, develops, manufactures and markets power semiconductors for the use in power supplies as well as components for mobile devices and cellular network infrastructure. The Chip Card & Security segment designs, develops, manufactures and markets various contact-based and contactless security controllers for chip card and security applications.

According to IHS<sup>1</sup>, in the calendar year 2013 Infineon Group was ranked number 12 in the worldwide semiconductor market with a total market size of USD 323 billion. Infineon was further ranked number 2 among all EMEA-headquartered semiconductor companies, and was ranked number 1 among all Germany-headquartered semiconductor companies.

According to Strategy Analytics<sup>2</sup>, Infineon Group was ranked number 2 in the automotive semiconductor market in the calendar year 2013 with a market share based on revenues of 9.6 percent. According to IHS Inc.<sup>3</sup>, Infineon Group was ranked number 1 in the calendar year 2013 in the power semiconductor market for discretely and modules, but excluding power ICs (Integrated Circuits), with a market share based on revenues of 12.3 percent. According to IHS Inc.<sup>4</sup>, Infineon Group was ranked number 1 in the standard MOSFET (Metal-Oxide-Semiconductor Field-Effect Transistor) power transistors market in the calendar year 2013 with a market share based on revenues of 13.6 percent. According to IHS Inc.<sup>5</sup>, Infineon Group was ranked number 2 in the

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<sup>1</sup> IHS Inc., "Annual 2001 to 2013 Competitive Landscaping Tool", Q3 2014 Update, August 2014.

<sup>2</sup> Strategy Analytics, "Automotive Semiconductor Vendor Market Shares", April 2014. Strategy Analytics is a technology market research organization.

<sup>3</sup> IHS Inc., "Power Semiconductor Discretely & Modules Report – 2014", September 2014. IHS Inc. is a technology market research organization.

<sup>4</sup> IHS Inc., "Power Semiconductor Discretely & Modules Report – 2014", September 2014.

<sup>5</sup> IHS Inc., "Smart Cards Semiconductors Report – 2014", July 2014.

microcontroller-based chip card ICs market in the calendar year 2013 with a market share based on revenues of 21.7 percent.

In the 2014 fiscal year (ending September 30, 2014), Infineon reported revenues of EUR 4,320 million (2013 fiscal year: EUR 3,843 million) with 29,807 employees worldwide as of September 30, 2014 of which about 13,100 were based in Europe, about 16,100 were based in Asia-Pacific (incl. Japan), and about 600 were based in the USA (26,725 employees worldwide as of September 30, 2013). Infineon Group operates 12 manufacturing sites in 8 countries and 21 design centers in 11 countries.

On January 13, 2015, Infineon completed the acquisition of International Rectifier. International Rectifier was founded in 1947 and designs, develops, manufactures and markets a broad range of power semiconductors, ICs and systems solutions. The focus of its activities is on automotive electronics, industrial electronics, home appliances, and high-reliability components.

In the 2014 fiscal year (ending June 29, 2014), International Rectifier reported revenues of USD 1,107 million (2013 fiscal year: USD 977 million) with 4,165 employees worldwide as of June 29, 2014 (as of June 30, 2013: 4,162 employees worldwide). For the timeframe October 1, 2013 through September 30, 2014 (adjusted to the Infineon fiscal year), International Rectifier reported revenues of USD 1,124 million. Assuming an exchange rate of USD 1.35 for EUR 1.00, this revenue translated into EUR 833 million. International Rectifier has a presence in 20 countries worldwide with 8 manufacturing sites, 11 design centers, and 19 sales offices.

### ***Megatrends***

In offering semiconductor and system solutions Infineon is addressing three central challenges to modern society: energy efficiency, mobility and security, which in Infineon's view are the sources for the continued increase in demand for Infineon Group's products.

#### *Megatrend Energy Efficiency*

Regulatory requirements around the globe aimed at reducing CO<sub>2</sub> emissions have an impact on multiple industries, for example fuel consumption limits for vehicles, efficiency of electrical industrial motors, and also influence the targets set for expanding renewable energy sources. For example, an EU regulation requires fleet average CO<sub>2</sub> emissions for passenger cars to be reduced from 2014 level by about 30 percent by 2021. In order to achieve this target, electricity-consuming applications in cars are expected to become more efficient, and hydraulic, mechanical and/or electromechanical solutions are envisaged to be displaced by more efficient semiconductor-based solutions. Moreover, the proportion of electric and hybrid vehicles in car manufacturers' fleets are also expected to increase. These trends are expected to result in higher semiconductor content, for example per vehicle but also in other industries, particularly in terms of power semiconductors, but also microcontrollers and sensors. Moreover, approximately two thirds of the worldwide electricity consumption in industry is attributable to electric drives. The scope for realizing savings and reducing CO<sub>2</sub> emissions through efficiency improvements in electric drives is therefore substantial.

Further, various legislation, e.g. the EU Electric Motors Regulation (EC 640/2009), stipulates a new efficiency level for new electric industrial drives. One option to reduce the amount of energy consumed by an electric motor is to use so-called "variable speed drives", which requires a high number of power semiconductors of the type offered by Infineon Group.

Another factor contributing to Infineon Group's business is the need of multiple industries to raise productivity, which is achieved, among others, by means of increased levels of automation. This automation, in turn, increases the number of electronically controlled electric motors required.

Due to a growing world population as well as better standards of living consumption of electric power is constantly increasing. In order to reduce CO<sub>2</sub> emissions, Europe, the USA, China and Japan have set targets for expanding renewable energy resources. Infineon Group aims to profit from the construction of wind and photovoltaic power stations since they require a much higher number and value of power semiconductors than conventional power plants.

### *Megatrend Mobility*

Human mobility requirements regarding individual mobility as well as mass transit systems represent a major challenge for modern society. Infineon Group supplies semiconductor solutions for the automotive industry as well as for various train systems from high-speed trains to trams, thus facilitating low-emission mobility of people.

Sustainable mobility both within and between megacities is the driving force for the expansion of public transportation systems. Train systems are one of the fields of application benefitting from this trend.

As a result of increasing prosperity in the emerging economies, more and more people are able to afford their own car. This trend is particularly evident in Asia's emerging economies and especially in China.

In addition, the features built into vehicles play a major role in determining the average semiconductor content per vehicle. An increase in features in vehicles can be observed across all regions and vehicle classes. Safety and comfort features such as new active safety devices and advanced driver assistance systems are increasing the average semiconductor content per vehicle.

### *Megatrend Security*

In the past, mainly end-user devices such as PCs, notebooks and mobile devices were linked to the information networks. In recent years, however, more devices and functions have been enabled to exchange data and work via the Internet and have become integrated in the "Internet of Things". This includes, inter alia, machines, robots, vehicles, containers and medical equipment. New devices are expected to be designed to exchange electronic data with partners or other devices in what has come to be known as M2M (machine-to-machine) communication. Secure storage and transfer of data will be absolutely essential.

In case of autonomous driving – including semi-autonomous driving systems already developed – vehicles also communicate directly with each other (car-to-car communication), as well as with centralized systems (car-to-infrastructure communication). The use of web applications in vehicles will increase sharply and it is essential that communication is secure.

Moreover, hardware-based security similar to the one Infineon Group offers shows growth potential in the fields of automation technology for production, logistics, traffic guidance systems, building or home automation. Hardware-based security can take the form of an individual component or the incorporation of the relevant function in automotive or industrial microcontrollers.

Also "classic" applications such as credit cards offer opportunities for further growth. China and the USA, for instance, are currently changing from a magnet-strip-based credit card system to a chip-based system as chip-based cards increase the security of cashless payment systems.

Safeguarding the integrity of computers is another field of application for Infineon Group's security chips which offers a broad spectrum of solutions ranging from the simple secure memory on a plastic card to sophisticated solutions based on security controllers. Certain security components can even check the authenticity of original parts and/or components.

### ***Infineon Group's Segments***

Infineon Group organizes its operations in the following four main segments. The operations of International Rectifier will complement Infineon Group's business as described below.

#### ***The Automotive segment***

##### *Business description*

Infineon Group is one of the few semiconductor manufacturers for automotive applications that covers, in Infineon's view, the most important established applications in vehicles, with a very broad product portfolio of microcontrollers, sensors, radio-frequency and particularly radar components as

well as discrete power semiconductors (which handle higher voltages and higher currents than standard semiconductors) and power ICs. Due to the acquisition of International Rectifier, the Automotive segment's product portfolio will be extended primarily in the field of power MOSFETs, IGBTs (Insulated-Gate Bipolar Transistor), intelligent power switches, and driver ICs.

With the above mentioned product categories, Infineon Group serves major application segments: powertrain, chassis and comfort electronics as well as safety applications. Infineon believes that the field of security will also gain significantly in importance going forward. Fields of applications comprise:

- Chassis and comfort electronics: air conditioning, door electronics, electronic control units, electronic seat adjustment, hatchback, lighting, power windows, steering, sunroof, suspension, and windshield wipers;
- Electric and hybrid vehicles: battery management, battery fast-charging control, and motor control;
- Powertrain: alternator control, engine control, start-stop system and transmission control;
- Safety: ABS (Anti-Blocking System), ADAS (Advanced Driver Assistance Systems), airbags, electronically controlled chassis suspension, electronic power steering, ESC (Electronic Stability Control), radar-based distance warning, and tire pressure monitoring system;
- Security: digital tachograph, communication (car-to-car, car-to-infrastructure), manipulation protection (tuning, tachometer), and original spare parts authentication.

The activities in the Automotive segment focus on the following topics:

- *Environmental friendliness*: Development of microcontrollers, sensors and power electronics for control systems, in particular for drive systems and with the necessity to comply with increasingly stringent emission standards in mind.
- *Safety*: Infineon Group designs products for a large number of active and passive safety applications that help reduce the number and the severity of traffic accidents, the long-term goal being zero traffic accidents and related injuries. Moreover, Infineon Group is developing technologies building the base for autonomous driving.
- *Security*: In order to guarantee the functioning of safety applications in increasingly connected vehicles, encryption technologies will be needed to an ever greater degree. The globally leading security expertise provided by the Chip Card & Security segment of Infineon Group is helping to address these trends.
- *Regions*: Infineon Group is stepping up efforts to enhance its regional presence, particularly in China and Japan as, in the latter case, the automotive supply industry strives to procure its components on an increasingly global scale.

Key customers in the Automotive segment include: Bosch, Continental, Delphi, Hyundai and Tesla Motors.

Infineon Group recorded revenue of EUR 1,965 million for the Automotive segment in the 2014 fiscal year, an improvement of 14.6 percent on the 2013 fiscal year's figure of EUR 1,714 million. The Automotive segment generated 45.5 percent of Infineon Group's revenue in the 2014 fiscal year. The Segment Result<sup>6</sup> totaled EUR 259 million in the 2014 fiscal year, 55.1 percent up in comparison to the

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<sup>6</sup> Segment Result is defined as operating income (loss) excluding: asset impairments (net of reversals); the impact on earnings of restructuring and closures; share-based compensation expense; acquisition-related depreciation/amortization and other expenses; gains (losses) on sales of assets, businesses, or interests in subsidiaries as well as other income (expense), including litigation costs. Segment Result is the indicator that Infineon uses to evaluate the operating performance of its segments.

EUR 167 million recorded in the 2013 fiscal year. The Segment Result Margin<sup>7</sup> in the 2014 fiscal year amounted to 13.2 percent.

### *Trends*

Infineon Group identified three major trends which are expected to determine the development of automotive technology: low-emission vehicles including hybrid and electric vehicles, safe vehicles with particular focus on ADAS and security in increasingly connected vehicles.

The first trend relates to the fact that legislators in the major automotive regions of Europe, North America, Japan and China, introduced binding CO<sub>2</sub> emission targets that will come into effect from 2020, expected to result in the development of vehicles, equipment and machinery that are designed to become more efficient. With regard to low-emission vehicles, Infineon Group contributes to the electrification of main and auxiliary power units and supplies the appropriate automotive electronics. Furthermore, Infineon Group products are designed to increase efficiency for many existing electricity-consuming systems in internal combustion engine vehicles, which contributes towards reduced power and hence fuel consumption and therefore results in reduced CO<sub>2</sub> emissions.

The second trend relates to safety standards for vehicles which are constantly becoming more stringent. Car manufacturers are thus adding more and more safety features to their vehicles, which fosters the market penetration of ADAS. In many ADAS, radar is a key technology. Infineon provides crucial components for this technology which is involved, for example, in pedestrian recognition, distance warning and blind spot detection.

The third trend relates to security in increasingly connected cars. In order to guarantee the functioning of the above-mentioned safety applications in increasingly connected vehicles, Infineon expects that an increased amount of encryption technologies will be needed. Infineon Group uses the security expertise provided by the Chip Card & Security segment to address these trends.

### ***The Industrial Power Control segment***

#### *Business description*

The Industrial Power Control segment offers semiconductor products throughout the supply chain of the energy industry, i.e. from the generation of electronic power via the transmission to the consumer, and finally the conversion. In particular, the increase in power density, i.e. the electrical power converted within a certain space, is crucial for the progress in power devices. Infineon Group believes to be an innovation leader in the field of power semiconductors and strives to maintain this position.

The Industrial Power Control segment's product portfolio comprises discrete IGBT devices, IGBT modules and IGBT stacks, as well as driver ICs and driver boards for controlling IGBT modules and covers practically the entire power range from a few hundred watts to several megawatts. In particular, the Industrial Power Control segment is developing its IGBT module portfolio selectively with applications in the lower power range from 100 to 2,000 watts, as used, for example, in air conditioners, washing machines and industrial drives. As a result of the acquisition of International Rectifier, the Industrial Power Control segment will be complemented with International Rectifier's compact IGBT modules, which are used mainly in industrial applications.

Applications of the semiconductor products of the Industrial Power Control segment include:

- Charging stations for electric vehicles;
- Energy transmission: FACTS (Flexible AC Transmission Systems) and offshore wind farm HVDC (High-Voltage Direct Current) lines;
- Home appliances: air conditioning, induction cooking, induction rice cookers, microwave ovens, and washing machines;

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<sup>7</sup> Segment Result Margin is calculated as the percentage of Segment Result in relation to revenue.

- Industrial drives (motors, pumps, fans, compressors): air conditioning, automation technology, conveyor technology, drives, elevators, escalators, and materials handling;
- Industrial vehicles: agricultural vehicles, forklifts, heavy construction vehicles, hybrid buses, and mining vehicles;
- Renewable energy generation: photovoltaic systems and wind turbines;
- Traction: high-speed trains, locomotives, metro trains and trams;
- Uninterruptible power supplies.

Key customers in the Industrial Power Control segment include: ABB, Beijing Jingchuan, Bombardier, Siemens and Vestas.

In the 2014 fiscal year, Infineon Group recorded revenue of EUR 783 million in the Industrial Power Control segment, which is 20.3 percent more than the previous year's figure of EUR 651 million. The Industrial Power Control segment generated 18.1 percent of Infineon Group's revenue in the 2014 fiscal year. The Segment Result amounted to EUR 144 million in the 2014 fiscal year, an increase by 278.9 percent compared to the EUR 38 million in the 2013 fiscal year. The Segment Result Margin in the 2014 fiscal year amounted to 18.4 percent. About half of the revenue of the Industrial Power Control segment was generated in the Asia-Pacific region, especially in China where the government launched various infrastructure programs.

#### *Trends*

IGBT power components are found in an increasing number of applications: a) electrification of high-power vehicles such as agricultural, construction and mining vehicles is constantly growing, b) railways run almost exclusively on electrified lines, c) power generation via renewable energies is gaining importance, and d) the penetration rate of electronically controlled motors, so-called "variable speed drives", is steadily increasing. Infineon Group is striving to develop new products for this broad range of applications, for example by introducing new IGBT modules and driver ICs for electric motors including variable speed drives. Infineon believes that regarding renewable energy, China and the U.S. are new growth regions while the so-called repowering, i.e. the replacement of older and smaller wind turbines by modern and more powerful ones, is gaining importance in Europe. Infineon Group has furthermore developed discrete IGBT devices to meet the specific needs of induction cookers. Infineon Group is working on new applications including the charging infrastructure for electric vehicles and energy storage systems.

With respect to efficient power semiconductors for increasingly compact power supplies and controls, new materials are becoming more and more important, such as silicon carbide (SiC). Since 2001, Infineon Group is marketing SiC-based products. Main fields of application for SiC components are currently photovoltaic inverters, switch mode power supplies for servers over 600 watts and uninterruptible power supplies. Going forward, Infineon expects that inverters for variable speed drives and, in the long term, traction will also be potential fields of application for SiC components.

### ***The Power Management & Multimarket segment***

#### *Business description*

The Power Management & Multimarket segment offers all of the main components for the power supply in various electronic devices in the fields of IT and telecommunications infrastructure, computing, consumer electronics and mobile devices. The product portfolio offered includes low-voltage and high-voltage power transistors, driver ICs and control ICs, addressing a power range from 10 watts to 3 kilowatts.

Due to the acquisition of International Rectifier, the Power Management & Multimarket segment's product portfolio will be extended in the field of low-voltage power transistors in largely complementary fields of application, in digital power management solutions for DC/DC conversion,

and lastly in the area of highly reliable components used, for example, in aircraft, satellites, and medical devices.

With regard to mobile devices, the Power Management & Multimarket segment supplies special components such as chips for silicon microphones, RF (Radio Frequency) antenna modules, LNAs (Low-Noise Amplifiers) for satellite navigation and small-signal components such as TVS (Transient Voltage Suppressor) diodes. In addition, the Power Management & Multimarket segment supplies RF power amplifiers for cellular infrastructure.

The Power Management & Multimarket segment has five major fields of application:

- Cellular network infrastructure;
- Light management systems and LED lighting systems;
- Micro inverters for photovoltaic rooftop systems;
- Mobile devices: navigation devices, smartphones, and tablets;
- Power supplies for: consumer electronics, IT and telecommunications, PCs and notebooks, servers, smartphones, and tablets.

Key customers in the Power Management & Multimarket segment include: Delta, Ericsson, Huawei, Samsung and ZTE.

In the 2014 fiscal year, the Power Management & Multimarket segment generated revenue totaling EUR 1,061 million, which is 7.5 percent more than the revenue of EUR 987 million recorded in the 2013 fiscal year. The Power Management & Multimarket segment generated 24.6 percent of Infineon Group's revenue in the 2014 fiscal year. The Segment Result totaled EUR 172 million in the 2014 fiscal year, 19.4 percent up in comparison to the figure of EUR 144 million recorded in the 2013 fiscal year. The Segment Result Margin in the 2014 fiscal year amounted to 16.2 percent.

#### *Trends*

With regard to power supplies two trends are observed by Infineon Group: first, their efficiency is expected to increase due to regulatory targets, and second, especially in the case of chargers for smartphones and tablets, their size and weight become increasingly important as well as improving the ability to charge at fast rates. Consequently, power density is becoming a decisive parameter. Infineon Group intends to play a key role in these two development trends on the basis of its two innovative digital power management solutions: first, a digital power management solution for AC/DC conversion (which converts the alternating current to direct current in the process of supplying power to electrical devices) and second, a digital power management concept for DC/DC conversion (when the direct current is precisely adapted to the requirements of the point of load).

Gallium nitride (GaN) is a compound material offering new properties resulting in greater efficiency in AC/DC power conversion. GaN-based transistors are, therefore, used at higher frequencies (compared with standard silicon transistors) and can be exploited to reduce the size of the overall system. International Rectifier has developed a leading expertise in GaN-based switches and associated ICs.

The demand for smartphones and tablets is growing rapidly. Infineon Group supplies components for various functions, for example RF switches in CMOS (Complementary Metal Oxide Semiconductor) technology for switching between various signal paths and LNAs for satellite navigation with high signal sensitivity. Also, Infineon expects that the acoustic performance will become more important with the number of microphones per device increasing. Infineon Group is focusing on chips for silicon microphones: MEMS sensor with microphone membrane and application-specific IC for signal conversion; manufactured to increase sensitivity and at the same time improve resilience to vibrations and shock.

The growing number of mobile devices entails a need to adapt the mobile communications network infrastructure to cope with the increasing data volumes. The continually more advanced transmission

standards (for example the world-wide roll-out of LTE networks) are raising the speed and throughput of data transmission. In this field, Infineon Group offers RF power transistors to be installed in the base stations to downstream data to the mobile devices.

### ***The Chip Card & Security segment***

#### *Business description*

The core competencies of the Chip Card & Security segment lie in the field of security, contactless interface technology and embedded microcontroller solutions (embedded control). With its three base technologies, Integrity Guard for security, Coil on Module for contactless communication and SOLID FLASH™ for security controller solutions, and further security solutions, the Chip Card & Security segment offers a broad portfolio of semiconductor-based security products for a wide range of chip card and security applications. The Chip Card & Security segment offers applications aimed to increase security in a more and more connected world, for example in the areas of mobile payments, secure cloud computing and secure, electronically readable governmental identification documents.

The Chip Card & Security segment's fields of applications include:

- Authentication: accessories, games consoles, industrial controllers and spare parts;
- Government identification: electronic driver's licenses, electronic passports, and electronic national ID cards;
- Healthcare cards;
- Mobile communications: high-end SIM (Subscriber Identity Module) cards (including NFC-based), machine-to-machine communication, and standard SIM cards;
- Near field communication (NFC);
- Payment systems: credit cards, debit cards, and NFC-based contactless payments;
- Ticketing, access control;
- Trusted computing.

Key customers in the Chip Card & Security segment include: Gemalto, Giesecke & Devrient, Microsoft, US Government Printing Office and Watchdata.

The Chip Card & Security segment generated revenue totaling EUR 494 million in the 2014 fiscal year, 6.7 percent more than the EUR 463 million in the 2013 fiscal year. The Chip Card & Security segment accounted for 11.4 percent of Infineon Group revenue in the 2014 fiscal year. The Segment Result amounted to EUR 43 million in the 2014 fiscal year, an increase of 10.3 percent compared to EUR 39 million in the 2013 fiscal year. The Segment Result Margin amounted to 8.7 percent in the 2014 fiscal year.

#### *Trends*

Alongside its activities in the conventional chip card application fields, such as payment cards, SIM cards for mobile communication and security solutions for passports and ID cards, Infineon Group intends to focus on applications in which the security aspect is of increasing importance, including mobile payments with NFC technology, the security of electronic devices in connected systems and the several applications of authentication. While chip-based payment cards were introduced in Europe years ago, this trend is now also gaining ground in China and the USA. In both markets, Infineon Group technology is widely accepted and Infineon Group managed to secure orders from nearly all main card manufacturers in the US market. Government identification documents are also increasingly equipped with security chips. Infineon Group supplies over 70 percent of all government ID projects in Europe and is one of the main suppliers of security technology for the USA's electronic passports (according to Infineon's estimates).

By means of NFC technology numerous functions and applications can be implemented in mobile devices, such as ticketing and payment services. Offering various security concepts Infineon Group provides the security chip for these purposes and forecasts growing demand in this area. Infineon Group also estimates that high-end SIM cards will become increasingly popular. Furthermore, it sees a large market potential in authentication chips, i.e. its OPTIGA™ product family which serves to safeguard electronic systems from security breaches.

### ***Other Operating Segments***

Other Operating Segments comprises the remaining activities of businesses that have been disposed of, and other business activities. Since the closing of the sale of the Wireline Communications business in 2009 and the Wireless mobile phone business in 2011, sales to Lantiq and Intel Mobile Communications under the corresponding production agreements, other than those assigned to discontinued operations, are included in this segment.

### ***Corporate and Eliminations***

Corporate and Eliminations reflects the elimination of intragroup revenue and profits/losses to the extent that these arise between the individual segments. Furthermore, Corporate and Eliminations includes items that are not allocated to the four main operating segments mentioned above.

### ***International Rectifier<sup>8</sup>***

International Rectifier designs, develops, manufactures and markets a broad range of power semiconductors, ICs and systems solutions. It operates 8 manufacturing sites in 4 countries: El Segundo, Leominster, Meza, San Jose and Temecula (all USA), Tijuana (Mexico), Newport (Wales, UK) and Singapore. International Rectifier organized its operations in five business units. The business units are expected to be allocated to three of Infineon Group's four main operating segments as described below.

#### *The Automotive Power business unit*

The Automotive Power business unit of International Rectifier provides high-performance and energy-saving solutions for a broad variety of automotive systems, ranging from typical 12 volt power net applications up to 1,200 volt hybrid electric vehicle applications. The targeted applications include AC and DC motor drives of all power classes, actuator drivers, automotive lighting (such as high intensity discharge lamps), direct fuel injection for diesel and gasoline engines, hybrid electric vehicle power train and peripheral systems for micro, mild, full and plug-in hybrids for electric vehicles, as well as for chassis and comfort electronic systems like glow plugs, fuel pumps, HVAC (Heating Ventilation and Air Conditioning) and rear wipers and also for safety electronic systems like electric power steering. Key products include ASICs (Application-Specific Integrated Circuits), ASSPs (Application-Specific Standard Products), and generic high-volume products for multiple OEMs (Original Equipment Manufacturers) platform usage.

In the 2014 fiscal year (ending June 29, 2014), International Rectifier recorded revenue of USD 150 million for the Automotive Power business unit, an improvement of 20.0 percent on the 2013 fiscal year's (ending June 30, 2013) figure of USD 125 million. The Automotive Power business unit generated 13.5 percent of International Rectifier's total revenue in the 2014 fiscal year. The gross margin was 29.5 percent in the 2014 fiscal year, 11.8 percentage points up in comparison to the 17.7 percent in the 2013 fiscal year.

Adjusted to Infineon Group's fiscal year, International Rectifier recorded revenue of USD 150 million for the Automotive Power business unit in the period from October 2013 through September 2014, representing 13.3 percent of International Rectifier's total revenue in this period. The entire revenue of

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<sup>8</sup> Financial data provided in this section is derived from International Rectifier's consolidated financial statements prepared in accordance with US-GAAP and used as defined therein.

International Rectifier's Automotive Power business unit will be allocated to Infineon Group's Automotive segment.

*The Energy Saving Products business unit*

The Energy Saving Products business unit provides integrated design platforms that enable the customers to add energy-saving features to help achieve lower operating energy and manufacturing costs. The Energy Saving Products business unit's primary applications include motor control appliances, industrial automation, lighting and display, audio and video. Key products include digital control ICs, high-voltage ICs, IGBTs, and IPMs (Intelligent Power Modules).

In the 2014 fiscal year, International Rectifier recorded revenue of USD 209 million for the Energy Saving Products business unit, an improvement of 18.7 percent on the 2013 fiscal year's figure of USD 176 million. The Energy Saving Products business unit generated 18.9 percent of International Rectifier's total revenue in the 2014 fiscal year. The gross margin was 31.1 percent in the 2014 fiscal year, 15.8 percentage points up in comparison to the 15.3 percent in the 2013 fiscal year.

Adjusted to Infineon Group's fiscal year, International Rectifier recorded revenue of USD 212 million for the Energy Saving Products business unit in the period from October 2013 through September 2014, representing 18.9 percent of International Rectifier's total revenue in this period. Infineon expects that about 80 percent of the revenue of International Rectifier's Energy Saving Products business unit will be allocated to Infineon Group's Industrial Power Control segment and the remaining about 20 percent to Infineon Group's Power Management & Multimarket segment.

*The Enterprise Power business unit*

The Enterprise Power business unit provides high-performance analog and digital end-to-end power solutions for servers, storage, routers, switches, infrastructure equipment, graphic cards, notebooks, and gaming consoles. The Enterprise Power business unit offers a broad portfolio of power management system products that deliver benchmark power density, efficiency and performance. Key products include CHiL digital PWM (Pulse Width Modulation) controllers, discrete power MOSFETs, voltage regulators, and low-voltage ICs.

In the 2014 fiscal year, International Rectifier recorded revenue of USD 134 million for the Enterprise Power business unit, an improvement of 15.2 percent on the 2013 fiscal year's figure of USD 116 million. The Enterprise Power business unit generated 12.1 percent of International Rectifier's total revenue in the 2014 fiscal year. The gross margin was 41.1 percent in the 2014 fiscal year, 8.6 percentage points up in comparison to the 32.5 percent in the 2013 fiscal year.

Adjusted to Infineon Group's fiscal year, International Rectifier recorded revenue of USD 138 million for the Enterprise Power business unit in the period from October 2013 through September 2014 representing 12.3 percent of International Rectifier's total revenue in this period. The entire revenue of International Rectifier's Enterprise Power business unit will be allocated to Infineon Group's Power Management & Multimarket segment.

*The Power Management Devices business unit*

The Power Management Devices business unit provides high performance power MOSFETs with a wide range of packages for applications such as power supplies, data processing, telecommunications, industrial and commercial battery-powered systems.

In the 2014 fiscal year, International Rectifier recorded revenue of USD 412 million for the Power Management Devices business unit, an improvement of 12.0 percent on the 2013 fiscal year's figure of USD 368 million. The Power Management Devices business unit generated 37.2 percent of International Rectifier's total revenue in the 2014 fiscal year. The gross margin was 31.4 percent in the 2014 fiscal year, 9.7 percentage points up in comparison to the 21.7 percent in the 2013 fiscal year.

Adjusted to Infineon Group's fiscal year, International Rectifier recorded revenue of USD 411 million for the Power Management Devices business unit in the period from October 2013 through

September 2014, representing 36.6 percent of International Rectifier's total revenue in this period. The entire revenue of International Rectifier's Power Management Devices business unit will be allocated to Infineon Group's Power Management & Multimarket segment.

*The High-Reliability (HiRel) business unit*

The HiRel business unit provides high-reliability power components and sub-assemblies designed to address power management requirements in mission critical applications including satellites and space exploration vehicles, defense systems, and other high-reliability applications such as commercial aircraft, undersea telecommunications, and oil drilling in heavy industry, as well as products used in biomedical applications. The HiRel business unit has a legacy of more than 30 years of experience in many of these applications, has developed strategic relationships with major system integrators worldwide and has the knowledge, technology and processes required to meet the requirements of customers in the high-reliability markets. Key products include radiation-hardened MOSFETs, power modules, motor control solutions, and DC/DC converters.

In the 2014 fiscal year, International Rectifier recorded revenue of USD 200 million for the HiRel business unit, an improvement of 6.1 percent on the 2013 fiscal year's figure of USD 189 million. The HiRel business unit generated 18.1 percent of International Rectifier's total revenue in the 2014 fiscal year. The gross margin was 52 percent in the 2014 fiscal year, 5.3 percentage points up in comparison to the 46.7 percent in the 2013 fiscal year.

Adjusted to Infineon Group's fiscal year, International Rectifier recorded revenue of USD 211 million for the HiRel business unit in the period from October 2013 through September 2014, representing 18.8 percent of International Rectifier's revenue in this period. The entire revenue of International Rectifier's HiRel business unit will be allocated to Infineon Group's Power Management & Multimarket segment.

*Key financial data of International Rectifier*

The following table sets out selected financial information relating to International Rectifier. The information has been extracted from the consolidated financial statements of International Rectifier prepared in accordance with US-GAAP for the fiscal year ended June 30, 2013 and for the fiscal year ended June 29, 2014, respectively, as well as from the consolidated financial statements prepared in accordance with US-GAAP for the three-month period ended September 28, 2014 and for the three-month period ended September 29, 2013, respectively.

	<b>As of and for the fiscal year ended</b>		<b>As of and for the three-month period ended</b>	
	<b>June 29, 2014</b>	<b>June 30, 2013</b>	<b>September 28, 2014</b>	<b>September 29, 2013</b>
	USD thousands (unless indicated otherwise)			
Revenues	1,106,571	977,035	286,988	269,750
Cost of sales	707,363	719,930	178,190	174,439
Gross profit	399,208	257,105	108,798	95,311
Gross margin	36.1%	26.3%	37.9%	35.3%
Operating income (loss)	73,984	(75,383)	17,959	16,356
Income (loss) from continuing operations	58,733	(88,820)	25,930	8,723
Net income (loss) per common share-dilutive in USD	0.81	(1.28)	0.36	0.12
Cash and cash equivalents	588,922	443,490	658,989	468,120
Total assets	1,565,540	1,453,212	1,585,348	1,497,465

### ***Integration of International Rectifier***

While the product and technology portfolios of Infineon Group and International Rectifier overlap to some degree, thereby offering synergy potential, Infineon Group sees particular and complementing strengths on both sides. Infineon Group believes to be strong in high-voltage IGBTs and in high-power IGBT modules. By contrast, International Rectifier's IGBT offering focuses on low-voltage IGBTs and low-power IGBT modules. In addition, Infineon believes that International Rectifier adds valuable driver and control capabilities to Infineon Group's IGBT portfolio. International Rectifier's low-power IPMs combine motor control, drivers and switches in highly compact packages. With regard to power MOSFET devices, International Rectifier provides a large portfolio of low- and medium-voltage MOSFETs that complements Infineon Group's offering in high-voltage MOSFETs. In general, International Rectifier adds a complementary package portfolio and packaging know-how.

Both companies are pioneering digital control ICs for DC/DC conversion, albeit with a slightly different application focus. While Infineon Group's strength so far lies in server applications, International Rectifier holds a strong position in non-server applications such as graphic cards, networking and cellular network infrastructure.

International Rectifier provides also know-how regarding wide-bandgap materials. Given Infineon Group's focus on high-power, it has been driving the development of power management solutions based on silicon carbide. International Rectifier, by contrast, with a focus on lower power, has developed a leading capability in gallium nitride (GaN) switches and associated ICs. In addition, International Rectifier brings a large and valuable patent portfolio for the development and manufacturing of cost-efficient GaN power transistors on silicon wafers. After the acquisition of International Rectifier, Infineon Group believes to be the market leader in power products based on compound semiconductors, both in SiC-based and GaN-based products.

Finally, the acquisition of International Rectifier represents an opportunity to complement Infineon Group's portfolio of power semiconductors. International Rectifier's HiRel business unit provides high-reliability components with a meaningful footprint in this field of products, whereas Infineon Group's own involvement in this area has so far been subscale.

Moreover, Infineon Group and International Rectifier complement one another also in terms of sales regions and channels. With the acquisition of International Rectifier, Infineon Group has a broader and in Infineon's view more balanced geographical footprint. In addition, whilst Infineon Group had a strong focus on the direct sales relationship to large OEM customers, International Rectifier brings a particular strength with medium and small customers serviced through the distribution channel.

With regard to economies of scale in manufacturing, International Rectifier will contribute manufacturing volume in discrete power semiconductors to Infineon Group's manufacturing sites, particularly to its 300-millimeter facilities, in the medium to long term. Infineon Group expects that the additional manufacturing volume enables to reach certain per-unit-cost points earlier than would have been the case without International Rectifier.

### ***Manufacturing***

Infineon Group (excluding International Rectifier) operates 12 manufacturing sites in 8 countries: Dresden, Regensburg and Warstein (all in Germany), Villach (Austria), Cegléd (Hungary), Morgan Hill (USA), Beijing and Wuxi (both in China), Malacca and Kulim (both in Malaysia), Singapore, and Batam (Indonesia). As of September 30, 2014, Infineon Group's manufacturing sites employed a workforce of 21,959 people (September 30, 2013: 19,458 people).

As of the date of this Prospectus, Infineon Group is the only company in the world to manufacture power semiconductors on 300-millimeter thin-wafers. Infineon Group's broad range of products can be sold to a variety of markets, thus enabling it to manufacture in high volumes. This is why Infineon Group expects to achieve good utilization levels of the capacity of its 300-millimeter plant approximately in the timeframe of the calendar years 2016 to 2017. The acquisition of International

Rectifier fits with this strategy. Infineon Group will transfer production of some of International Rectifier's products to its plants, in particular to its 300-millimeter plants, which is expected to result in an increase of utilization levels and, therefore, lower unit costs.

Investment in 300-millimeter thin-wafer manufacturing directly increases manufacturing capacities for power transistors. Indirectly, however, investment in 300-millimeter thin-wafer manufacturing also creates additional capacities for other products. Transferring manufacturing of high-volume components from 200-millimeter lines to the 300-millimeter lines frees up capacities for other components at Infineon Group's existing 200-millimeter power semiconductor frontend sites. Increasing manufacturing capacities using 300-millimeter technology is less capital intensive than increasing capacities on a 200-millimeter manufacturing line.

In addition, Infineon Group pursues a strategy of only investing in in-house manufacturing facilities in cases where it believes to benefit in terms of costs and/or performance. Otherwise, Infineon Group prefers to outsource. This principle is applied equally to frontend and backend manufacturing. Finally, Infineon Group has made great strides over the course of the 2014 fiscal year to improve productivity in order to enable greater manufacturing volumes based on the existing manufacturing infrastructure.

## **Market Environment and Competition**

### ***The Automotive segment<sup>9</sup>***

In the calendar year 2013, the worldwide market for automotive semiconductors amounted to USD 25,111 million, growing by 5.1 percent in comparison to 2012. During that period, Infineon Group increased its market share based on revenues from 9.1 to 9.6 percent. The five largest competitors in the calendar year 2013 were Renesas (13.3 percent), Infineon Group (9.6 percent), STMicroelectronics (7.9 percent), Freescale (7.4 percent) and NXP (6.5 percent).

In Europe, which is still by far the most important region for automotive semiconductors with a market size of USD 8,696 million, Infineon Group remained market leader with 13.1 percent market share based on revenues in the calendar year 2013 (2012: 13.0 percent). In North America (market size: USD 4,804 million), Infineon Group continued to occupy second place with 8.6 percent market share based on revenues in the calendar year 2013 (2012: 8.4 percent). In the Japanese market (market size: USD 4,896 million), Infineon Group reached third place with 4.3 percent market share based on revenues in the calendar year 2013 (2012: 3.7 percent). In the Chinese market (market size: USD 3,451 million) Infineon Group improved its market share based on revenues by 1.2 percentage points compared to 2012, resulting in a market share based on revenues of 8.2 percent in the calendar year 2013, therefore ranking number 5 in the Chinese market in 2013.

Analyzing the automotive semiconductor market in the calendar year 2013 by category, Infineon Group is market leader in the largest product group, the power semiconductor market, with a market share based on revenues of 21.3 percent (2012: 21.0 percent). In the second largest category, microcontrollers, Infineon Group remained in third place with 8.7 percent (2012: 8.0 percent). In the third largest category, sensors, Infineon Group remained in second place with 11.4 percent (2012: 10.4 percent).

### ***The Industrial Power Control segment<sup>10</sup>***

The worldwide market for discrete power semiconductors and power modules (excluding power ICs) contracted by 0.3 percent in the calendar year 2013 to USD 15,373 million (2012: USD 15,422 million). Infineon Group increased its market share based on revenues to 12.3 percent in 2013 (2012: 11.4 percent). The five largest competitors in the calendar year 2013 were Infineon Group (12.3

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<sup>9</sup> All data referred to in the following section are derived from Strategy Analytics, "Automotive Semiconductor Vendor Market Shares", April 2014.

<sup>10</sup> All data referred to in the following section are derived from IHS Inc., "Power Semiconductor Discrettes & Modules Report – 2014", September 2014.

percent), Mitsubishi (7.2 percent), Toshiba (6.0 percent), STMicroelectronics (5.8 percent) and Fairchild (5.5 percent).

The worldwide market for IGBT modules contracted by 3.3 percent to USD 3,053 million in the calendar year 2013 (2012: USD 3,155 million). Infineon Group nevertheless improved its market share based on revenues by 1.1 percentage points to 20.5 percent in 2013 (2012: 19.4 percent) and remained in second place. The five largest competitors in the calendar year 2013 were Mitsubishi (26.1 percent), Infineon Group (20.5 percent), Fuji Electric (12.2 percent), Semikron (10.7 percent) and Fairchild (4.5 percent).

In the calendar year 2013, Infineon Group remained market leader in three key markets: in EMEA with a market share based on revenues of 30.4 percent (2012: 30.0 percent), in Americas with a market share of 36.1 percent (2012: 34.8 percent) and in China with a market share based on revenues of 26.9 percent (2012: 26.0 percent).

The worldwide market for discrete IGBT devices grew by 0.6 percent to USD 968 million in the calendar year 2013 (2012: USD 962 million). Infineon Group increased its market share based on revenues to 24.7 percent in 2013 (2012: 21.0 percent). The five largest competitors in the calendar year 2013 were Infineon Group (24.7 percent), Mitsubishi (16.4 percent), Fuji Electric (15.6 percent), Fairchild (11.0 percent) and International Rectifier (10.7 percent).

#### ***The Power Management & Multimarket segment<sup>11</sup>***

In the calendar year 2013, the world market for standard power MOSFET devices (low-voltage and high-voltage MOSFETs) grew by 1.5 percent to USD 5,457 million (2012: USD 5,374 million). Increasing its market share based on revenues by 1.6 percentage points, Infineon Group became market leader with a 13.6 percent market share based on revenues in 2013 (2012: 12.0 percent). The five largest competitors in the calendar year 2013 were Infineon Group (13.6 percent), International Rectifier (12.0 percent), Renesas (10.3 percent), Fairchild (9.1 percent) and Toshiba (8.6 percent).

In the market for chips for silicon microphones, Infineon Group increased its market share based on revenues by 3.3 percentage points to 29.8 percent in the calendar year 2013 (2012: 26.5 percent).<sup>12</sup> The five largest competitors in the calendar year 2013 were Knowles (59.1 percent), Infineon Group (29.8 percent), Omron (3.8 percent), Analog Devices (2.6 percent) and Wolfson (1.2 percent).

#### ***The Chip Card & Security segment<sup>13</sup>***

In the calendar year 2013, the world market for microcontroller-based smart card ICs, comprising contact-based and contactless microcontroller-based smart card ICs for applications in SIM cards, payment cards, access control, transportation and government identification, grew by 9.7 percent to USD 2.48 billion (2012: USD 2.26 billion). Infineon Group held 21.7 percent of the world market for microcontroller-based smart card ICs based on revenues and thus has a leading position for security applications (2012: 24.1 percent). The five largest competitors in the calendar year 2013 were NXP (32.3 percent), Infineon Group (21.7 percent), STMicroelectronics (17.9 percent), Samsung (16.5 percent) and SHHIC (6.4 percent).

#### ***International Rectifier***

According to Strategy Analytics<sup>14</sup>, International Rectifier was ranked number 22 in the worldwide automotive semiconductor market in the calendar year 2013 with a market share based on revenues of 0.6 percent.

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<sup>11</sup> Unless otherwise indicated, all data referred to in the following section are derived from IHS Inc., "Power Semiconductor Discretes & Modules Report – 2014", September 2014.

<sup>12</sup> IHS Inc., "MEMS Microphones Report – 2014", April 2014.

<sup>13</sup> All data referred to in the following section are derived from IHS Inc., "Smart Cards Semiconductors Report – 2014", July 2014.

<sup>14</sup> All data referred to are derived from Strategy Analytics, "Automotive Semiconductor Vendor Market Shares", April 2014.

According to IHS Inc.<sup>15</sup>, International Rectifier was ranked number 6 in the worldwide power semiconductor market in the calendar year 2013 for discrete power semiconductors and power modules (excluding power ICs) with a market share based on revenues of 5.4 percent, number 2 in the 2013 worldwide market for standard power MOSFET devices with a market share based on revenues of 12.0 percent, number 5 in the 2013 worldwide market for discrete IGBT devices with a market share based on revenues of 10.7 percent, and number 14 in the 2013 worldwide market for IGBT modules with a market share based on revenues of 1.4 percent.

### Selected Financial Information

The following table sets out selected financial information relating to Infineon Group. The information has been extracted from the audited consolidated financial statements of Infineon Group prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS") for the fiscal year ended September 30, 2013 and for the fiscal year ended September 30, 2014, respectively, as well as from the unaudited interim consolidated financial statements for the three-month period ended December 31, 2014, unless otherwise stated.

	As of and for the fiscal year ended September 30		As of and for the three- month period ended December 31	
	2014 (audited)	2013 (audited)	2014 (unaudited)	2013 (unaudited)
	€ in millions (unless indicated otherwise)			
<b>Revenue</b>	<b>4,320</b>	<b>3,843</b>	<b>1,128</b>	<b>984</b>
by region:				
Europe, Middle East, Africa	1,707	1,567	412	368
Therein: Germany	859	795	201	190
Asia-Pacific (w/o Japan)	1,845	1,560	522	431
Therein: China	868	710	254	213
Japan	284	227	71	69
Americas	484	489	123	116
by Segment:				
Automotive	1,965	1,714	518	452
Industrial Power Control	783	651	190	179
Power Management & Multimarket	1,061	987	280	238
Chip Card & Security	494	463	132	108
Other Operating Segments	22	26	4	6
Corporate and Eliminations	(5)	2	4	1
<b>Gross profit</b>	<b>1,647</b>	<b>1,323</b>	<b>427</b>	<b>361</b>
<b>Gross margin</b>	<b>38.1%</b>	<b>34.4%</b>	<b>37.9%</b>	<b>36.7%</b>
Research and development expenses	(550)	(525)	(139)	(133)
Selling, general and administrative expenses	(496)	(440)	(136)	(114)
Operating income	525	325	153	108
Income from continuing operations	488	283	130	85
Gain (loss) from discontinued operations, net of income taxes	47	(11)	6	2
Net income	535	272	136	87

<sup>15</sup> All data referred to are derived from IHS Inc., "Power Semiconductor Discretets & Modules Report – 2014", September 2014.

	As of and for the fiscal year ended September 30		As of and for the three- month period ended December 31	
	2014	2013	2014	2013
	(audited)	(audited)	(unaudited)	(unaudited)
	€ in millions (unless indicated otherwise)			
EBIT <sup>16</sup>	528	327	157	108
EBITDA <sup>17</sup>	1,042	793	298	228
Segment Result <sup>18</sup>	620	377	169	116
Segment Result Margin <sup>19</sup>	14.4%	9.8%	15.0%	11.8%
Property, plant and equipment	1,700	1,600	1,653	1,596
<b>Total assets</b>	<b>6,438</b>	<b>5,905</b>	<b>6,194</b>	<b>5,859</b>
<b>Total equity</b>	<b>4,158</b>	<b>3,776</b>	<b>4,392</b>	<b>3,867</b>
Net cash provided by (used in) operating activities from continuing operations	988	610	(39)	158
Net cash provided by (used in) investing activities from continuing operations	(272)	(328)	513	(176)
Net cash provided by (used in) financing activities from continuing operations	(179)	(165)	2	(36)
Free cash flow <sup>20</sup>	317	235	(171)	30
Depreciation and amortization	514	466	141	120
Capital expenditure	668	378	141	129
Gross cash position <sup>21</sup>	2,418	2,286	2,107	2,279 <sup>22</sup>
Net cash position <sup>23</sup>	2,232	1,983	1,917	2,048 <sup>22</sup>
Debt (long-term and short-term)	186	303	190	231 <sup>22</sup>
Basic earnings per share in €	0.48	0.25	0.12	0.08
Diluted earnings per share in €	0.48	0.25	0.12	0.08
Dividend per share in €	0.18	0.12	-	-
Equity ratio	64.6%	63.9%	70.9%	66.0% <sup>22</sup>
Return on equity <sup>24</sup>	12.9%	7.2%	-	-
Return on assets <sup>25</sup>	8.3%	4.6%	-	-
Inventory intensity <sup>26</sup>	11.0%	10.3%	-	-
Debt-to-equity ratio <sup>27</sup>	4.5%	8.0%	-	-
Debt-to-total-capital ratio <sup>28</sup>	2.9%	5.1%	-	-

<sup>16</sup> EBIT is defined as earnings from continued operations before interest and tax. EBIT is not defined by IFRS. Potential investors should take into consideration that this figure is not applied in a consistent manner or standardized, that its calculation can vary and that this figure by itself is not a basis to compare different companies. Furthermore, it does not substitute the key financial figures of the consolidated statement of income and the consolidated statement of cash flows that were recognized in accordance with IFRS.

<sup>17</sup> EBITDA is defined as EBIT plus scheduled depreciation and amortization. EBITDA is not defined by IFRS. Potential investors should take into consideration that this figure is not applied in a consistent manner or standardized, that its calculation can vary and that this figure by itself is not a basis to compare different companies. Furthermore, it does not substitute the key financial figures of the consolidated statement of income and the consolidated statement of cash flows that were recognized in accordance with IFRS.

<sup>18</sup> Segment Result is defined as operating income (loss) excluding: asset impairments (net of reversals); the impact on earnings of restructuring and closures; share-based compensation expense; acquisition-related depreciation/amortization and other expenses; gains (losses) on sales of assets, businesses, or interests in subsidiaries as well as other income (expense), including litigation costs. Segment Result is the indicator that Infineon uses to evaluate the operating performance of its segments.

<sup>19</sup> Segment Result Margin is calculated as the percentage of Segment Result in relation to revenue.

<sup>20</sup> Free cash flow: Cash flow provided by/used in operating and investing activities from continuing operations excluding cash flows related to the purchase or sale of financial investments.

<sup>21</sup> Gross cash position: Total of cash and cash equivalents plus financial investments.

<sup>22</sup> Extracted from the unaudited interim consolidated financial statements of Infineon Group for the three-month period ended December 31, 2013.

<sup>23</sup> Net cash position: Gross cash position less short-term and long-term debt.

<sup>24</sup> Return on equity = net income divided by total equity.

<sup>25</sup> Return on assets = net income divided by total assets.

<sup>26</sup> Inventory intensity = inventories (net) divided by total assets.

<sup>27</sup> Debt-to-equity ratio = long-term and short-term debt divided by total equity.

<sup>28</sup> Debt-to-total-capital-ratio = long-term and short-term debt divided by total assets.

	As of and for the fiscal year ended September 30		As of and for the three- month period ended December 31	
	2014	2013	2014	2013
	(audited)	(audited)	(unaudited)	(unaudited)
	€ in millions (unless indicated otherwise)			
Return on Capital Employed (RoCE) <sup>29</sup>	20.3%	14.1%	-	-
Employees Infineon Group as of the end of the period	29,807	26,725	30,493	27,583 <sup>22</sup>

### Financial Information relating to Infineon Group's assets and liabilities, financial position and profits and losses

The audited IFRS consolidated financial statements prepared by Infineon for the fiscal year ended September 30, 2014 contained in Infineon Group's Annual Report 2014, the audited IFRS consolidated financial statements of Infineon for the fiscal year ended September 30, 2013 contained in Infineon Group's Annual Report 2013 and the unaudited interim consolidated financial statements of Infineon Group for the quarter ended December 31, 2014 contained in the Quarterly Financial Report as of December 31, 2014 are incorporated by reference into this Prospectus.

### Trend information and significant changes in financial or trading position

There has been no material adverse change in the prospects of Infineon since September 30, 2014.

Other than the acquisition of International Rectifier as described under "*Acquisition of International Rectifier*", there have been no significant changes in the financial or trading position of Infineon Group since December 31, 2014.

### Statutory Auditor

The independent auditor of Infineon is KPMG AG Wirtschaftsprüfungsgesellschaft, Ganghoferstraße 29, 80339 Munich, Germany ("**KPMG**"), a member of the German Chamber of Public Accountants, Berlin (*Wirtschaftsprüferkammer*). KPMG has audited in accordance with section 317 German Commercial Code (*Handelsgesetzbuch*) and German generally accepted standards for the audit of financial statements promulgated by the Institute of Public Auditors in Germany (*Institut der Wirtschaftsprüfer in Deutschland e.V.*) the consolidated financial statements of Infineon for the fiscal year ended September 30, 2013 and the fiscal year ended September 30, 2014, each prepared in accordance with IFRS and the additional requirements of German commercial law pursuant to section 315a (1) German Commercial Code (*Handelsgesetzbuch*) and has, in each case, issued an unqualified auditor's opinion thereon. The unaudited interim consolidated financial statements for the quarter ended December 31, 2014 were reviewed by KPMG and provided with a review report.

### Administrative, Management and Supervisory Bodies

In accordance with the German Stock Corporation Act (*Aktiengesetz*), Infineon has both a Management Board (*Vorstand*) and a Supervisory Board (*Aufsichtsrat*). The Management Board is responsible for the management of Infineon's business; the Supervisory Board supervises the Management Board and appoints its members. The two boards are separate, and no individual may simultaneously be a member of both boards.

<sup>29</sup> Return on Capital Employed (RoCE): Operating result after tax from continuing operations divided by capital employed. RoCE shows the correlation between profitability and the capital resources required to operate the business.

## **Management Board**

As of the date of this Prospectus, the members of the Management Board of Infineon include:

<b>Name</b>	<b>Function</b>	<b>Membership on other supervisory boards and comparable bodies</b>
Dr. Reinhard Ploss	Chairman of the Management Board, Chief Executive Officer (CEO) Labor Director	Member of the Supervisory Board <ul style="list-style-type: none"><li>- Infineon Technologies Austria AG, Villach, Austria (Chairman)</li><li>- Haus der Zukunft gGmbH</li></ul> Member of the Board of Directors <ul style="list-style-type: none"><li>- Infineon Technologies (Kulim) Sdn. Bhd., Kulim, Malaysia (Chairman)</li></ul> President of the European Semiconductor Industry Association
Dominik Asam	Executive Vice President, Chief Financial Officer (CFO)	Member of the Supervisory Board <ul style="list-style-type: none"><li>- EPCOS AG, Munich, Germany</li><li>- Infineon Technologies Austria AG, Villach, Austria</li></ul> Member of the Board of Directors <ul style="list-style-type: none"><li>- Infineon Technologies Asia Pacific Pte., Ltd., Singapore</li><li>- Infineon Technologies China Co., Ltd., Shanghai, China</li><li>- Infineon Technologies North America Corp., Wilmington, Delaware, USA</li></ul>
Arunjai Mittal	Executive Vice President, Regions, Sales, Marketing, Strategy Development and M&A	Member of the Supervisory Board <ul style="list-style-type: none"><li>- tesa SE, Hamburg, Germany</li></ul> Member of the Board of Directors <ul style="list-style-type: none"><li>- Infineon Technologies Asia Pacific Pte., Ltd., Singapore (Chairman)</li><li>- Infineon Technologies India, Pvt. Ltd., Bangalore, India</li><li>- Infineon Technologies North America Corp., Wilmington, Delaware, USA (Chairman)</li><li>- Infineon Technologies Japan K.K., Tokyo, Japan</li><li>- Glocal Semiconductor Alliance</li></ul> Member of the Board of the Singapore Economic Development Board

## **Supervisory Board**

As of the date of this Prospectus, the members of the Supervisory Board of Infineon are:

<b>Name (Principal occupation)</b>	<b>Function</b>	<b>Membership on other supervisory boards and comparable bodies</b>
Wolfgang Mayrhuber Management Consultant	Chairman	Member of the Supervisory Board <ul style="list-style-type: none"><li>- Deutsche Lufthansa AG, Cologne, Germany (Chairman)</li><li>- BMW AG, Munich, Germany</li></ul>

		<ul style="list-style-type: none"> <li>- Münchener Rückversicherungs-Gesellschaft AG, Munich, Germany</li> </ul>
		Member of the Board of Directors
		<ul style="list-style-type: none"> <li>- Heico Corporation, Hollywood, Florida, USA</li> </ul>
Jürgen Scholz*	Deputy Chairman	Member of the Supervisory Board
First authorized agent of IG Metall, Regensburg		<ul style="list-style-type: none"> <li>- Krones AG, Neutraubling, Germany</li> </ul>
		Member of the Administrative Board
		<ul style="list-style-type: none"> <li>- BMW BKK AG, Dingolfing, Germany</li> </ul>
Peter Bauer	Member	Member of the Supervisory Board
		<ul style="list-style-type: none"> <li>- OSRAM Licht AG, Munich, Germany (Chairman)</li> <li>- OSRAM GmbH, Munich, Germany (Chairman)</li> <li>- Kontron AG, Eching, Germany</li> </ul>
Johann Dechant*	Member	None
Dr. Herbert Diess	Member	Member of the Management Board
		<ul style="list-style-type: none"> <li>- Volkswagen AG (from October 1, 2015)</li> </ul>
Annette Engelfried*	Member	Member of the Supervisory Board
		<ul style="list-style-type: none"> <li>- Infineon Technologies Dresden GmbH, Dresden, Germany</li> </ul>
Peter Gruber*	Member	Member of the Supervisory Board
Senior Vice President Operations Finance Infineon		<ul style="list-style-type: none"> <li>- Infineon Technologies Dresden GmbH, Dresden, Germany</li> </ul>
		Member of the Board of Directors
		<ul style="list-style-type: none"> <li>- Infineon Technologies (Kulim) Sdn. Bhd., Kulim, Malaysia</li> </ul>
Gerhard Hobbach*	Member	None
Member of the Infineon Works Council, Campeon, Infineon		
Hans-Ulrich Holdenried	Member	Member of the Supervisory Board
Management Consultant		<ul style="list-style-type: none"> <li>- Wincor Nixdorf AG, Paderborn, Germany</li> </ul>
Prof. Dr. Renate Köcher	Member	Member of the Supervisory Board
Managing Director - Institut für Demoskopie Allensbach GmbH, Allensbach		<ul style="list-style-type: none"> <li>- Allianz SE, Munich, Germany</li> <li>- BMW AG, Munich, Germany</li> <li>- Robert Bosch GmbH, Gerlingen, Germany</li> <li>- Nestlé Deutschland AG, Frankfurt/Main, Germany</li> </ul>
Dr. Susanne Lachenmann*	Member	None
Dr. Manfred Puffer	Member	Member of the Board of Directors
Management Consultant		<ul style="list-style-type: none"> <li>- Athene Holding Ltd., Pembroke, Bermuda</li> <li>- Athene Life Re Ltd., Pembroke, Bermuda</li> </ul>

Prof. Dr. Doris Schmitt-Landsiedel Professor - Munich Technical University	Member	None
Kerstin Schulzendorf*	Member	None
Dr. Eckart Sünner Of Counsel - Allen & Overy, Mannheim	Member	Member of the Supervisory Board - K+S AG, Kassel, Germany
Diana Vitale*	Member	None

(\*) Employee Representatives

The business address of each member of the Management Board and the Supervisory Board is c/o Infineon Technologies AG, Am Campeon 1-12, 85579 Neubiberg, Germany.

### **Conflicts of Interest**

As of the date of this Prospectus, the above mentioned members of the Management Board and of the Supervisory Board of Infineon do not have potential conflicts of interests between any duties to Infineon and their private interests or other duties.

### **Board Practices**

The governing bodies of Infineon are the Management Board (*Vorstand*), the Supervisory Board (*Aufsichtsrat*) and the annual general meeting (*Hauptversammlung*). The powers of these bodies are set forth in the German Stock Corporation Act (*Aktiengesetz*), Infineon's articles of association and the rules of procedure (*Geschäftsordnungen*) of the Management Board and the Supervisory Board, respectively, and its committees. The Management Board and the Supervisory Board work independently of each other. No person may serve on both boards at the same time.

The Management Board is responsible for managing Infineon Group's day-to-day business and for representing Infineon in dealings with third parties. The Supervisory Board appoints and may dismiss members of the Management Board. The Supervisory Board supervises and advises the Management Board in its management of Infineon Group and represents Infineon in all (legal) matters between a member of the Management Board and Infineon. In general, the Supervisory Board is not directly involved in the day-to-day management of Infineon Group. However, pursuant to Infineon's articles of association, certain transactions require the prior consent of the Supervisory Board.

In performing their duties, members of both the Management Board and the Supervisory Board must exercise the duty of care expected of a reasonable business person and a duty of loyalty. Members of the Management Board and the Supervisory Board must consider a broad range of interests, including those of Infineon and its shareholders and employees.

The members of the Management Board and the Supervisory Board may be held personally liable to Infineon for breaches of their duties of loyalty and care. Infineon must bring an action for breach of duty against the Management Board or Supervisory Board upon a resolution of the stockholders passed at a Shareholders' Meeting by a simple majority of votes cast.

### **Management Board**

The Supervisory Board generally appoints the members of the Management Board for a term of up to five years. Extensions of the term of office by re-appointment are permitted. Pursuant to the articles of association of Infineon, the Management Board must have at least two members. The Supervisory Board determines the number of members of the Management Board. Currently, the Management Board has three members.

Any two members of the Management Board or any individual Management Board member together with an authorized signatory with statutory power of attorney (*Prokurist*) may legally represent Infineon.

The Management Board must report regularly to the Supervisory Board, particularly on business policy and strategy, on profitability and on the current business of Infineon Group, as well as on any exceptional matters that may arise from time to time. If not otherwise required by law, the Management Board decides with a simple majority of the votes cast. Under certain circumstances, such as a serious breach of duty or a vote of no confidence by the stockholders in an annual general meeting, a member of the Management Board may be removed by the Supervisory Board prior to the expiration of his/her term. A member of the Management Board may not deal with, or vote on, matters relating to proposals, arrangements or contracts between him/herself and Infineon.

### ***Supervisory Board***

Since the last election in February 2015, the Supervisory Board consists of 16 members, including eight members elected by the shareholders at the annual general meeting in accordance with the provisions of the German Stock Corporation Act (*Aktiengesetz*) and eight members selected by the Infineon employees in accordance with the provisions of the German Co-Determination Act (*Mitbestimmungsgesetz*).

The Supervisory Board members are elected for a fixed term. Each term usually expires at the end of the annual general meeting in the fourth fiscal year after the year in which such Supervisory Board member was elected, i.e. after five years. Supervisory Board members may be re-elected.

Unless otherwise provided by law, resolutions of the Supervisory Board are passed by a simple majority of the votes cast. In case of any deadlock, the relevant resolution must be voted on again, with the Chairman of the Supervisory Board being entitled to cast a second vote if the second ballot is tied again.

The Chairman is usually a shareholder representative elected by a two-third majority of all members of the Supervisory Board.

The Supervisory Board's main functions are supervising and advising the Management Board in its management of Infineon, appointing members of the Management Board, approving the financial statements, and consenting to matters that are subject to the Supervisory Board's consent under German law or Infineon's articles of association and to matters which the Supervisory Board has made subject to its prior approval.

The Supervisory Board may form committees and establish their duties and powers. To the extent permitted by law, the Supervisory Board may also delegate to such committees decision-making powers of the Supervisory Board.

### ***Committees of the Supervisory Board***

As of the date of this Prospectus, the Supervisory Board has established five committees: the nomination committee ("**Nomination Committee**"), the mediation committee ("**Mediation Committee**") pursuant to section 27 para. 3 of the German Co-Determination Act (*Mitbestimmungsgesetz*), the executive committee ("**Executive Committee**"), the investment, finance and audit committee ("**Audit Committee**") and the strategy and technology committee ("**Strategy and Technology Committee**").

The Nomination Committee which consists exclusively of shareholders' representatives of the Supervisory Board discusses candidates as future shareholder representatives to the Supervisory Board and recommends their election at the annual general meetings.

The sole duty of the Mediation Committee is to submit recommendations for the appointment of Management Board members to the Supervisory Board if the plenum of the Supervisory Board is unable to pass a resolution on such matters with the requisite two-third majority.

The Executive Committee prepares resolutions regarding the terms of the service contracts and other contractual arrangements between Infineon and the members of the Management Board. In particular, the Executive Committee proposes to the Supervisory Board salaries and incentive compensation for the individual board members within the scope of the compensation system approved by the Supervisory Board.

The Audit Committee, consisting of Dr. Eckart Sünner (chairman), Wigand Cramer, Wolfgang Mayrhuber and Gerd Schmidt, monitors the financial reporting process and discusses and examines the financial statements and the consolidated financial statements prepared by the Management Board, the combined management report (*Lagebericht*) and the quarterly and half-yearly reports. The Audit Committee gives recommendations with respect to the approval of the separate financial statements and consolidated financial statements by the Supervisory Board based on the independent auditors' report, engages the independent auditors selected by the annual general meeting to audit the separate financial statements and consolidated Financial Statements and review the interim financial reports, specifies the key areas to be examined in audit activities jointly with independent auditors and is responsible for setting the independent auditors' compensation.

The Strategy and Technology Committee deals with topics concerning the business strategy of Infineon. It reviews segment reports and examines technological and manufacturing strategies.

### **Corporate Governance**

The German Corporate Governance Code (*Deutsche Corporate Governance Kodex*) dated June 24, 2014 (the "**Corporate Governance Code**") contains certain recommendations (*Empfehlungen*) and suggestions (*Anregungen*) for the management and supervision of German listed companies with regard to shareholders, their corporate bodies, transparency, accounting, and the audit of financial statements. Such companies are under no legal obligation to comply with the recommendations or suggestions in the Corporate Governance Code unless, and to the extent, they have publicly declared that they will do so. German stock corporation law merely requires the Board of Management and Supervisory Board of a listed company to declare annually to what extent they comply with the recommendations of the Corporate Governance Code or to explain why certain recommendations were or are not followed.

In November 2014, Infineon's Management Board and Supervisory Board adopted the latest declaration of compliance with the Corporate Governance Code in accordance with Section 161 of the German Stock Corporation Act (*Aktiengesetz*), which is available on Infineon's website ([www.infineon.com](http://www.infineon.com)). Infineon has complied, and will comply in the future, with the recommendations of the Corporate Governance Code with the following qualification:

Section 5.4.6 of the Code recommends that performance-related compensation of the members of the Supervisory Board shall be oriented toward sustainable growth of the enterprise. The similarity in terminology to the requirements contained in the German Stock Corporation Act with respect to compensation of members of the Management Board seems to imply that performance-related compensation should also be based on a "multi-year assessment" for members of the Supervisory Board.

Members of the Supervisory Board of Infineon receive both fixed and performance-related compensation, the latter only being paid if earnings per share exceed a pre-defined amount.

Both the Management Board and the Supervisory Board have deliberated on this topic on several occasions. They concluded in each case that the compensation system currently in place for the Supervisory Board is already oriented toward sustainable growth of the enterprise even without a multi-year assessment, since the minimum amount required to trigger the compensation payment increases year-on-year, thus setting an incentive for improving earnings each year. As a consequence, neither of the boards saw any requirement to change the Supervisory Board compensation system approved at the annual general meeting.

## Major Shareholders

Under Infineon's articles of association, each of Infineon's shares represents one vote. Major shareholders do not have different voting rights. Under the free float definition applied by Deutsche Börse AG, the free float amounts to approximately 99.47 percent as of February 18, 2015.

Based on such notifications received from shareholders until February 18, 2015, the following shareholders hold, in the aggregate, the following voting rights (such direct or indirect holdings in voting rights corresponding to shares) of more than 3 percent in Infineon:

Name	Percentage of voting rights <sup>30</sup>	Date of latest notice
Dodge & Cox Investment Managers	9.47%	August 5, 2009
thereof: Dodge & Cox International Stock Fund	9.39%	August 5, 2009
The Capital Group Companies, Inc.	7.74%	September 1, 2012
thereof: Capital Research and Management Company	4.88%	July 28, 2011
thereof: EuroPacific Growth Fund	4.86%	September 13, 2012
BlackRock, Inc.	5.17%	January 7, 2015
thereof: BlackRock Holdco 2, Inc.	5.04%	January 7, 2015
thereof: BlackRock Financial Management, Inc.	4.84%	November 25, 2014
Allianz Global Investors Europe GmbH	5.03%	July 24, 2014
State of Kuwait	3.25%	December 23, 2014
thereof: Kuwait Investment Authority	3.25%	December 23, 2014
Sun Life Financial Inc.	3.001%	February 11, 2015
thereof: Sun Life Global Investments Inc.	3.001%	February 11, 2015
thereof: Sun Life Assurance Company of Canada - U.S. Operations Holdings, Inc.	3.001%	February 11, 2015
thereof: Sun Life Financial (U.S.) Holdings, Inc.	3.001%	February 11, 2015
thereof: Sun Life Financial (U.S.) Investments, LLC	3.001%	February 11, 2015
thereof: Sun Life of Canada (U.S.) Financial Services Holdings, Inc.	3.001%	February 11, 2015
thereof: Massachusetts Financial Services Company (MFS)	3.001%	February 11, 2015

## Investments

In the 2014 fiscal year, Infineon Group's investments amounted to EUR 668 million. A total of EUR 567 million (2013: EUR 315 million) was invested in property, plant and equipment, of which by far the largest part was spent on manufacturing sites. Of those, around 60 percent were invested in Infineon Group's four frontend sites in Dresden, Regensburg, Villach and Kulim. Additionally, Infineon Group also continued to expand backend manufacturing capacities, primarily in Malacca, Regensburg and Batam, and also chip-testing capacity in Singapore. A total of EUR 101 million (2013: EUR 63 million) related to intangible assets, including capitalized development costs of EUR 92 million.

In June 2014, Infineon increased its shareholding in the Korean joint venture LS Power Semitech Co., Ltd., Cheonan, Korea, by 20 percentage points to 66.4 percent for a purchase price of EUR 8 million in order to improve its position in the market for lower power IGBT modules in the range of 100 to 2,000 watts.

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<sup>30</sup> Based on Infineon's share capital as of December 31, 2014.

In November 2014, Infineon and the printed circuit board manufacturer Schweizer Electronic AG ("**Schweizer**"), with its registered office in Schramberg, Germany, announced that Infineon would acquire a 9.4 percent stake in Schweizer. The investment was completed on November 28, 2014.

With the exception of the acquisition of International Rectifier (please see "*Material Financings*"), all material investments were financed by Infineon Group's operating cash flow and cash on hand.

Investments by Infineon Group (excluding International Rectifier) in property, plant and equipment and in intangible assets including capitalized development costs planned for the 2015 fiscal year are expected to amount to approximately EUR 750 million (excluding the acquisition of International Rectifier closed in January 2015, see "*Acquisition of International Rectifier*"). The budgeted investments of EUR 750 million also include approximately EUR 20 million for the purchase of patents of Qimonda AG i.L. ("**Qimonda**") (see "*Intellectual Property*" and "*Legal and Arbitration Proceedings*"). Not included in this definition of investments is a projected amount of approximately EUR 30 million for the acquisition of strategic minority stakes in certain companies such as Schweizer.

### **Material Financings**

In connection with the acquisition of International Rectifier for approximately USD 3.0 billion, Infineon concluded a financing agreement of approximately EUR 1.6 billion with several domestic and international banks (the "**Credit Facility**"). Cash funds amounting to approximately EUR 800 million were used to pay the rest of the purchase price. The Credit Facility has been fully underwritten by Bank of America Merrill Lynch International Limited and Citigroup Global Markets Limited and has partially been syndicated to other Joint Lead Managers or subsidiaries thereof. The Credit Facility consists of two senior unsecured tranches: first, a bridge financing of EUR 800 million with an initial term of one year and two extension options for Infineon of six months each, and second, a loan of USD 934 million with a term of five years. As of the date of this Prospectus, both tranches have been fully drawn.

The Credit Facility contains a change of control clause similar to the change of control clause of the Notes which entitles individual contractual parties in the event of a defined change of control to call for an amendment to the Credit Facility or, in specific cases, to give notice of termination and call for repayment of the relevant credit amount.

Furthermore, Infineon has unsecured loans and other financial indebtedness outstanding in the amount of EUR 186 million per 2014 fiscal year end (EUR 303 million per 2013 fiscal year end, including EUR 108 million of convertible bonds repaid in 2014) which are due until 2023. Infineon has also established several stand-alone short- and long-term credit lines mainly for the purpose of financing operating activities.

### **Material Contracts**

Other than the financing contracts described above (see "*Material Financings*"), Infineon has not entered into material contracts outside the ordinary course of its business, which could result in any group member being under an obligation or entitlement that is material to Infineon's ability to meet its obligations to the Holders in respect of the Notes being issued.

### **Intellectual Property**

Infineon Group's intellectual property rights include patents, copyrights, trade secrets, trademarks, utility models and designs and primarily relate to IC designs and process technologies. In the course of the 2014 fiscal year, Infineon Group has applied for approximately 2,100 patents worldwide and for approximately 1,700 patents in the 2013 fiscal year. As of September 30, 2014, Infineon Group's worldwide patent portfolio comprised approximately 21,000 patents and patent applications. As a

result of the acquisition of International Rectifier, Infineon Group's patent portfolio increased by a further approximately 2,000 patents and patent applications.

In the extra-judicial settlement with the insolvency administrator of Qimonda Infineon Group acquired approximately 8,800 patents and patent applications, most of which relate to DRAM (Dynamic Random Access Memory) technology. Since Infineon Group does not have any DRAM operations of its own, it plans to resell these patents and patent applications.

It is common industry practice for semiconductor companies to enter into cross licensing agreements. These agreements enable each company to utilize the patents of the other on specified conditions. Infineon is party to a number of cross licensing agreements, including agreements with other major semiconductor companies.

### **Legal and Arbitration Proceedings**

The principal matters Infineon Group had to deal with during the previous twelve months were EU antitrust proceedings and insolvency disputes regarding Qimonda and its affiliates.

#### *Antitrust proceedings*

The EU Commission has been investigating Infineon and other manufacturers of chips for smartcards since October 2008 for alleged violations of antitrust laws. Concluding these proceedings, the EU Commission finally imposed a fine of EUR 83 million on Infineon in September 2014. Infineon rejects the allegations as unfounded and is also claiming a violation of its procedural rights. Infineon therefore appealed this decision before the European Court of Justice in Luxembourg in November 2014.

Two class actions for damages in connection with these antitrust violations have been filed in Canada. However, at the date of this Prospectus, no dates have yet been scheduled for court proceedings. Further, in December 2014, an indirect customer filed a lawsuit against Infineon and Renesas in London (United Kingdom). The lawsuit has not been served yet and is presumably related to the aforementioned EU antitrust case.

#### *Qimonda insolvency disputes*

In 2006, all significant assets, liabilities and business activities attributable to Infineon's memory business (Memory Products) were carved out and transferred to Qimonda, a fully-owned subsidiary of Infineon at that time, in the form of a non-cash contribution. In connection with the carve-out various service agreements were concluded with Qimonda. In January 2009, Qimonda filed for insolvency at the Munich Local Court. Insolvency proceedings were then opened in April 2009. The insolvency of Qimonda has given rise to various disputes between the administrator and Infineon.

In September 2014, Infineon and the administrator reached a partial settlement in the amount of EUR 260 million to settle all litigation pending regarding Qimonda between the administrator and Infineon Group (with the exception of claims relating to an alleged economic reincorporation (*wirtschaftliche Neugründung*) and the liability for impairment of capital (*Differenzhaftung*)) in conjunction with the acquisition of Qimonda's entire patent portfolio. The actions with respect to the continuing use of Qimonda patents and Infineon's ownership of the license as well as the insolvency law proceedings contesting intercompany payments were thus settled. Additionally, further out-of-court claims of right to contest under insolvency law, as well as any other claims made by the administrator were settled.

Claims relating to the proceedings in connection with the alleged economic reincorporation, which involve Infineon, Infineon Technologies Holding B.V. and Infineon Technologies Investment B.V., and liability for impairment of capital have not been concluded yet. In November 2010, the administrator contended that the commencement of operating activities by Qimonda amounted to an economic

reincorporation and requested Infineon to pay the difference between Qimonda's business assets and its share capital and filed a request for declaratory judgment. Later, the administrator further alleged that the carved-out memory products business had a negative value from the very beginning and asserted that Infineon is obliged to compensate for the difference between this negative value and the lowest issue price. According to the administrator his claims are worth at least EUR 3.35 billion plus interest.

Infineon also faces residual liability as a former shareholder with personal liability of Qimonda Dresden GmbH & Co. OHG until the carve-out of the memory business. These claims can only be exercised by the administrator acting in the name of the creditors concerned. As of the date of this Prospectus, settlements have only been reached with some of the residual liability creditors.

#### *Patent litigation*

Since November 2008, Infineon and its subsidiary Infineon Technologies North America Corp. have been involved in patent disputes with Volterra Semiconductor Corporation ("**Volterra**") in the United States. Volterra alleged infringement of initially five, later four patents and claimed damages. After a court found infringement of two patents in 2011, almost all damage claims were rejected by the court in 2013 and the parties agreed on injunctive relief with no impact on Infineon Group's current products. In 2010 and 2013, Infineon and various subsidiaries filed patent infringement actions against Volterra and one of its subsidiaries in the United States. The proceedings were settled in October 2014, dismissing all lawsuits against Infineon and its affiliates.

Since October 2011, Infineon had furthermore been involved in legal disputes with the administrator of Qimonda regarding the use of Qimonda's U.S. patents. While various courts had already decided that Infineon's use of the patents remained valid in spite of Qimonda's insolvency, this legal dispute was ended by the U.S. Supreme Court in October 2014 in favor of Infineon.

#### *Other*

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

Apart from the above mentioned proceedings, neither Infineon nor any of the companies of Infineon Group are or were party to any governmental, legal or arbitration proceedings (including any pending or threatened proceedings) during the previous twelve months, which may have, or have had, significant effects on Infineon's or Infineon Group's financial position or profitability.

### **Additional Information**

#### ***Share Capital***

Infineon's capital stock amounts to EUR 2,256,133,192 and is divided into 1,128,066,596 no-par value registered shares which are fully paid up. As of the date of this Prospectus, Infineon holds 6 million treasury shares.

#### ***Fiscal Year***

Infineon's fiscal year runs from October 1 of each year until September 30 of the following year.

#### ***Memorandum and Articles of Association***

According to Article 2 of its articles of association, Infineon's object is the direct or indirect activity in the area of research, development, manufacture and marketing of electronic components, electronic systems and software, as well as the performance of services related thereto. Infineon is entitled to perform all acts and take all steps which appear likely to directly or indirectly promote the

achievement of the company's aims. Infineon may establish subsidiaries and branches in Germany and abroad, and can participate in other enterprises. Infineon can buy or sell enterprises, combine them under single management and conclude enterprise agreements with them or restrict itself to managing the participation. Infineon is entitled to spin off its operations - as a whole or in part - into affiliated enterprises.

## **Recent Events and Outlook**

### ***Recent Events***

The acquisition of International Rectifier was completed on January 13, 2015 (see "*Acquisition of International Rectifier*").

### ***Outlook***

Infineon Group (excluding International Rectifier) achieved a compound annual growth rate based on revenues of slightly below 9 percent from fiscal years 1999 through 2014 with its current portfolio of products. Infineon Group (excluding International Rectifier) envisages continuing to operate in the same markets and, with its four main segments, to focus on the three megatrends that modern society is posing to the semiconductor industry: energy efficiency, mobility and security. These focus areas are expected to be the source of continued increase in demand for Infineon Group's products. Infineon therefore expects that Infineon Group (excluding International Rectifier) will be able to achieve a compound annual growth rate in coming years slightly below historical average.

## TERMS AND CONDITIONS OF THE NOTES

### ANLEIHEBEDINGUNGEN

Nachfolgend ist der Text der Anleihebedingungen (die „**Anleihebedingungen**“) für die Schuldverschreibungen abgedruckt. Die endgültigen Anleihebedingungen werden Bestandteil der Globalurkunde, welche die Schuldverschreibungen verbrieft.

Diese Anleihebedingungen sind in deutscher Sprache abgefasst und mit einer englischen Übersetzung versehen. Der deutsche Wortlaut ist rechtsverbindlich. Die englische Übersetzung dient nur Informationszwecken.

#### § 1

##### Form und Nennbetrag

- (a) *Währung, Stückelung, Form.* Die von der Infineon Technologies AG, Neubiberg (die „**Emittentin**“), begebene Anleihe im Gesamtnennbetrag (vorbehaltlich § 1(d)) von **[im Fall der Tranche 1 Schuldverschreibungen einzufügen: EUR [•] (in Worten: Euro [•]) [im Fall der Tranche 2 Schuldverschreibungen einzufügen: EUR [•] (in Worten: Euro [•])]** ist eingeteilt in **[im Fall der Tranche 1 Schuldverschreibungen einzufügen: [•]][im Fall der Tranche 2 Schuldverschreibungen einzufügen: [•]** auf den Inhaber lautende Teilschuldverschreibungen (die „**Schuldverschreibungen**“) in einer Stückelung von je EUR 1.000 (die „**Festgelegte Stückelung**“).
- (b) *Vorläufige Globalurkunde, Dauerglobalurkunde.* Die Schuldverschreibungen sind anfänglich durch eine vorläufige Globalurkunde (die „**Vorläufige Globalurkunde**“) ohne Zinsscheine verbrieft. Die vorläufige Globalurkunde wird gegen Schuldverschreibungen in den festgelegten Stückelungen, die durch eine Dauerglobalurkunde (die „**Dauerglobalurkunde**“) und zusammen mit der vorläufigen Globalurkunde, die „**Globalurkunden**“) ohne Zinsscheine verbrieft sind, ausgetauscht. Die Einzelheiten eines solchen Austausches

### TERMS AND CONDITIONS

The following is the text of the terms and conditions of the notes (the “**Terms and Conditions**”). The final version of the Terms and Conditions will be part of the global note representing the notes.

These Terms and Conditions are written in the German language and provided with an English language translation. The German text shall be the legally binding version. The English language translation is provided for convenience purposes only.

#### § 1

##### Form and Denomination

- (a) *Currency, Denomination, Form.* The bonds issued by Infineon Technologies AG, Neubiberg (the “**Issuer**”), in the aggregate principal amount (subject to § 1(d)) of **[in case of the Tranche 1 Notes insert: EUR [•] (in words: Euro [•]) [in case of the Tranche 2 Notes insert: EUR [•] (in words: Euro [•])]** are divided into **[in case of the Tranche 1 Notes insert: [•] [in case of the Tranche 2 Notes insert: [•]]** bonds in bearer form (the “**Notes**”) in the denomination of EUR 1,000 each (the “**Specified Denomination**”).
- (b) *Temporary Global Note, Permanent Global Note.* The Notes are initially represented by a temporary global note (the “**Temporary Global Note**”) without coupons. The Temporary Global Note will be exchangeable for Notes in the Specified Denomination represented by a permanent global note (the “**Permanent Global Note**”) and together with the Temporary Global Note, the “**Global Notes**”) without coupons. The details of such exchange shall be entered in the records of the ICSDs (as defined in § 1(d)). The Global Notes shall only be valid if each of them bears the

werden in die Aufzeichnungen der ICSDs (wie in § 1(d) definiert) aufgenommen. Die Globalurkunden sind nur wirksam, wenn sie jeweils die eigenhändigen Unterschriften von zwei durch die Emittentin bevollmächtigten Personen sowie die Unterschrift eines Kontrollbeauftragten der Hauptzahlstelle (wie in § 11 definiert) tragen. Einzelurkunden und Zinsscheine werden nicht ausgegeben.

(c) *Austausch.* Die vorläufige Globalurkunde wird an einem Tag (der „**Austauschtag**“) gegen die Dauerglobalurkunde ausgetauscht, der nicht weniger als 40 Kalendertage und nicht mehr als 180 Kalendertage nach dem Tag der Begebung der Schuldverschreibungen liegt. Ein solcher Austausch darf nur nach Vorlage von Bescheinigungen erfolgen, wonach der oder die wirtschaftlichen Eigentümer der Schuldverschreibungen keine U.S.-Personen sind (ausgenommen bestimmte Finanzinstitute oder bestimmte Personen, die Schuldverschreibungen über solche Finanzinstitute halten). Solange die Schuldverschreibungen durch eine vorläufige Globalurkunde verbrieft sind, werden Zinszahlungen erst nach Vorlage dieser Bescheinigungen vorgenommen. Eine gesonderte Bescheinigung ist für jede solche Zinszahlung erforderlich. Jede Bescheinigung, die am oder nach dem 40. Tag nach dem Tag der Begebung der Schuldverschreibungen eingeht, wird als ein Ersuchen behandelt werden, diese vorläufige Globalurkunde gemäß diesem § 1(c) auszutauschen. Schuldverschreibungen, die im Austausch für die vorläufige Globalurkunde geliefert werden, dürfen nur außerhalb der Vereinigten Staaten (wie in § 1(e) definiert) geliefert werden.

(d) *Clearingsystem.* Jede die Schuldverschreibungen verbriefende Globalurkunde wird so lange von einem oder im Namen eines Clearingsystems verwahrt, bis sämtliche Verpflichtungen der Emittentin aus den Schuldverschreibungen erfüllt sind. „**Clearingsystem**“ bezeichnet Clearstream Banking, société anonyme, Luxembourg („**CBL**“) und Euroclear Bank SA/NV („**Euroclear**“) sowie jeden

handwritten signatures of two duly authorized representatives of the Issuer and the control signature of a person instructed by the Principal Paying Agent (as defined in § 11). Definitive Notes and interest coupons will not be issued.

(c) *Exchange.* The Temporary Global Note shall be exchanged for the Permanent Global Note on a date (the “**Exchange Date**”) not earlier than 40 calendar days and not later than 180 calendar days after the date of issue of the Notes. Such exchange shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Notes is not a U.S. person (other than certain financial institutions or certain persons holding Notes through such financial institutions). Payment of interest on Notes represented by a Temporary Global Note will be made only after delivery of such certifications. A separate certification shall be required in respect of each such payment of interest. Any such certification received on or after the 40<sup>th</sup> day after the date of issue of the Notes will be treated as a request to exchange the Temporary Global Note pursuant to this § 1(c). Any Notes delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States (as defined in § 1(e)).

(d) *Clearing System.* Each Global Note representing the Notes will be kept in custody by or on behalf of the Clearing System until all obligations of the Issuer under the Notes have been satisfied. “**Clearing System**” means each of the following: Clearstream Banking, société anonyme, Luxembourg (“**CBL**”) and Euroclear Bank SA/NV (“**Euroclear**”) and any successor in such capacity (CBL and

Funktionsnachfolger (CBL und Euroclear jeweils ein International Central Securities Depository, „**ICSD**“, und zusammen die „**ICSDs**“). Die Schuldverschreibungen werden in Form einer neuen Globalurkunde (*New Global Note*) („**NGN**“) ausgegeben und von einer gemeinsamen Verwahrstelle im Namen beider ICSDs verwahrt. Der Nennbetrag der durch die jeweilige Globalurkunde verbrieften Schuldverschreibungen entspricht dem jeweils in den Registern beider ICSDs eingetragenen Gesamtnennbetrag. Die Register der ICSDs (unter denen die Register zu verstehen sind, die jeder ICSD für seine Kunden über den Betrag ihres Anteils an den Schuldverschreibungen führt) sind schlüssiger Nachweis über den Nennbetrag der durch die Globalurkunde verbrieften Schuldverschreibungen, und eine zu diesem Zweck von einem ICSD jeweils ausgestellte Bescheinigung mit dem Nennbetrag der so verbrieften Schuldverschreibungen ist ein schlüssiger Nachweis über den Inhalt des Registers des jeweiligen ICSD zu diesem Zeitpunkt. Bei jeder Rückzahlung oder Zinszahlung bezüglich der durch die Globalurkunde verbrieften Schuldverschreibungen bzw. bei Ankauf und Entwertung der durch die Globalurkunde verbrieften Schuldverschreibungen stellt die Emittentin sicher, dass die Einzelheiten über jede Rückzahlung, Zahlung bzw. Ankauf und Entwertung bezüglich der Globalurkunde anteilig in den Unterlagen der ICSDs eingetragen werden, und dass nach dieser Eintragung vom Nennbetrag der in den Registern der ICSDs verzeichneten und durch die Globalurkunde verbrieften Schuldverschreibungen der Gesamtnennbetrag der zurückgezahlten bzw. angekauften und entwerteten Schuldverschreibungen bzw. der Gesamtnennbetrag der gezahlten Rückzahlungsraten abgezogen wird. Bei Austausch nur eines Teils der Schuldverschreibungen, die durch eine vorläufige Globalurkunde verbrieft sind, stellt die Emittentin sicher, dass die Einzelheiten dieses Austauschs anteilig in die Register der ICSDs eingetragen werden.

Euroclear each an International Central Securities Depository, „**ICSD**“, and together the „**ICSDs**“). The Notes are issued in new global note („**NGN**“) form and are kept in custody by a common safekeeper on behalf of both ICSDs. The principal amount of Notes represented by the respective Global Note shall be the aggregate amount from time to time entered in the records of both ICSDs. The records of the ICSDs (which expression means the records that each ICSD holds for its customers which reflect the amount of such customer's interest in the Notes) shall be conclusive evidence of the principal amount of Notes represented by the Global Note and, for these purposes, a statement issued by an ICSD stating the principal amount of Notes so represented at any time shall be conclusive evidence of the records of the relevant ICSD at that time. On any redemption or interest payment being made in respect of, or purchase and cancellation of, any of the Notes represented by the Global Note the Issuer shall procure that details of any redemption, payment or purchase and cancellation (as the case may be) in respect of the Global Note shall be entered *pro rata* in the records of the ICSDs and, upon any such entry being made, the principal amount of the Notes recorded in the records of the ICSDs and represented by the Global Note shall be reduced by the aggregate principal amount of the Notes so redeemed or purchased and cancelled or by the aggregate amount of such instalment so paid. On an exchange of a portion only of the Notes represented by a Temporary Global Note, the Issuer shall procure that details of such exchange shall be entered *pro rata* in the records of the ICSDs.

- (e) *Definitionen.* „**Anleihegläubiger**“ bezeichnet jeden Inhaber eines Miteigentumsanteils oder anderen vergleichbaren Rechts an den Globalurkunden. Dieser Miteigentumsanteil oder dieses andere vergleichbare Recht an den Globalurkunden kann nach Maßgabe der jeweils geltenden Regelungen des Clearingsystems übertragen werden.

„**Vereinigte Staaten von Amerika**“ bezeichnet für die Zwecke dieser Anleihebedingungen die Vereinigten Staaten von Amerika (einschließlich deren Bundesstaaten und des District of Columbia) sowie deren Territorien (einschließlich Puerto Rico, der U.S. Virgin Islands, Guam, American Samoa, Wake Island und Northern Mariana Islands).

## § 2

### Status der Schuldverschreibungen, Negativverpflichtung

- (a) *Status.* Die Schuldverschreibungen begründen unmittelbare, unbedingte, nicht nachrangige und nicht besicherte Verbindlichkeiten der Emittentin und stehen im gleichen Rang untereinander und mindestens im gleichen Rang mit allen anderen gegenwärtigen und zukünftigen nicht besicherten und nicht nachrangigen Verbindlichkeiten der Emittentin, soweit diesen Verbindlichkeiten nicht durch zwingende gesetzliche Bestimmungen ein Vorrang eingeräumt wird.
- (b) *Negativverpflichtung.* Solange Zahlungen aus den Schuldverschreibungen ausstehen, jedoch nur bis zu dem Zeitpunkt, an dem alle auf die Schuldverschreibungen gemäß diesen Anleihebedingungen zu zahlenden Beträge der Hauptzahlstelle zur Verfügung gestellt worden sind, verpflichtet sich die Emittentin,
- (i) für Kapitalmarktverbindlichkeiten (wie in § 2(d) definiert) (einschließlich hierfür abgegebener Garantien und Freistellungserklärungen) keine dinglichen Sicherheiten in Bezug auf ihr gesamtes gegenwärtiges oder zukünftiges Vermögen oder Teile

- (e) *Definitionen.* „**Holder**“ means any holder of a proportionate co-ownership or similar interest or right in the Global Notes. Such proportionate co-ownership or similar interest or right in the Global Notes is transferable in accordance with the provisions of the Clearing System as applicable from time to time.

“**United States**”, for the purposes of these Terms and Conditions, means the United States of America (including the States thereof and the District of Columbia) and its possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and Northern Mariana Islands).

## § 2

### Status of the Notes, Negative Pledge

- (a) *Status.* The Notes constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank *pari passu* without any preference among themselves and at least *pari passu* with all other unsubordinated and unsecured obligations of the Issuer, present or future, unless such obligations are accorded priority under mandatory provisions of statutory law.
- (b) *Negative Pledge.* While any amounts remain outstanding under the Notes, but only up to the time all amounts payable to Holders under the Notes in accordance with these Terms and Conditions have been placed at the disposal of the Principal Paying Agent, the Issuer undertakes that
- (i) it will not create or permit to subsist any security interest *in rem* (*dingliche Sicherheit*) over all or part of its present or future assets as security for any Capital Market Indebtedness (as defined in § 2(d)) (including any guarantees and indemnities given in respect thereof), and

ihres gegenwärtigen oder zukünftigen Vermögens zu gewähren oder bestehen zu lassen, und

- (ii) soweit rechtlich möglich, sicherzustellen, dass keine Wesentliche Tochtergesellschaft (wie in § 2(d) definiert) für Kapitalmarktverbindlichkeiten (einschließlich hierfür abgegebener Garantien und Freistellungserklärungen) irgendwelche dinglichen Sicherheiten in Bezug auf ihr gesamtes gegenwärtiges oder zukünftiges Vermögen oder Teile ihres gegenwärtigen oder zukünftigen Vermögens gewährt oder bestehen lässt,

sofern nicht die Verpflichtungen der Emittentin aus den Schuldverschreibungen gleichrangig und anteilig an einer solchen dinglichen Sicherheit teilhaben, oder diesbezüglich eine dingliche Sicherheit zu im Wesentlichen gleichen Bedingungen bestellt wird.

- (c) *Ausnahmen.* Die Verpflichtung nach § 2(b) besteht jedoch nicht für solche Sicherheiten, die
  - (i) gesetzlich vorgeschrieben sind, oder
  - (ii) als Voraussetzung für staatliche Genehmigungen verlangt werden, oder
  - (iii) durch die Emittentin oder von einer Wesentlichen Tochtergesellschaft zur Sicherung von gegenwärtigen oder zukünftigen Ansprüchen der Emittentin oder Ansprüchen einer Wesentlichen Tochtergesellschaft gegen verbundene Unternehmen im Sinne des §§ 15 f. Aktiengesetz oder gegen Dritte aufgrund der Weiterleitung von Erlösen aus der Emission von Wertpapieren bestehen, soweit diese Sicherheiten zur Sicherung von Verpflichtungen aus diesen durch die Emittentin oder durch eine Wesentliche Tochtergesellschaft ausgegebenen Wertpapieren dienen, oder

- (ii) it will procure, to the extent legally permissible, that no Material Subsidiary (as defined in § 2(d)) will at any time create or permit to subsist any security interest *in rem* upon all or any of its present or future assets as security for any Capital Market Indebtedness (including any guarantees and indemnities given in respect thereof),

unless at the same time or prior thereto, the Issuer's obligations under the Notes are secured equally and rateably therewith or benefit from a security interest *in rem* in substantially identical terms thereto.

- (c) *Exemptions.* The undertaking pursuant to § 2(b) shall not apply to a security which
  - (i) is mandatory according to applicable laws, or
  - (ii) is required as a prerequisite for governmental approvals, or
  - (iii) provided by the Issuer or by any Material Subsidiary over any of the Issuer's claims or claims of any Material Subsidiary against any affiliated companies within the meaning of Sections 15 et seq. of the German Stock Corporation Act (*Aktiengesetz*) or any third party, which claims exist now or arise at any time in the future, as a result of the passing on of the proceeds from the issuance of any securities, provided that any such security serves to secure obligations under such securities issued by the Issuer or by a Material Subsidiary, or

- (iv) eine im Zeitpunkt einer Akquisition bestehende Kapitalmarktverbindlichkeit besichern, die infolge der Akquisition eine Verpflichtung der Emittentin oder einer Gesellschaft der Gruppe wird, sofern diese Kapitalmarktverbindlichkeit nicht im Hinblick auf diese Akquisition begründet wurde, oder
- (v) eine Erneuerung, Verlängerung oder Ersetzung irgendeiner Sicherheit gemäß vorstehend (i) bis (iv) darstellen.

Eine nach diesem § 2 zu stellende Sicherheit kann auch zu Gunsten der Person eines Treuhänders der Anleihegläubiger bestellt werden.

Die in diesem § 2 benutzten Begriffe „Vermögen“ und „Verpflichtung zur Zahlung oder Rückzahlung von Geldern“ schließen nicht solche Vermögensgegenstände der Emittentin ein, die im Einklang mit den Gesetzen und den in der Bundesrepublik Deutschland anerkannten Regeln der Bilanzierung und Buchführung nicht in der Bilanz der Emittentin ausgewiesen werden müssen.

- (d) *Definitionen.* „**Kapitalmarktverbindlichkeit**“ bezeichnet jede gegenwärtige oder zukünftige Verpflichtung zur Zahlung oder Rückzahlung von Geldern (einschließlich Verpflichtungen aus Garantien oder anderen Haftungsvereinbarungen für Verbindlichkeiten von Dritten) entweder aus Schuldscheindarlehen oder aus Schuldverschreibungen, sofern diese eine ursprüngliche Laufzeit von mehr als einem Jahr haben und an einer Börse oder an einem anderen anerkannten Wertpapiermarkt notiert, zugelassen oder gehandelt werden oder notiert, zugelassen oder gehandelt werden können.

„**Gruppe**“ bezeichnet die Emittentin und ihre jeweiligen vollständig konsolidierten Tochtergesellschaften (wie in diesem § 2(d) definiert).

„**Tochtergesellschaft**“ bedeutet ein Unternehmen, bei dem eine Person die unmittelbare oder mittelbare Kontrolle besitzt oder unmittelbar oder mittelbar

- (iv) secures Capital Market Indebtedness existing at the time of an acquisition that becomes an obligation of the Issuer or any member of the Group as a consequence of such acquisition, provided that such Capital Market Indebtedness was not created in contemplation of such acquisition, or
- (v) constitutes the renewal, extension or replacement of any security pursuant to foregoing (i) through (iv).

Any security which is to be provided pursuant to § 2 may also be provided to a person acting as trustee for the Holders.

The expressions “assets” and “obligation for the payment or repayment of money that is borrowed” as used in this § 2 do not include assets and obligations of the Issuer which, pursuant to the requirements of law and accounting principles generally accepted in the Federal Republic of Germany, need not to be reflected in the Issuer’s balance sheet.

- (d) *Definitions.* “**Capital Market Indebtedness**” means any present or future obligation for the payment or repayment of money (including obligations by reason of any guarantee or other liability agreement for obligations of third parties) that is borrowed either in the form of an assignable loan (*Schuldscheindarlehen*) or in the form of an issuance of notes with an original maturity of more than one year and which are, or are capable of being, quoted, listed or traded on a stock exchange or other recognized securities market.

“**Group**” means the Issuer and all of its fully consolidated Subsidiaries (as defined in this § 2(d)) from time to time.

“**Subsidiary**” means an entity of which a person has direct or indirect control or owns directly or indirectly more than 50% of the voting capital or similar right of

Eigentümer von mehr als 50 % des stimmberechtigten Kapitals oder entsprechender Eigentumsrechte ist; „Kontrolle“ bedeutet in diesem Zusammenhang die Berechtigung, die Geschäftsführung und die Politik des Unternehmens sei es über das Eigentum am stimmberechtigten Kapital, mittels eines Vertrages oder auf andere Weise im Sinne von § 17 AktG zu bestimmen (Fälle mehrfacher Abhängigkeit bei Gemeinschaftsunternehmen, bei denen kein Partner mehr als 50 % der Stimmrechte hält, sind dabei ausgeschlossen). Der Begriff der Tochtergesellschaft schließt jedoch in keinem Fall die Qimonda AG i.L. und ihre Tochtergesellschaften ein.

**„Wesentliche Tochtergesellschaft“** bezeichnet eine Tochtergesellschaft der Emittentin, deren nicht konsolidiertes EBITDA, nicht konsolidiertes Bruttovermögen oder deren nicht konsolidierter Umsatz (ausschließlich konzerninterner Posten) gemäß dem letzten geprüften Konzernabschluss (und dem Jahresabschluss der betreffenden Tochtergesellschaft) mindestens 5 % des konsolidierten EBITDA, des konsolidierten Bruttovermögens oder des konsolidierten Umsatzes des Konzerns ausmacht, wobei eine neu erworbene Tochtergesellschaft der Emittentin bis zum Ablauf von sechs Monaten ab Durchführung des Erwerbs nicht als Wesentliche Tochtergesellschaft gilt. Ein Bericht der Wirtschaftsprüfer der Emittentin darüber, ob ihrer Meinung nach eine Tochtergesellschaft zu einem bestimmten Zeitpunkt eine Wesentliche Tochtergesellschaft ist oder war bzw. nicht ist oder nicht war, ist, sofern nicht ein offensichtlicher Irrtum vorliegt, für alle Beteiligten endgültig und bindend.

### § 3

#### Verzinsung

- (a) *Zinssatz und Zinszahlungstage.* Die Schuldverschreibungen werden, bezogen auf ihren Nennbetrag, ab dem 10. März 2015 (der „Zinslaufbeginn“) (einschließlich) bis zum Fälligkeitstag (wie in § 4(a) definiert) (ausschließlich) mit **[im**

ownership and “control” in this context means the power to direct the management and the policies of the entity whether through the ownership of voting capital, by contract or otherwise within the meaning of Section 17 of the German Stock Corporation Act (*Aktiengesetz*) (cases of multiple dependency (*mehrfache Abhängigkeit*) in relation of joint ventures where no partner holds more than 50% of the voting rights shall be excluded), provided that the term Subsidiary shall in no event include Qimonda AG i.L. and any of its subsidiaries.

**“Material Subsidiaries”** means a Subsidiary of the Issuer which, based on the latest audited annual consolidated financial statements of the Group (*Konzernabschluss*) (and the annual financial statements of the respective Subsidiary) has unconsolidated EBITDA, unconsolidated gross assets or unconsolidated turnover (excluding intra-group items) representing 5% or more of the consolidated EBITDA, consolidated gross assets or consolidated turnover of the Group, provided that any newly acquired subsidiary of the Issuer shall in no event constitute a Material Subsidiary until expiry of a six-month period from the completion of the relevant acquisition. A certificate issued by the Issuer's auditors stating that a subsidiary is or is not or was or was not at a specified date a Material Subsidiary shall, in the absence of manifest error, be conclusive and binding on all parties.

### § 3

#### Interest

- (a) *Rate of Interest and Interest Payment Dates.* The Notes shall bear interest on their principal amount at a rate of **[in case of the Tranche 1 Notes insert: [●] percent]** **[in case of the Tranche 2 Notes insert: [●] percent]** per

**Fall der Tranche 1 Schuldverschreibungen einzufügen:** [●] %] **[im Fall der Tranche 2 Schuldverschreibungen einzufügen:** [●] %] jährlich verzinst. Die Zinsen in Bezug auf eine Zinsperiode sind jährlich nachträglich am **[Im Fall der Tranche 1 Schuldverschreibungen einzufügen:** 10. September] **[im Fall der Tranche 2 Schuldverschreibungen einzufügen:** 10. März] jeden Jahres (jeweils ein „Zinszahlungstag“) zu zahlen. Die erste Zinszahlung erfolgt am **[Im Fall der Tranche 1 Schuldverschreibungen einzufügen:** 10. September 2015 (kurze erste Zinsperiode) und beläuft sich auf EUR [●] je Festgelegte Stückelung] **[im Fall der Tranche 2 Schuldverschreibungen einzufügen:** 10. März 2016].

„Zinsperiode“ bezeichnet den Zeitraum ab dem Zinslaufbeginn (einschließlich) bis zum ersten Zinszahlungstag (ausschließlich) und danach ab dem jeweiligen Zinszahlungstag (einschließlich) bis zum nächstfolgenden Zinszahlungstag (ausschließlich).

- (b) *Verzugszinsen.* Der Zinslauf der Schuldverschreibungen endet, soweit hierin nicht abweichend geregelt, am Ende des Tages, der dem Tag vorangeht, an dem sie zur Rückzahlung fällig werden. Falls die Emittentin eine fällige Zahlung auf die Schuldverschreibungen aus irgendeinem Grund nicht leistet, wird der ausstehende Betrag vom Tag der Fälligkeit (einschließlich) bis zum Tag der vollständigen Zahlung an die Gläubiger (ausschließlich) mit dem gesetzlich bestimmten Verzugszins verzinst. Der gesetzliche Verzugszinssatz entspricht dem von der Deutschen Bundesbank von Zeit zu Zeit veröffentlichten Basiszinssatz zuzüglich fünf Prozentpunkten, §§ 288 Abs. 1, 247 Abs. 1 BGB.
- (c) *Zinsberechnungsmethode.* Sind Zinsen für einen Zeitraum von weniger als einem vollen Jahr zu berechnen, erfolgt die Berechnung auf der Grundlage des Zinstagequotienten (wie nachfolgend definiert). Die Anzahl der Feststellungstermine je

*annum* from and including March 10, 2015 (the “Interest Commencement Date”) to (but excluding) the Redemption Date (as defined in § 4(a)). Interest with respect to an Interest Period is payable annually in arrear on **[in case of the Tranche 1 Notes insert: September 10] [in case of the Tranche 2 Notes insert: March 10]** of each year (each an “Interest Payment Date”). The first payment of interest shall be made on **[in case of the Tranche 1 Notes insert: September 10, 2015 (short first coupon) and will amount to EUR [●] per Specified Denomination] [in case of the Tranche 2 Notes insert: March 10, 2016].**

“Interest Period” means the period from and including the Interest Commencement Date to but excluding the first Interest Payment Date and thereafter from and including each relevant Interest Payment Date to but excluding the next following Interest Payment Date.

- (b) *Default Rate of Interest.* Unless provided herein, a Note shall cease to bear interest from the end of the day preceding the due date for redemption. If the Issuer for any reason fails to render any payment in respect of the Notes when due, interest shall continue to accrue at the default rate of interest established by statutory law on the outstanding amount from (and including) the due date to (but excluding) the day on which such payment is received by or on behalf of the Holders. The default rate of interest established by statutory law is five percentage points above the basis rate of interest published by Deutsche Bundesbank from time to time, Sections 288 para. 1, 247 para. 1 of the German Civil Code (*Bürgerliches Gesetzbuch*).
- (c) *Day Count Convention.* Where interest is to be calculated for a period of less than a full year, it shall be calculated on the basis of the Day Count Fraction (as defined below). The number of Determination Dates per calendar year is 1.

Kalenderjahr beträgt 1.

„**Zinstagequotient**“ bezeichnet in Bezug auf die Berechnung von Zinsen auf die Schuldverschreibungen für einen beliebigen Zeitraum (der „**Zinsberechnungszeitraum**“):

- (i) wenn der Zinsberechnungszeitraum (einschließlich des ersten aber ausschließlich des letzten Tages dieses Zeitraums) kürzer ist als die Feststellungsperiode, in die das Ende des Zinsberechnungszeitraumes fällt oder ihr entspricht, die Anzahl der Tage in dem betreffenden Zinsberechnungszeitraum (einschließlich des ersten aber ausschließlich des letzten Tages dieses Zeitraums) geteilt durch das Produkt aus (1) der Anzahl der Tage in der Feststellungsperiode und (2) der Anzahl der Feststellungstermine in einem Kalenderjahr; oder
- (ii) wenn der Zinsberechnungszeitraum (einschließlich des ersten aber ausschließlich des letzten Tages dieses Zeitraums) länger ist als die Feststellungsperiode, in die das Ende des Zinsberechnungszeitraumes fällt, die Summe aus (A) der Anzahl der Tage in dem Zinsberechnungszeitraum, die in die Feststellungsperiode fallen, in welcher der Zinsberechnungszeitraum beginnt, geteilt durch das Produkt aus (1) der Anzahl der Tage in dieser Feststellungsperiode und (2) der Anzahl der Feststellungstermine in einem Kalenderjahr und (B) der Anzahl der Tage in dem Zinsberechnungszeitraum, die in die nächste Feststellungsperiode fallen, geteilt durch das Produkt aus (1) der Anzahl der Tage in dieser Feststellungsperiode und (2) der Anzahl der Feststellungstermine in einem Kalenderjahr.

„**Feststellungsperiode**“ ist der Zeitraum ab einem Feststellungstermin (einschließlich) bis zum nächsten Feststellungstermin (ausschließlich).

„**Day Count Fraction**“ means, in respect of the calculation of Interest on any Note for any period of time (the “**Calculation Period**”):

- (i) if the Calculation Period (from and including the first day of such period but excluding the last) is equal to or shorter than the Determination Period during which the Calculation Period ends, the number of days in such Calculation Period (from and including the first day of such period but excluding the last) divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates that would occur in one calendar year; or
- (ii) if the Calculation Period (from and including the first day of such period but excluding the last) is longer than the Determination Period during which the Calculation Period ends, the sum of: (A) the number of days in such Calculation Period falling in the Determination Period in which the Calculation Period begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates that would occur in one calendar year and (B) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates that would occur in one calendar year.

„**Determination Period**“ means the period from (and including) a Determination Date to, (but excluding) the next Determination Date.

„Feststellungstermin“ bezeichnet jeden **[Im Fall der Tranche 1 Schuldverschreibungen einzufügen: 10. September] [im Fall der Tranche 2 Schuldverschreibungen einzufügen: 10. März]**.

#### § 4

##### Fälligkeit und Rückzahlung

- (a) *Endfälligkeit.* Die Schuldverschreibungen werden am **[im Fall der Tranche 1 Schuldverschreibungen einzufügen: 10. September 2018] [im Fall der Tranche 2 Schuldverschreibungen einzufügen: 10. März 2022]** (der „Fälligkeitstag“) zu ihrem Nennbetrag zuzüglich aufgelaufener Zinsen zurückgezahlt, soweit sie nicht vorher zurückgezahlt oder zurückgekauft und entwertet worden sind.
- (b) *Vorzeitige Rückzahlung aus steuerlichen Gründen.* Falls die Emittentin als Folge einer Änderung oder Ergänzung der Steuer- oder Abgabengesetze und –vorschriften einer für die Emittentin maßgeblichen Steuerjurisdiktion oder als Folge einer Änderung oder Ergänzung der offiziellen Auslegung oder Anwendung dieser Gesetze und Vorschriften (vorausgesetzt, diese Änderung oder Ergänzung wird an oder nach dem Tag der Begebung der Schuldverschreibungen wirksam) verpflichtet ist oder verpflichtet sein wird, Zusätzliche Beträge gemäß § 6(b) zu zahlen, und die Emittentin diese Verpflichtung nicht abwenden kann, indem sie zumutbare Maßnahmen ergreift, die sie nach Treu und Glauben für angemessen hält, dann ist die Emittentin berechtigt, die Schuldverschreibungen jederzeit (vollständig, jedoch nicht nur teilweise) durch Bekanntmachung an die Anleihegläubiger gemäß § 9 unter Einhaltung einer Frist von nicht weniger als 30 und nicht mehr als 60 Kalendertagen zu kündigen. Im Falle einer solchen Kündigung hat die Emittentin die Schuldverschreibungen an dem in der Kündigungserklärung festgelegten Rückzahlungstermin zum Nennbetrag zuzüglich aufgelaufener Zinsen zurückzuzahlen.

Die Kündigungserklärung darf nicht früher

“**Determination Date**” means each **[in case of the Tranche 1 Notes insert: September 10] [in case of the Tranche 2 Notes insert: March 10]**.

#### § 4

##### Maturity and Redemption

- (a) *Maturity.* The Notes will be redeemed at their principal amount together with accrued interest on **[in case of the Tranche 1 Notes insert: September 10, 2018] [in case of the Tranche 2 Notes insert: March 10, 2022]** (the “**Redemption Date**”) to the extent they have not previously been redeemed or purchased and cancelled.
- (b) *Early Redemption for Reasons of Taxation.* If as a result of any change in, or amendment to, the laws or regulations of any Taxing Jurisdiction in respect of the Issuer affecting taxation or the obligation to pay duties of any kind, or any change in, or amendment to, an official interpretation or application of such laws or regulations, which amendment or change becomes effective on or after the issue date of the Notes, the Issuer has or will become obliged to pay Additional Amounts pursuant to § 6(b), and that obligation cannot be avoided by the Issuer, taking reasonable measures it (acting in good faith) deems appropriate, the Issuer may, upon giving not less than 30 nor more than 60 calendar days’ notice to the Holders in accordance with § 9, call the Notes (in whole but not in part) at any time. In the case such call notice is given, the Issuer shall redeem the Notes on the date fixed for redemption in the call notice at their principal amount together with accrued interest.

No such call notice may be given earlier

als 90 Kalendertage vor dem Tag erfolgen, an dem die Emittentin erstmals verpflichtet wäre, Zusätzliche Beträge gemäß § 6(b) zu zahlen.

Vor Abgabe einer solchen Kündigungserklärung wird die Emittentin der Hauptzahlstelle ein Gutachten eines angesehenen unabhängigen Rechtsberaters übergeben, aus dem hervorgeht, dass die Emittentin verpflichtet ist oder verpflichtet sein wird, die betreffenden Zusätzlichen Beträge als Folge der entsprechenden Rechtsänderung oder Ergänzung zu zahlen.

Eine solche Kündigung ist gemäß § 9 bekanntzumachen. Sie ist unwiderruflich, muss den für die Rückzahlung festgelegten Termin nennen und eine zusammenfassende Erklärung enthalten, welche die das Rückzahlungsrecht der Emittentin begründenden Umstände darlegt.

- (c) *Vorzeitige Rückzahlung nach Wahl der Emittentin bei geringfügigem ausstehendem Nennbetrag.* Wenn 80 % oder mehr des ursprünglichen Nennbetrags der Schuldverschreibungen nach diesem § 4 und nach § 7 durch die Emittentin oder eine direkte oder mittelbare Tochtergesellschaft zurückgezahlt oder zurückerworben wurde („**Rückführungsereignis**“), ist die Emittentin berechtigt, nach vorheriger Bekanntmachung, die innerhalb von 30 Kalendertagen nach dem Rückführungsereignis erfolgen muss, gegenüber den Gläubigern mit einer Frist von mindestens 30 und höchstens 60 Kalendertagen nach ihrer Wahl alle ausstehenden Schuldverschreibungen zum Nennbetrag zuzüglich bis zum Rückzahlungstag (ausschließlich) aufgelaufener Zinsen zurückzuzahlen.

## § 5 Zahlungen

- (a) *Zahlungen auf Kapital und von Zinsen.* Die Zahlung von Kapital und Zinsen auf die Schuldverschreibungen erfolgt, vorbehaltlich geltender steuerrechtlicher und sonstiger gesetzlicher Regelungen und Vorschriften, an das maßgebliche Clearing-system oder dessen Order zur Gutschrift

than 90 calendar days prior to the earliest date on which the Issuer would be for the first time obliged to pay the Additional Amounts pursuant to § 6(b).

Prior to giving any such call notice, the Issuer will deliver to the Principal Paying Agent an opinion of an independent legal advisor of recognized standing to the effect that the Issuer has been obliged or will become obliged to pay the Additional Amounts in question as a result of the relevant change in law or amendment.

Any such notice shall be given in accordance with § 9. It shall be irrevocable, must specify the date fixed for redemption and must set forth a statement in summary form of the facts constituting the basis for the right of the Issuer to redeem.

- (c) *Early Redemption at the Option of the Issuer for Reasons of Minimal Outstanding Principal Amount.* If 80% or more in principal amount of the Notes originally outstanding have been redeemed or purchased by the Issuer or any direct or indirect subsidiary pursuant to the provisions of this § 4 and of §7 (the “**Clean-up Call Event**”), the Issuer may, on not less than 30 or more than 60 calendar days’ notice to the Holders of Notes given within 30 calendar days after the Clean-up Call Event, redeem, at its option, the remaining Notes as a whole at their principal amount plus interest accrued to but excluding the date of such redemption.

## § 5 Payments

- (a) *Payment of Principal and of Interest.* Payment of principal and interest on the Notes shall be made, subject to applicable fiscal and other laws and regulations, for on-payment to the relevant Clearing System or to its order for credit to the accounts of the respective account holders

für die jeweiligen Kontoinhaber des Clearingsystems. Die Zahlung von Zinsen auf Schuldverschreibungen, die durch eine vorläufige Globalurkunde verbrieft sind, erfolgt nur nach ordnungsgemäßigem Nachweis gemäß § 1(b).

Die Zahlung an das maßgebliche Clearingsystem oder an dessen Order befreit die Emittentin in Höhe der geleisteten Zahlung von ihren entsprechenden Verbindlichkeiten aus den Schuldverschreibungen.

Eine Bezugnahme in diesen Anleihebedingungen auf Kapital oder Zinsen der Schuldverschreibungen schließt jegliche Zusätzlichen Beträge gemäß § 6(b) ein.

- (b) *Zahltag.* Falls eine Zahlung auf Kapital oder Zinsen einer Schuldverschreibung an einem Tag zu leisten ist, der kein Geschäftstag (wie in diesem § 5(b) definiert) ist, so erfolgt die Zahlung am nächstfolgenden Geschäftstag. In diesem Fall steht den betreffenden Anleihegläubigern weder ein Zahlungsanspruch noch ein Anspruch auf Zinszahlungen oder eine andere Entschädigung wegen dieser Verzögerung zu.

„**Geschäftstag**“ ist jeder Tag (außer einem Samstag oder Sonntag), an dem

- (i) Banken in München, London und Frankfurt am Main für den Geschäftsverkehr geöffnet sind und
- (ii) das Trans-European Automated Real-time Gross-settlement Express Transfer System (TARGET 2) in Betrieb ist und
- (iii) das Clearingsystem Zahlungen abwickelt.

## **§ 6 Besteuerung**

- (a) *Zahlungen ohne Abzug oder Einbehalt von Steuern.* Alle in Bezug auf die Schuldverschreibungen von der Emittentin an die Gläubiger zahlbaren Kapital- oder Zinsbeträge werden ohne Einbehalt oder Abzug an der Quelle für oder wegen gegenwärtiger oder zukünftiger Steuern, Abgaben, Festsetzungen oder behördlichen Gebühren jedweder Art („**Steuern**“)

in the Clearing System. Payment of interest on Notes represented by a Temporary Global Note shall be made only upon due certification as provided in § 1(b).

Payments to the relevant Clearing System or to its order shall to the extent of amounts so paid constitute the discharge of the Issuer from its corresponding liabilities under the Notes.

Any reference in these Terms and Conditions of the Notes to principal or interest will be deemed to include any Additional Amounts pursuant to § 6(b).

- (b) *Payment Business Day.* If any payment of principal or interest or any other amount with respect to a Note is to be effected on a day which is not a Business Day (as defined in this § 5(b)), payment shall be effected on the next following Business Day. In this case, the relevant Holders shall neither be entitled to any payment claim nor to any interest claim or other compensation with respect to such delay.

“**Business Day**” means a day (other than a Saturday or Sunday) on which

- (i) banks are open for general business in Munich, London and Frankfurt am Main, and
- (ii) the Trans-European Automated Real-time Gross-settlement Express Transfer System (TARGET 2) is operating, and
- (iii) the Clearing System settles payments.

## **§ 6 Taxation**

- (a) *Payments Free and Clear of Taxes.* All payments of principal and interest made by the Issuer in respect of the Notes to the Holders shall be made free and clear of, and without withholding or deduction for, any present or future taxes, duties, assessments or governmental charges of whatever nature (“**Taxes**”) imposed, levied, collected, withheld or assessed by way of

gezahlt, die von oder im Namen der Bundesrepublik Deutschland oder einer politischen Untergliederung oder einer Steuerbehörde dieses Staates (die "**Steuerjurisdiktion**") im Wege des Abzugs oder Einbehalts auferlegt, erhoben, eingezogen, einbehalten oder festgesetzt werden, es sei denn, ein solcher Abzug oder Einbehalt ist gesetzlich vorgeschrieben.

(b) *Zahlungen Zusätzlicher Beträge.* In diesem Fall wird die Emittentin diejenigen zusätzlichen Beträge ("**Zusätzliche Beträge**") zahlen, die erforderlich sind, damit die den Gläubigern zufließenden Nettobeträge nach diesem Einbehalt oder Abzug jeweils den Beträgen an Kapital und Zinsen entsprechen, die ohne einen solchen Einbehalt oder Abzug von den Gläubigern erhalten worden wären. Solche Zusätzlichen Beträge sind jedoch nicht zu zahlen:

- (i) in Bezug auf Steuern, die anders als durch Einbehalt oder Abzug durch die Emittentin von Zahlungen, die sie an den Anleihegläubiger leistet, zu entrichten sind; oder
- (ii) an einen Gläubiger oder an einen Dritten für einen Gläubiger, falls dieser Gläubiger (oder ein Treuhänder, Gründer eines Treuhandvermögens, ein Begünstigter, oder ein Gesellschafter eines solchen Gläubigers, falls es sich bei diesem um ein Nachlassvermögen, ein Treuhandvermögen, eine Personengesellschaft oder eine Kapitalgesellschaft handelt) auf Grund einer früheren oder gegenwärtigen Verbindung zu Deutschland (einschließlich solcher Gläubiger (bzw. Treuhänder, Gründer eines Treuhandvermögens, Begünstigter oder Gesellschafter), welche Staatsbürger dieses Landes waren oder sind oder in diesem Land Handel oder Geschäfte betrieben haben oder betreiben oder in diesen eine Betriebsstätte hatten oder haben) einem solchen Einbehalt oder Abzug unterliegt und sich diese

deduction or withholding by or on behalf of the Federal Republic of Germany or any authority therein or thereof having power to tax (the "**Taxing Jurisdiction**"), unless such deduction or withholding is required by law.

(b) *Payments of Additional Amounts.* In that case, the Issuer shall pay such additional amounts (the "**Additional Amounts**") as shall result in receipt by the Holders of such amounts as would have been received by them had no such withholding or deduction been required. However, no such Additional Amounts shall be payable with respect to:

- (i) taxes that are payable otherwise than by withholding or deduction by the Issuer from payments made by it to the Holder; or
- (ii) payments to, or to a third party on behalf of, a Holder where such Holder (or a fiduciary, settlor, beneficiary, member or shareholder of such Holder, if such Holder is an estate, a trust, a partnership or a corporation) is liable to such withholding or deduction by reason of having some present or former connection with Germany, including, without limitation, such Holder (or such fiduciary, settlor, beneficiary, member or shareholder) being or having been a citizen or resident thereof or being or having been engaged in a trade or business or present therein or having, or having had, a permanent establishment therein, other than by reason only of the holding of such Note or the receipt of the relevant payment in respect thereof; or

Verbindung nicht nur darauf beschränkt, dass er die Schuldverschreibung hält oder die unter dieser jeweils zu leistenden Zahlungen erhält; oder

- (iii) an den Gläubiger oder an einen Dritten für den Gläubiger, falls kein Einbehalt oder Abzug hätte erfolgen müssen, wenn die Schuldverschreibungen zum Zeitpunkt der fraglichen Zahlung einem Depotkonto bei einer bzw. einem nicht in Deutschland ansässigen Bank, Finanzdienstleistungsinstitut, Wertpapierhandelsunternehmen oder Wertpapierhandelsbank gutgeschrieben gewesen wären; oder
- (iv) falls der Einbehalt oder Abzug gemäß
  - (x) einer Richtlinie oder Verordnung der Europäischen Union zur Zinsbesteuerung oder
  - (y) einem internationalen Abkommen oder Übereinkommen zu einer solchen Besteuerung, bei dem Deutschland oder die Europäische Union Parteien sind, oder
  - (z) einem diese Richtlinie oder Verordnung oder dieses Abkommen oder Übereinkommen umsetzenden oder sie befolgenden oder zu ihrer Befolgung erlassenen Gesetz; oder
- (v) soweit der Einbehalt oder Abzug von dem Gläubiger oder von einem Dritten für den Gläubiger zahlbar ist, der einen solchen Einbehalt oder Abzug dadurch rechtmäßigerweise hätte vermindern können (aber nicht vermindert hat), dass er gesetzliche Vorschriften beachtet, oder dafür sorgt, dass Dritte dies tun, oder dadurch dass er eine Nichtansässigkeitserklärung oder einen ähnlichen Antrag auf Quellensteuerbefreiung gegenüber der am Zahlungsort zuständigen Steuerbehörde abgibt oder dafür sorgt, dass dies durch einen Dritten erfolgt, oder

- (iii) payments to, or to a third party on behalf of, a Holder where no such withholding or deduction would have been required to be made if the Notes, at the time of payment, had been credited to a securities deposit account with a bank, financial services institution, securities trading business or securities trading bank, in each case outside Germany; or
- (iv) payments where such withholding or deduction is imposed pursuant to
  - (x) any European Union Directive or Regulation concerning the taxation of savings, or
  - (y) any international treaty or understanding relating to such taxation and to which Germany or the European Union is a party/are parties, or
  - (z) any provision of law implementing, or complying with, or introduced to conform with, such Directive, Regulation, treaty or understanding;
- (v) payments to the extent such withholding or deduction is payable by or on behalf of a Holder who could lawfully mitigate (but has not so mitigated) such withholding or deduction by complying or procuring that any third party complies with any statutory requirements or by making or procuring that a third party makes a declaration of non-residence or other similar claim for exemption to any tax authority in the place where the payment is effected; or

- (vi) soweit der Einbehalt oder Abzug von dem Gläubiger oder von einem Dritten für den Gläubiger vorzunehmen ist, der einen solchen Einbehalt oder Abzug durch die Bewirkung einer Zahlung über eine andere Zahlstelle in einem Mitgliedsstaat der Europäischen Union, welche nicht zu einem solchen Einbehalt oder Abzug verpflichtet ist, hätte vermindern können; oder
- (vii) soweit der Einbehalt oder Abzug für einen Gläubiger oder dessen Rechnung vorzunehmen ist, der Schuldverschreibungen mehr als 30 Kalendertage nach dem Tag, an dem eine Zahlung unter den Schuldverschreibungen fällig und zahlbar wurde bzw., soweit dies später eintritt, nach dem Tag, an dem die Zahlung ordnungsgemäß vorgenommen wurde, vorgelegt hat; oder
- (viii) soweit der Einbehalt oder Abzug gemäß §§ 1471 bis 1474 des U.S. Internal Revenue Code von 1986 in seiner jeweils gültigen Fassung (der "**Internal Revenue Code**", diese Bestimmungen sind allgemein bekannt als *Foreign Account Tax Compliance Act* oder *FATCA*), jeder gegenwärtigen oder zukünftigen Verordnung oder offiziellen Auslegung davon, jeder Vereinbarung, die gemäß § 1471(b) des Internal Revenue Codes eingegangen wurde oder jeder steuerlichen oder regulatorischen Gesetzgebung, sowie steuerlichen und regulatorischen Gesetzen oder Vorgehensweisen, die nach einem völkerrechtlichen Vertrag, der zur Umsetzung der Bestimmungen des Internal Revenue Codes geschlossen wurde, vorzunehmen ist; oder
- (ix) jegliche Kombination von § 6(b)(i)-(viii).

Zudem werden keine Zusätzlichen Beträge im Hinblick auf Zahlungen auf die Schuldverschreibungen an einen Gläubiger

- (vi) payments to the extent such withholding or deduction is payable by or on behalf of a Holder who would have been able to mitigate such withholding or deduction by effecting a payment via another Paying Agent in a Member State of the European Union, not obliged to withhold or deduct tax; or
- (vii) payments to the extent such withholding or deduction is for or on account of the presentation by the Holder of any Note for payment on a date more than 30 calendar days after the date on which such payment became due and payable or the date on which payment thereof is duly provided for, whichever occurs later; or
- (viii) payments to the extent such withholding or deduction is required pursuant to Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended (the "**Internal Revenue Code**", these provisions are commonly referred to as Foreign Account Tax Compliance Act or FATCA), any current or future regulations or official interpretations thereof, any agreement entered into pursuant to Section 1471(b) of the Internal Revenue Code, or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such Sections of the Internal Revenue Code; or
- (ix) any combination of § 6(b)(i)-(viii).

Neither shall any Additional Amounts be paid with respect to any payment on a Note to a Holder who is a fiduciary or partnership

gezahlt, welcher die Zahlung als Treuhänder oder Personengesellschaft oder als sonstiger nicht alleiniger wirtschaftlicher Eigentümer erhält, soweit nach den Gesetzen der Steuerjurisdiktion eine solche Zahlung für Steuerzwecke dem Einkommen des Begünstigten bzw. Gründers eines Treuhandvermögens oder dem Gesellschafter der Personengesellschaft zugerechnet würde, der jeweils selbst nicht zum Erhalt von Zusätzlichen Beträgen berechtigt gewesen wäre, wenn der Begünstigte, Gründer eines Treuhandvermögens, Gesellschafter oder wirtschaftliche Eigentümer unmittelbarer Gläubiger der Schuldverschreibungen wäre.

### § 7

#### Kontrollwechsel

- (a) *Bekanntmachung eines Kontrollwechsels.* Wenn ein Kontrollwechsel (wie in § 7(c) definiert) eintritt, wird die Emittentin sobald wie möglich, nachdem sie Kenntnis davon erhalten hat, den Stichtag (wie in § 7(c) definiert) bestimmen, und den Eintritt des Kontrollwechsels und den Stichtag gemäß § 9 bekannt machen.
- (b) *Vorzeitige Rückzahlung nach Wahl der Anleihegläubiger.* Falls die Emittentin gemäß § 7(a) einen Kontrollwechsel bekannt gemacht hat, ist jeder Anleihegläubiger nach seiner Wahl berechtigt alle oder einzelne seiner Schuldverschreibungen, die noch nicht zurückgezahlt wurden, mit Wirkung zum Stichtag vorzeitig fällig zu stellen. In einem solchen Fall hat die Emittentin die betreffenden Schuldverschreibungen am Stichtag zu ihrem Nennbetrag zuzüglich etwaiger bis zum Stichtag (ausschließlich) aufgelaufener Zinsen zurückzuzahlen. Die Kündigung gemäß § 7(b) durch den Anleihegläubiger ist nur wirksam, wenn die Kündigungserklärung der Hauptzahlstelle spätestens am 7. Kalendertag vor dem Stichtag zugegangen ist.

Eine Kündigung gemäß § 7(b) ist unwiderruflich und hat schriftlich gegenüber der Hauptzahlstelle, zusammen mit dem Nachweis durch eine Bescheinigung der Depotbank (wie in § 15(c) definiert) gemäß § 15(c)(i), dass der entsprechende

or who is other than the sole beneficial owner of such payment to the extent such payment would be required by the laws of the Taxing Jurisdiction to be included in the income, for tax purposes, of a beneficiary or settlor with respect to such fiduciary or a member of such partnership or a beneficial owner who would not have been entitled to such Additional Amounts had such beneficiary, settlor, member or beneficial owner been the Holder of the Note.

### § 7

#### Change of Control

- (a) *Publication of a Change of Control.* If a Change of Control (as defined in § 7(c)) occurs, the Issuer will, as soon as practicable after becoming aware thereof, determine the Record Date (as defined in § 7(c)) and give notice in accordance with § 9 of the occurrence of the Change of Control and the Record Date.
- (b) *Early Redemption at the Option of the Holders.* If the Issuer gives notice in accordance with § 7(a) of a Change of Control, each Holder may at his option declare all or some only of his Notes not previously redeemed due which notice shall take effect on the Record Date. In such case the Issuer will redeem such Notes on the Record Date at the principal amount plus interest accrued, if any, to but excluding the Record Date. To validly terminate pursuant to § 7(b), a Holder must give notice of termination which is to be received by the Principal Paying Agent on the 7<sup>th</sup> calendar days prior to the Record Date.

A notice of termination pursuant to § 7(b) is irrevocable and must be effected by delivering a written notice to the Principal Paying Agent together with evidence by means of a certificate of the Custodian (as defined in § 15(c)) in accordance with

Anleihegläubiger im Zeitpunkt der Kündigung Inhaber der betreffenden Schuldverschreibung ist, zu erfolgen. Die Zahlung in Bezug auf die Schuldverschreibungen, für welche die Kündigung wirksam erklärt worden ist, erfolgt in der üblichen Weise über das Clearingsystem und nur gegen Lieferung der betreffenden Schuldverschreibungen an die Emittentin oder deren Order.

- (c) *Definitionen.* „**Stichtag**“ bezeichnet den von der Emittentin gemäß § 7(a) festgelegten Geschäftstag, der nicht weniger als 20 und nicht mehr als 30 Kalendertage nach dem Tag der Bekanntmachung des Kontrollwechsels gemäß § 9 liegen darf.

Ein „**Kontrollwechsel**“ liegt vor, wenn eine Person (wie in diesem § 7(c) definiert) oder Personen, die gemeinsam handeln (wie in diesem § 7(c) definiert), nach dem Tag der Begebung der Schuldverschreibungen Kontrolle (wie in diesem § 7(c) definiert) über die Emittentin erwirbt bzw. erwerben.

„**Kontrolle**“ bezeichnet das unmittelbare oder mittelbare Eigentum oder die unmittelbare oder mittelbare Verfügungsbefugnis in jedweder Form (wie in § 22 WpHG beschrieben) an insgesamt mehr als 50 % der stimmberechtigten Aktien der Emittentin.

„**Person**“ bezeichnet jede natürliche Person, Gesellschaft, Vereinigung, Firma, Partnerschaft, Joint Venture, Unternehmung, Zusammenschluss, Organisation, Fonds, Staat oder staatliche Einheit, unabhängig davon, ob es sich um eine selbstständige juristische Person handelt oder nicht.

„**Gemeinsam handelnde Personen**“ hat die in § 2 Abs. 5 WpÜG festgelegte Bedeutung.

„**WpHG**“ bezeichnet das Wertpapierhandelsgesetz in seiner jeweils gültigen Fassung.

„**WpÜG**“ bezeichnet das Wertpapiererwerbs- und Übernahmegesetz in seiner jeweils gültigen Fassung.

§ 15(c)(i) that such Holder at the time of such written notice is the holder of the relevant Notes. Payment in respect of any Note validly terminated will be made in accordance with the customary procedures through the Clearing System and only against delivery of such Notes to the Issuer or to its order.

- (c) *Definitions.* „**Record Date**“ means the Business Day fixed by the Issuer pursuant to § 7(a) which will be not less than 20 nor more than 30 calendar days after the date on which the notice of the Change of Control was published in accordance with § 9.

A „**Change of Control**“ occurs if any Person (as defined in this § 7(c)) or Persons acting in concert (as defined in this § 7(c)) acquire Control (as defined in this § 7(c)) of the Issuer after the issue date of the Notes.

„**Control**“ means any direct or indirect legal ownership or any legal entitlement (as defined in § 22 of the German Securities Trading Act (*Wertpapierhandelsgesetz*)) of, in the aggregate, more than 50% of the voting shares of the Issuer

„**Person**“ means an individual, company, corporation, firm, partnership, joint venture, undertaking, association, organisation, trust, state or agency of a state, in each case whether or not being a separate legal entity.

„**Persons acting in concert**“ has the meaning given to it in Section 2 para. 5 WpÜG.

„**WpHG**“ means the German Securities Trading Act (*Wertpapierhandelsgesetz*) as amended from time to time.

„**WpÜG**“ means the German Securities Acquisition and Take Over Act (*Wertpapiererwerbs- und Übernahmegesetz*) as amended from time to time.

## § 8

### Kündigungsrechte der Anleihegläubiger

- (a) *Kündigungsgründe.* Die Anleihegläubiger sind berechtigt, ihre Schuldverschreibungen zur sofortigen Rückzahlung fällig zu stellen und deren sofortige Rückzahlung zu ihrem Nennbetrag zuzüglich etwaiger bis zum Tage der Rückzahlung (ausschließlich) aufgelaufener Zinsen durch Abgabe einer schriftlichen Kündigungserklärung gegenüber der Emittentin und der Hauptzahlstelle zu verlangen, falls einer der folgenden Kündigungsgründe vorliegt (jeweils ein „**Kündigungsgrund**“):
- (i) die Emittentin zahlt Kapital oder Zinsen oder sonstige auf die Schuldverschreibungen zu zahlende Beträge nicht innerhalb von 15 Kalendertagen nach dem betreffenden Fälligkeitsdatum; oder
  - (ii) die Emittentin erfüllt eine oder mehrere ihrer sonstigen wesentlichen Verpflichtungen aus den Schuldverschreibungen nicht und dieser Zustand wird nicht innerhalb von 30 Kalendertagen, nachdem die Hauptzahlstelle eine diesbezügliche Mitteilung durch den Anleihegläubiger in der in § 8(c) festgelegten Art erhalten hat, behoben; oder
  - (iii) die Emittentin oder eine Wesentliche Tochtergesellschaft erfüllt eine Zahlungsverpflichtung in Höhe oder im Gegenwert von mehr als EUR 50.000.000 aus einer Finanzverbindlichkeit (wie in diesem § 8(a) definiert) oder aufgrund einer Bürgschaft oder Garantie, die für Finanzverbindlichkeiten Dritter gegeben wurde, nicht innerhalb von 30 Kalendertagen nach ihrer Fälligkeit bzw. im Fall einer Bürgschaft oder Garantie nicht innerhalb von 30 Kalendertagen nach Inanspruchnahme aus dieser Bürgschaft oder Garantie, es sei denn, die Emittentin oder die betreffende Wesentliche Tochtergesellschaft bestreitet in gutem

## § 8

### Events of Default

- (a) *Events of Default.* Holders shall be entitled to declare the Notes to be immediately due and repayable and to demand their immediate redemption at their principal amount together with accrued interest, if any, to (but excluding) the date of repayment by giving written notice of default to the Issuer and the Principal Paying Agent, if any of the following events (each an “**Event of Default**”) shall occur:
- (i) the Issuer fails to pay any interest or principal or any other amounts under the Notes when due and such failure continues for a period of 15 calendar days after the relevant due date; or
  - (ii) the Issuer does not perform or comply with any one or more of its other material obligations under the Notes and such default is not remedied within 30 calendar days after the Principal Paying Agent has received notice thereof from the Holder, such notice being substantially in the form as specified in § 8(c); or
  - (iii) the Issuer or any Material Subsidiaries fails to fulfil any payment obligation in excess of EUR 50,000,000 or the equivalent thereof under any Financial Indebtedness (as defined in this § 8(a)) or under any guarantees or suretyships given for any Financial Indebtedness of others within 30 calendar days from its due date or, in the case of such guarantee or suretyship, within 30 calendar days of such guarantee or suretyship being invoked, unless the Issuer or the relevant Material Subsidiary contests in good faith that such payment obligation exists or is due or that such guarantee or suretyship

- Glauben, dass diese Zahlungsverpflichtung besteht oder fällig ist bzw. diese Bürgschaft oder Garantie berechtigterweise geltend gemacht wird; oder
- (iv) jedwede Finanzverbindlichkeit der Emittentin oder einer Wesentlichen Tochtergesellschaft in Höhe oder im Gegenwert von mehr als EUR 50.000.000 wird vor dem Ende ihrer festgelegten Laufzeit fällig gestellt als Folge eines Kündigungsereignisses (wie auch immer dieses definiert ist); oder
- (v) die Emittentin oder eine Wesentliche Tochtergesellschaft stellt ihre Zahlungen allgemein ein oder gibt Zahlungsunfähigkeit bekannt; oder
- (vi) ein zuständiges Gericht eröffnet ein Insolvenzverfahren gegen die Emittentin oder eine Wesentliche Tochtergesellschaft und ein solches Verfahren ist nicht innerhalb von 90 Kalendertagen aufgehoben oder ausgesetzt worden, oder die Emittentin oder eine Wesentliche Tochtergesellschaft beantragt die Einleitung eines solchen Verfahrens, oder ein auf Einleitung eines solchen Verfahrens gestellter Antrag wird von dem zuständigen Gericht mangels Masse abgelehnt, oder die Emittentin oder eine Wesentliche Tochtergesellschaft trifft eine allgemeine Schuldenregelung zu Gunsten all ihrer Gläubiger oder bietet diese an; oder
- (vii) die Emittentin oder eine Wesentliche Tochtergesellschaft tritt in Liquidation (es sei denn, dies geschieht im Zusammenhang mit einer Verschmelzung, Reorganisation oder einer anderen Form des Zusammenschlusses mit einer anderen Gesellschaft oder im Zusammenhang mit einer Umwandlung, sofern die andere oder neue Gesellschaft oder gegebenenfalls die anderen neuen Gesellschaften im Wesentlichen alle Aktiva und Passiva der Emittentin
- has been validly invoked; or
- (iv) any Financial Indebtedness of the Issuer or any Material Subsidiary in excess of EUR 50,000,000 or the equivalent thereof becomes due and payable prior to its specified maturity as a result of an event of default (however described); or
- (v) the Issuer or a Material Subsidiary suspends its payments generally or announces its inability to meet its financial obligations; or
- (vi) any competent court institutes insolvency proceedings against the Issuer or a Material Subsidiary and such proceedings have not been discharged or stayed within 90 calendar days, or the Issuer or a Material Subsidiary applies for the institution of such proceedings or an application for the institution of such proceedings has been filed but rejected by the competent court for lack of assets, or if the Issuer or a Material Subsidiary offers or makes a general arrangement for the benefit of all its creditors; or
- (vii) the Issuer or a Material Subsidiary goes into liquidation (except in connection with a merger or reorganization or other form of combination with another company or in connection with a reconstruction and such other or new company or, as the case may be, companies effectively assume substantially all of the assets and liabilities of the Issuer or the relevant Material Subsidiary, as the case may be).

bzw. der betreffenden Wesentlichen Tochtergesellschaft übernimmt oder übernehmen).

„**Finanzverbindlichkeit**“ bezeichnet

- (i) jede Kapitalmarktverbindlichkeit (wie in § 2(d) definiert) und
- (ii) die valuierten Kapitalbeträge aller Gelder, die als Darlehen von Banken aufgenommen wurden.

(b) *Erlöschen des Kündigungsrechts.* Das Kündigungsrecht erlischt, falls der Kündigungsgrund vor Zugang der Kündigungserklärung geheilt wurde. Vorbehaltlich anwendbaren zwingenden Rechts berechtigen andere Ereignisse oder Umstände als die in § 8(a) genannten den Anleihegläubiger nicht dazu, seine Schuldverschreibungen vorzeitig zur Rückzahlung fällig zu stellen, es sei denn, dies ist ausdrücklich in diesen Anleihebedingungen bestimmt.

(c) *Kündigungserklärung bei Kündigungsgrund.* Eine Kündigungserklärung gemäß § 8(a) ist unwiderruflich und hat schriftlich gegenüber der Hauptzahlstelle, zusammen mit dem Nachweis durch eine Bescheinigung der Depotbank gemäß § 15(c)(i), dass der jeweilige Anleihegläubiger im Zeitpunkt der Kündigung Inhaber der betreffenden Schuldverschreibung ist, zu erfolgen. Die Zahlung in Bezug auf die Schuldverschreibungen, für welche die Kündigung wirksam erklärt worden ist, erfolgt in der üblichen Weise über das Clearingsystem und nur gegen Lieferung der betreffenden Schuldverschreibungen an die Emittentin oder deren Order.

(d) *Wirksamkeit der Kündigungserklärung.* In den Fällen gemäß § 8(a)(ii) und/oder (iii) wird eine Kündigung, sofern nicht bei deren Eingang zugleich einer der in den § 8(a)(i) oder (iv) bis (vii) bezeichneten Kündigungsgründe vorliegt, erst wirksam, wenn bei der Hauptzahlstelle Kündigungserklärungen von Anleihegläubigern im Gesamtbetrag von mindestens einem Zehntel, gemessen am Gesamtnennbetrag der dann ausstehenden Schuldverschreibungen, eingegangen sind.

“**Financial Indebtedness**” means

- (i) any Capital Market Indebtedness (as defined in § 2(d)) and
- (ii) the disbursed principal amount of all money borrowed from banks.

(b) *Lapse of the Right to Terminate.* The right to declare Notes due shall lapse if the Event of Default has been cured before the receipt of the termination notice. No event or circumstance other than an event specified in § 8(a) shall entitle Holders to declare their Notes due and payable prior to their stated maturity, save as expressly provided for in these Terms and Conditions and subject to applicable mandatory law.

(c) *Notice of Default.* A notice of default pursuant to § 8(a) is irrevocable and must be effected by delivering a written notice to the Principal Paying Agent together with evidence by means of a certificate of the Custodian in accordance with § 15(c)(i) that such Holder at the time of such written notice is the holder of the relevant Notes. Payment in respect of any Note validly terminated will be made in accordance with the customary procedures through the Clearing System and only against delivery of such Notes to the Issuer or to its order.

(d) *Effectiveness of the Notice of Default.* In the events specified in § 8(a)(ii) and/or (iii) any termination notice shall, unless at the time such notice is received, any of the events specified in § 8(a)(i) or (iv) through (vii) entitling Holders to declare their Notes due has occurred, become effective only when the Principal Paying Agent has received notices of default from Holders of at least one-tenth in aggregate principal amount of Notes then outstanding. For the avoidance of doubt, the Principal Paying

Zur Klarstellung: Die Hauptzahlstelle ist nicht verpflichtet, gegenüber Anleihegläubigern bekanntzugeben, ob und wann bei ihr Kündigungserklärungen eingegangen sind, die sich auf mindestens ein Zehntel des Gesamtnennbetrags der zu diesem Zeitpunkt ausstehenden Schuldverschreibungen beziehen.

### **§ 9 Bekanntmachungen**

- (a) *Bekanntmachung.* Alle die Schuldverschreibungen betreffenden Mitteilungen sind im Bundesanzeiger und auf der Internetseite der Luxemburger Börse (*www.bourse.lu*) zu veröffentlichen. Jede derartige Mitteilung, außer wie in § 13(h) vorgesehen, gilt mit dem dritten Tag nach dem Tag der ersten Veröffentlichung als wirksam erfolgt.
- (b) *Mitteilungen an das Clearingsystem.* Solange Schuldverschreibungen an der Luxemburger Börse notiert sind, sind alle die Schuldverschreibungen betreffenden Mitteilungen auf der Internetseite der Luxemburger Börse gemäß § 9(a) bekanntzumachen. Soweit die Regeln der Luxemburger Börse dies zulassen, kann die Emittentin eine Veröffentlichung auf der Internetseite der Luxemburger Börse nach § 9(a) durch eine Mitteilung an das Clearing System zur Weiterleitung an die Gläubiger ersetzen; jede derartige Mitteilung gilt am siebten Tag nach dem Tag der Mitteilung an das Clearing System als den Gläubigern mitgeteilt.
- (c) *Wirksamkeit der Bekanntmachung.* Eine Bekanntmachung nach § 9(a) und/oder (b) gilt an dem Tag als wirksam erfolgt, an dem die Bekanntmachung erstmals als wirksam nach § 9(a) oder (b) erfolgt gilt.

### **§ 10 Begebung weiterer Schuldverschreibungen, Ankauf und Entwertung**

- (a) *Begebung weiterer Schuldverschreibungen.* Die Emittentin ist berechtigt, jederzeit ohne Zustimmung der Anleihegläubiger weitere Schuldverschreibungen mit gleicher Ausstattung (mit Ausnahme des Ausgabepreises und des

Agent shall have no duty to make any notification towards the Holders if and when it has received termination notices with respect to at least one-tenth in aggregate principal amount of the Notes then outstanding.

### **§ 9 Notices**

- (a) *Publication.* All notices concerning the Notes will be made by means of publication in the German Federal Gazette (*Bundesanzeiger*) on the website of the Luxembourg Stock Exchange (*www.bourse.lu*). Any notice, except as stipulated in § 13(h), will be deemed to have been validly given on the third day following the date of the first such publication.
- (b) *Notification to the Clearing System.* So long as any Notes are listed on the Luxembourg Stock Exchange, publication on the website of the Luxembourg Stock Exchange pursuant to § 9(a) shall apply. If the Rules of the Luxembourg Stock Exchange otherwise so permit, the Issuer may deliver the relevant notice to the Clearing System for communication by the Clearing System to the Holders, in lieu of publication on the website of the Luxembourg Stock Exchange as set forth in § 9(a); any such notice shall be deemed to have been given on the seventh day after the day on which the said notice was given to the Clearing System.
- (c) *Effectiveness of notices.* A notice in accordance with § 9(a) and/or (b) shall be deemed effective on the day on which the notice is deemed to be effective first under § 9(a) or (b).

### **§ 10 Further Issues, Purchases and Cancellation**

- (a) *Further Issues of Notes.* The Issuer reserves the right from time to time without the consent of the Holders to issue additional Notes with identical terms or in all respects (except for the issue price and the interest commencement date), so that

Beginns des Zinslaufs) zu begeben in der Weise, dass sie mit den Schuldverschreibungen zusammengefasst werden, eine einheitliche Emission mit ihnen bilden und ihren Gesamtbetrag erhöhen. Der Begriff Schuldverschreibungen umfasst im Falle einer solchen Erhöhung auch solche zusätzlich begebenen Schuldverschreibungen.

- (b) *Ankauf.* Die Emittentin kann jederzeit im Markt oder auf andere Weise Schuldverschreibungen ankaufen und verkaufen.
- (c) *Entwertung.* Sämtliche vollständig zurückgezahlten Schuldverschreibungen sind unverzüglich zu entwerten und können nicht wiederbegeben oder wiederverkauft werden.

#### **§ 11 Zahlstellen**

- (a) *Bestellung, bezeichnete Geschäftsstelle.* Die Citibank, N.A., London Branch ist die Hauptzahlstelle (die „**Hauptzahlstelle**“ und gemeinsam mit etwaigen von der Emittentin nach § 11(b) bestellten zusätzlichen Zahlstellen, die „**Zahlstellen**“). Die Geschäftsräume der Hauptzahlstelle befinden sich unter der folgenden Adresse:

Citigroup Centre  
Canada Square  
Canary Wharf  
London E14 5LB  
Vereinigtes Königreich

In keinem Fall dürfen sich die Geschäftsräume einer Zahlstelle innerhalb der Vereinigten Staaten von Amerika oder ihrer Besitzungen befinden. Die Hauptzahlstelle behält sich das Recht vor, jederzeit ihre bezeichnete Geschäftsstelle durch eine andere bezeichnete Geschäftsstelle in derselben Stadt zu ersetzen.

- (b) *Änderung der Bestellung oder Abberufung.* Die Emittentin behält sich das Recht vor, jederzeit zusätzliche oder ersetzende Zahlstellen zu beauftragen oder eine solche Beauftragung zu beenden und zusätzliche oder Nachfolge-Zahlstellen zu

the same shall be consolidated, form a single issue with and increase the aggregate principal amount of these Notes. The term Notes shall, in the event of such increase, also comprise such additionally issued Notes.

- (b) *Purchases.* The Issuer is entitled to purchase and resell Notes at any time in the market or otherwise.
- (c) *Cancellation.* All Notes redeemed in full shall be cancelled forthwith and may not be reissued or resold.

#### **§ 11 Paying Agents**

- (a) *Appointment, Specified Office.* Citibank, N.A., London Branch will be the principal paying agent (the “**Principal Paying Agent**” and, together with and any additional paying agent appointed by the Issuer in accordance with § 11(b), the “**Paying Agents**”). The address of the specified office of the Principal Paying Agent is:

Citigroup Centre  
Canada Square  
Canary Wharf  
London E14 5LB  
United Kingdom

In no event will the specified office of a Paying Agent be within the United States of America or its possessions. The Principal Paying Agent reserves the right at any time to change its specified office to some other specified office in the same city.

- (b) *Variation or Termination of Appointment.* The Issuer reserves the right at any time to appoint additional or substitute Paying Agent(s) or terminate any such appointment and to appoint successor or additional Paying Agents, provided that the

ernennen. Die Emittentin wird jedoch sicherstellen, dass eine Zahlstelle in einem Mitgliedstaat der Europäischen Union unterhalten wird, die nicht dazu verpflichtet ist, Steuern aufgrund eines Gesetzes zur Umsetzung der Richtlinie 2003/48/EG (oder einer anderen Richtlinie, die diese inhaltlich ändert oder ersetzt) an der Quelle einzubehalten oder abzuziehen, sofern dies in irgendeinem Mitgliedstaat der Europäischen Union möglich ist. Den Anleihegläubigern werden Änderungen in Bezug auf die Zahlstellen oder ihre jeweils angegebenen Geschäftsstellen umgehend gemäß § 9 mitgeteilt.

- (c) *Erfüllungsgehilfen der Emittentin.* Die Zahlstellen sind in ihrer jeweiligen Funktion ausschließlich Beauftragte der Emittentin. Zwischen den Zahlstellen einerseits und den Anleihegläubigern andererseits besteht kein Auftrags- oder Treuhandverhältnis.

### § 12

#### **Vorlegungsfrist, Verjährung**

Die Vorlegungsfrist gemäß § 801 Absatz 1 Satz 1 BGB für die Schuldverschreibungen wird auf zehn Jahre verkürzt. Die Verjährungsfrist für Ansprüche aus den Schuldverschreibungen, die innerhalb der Vorlegungsfrist zur Zahlung vorgelegt wurden, beträgt zwei Jahre vom Ende der betreffenden Vorlegungsfrist an.

### § 13

#### **Änderung der Anleihebedingungen durch Beschluss der Anleihegläubiger**

- (a) *Mehrheitsbeschlüsse nach dem Schuldverschreibungsgesetz.* Die Emittentin kann mit den Anleihegläubigern gemäß §§ 5 ff. des Gesetzes über Schuldverschreibungen aus Gesamtemissionen (Schuldverschreibungsgesetz – „SchVG“) in seiner jeweils geltenden Fassung Änderungen der Anleihebedingungen durch Mehrheitsbeschluss der Anleihegläubiger vereinbaren. Insbesondere können die Anleihegläubiger durch Beschluss mit der in § 13(b) genannten Mehrheit Änderungen zustimmen, durch welche der wesentliche Inhalt der Anleihebedingungen geändert wird, einschließlich der in § 5 Abs. 3

Issuer will ensure that it maintains a Paying Agent in a Member State of the European Union that will not be obliged to withhold or deduct tax at source pursuant to any law implementing the Directive 2003/48/EC (or any other directive amending or replacing it), if this is at all feasible in any Member State of the European Union. Notice of any changes relating to the Paying Agents or to their specified offices will be given without undue delay to the Holders in accordance with § 9.

- (c) *Agents of the Issuer.* The Paying Agents acting in such capacity act only as agents of the Issuer. There is no agency or fiduciary relationship between the Paying Agents on the one side and the Holders on the other side.

### § 12

#### **Presentation Period, Prescription**

The presentation period provided for in Section 801(1) sentence 1 of the German Civil Code (*Bürgerliches Gesetzbuch*) is reduced to ten years for the Notes. The period of limitation for claims under the Notes presented during the period for presentation will be two years calculated from the expiration of the relevant presentation period.

### § 13

#### **Amendments to the Terms and Conditions by Resolution of the Holders**

- (a) *Majority Resolutions pursuant to the German Act on Issues of Debt Securities.* The Issuer may agree with the Holders on amendments to the Terms and Conditions by virtue of a majority resolution of the Holders pursuant to Sections 5 et seqq. of the German Act on Issues of Debt Securities (*Gesetz über Schuldverschreibungen aus Gesamtemissionen – "SchVG"*), as amended from time to time. In particular, the Holders may consent to amendments which materially change the substance of the Terms and Conditions, including such measures as provided for under Section 5 para. 3 of the SchVG by resolutions passed by such majority of the

SchVG genannten Maßnahmen. Ein ordnungsgemäß gefasster Mehrheitsbeschluss ist für alle Anleihegläubiger gleichermaßen verbindlich.

- (b) *Qualifizierte Mehrheit.* Vorbehaltlich der Bestimmungen des folgenden Satzes und der Erreichung der erforderlichen Beschlussfähigkeit können die Anleihegläubiger Beschlüsse mit der einfachen Mehrheit der an der Abstimmung teilnehmenden Stimmrechte fassen. Beschlüsse, durch welche der wesentliche Inhalt der Anleihebedingungen geändert wird, insbesondere in den Fällen des § 5 Abs. 3 Nr. 1 bis 9 SchVG, dürfen nur mit einer Mehrheit von mindestens 75 % der an der Abstimmung teilnehmenden Stimmrechte (eine „**Qualifizierte Mehrheit**“) gefasst werden.
- (c) *Abstimmung.* Die Anleihegläubiger können Beschlüsse in einer Gläubigerversammlung gemäß §§ 5 ff. SchVG oder im Wege einer Abstimmung ohne Versammlung gemäß § 18 und § 5 ff. SchVG fassen.
- (d) *Gläubigerversammlung.* Falls Beschlüsse der Anleihegläubiger in einer Gläubigerversammlung gefasst werden, enthält die Bekanntmachung der Einberufung nähere Angaben zu den Beschlüssen und zu den Abstimmungsmodalitäten. Die Gegenstände und Vorschläge zur Beschlussfassung werden den Anleihegläubigern mit der Bekanntmachung der Einberufung bekannt gemacht. Die Teilnahme an der Gläubigerversammlung und die Ausübung der Stimmrechte sind von einer vorherigen Anmeldung der Anleihegläubiger abhängig. Die Anmeldung muss unter der in der Bekanntmachung der Einberufung mitgeteilten Adresse spätestens am dritten Tag vor der Gläubigerversammlung zugehen. Mit der Anmeldung müssen die Anleihegläubiger ihre Berechtigung zur Teilnahme an der Abstimmung durch einen in Textform erstellten besonderen Nachweis einer Depotbank gemäß § 15(c)(i)(x) und (y) und durch Vorlage eines Sperrvermerks der Depotbank, aus dem hervorgeht, dass die betreffenden Schuldverschreibungen ab

votes of the Holders as stated under § 13(b) below. A duly passed majority resolution shall be binding equally upon all Holders.

- (b) *Qualified Majority.* Except as provided by the following sentence and provided that the quorum requirements are being met, the Holders may pass resolutions by simple majority of the voting rights participating in the vote. Resolutions which materially change the substance of the Terms and Conditions, in particular in the cases of Section 5 para. 3 numbers 1 through 9 of the SchVG, may only be passed by a majority of at least 75% of the voting rights participating in the vote (a “**Qualified Majority**”).
- (c) *Voting.* The Holders may pass resolutions in a meeting (*Gläubigerversammlung*) in accordance with Sections 5 et seqq. of the SchVG or by means of a vote without a meeting (*Abstimmung ohne Versammlung*) in accordance with Section 18 and Sections 5 et seqq. of the SchVG.
- (d) *Holdings' Meetings.* If resolutions of the Holders shall be made by means of a meeting the convening notice (*Einberufung*) will provide for further details relating to the resolutions and the voting procedure. The subject matter of the vote as well as the proposed resolutions shall be notified to the Holders together with the convening notice. Attendance at the meeting and exercise of voting rights is subject to the Holders' registration. The registration must be received at the address stated in the convening notice no later than the third day preceding the meeting. As part of the registration, Holders must demonstrate their eligibility to participate in the vote by means of a special confirmation of a Depository Bank in accordance with § 15(c)(i)(x) and (y) hereof in text form and by submission of a blocking instruction by the Depository Bank stating that the relevant Notes are not transferable from and including the day such registration has been sent until and including the stated end of the meeting.

dem Tag der Absendung der Anmeldung (einschließlich) bis zum angegebenen Ende der Gläubigerversammlung (einschließlich) nicht übertragbar sind, nachweisen.

- (e) *Beschlussfassung ohne Versammlung.* Falls Beschlüsse der Anleihegläubiger im Wege einer Abstimmung ohne Versammlung gefasst werden, enthält die Aufforderung zur Stimmabgabe nähere Angaben zu den Beschlüssen und zu den Abstimmungsmodalitäten. Die Gegenstände und Vorschläge zur Beschlussfassung werden den Anleihegläubigern mit der Aufforderung zur Stimmabgabe bekannt gemacht. Die Ausübung der Stimmrechte ist von einer vorherigen Anmeldung der Anleihegläubiger abhängig. Die Anmeldung muss unter der in der Aufforderung zur Stimmabgabe mitgeteilten Adresse spätestens am dritten Tag vor Beginn des Abstimmungszeitraums zugehen. Mit der Anmeldung müssen die Anleihegläubiger ihre Berechtigung zur Teilnahme an der Abstimmung durch einen in Textform erstellten besonderen Nachweis einer Depotbank gemäß § 15(c)(i)(x) und (y) und durch Vorlage eines Sperrvermerks der Depotbank, aus dem hervorgeht, dass die betreffenden Schuldverschreibungen ab dem Tag der Absendung der Anmeldung (einschließlich) bis zum letzten Tag des Abstimmungszeitraums (einschließlich) nicht übertragbar sind, nachweisen.
- (e) *Passing Resolutions without Holders' Meeting.* If resolutions of the Holders shall be made by means of a vote without a meeting the request for voting (*Aufforderung zur Stimmabgabe*) will provide for further details relating to the resolutions and the voting procedure. The subject matter of the vote as well as the proposed resolutions shall be notified to the Holders together with the request for voting. The exercise of voting rights is subject to the Holders' registration. The registration must be received at the address stated in the request for voting no later than the third day preceding the beginning of the voting period. As part of the registration, Holders must demonstrate their eligibility to participate in the vote by means of a special confirmation of a Depository Bank in accordance with § 15(c)(i)(x) and (y) hereof in text form and by submission of a blocking instruction by the Depository Bank stating that the relevant Notes are not transferable from and including the day such registration has been sent until and including the day the voting period ends.
- (f) *Mangelnde Beschlussfähigkeit, zweite Versammlung.* Wird für die Gläubigerversammlung gemäß § 13(d) oder die Abstimmung ohne Versammlung gemäß § 13(e) die mangelnde Beschlussfähigkeit festgestellt, kann – im Fall der Gläubigerversammlung – der Vorsitzende eine zweite Versammlung im Sinne von § 15 Abs. 3 Satz 2 SchVG und – im Fall der Abstimmung ohne Versammlung – der Abstimmungsleiter eine zweite Versammlung im Sinne von § 15 Abs. 3 Satz 3 SchVG einberufen. Die Teilnahme an der zweiten Versammlung und die Ausübung der Stimmrechte sind von einer vorherigen Anmeldung der Anleihegläubiger abhängig. Die Anmeldung
- (f) *Failed Quorum, Second Holders' Meeting.* If it is ascertained that no quorum exists for the meeting pursuant to § 13(d) or the vote without a meeting pursuant to § 13(e), in case of a meeting the chairman (*Vorsitzender*) may convene a second meeting in accordance with Section 15 para. 3 sentence 2 of the SchVG or in case of a vote without a meeting the scrutineer (*Abstimmungsleiter*) may convene a second meeting within the meaning of Section 15 para. 3 sentence 3 of the SchVG. Attendance at the second meeting and exercise of voting rights is subject to the Holders' registration. The registration must be received at the address stated in the convening notice no later than the third

muss unter der in der Bekanntmachung der Einberufung mitgeteilten Adresse spätestens am dritten Tag vor der zweiten Versammlung zugehen. Mit der Anmeldung müssen die Anleihegläubiger ihre Berechtigung zur Teilnahme an der Abstimmung durch einen in Textform erstellten besonderen Nachweis einer Depotbank gemäß § 15(c)(i)(x) und (y) und durch Vorlage eines Sperrvermerks der Depotbank, aus dem hervorgeht, dass die betreffenden Schuldverschreibungen ab dem Tag der Absendung der Anmeldung (einschließlich) bis zum angegebenen Ende der Versammlung (einschließlich) nicht übertragbar sind, nachweisen.

- (g) *Gemeinsamer Vertreter.* Die Anleihegläubiger können durch Mehrheitsbeschluss einen gemeinsamen Vertreter der Gläubiger (der „**Gemeinsame Vertreter**“) bestellen oder aberufen, und die Pflichten, Aufgaben und Befugnisse des Gemeinsamen Vertreters, die Übertragung der Rechte der Anleihegläubiger auf den Gemeinsamen Vertreter und eine Beschränkung der Haftung des Gemeinsamen Vertreters festlegen. Der Beschluss zur Bestellung eines Gemeinsamen Vertreters bedarf einer Qualifizierten Mehrheit, wenn der Gemeinsame Vertreter befugt ist, Änderungen des wesentlichen Inhalts der Anleihebedingungen gemäß § 13(b) zuzustimmen.
- (h) *Bekanntmachung.* Bekanntmachungen betreffend diesen § 13 erfolgen ausschließlich gemäß den Bestimmungen des SchVG.

#### § 14 Ersetzung

- (a) *Nachfolgeschuldnerin.* Die Emittentin (wobei eine Bezugnahme auf die Emittentin auch alle früheren Nachfolgeschuldner (wie in diesem § 14(a) definiert) umfasst) ist jederzeit berechtigt, wenn kein Zahlungsverzug hinsichtlich Kapital oder Zinsen auf die Schuldverschreibungen vorliegt, ohne weitere Zustimmung der Gläubiger ein mit der Emittentin verbundenes Unternehmen (wie in diesem § 14(a) definiert) an ihrer Stelle als

day preceding the second meeting. As part of the registration, Holders must demonstrate their eligibility to participate in the vote by means of a special confirmation of a Depositary Bank in accordance with § 15(c)(i)(x) and (y) hereof in text form and by submission of a blocking instruction by the Depositary Bank stating that the relevant Notes are not transferable from and including the day such registration has been sent until and including the stated end of the meeting.

- (g) *Holders' Representative.* The Holders may by majority resolution provide for the appointment or dismissal of a joint representative (the “**Holders' Representative**”), the duties and responsibilities and the powers of such Holders' Representative, the transfer of the rights of the Holders to the Holders' Representative and a limitation of liability of the Holders' Representative. Appointment of a Holders' Representative may only be passed by a Qualified Majority if such Holders' Representative is to be authorized to consent, in accordance with § 13(b) hereof, to a material change in the substance of the Terms and Conditions.
- (h) *Publication.* Any notices concerning this § 13 shall be made exclusively pursuant to the provisions of the SchVG.

#### § 14 Substitution

- (a) *Substitute Debtor.* The Issuer (reference to which shall always include any previous Substitute Debtor (as defined in this § 14(a)) may, at any time, if no payment of principal of or interest on any of the Notes is in default, without the consent of the Holders, substitute for the Issuer any Affiliate (as defined in this § 14(a)) of the Issuer as the principal debtor in respect of all obligations arising from or in connection with the Notes (any such company, the

Hauptschuldnerin (ein solches Unternehmen ist die „**Nachfolgeschuldnerin**“) für alle Verpflichtungen aus und im Zusammenhang mit den Schuldverschreibungen einzusetzen, vorausgesetzt, dass:

- (i) die Nachfolgeschuldnerin alle Verpflichtungen der Emittentin im Zusammenhang mit den Schuldverschreibungen rechtswirksam übernimmt und sie sämtliche sich aus oder im Zusammenhang mit den Schuldverschreibungen ergebenden Zahlungsverpflichtungen in Euro ohne die Notwendigkeit (vorbehaltlich dieses § 14(a)(v)) einer Einbehaltung an der Quelle oder des Abzugs irgendwelcher Steuern oder Abgaben in dem Land oder Hoheitsgebiet, in dem die Nachfolgeschuldnerin ihren Sitz hat (mit Ausnahme von Steuern, die auch angefallen wären, wäre die Ersetzung nicht erfolgt), erfüllen sowie die hierzu erforderlichen Beträge ohne Beschränkungen an die Zahlstelle transferieren kann und sie insbesondere jede hierfür notwendige Genehmigung der Behörden ihres Landes erhalten hat, und, sofern eine Zustellung an die Nachfolgeschuldnerin außerhalb von Deutschland erfolgen müsste, ein Zustellungsbevollmächtigter in Deutschland bestellt wird;
- (ii) die Emittentin unwiderruflich und unbedingt gegenüber den Gläubigern die Zahlung aller von der Nachfolgeschuldnerin auf die Schuldverschreibungen zahlbaren Beträge zu Bedingungen garantiert, die sicherstellen, dass jeder Gläubiger wirtschaftlich mindestens so gestellt wird, wie er ohne die Ersetzung stehen würde (die „**Ersetzungsgarantie**“); und
- (iii) die Nachfolgeschuldnerin und die Emittentin alle für die Ersetzung und die Emittentin alle für die Abgabe der Ersetzungsgarantie notwendigen

„**Substitute Debtor**“), provided that:

- (i) the Substitute Debtor assumes all obligations of the Issuer in respect of the Notes and is in a position to fulfill all payment obligations arising from or in connection with the Notes in Euro without (subject to this 14(a)(v)), the necessity of any taxes or duties levied by the country or jurisdiction in which the Substitute Debtor is domiciled (other than taxes which would also be levied in the absence of such substitution) to be withheld or deducted at source and to transfer all amounts which are required therefore to the Principal Paying Agent without any restrictions, and that in particular all necessary authorizations to this effect by any competent authority have been obtained, and, to the extent service of process must be effected to the Substitute Debtor outside of Germany, a service of process agent in Germany is appointed;
- (ii) the Issuer irrevocably and unconditionally guarantees in favor of each Holder the payment of all sums payable by the Substitute Debtor in respect of the Notes on terms which ensure that each Holder will be put in an economic position that is at least as favorable as that which would have existed if the substitution had not taken place (the „**Substitution Guarantee**“);
- (iii) the Substitute Debtor and the Issuer have obtained all necessary governmental and regulatory approvals and consents for such

Genehmigungen und Einverständniserklärungen von Regierungsstellen und Aufsichtsbehörden erhalten haben, die Nachfolgeschuldnerin alle für die Erfüllung ihrer Verpflichtungen aus den Schuldverschreibungen notwendigen Genehmigungen und Einverständniserklärungen von Regierungsstellen und Aufsichtsbehörden erhalten hat und weiterhin sämtliche dieser Genehmigungen und Einverständniserklärungen in vollem Umfang gültig und wirksam sind und zudem die Verpflichtungen der Nachfolgeschuldnerin und die von der Emittentin begebene Ersetzungsgarantie jeweils gemäß ihren Bestimmungen wirksam und rechtsverbindlich und durch jeden Gläubiger durchsetzbar sind;

- (iv) § 8 dergestalt als ergänzt gilt, dass ein zusätzlicher Kündigungsgrund unter dieser Bestimmung der Wegfall der Wirksamkeit, Rechtsverbindlichkeit oder Durchsetzbarkeit der Ersetzungsgarantie gegen die Emittentin ist;
- (v) die Nachfolgeschuldnerin sich verpflichtet, jedem Gläubiger alle Steuern, Gebühren oder Abgaben zu erstatten, die ihm im Zusammenhang mit Zahlungen auf die Schuldverschreibungen (einschließlich Steuern und Abgaben, die an der Quelle abgeführt oder einbehalten wurden), durch den Schuldnerwechsel oder in anderer Weise infolge der Schuldübernahme durch die Nachfolgeschuldnerin auferlegt werden, vorausgesetzt, dass sich die Verpflichtung auf Beträge beschränkt, die der Gläubiger ohne die Ersetzung der Emittentin nicht hätte tragen müssen; und
- (vi) der Hauptzahlstelle jeweils ein Rechtsgutachten bezüglich der betroffenen Rechtsordnungen von anerkannten Rechtsanwälten vorgelegt wurden, die bestätigen, dass die Bestimmungen in § 14(a)(i) bis (v) erfüllt wurden.

substitution and for the giving by the Issuer of the Substitution Guarantee in respect of the obligations of the Substitute Debtor, that the Substitute Debtor has obtained all necessary governmental and regulatory approvals and consents for the performance by the Substitute Debtor of its obligations under the Notes, and that all such approvals and consents are in full force and effect and that the obligations assumed by the Substitute Debtor and the Substitution Guarantee given by the Issuer are each valid and binding in accordance with their respective terms and enforceable by each Holder;

- (iv) § 8 shall be deemed to be amended so that it shall also be an Event of Default under such provision if the Substitution Guarantee shall cease to be valid or binding on or enforceable against the Issuer;
- (v) the Substitute Debtor undertakes to reimburse any Holder for such taxes, fees or duties which may be imposed upon such Holder in connection with any payments on the Notes (including taxes or duties being deducted or withheld at source), upon conversion or otherwise, as a consequence of the assumption of the Issuer's obligations by the Substitute Debtor, provided that such undertaking shall be limited to amounts that would not have been imposed upon the Holder had such substitution not occurred; and
- (vi) there shall have been delivered to the Principal Paying Agent one opinion for each jurisdiction affected of lawyers of recognized standing to the effect that § 14(a)(i) through (v) above have been satisfied.

„**Verbundenes Unternehmen**“ bedeutet für Zwecke dieses § 14 jedes von der Emittentin gehaltene verbundene Unternehmen im Sinne der §§ 15 f. Aktiengesetz.

(b) *Folgen der Ersetzung.* Nach einer Ersetzung gemäß dieses § 14 gilt die Nachfolgeschuldnerin als in den Schuldverschreibungen an Stelle der Emittentin als Hauptschuldnerin bestimmt und die Schuldverschreibungen gelten als dementsprechend ergänzt, um der Ersetzung zur Durchsetzung zu verhelfen, und als die relevante Steuerjurisdiktion in Bezug auf § 6 gilt die Jurisdiktion, in der die Nachfolgeschuldnerin steuerlich ansässig ist. Des Weiteren gilt im Fall einer Ersetzung Folgendes:

- (i) in § 6 und § 4(b) gilt eine alternative Bezugnahme auf die Bundesrepublik Deutschland als aufgenommen (zusätzlich zu der Bezugnahme nach Maßgabe des vorstehenden Satzes auf das Land, in dem die Nachfolgeschuldnerin ihren Sitz oder Steuersitz hat);
- (ii) in § 8(a)(ii) bis (vi) gilt eine alternative Bezugnahme auf die Emittentin in ihrer Eigenschaft als Garantin als aufgenommen (zusätzlich zu der Bezugnahme auf die Nachfolgeschuldnerin).

Jede Ersetzung zusammen mit der Mitteilung gemäß § 14(c) dieser Bestimmung befreit, im Fall der Einsetzung einer anderen Gesellschaft als Hauptschuldnerin, die Emittentin von allen Verbindlichkeiten, die sie als Hauptschuldnerin unter den Schuldverschreibungen hatte.

(c) *Bekanntmachung der Ersetzung.* Spätestens 15 Geschäftstage nach Durchführung der Ersetzung wird die Nachfolgeschuldnerin dies den Gläubigern und, sollten die Schuldverschreibungen an einer Börse notiert sein, dieser Börse gemäß § 9 mitteilen und jede andere Person oder Stelle, gemäß den anwendbaren Gesetzen und Regelungen

“**Affiliate**” for purposes of this § 14 shall mean any affiliated company (*verbundenes Unternehmen*) within the meaning of Sections 15 et seq. of the German Stock Corporation Act (*Aktiengesetz*) held by the Issuer.

(b) *Consequences of the Substitution.* Upon a substitution in accordance with this § 14, the Substitute Debtor shall be deemed to be named in the Notes as the principal debtor in place of the Issuer as issuer and the Notes shall thereupon be deemed to be amended to give effect to the substitution including that the relevant jurisdiction in relation to the Issuer in § 6 shall be the Substitute Debtor's country of domicile for tax purposes. Furthermore, in the event of such substitution the following shall apply:

- (i) in § 6 and § 4(b) an alternative reference to the Federal Republic of Germany shall be deemed to have been included in addition to the reference according to the preceding sentence to the country of domicile or residence for taxation purposes of the Substitute Debtor;
- (ii) in § 8(a)(ii) to (vi) an alternative reference to the Issuer in its capacity as guarantor shall be deemed to have been included in addition to the reference to the Substitute Debtor.

Any such substitution, together with the notice referred to in § 14(c), shall, in the case of the substitution of any other company as principal debtor, operate to release the Issuer as issuer from all of its obligations as principal debtor in respect of the Notes.

(c) *Publication of the Substitution.* Not later than 15 Business Days after effecting the substitution, the Substitute Debtor shall give notice thereof to the Holders and, if any Notes are listed on any stock exchange, to such stock exchange in accordance with § 9 and to any other person or authority as required by applicable laws or regulations.

informieren.

**§ 15**  
**Schlussbestimmungen**

- (a) *Anwendbares Recht.* Form und Inhalt der Schuldverschreibungen sowie die Rechte und Pflichten der Emittentin und die Rechte der Anleihegläubiger bestimmen sich in jeder Hinsicht nach dem Recht der Bundesrepublik Deutschland und werden in Übereinstimmung damit ausgelegt.
- (b) *Gerichtsstand.* Vorbehaltlich eines zwingenden Gerichtsstandes für besondere Rechtsstreitigkeiten im Zusammenhang mit dem SchVG, unterliegen jegliche aus oder im Zusammenhang mit den Schuldverschreibungen entstehenden Klagen oder Verfahren der nichtausschließlichen Zuständigkeit der Gerichte in München.
- (c) *Geltendmachung.* Jeder Anleihegläubiger kann in Rechtsstreitigkeiten gegen die Emittentin oder in Rechtsstreitigkeiten, an denen der Anleihegläubiger und die Emittentin beteiligt sind, im eigenen Namen seine Rechte aus den ihm zustehenden Schuldverschreibungen unter Vorlage der folgenden Dokumente geltend machen:
  - (i) einer Bescheinigung seiner Depotbank, die
    - (x) den vollen Namen und die volle Anschrift des Anleihegläubigers bezeichnet
    - (y) den Gesamtnennbetrag von Schuldverschreibungen angibt, die am Ausstellungstag dieser Bescheinigung dem bei dieser Depotbank bestehenden Wertpapierdepot dieses Anleihegläubigers gutgeschrieben sind und
    - (z) bestätigt, dass die Depotbank an das Clearingsystem und die Hauptzahlstelle eine schriftliche Mitteilung gemacht hat, die die Angaben gemäß (x) und (y) enthält und Bestätigungsvermerke von dem Clearingsystem trägt; sowie
  - (ii) einer von einem Vertretungsberechtigten des Clearing Systems beglaubigten Ablichtung der Globalurkunde, ohne das Erfordernis

**§ 15**  
**Final Clauses**

- (a) *Applicable Law.* The form and content of the Notes and the rights and obligations of the Issuer and the rights of the Holders shall in all respects be governed by and shall be construed in accordance with the laws of the Federal Republic of Germany.
- (b) *Jurisdiction.* Subject to any mandatory jurisdiction for specific proceedings under the SchVG, non-exclusive place of jurisdiction for all actions or proceedings arising from matters provided for in these Terms and Conditions shall be Munich.
- (c) *Enforcement.* Any Holder may in any proceedings against the Issuer, or to which such Holder and the Issuer are parties, protect and enforce in his own name his rights arising under such Notes on the basis of the following documents:
  - (i) a statement issued by the Custodian with whom such Holder maintains a securities account in respect of the Notes
    - (x) stating the full name and address of the Holder,
    - (y) specifying the aggregate principal amount of Notes credited to such securities account on the date of such statement and
    - (z) confirming that the Custodian has given a written notice to the Clearing System and the Principal Paying Agent containing the information pursuant to (x) and (y) as well as confirmations by the Clearing System; as well as
  - (ii) a copy of the Global Note certified as being a true copy by a duly authorized representative of the Clearing System, without the need

der Vorlage der eigentlichen die Schuldverschreibungen verkörpernden Globalurkunde.

„**Depotbank**“ bezeichnet eine Bank oder ein sonstiges Finanzinstitut von international anerkanntem Ruf, das zum Betreiben des Wertpapierdepotgeschäfts berechtigt ist und bei dem der Anleihegläubiger Schuldverschreibungen in einem Wertpapierdepot verwahren lässt.

Jeder Anleihegläubiger kann, unbeschadet des Vorgenannten, seine Rechte aus den Schuldverschreibungen auf jede andere Weise schützen oder durchsetzen, die im Land des Rechtsstreits zulässig ist.

#### **§ 16 Sprache**

Die deutsche Version dieser Anleihebedingungen ist bindend. Die englische Übersetzung dient lediglich Informationszwecken.

for production in such proceedings of the Global Note representing the Notes.

“**Custodian**” means any bank or other financial institution of recognized international standing authorized to engage in the securities custody business with which the Holder maintains a securities account in respect of the Notes.

Each Holder may, without prejudice to the foregoing, protect and enforce his rights under these Notes also in any other way which is admitted in the country of the relevant proceedings.

#### **§ 16 Language**

The German text of these Terms and Conditions is binding. The English translation is for information purposes only.

## TAXATION

*The following is a general discussion of certain tax consequences under the tax laws of Austria, Germany, the Grand-Duchy of Luxembourg and The Netherlands of the acquisition and ownership of Notes. This discussion does not purport to be a comprehensive description of all tax considerations which may be relevant to a decision to purchase Notes. The following section only provides some very general information on the possible tax treatment of the Notes. In particular, this discussion does not consider any specific facts or circumstances that may apply to a particular purchaser. This summary is based on the laws of Austria, Germany, the Grand-Duchy of Luxembourg and The Netherlands currently in force and as applied on the date of this Prospectus, which are subject to change, possibly with retroactive effect.*

**PROSPECTIVE PURCHASERS OF NOTES ARE ADVISED TO CONSULT THEIR OWN TAX ADVISORS AS TO THE TAX CONSEQUENCES OF THE PURCHASE, OWNERSHIP AND DISPOSAL OF THE NOTES INCLUDING THE EFFECT OF ANY TAXES, UNDER THE TAX LAWS APPLICABLE IN AUSTRIA, GERMANY, THE GRAND DUCHY OF LUXEMBOURG AND THE NETHERLANDS AND EACH COUNTRY OF WHICH THEY ARE RESIDENTS.**

### **Austria**

The following discussion is intended to provide a prospective investor in the Notes with a summary of the material Austrian tax consequences of holding and selling the Notes. This discussion applies to both Austrian as well as non-Austrian private residents and commercial investors as well as Austrian and non-Austrian resident corporations. This discussion covers only Austrian law. The discussion does not consider all of the tax consequences that may be relevant to a particular holder in light of the holder's circumstances or holders subject to special rules, such as dealers in securities, banks or life insurance companies or tax-exempt organizations. This summary is based on Austrian law as in force at the date of this Prospectus. The laws and their interpretation by the tax authorities may change and such changes may also have retroactive effect. Austrian tax authorities may also adopt a view different from that outlined below.

This summary of Austrian tax issues is based on the assumption that the notes are legally and actually publicly offered in the form of securities and do not qualify as equity or units in a non-Austrian investment fund for Austrian tax purposes. The tax consequences may substantially differ if the Notes are not legally and actually publicly offered in the form of securities or if the Notes are qualified as equity instruments or units in a non-Austrian investment fund within the meaning of § 188 of the Austrian Investment Fund Act 2011 (*Investmentfondsgesetz 2011*, "**InvFG 2011**").

The Issuer does not assume responsibility for the deduction of Austrian withholding tax at source.

### ***Austrian resident investors***

#### *Individuals*

Interest and realized capital gains from the Notes are taxable at a special personal income tax rate of 25% if the Notes are publicly offered for Austrian tax purposes. The taxable capital gain from the Notes is the difference between the sales price or redemption amount and the acquisition price, in each case including accrued interest (however, excluding incidental acquisition cost in case of private individual investors). Expenses in connection with income and capital gains from notes which are subject to the special 25% tax rate are not deductible.

Austrian withholding tax at a rate of 25% is triggered if interest is paid by an Austrian paying agent (Austrian bank or Austrian branch of a non-Austrian bank) or if payments of realized capital gains from the sale of notes are made (i) by an Austrian depository or (ii) by an Austrian paying agent provided the non-Austrian depository is a non-Austrian branch or group company of such paying agent and processes the payment in cooperation with the paying agent.

For individuals holding the Notes as private assets (unless it is income from employment), the deduction of such 25% Austrian withholding tax constitutes final taxation (*Endbesteuerung*) so that no further income or capital gains tax will be assessed and the income or capital gain is not to be included in the investor's income tax return. In case of individuals holding the Notes as private assets, losses from the Notes can only be set-off against interest income, capital gains and income from derivatives from other financial assets (excluding, inter alia, interest income from bank deposits) and cannot be carried forward. As of January 1, 2013 an Austrian depository, if any, has to offset losses arising on the deposits of a private individual investor subject to and in accordance with the provisions of § 93(6) Austrian Income Tax Act (*Einkommensteuergesetz*, "**EStG**").

For individuals holding the Notes as business assets, the deduction of such 25% Austrian withholding tax constitutes a final taxation (*Endbesteuerung*) in relation to interest income so that no further income tax will be assessed on interest income from the Notes but capital gains have to be declared in the income tax return and are subject to the special income tax rate of 25%. Depreciations and capital losses from notes must be primarily set-off against capital gains from other financial assets and income from derivatives, a remaining loss can only be set-off to the extent of 50%.

In the absence of a paying agent or depository located in Austria, the taxpayer must include interest income or capital gains under the publicly offered notes in his personal income tax return and income tax is assessed at a special 25% income tax rate unless, under the Swiss or Liechtenstein withholding tax acts implementing the bilateral withholding tax agreements between Austria and Switzerland (in force since January 1, 2013) or between Austria and Liechtenstein (in force since January 1, 2014), a Swiss or Liechtenstein paying agent (i.e. a paying agent within the meaning of such withholding tax agreements) has withheld final withholding tax discharging the investor's Austrian income tax liability.

Taxpayers, whose regular personal income tax is lower than 25%, may opt for taxation of the income from the Notes (together with all other income subject to the special 25% tax rate) at their regular personal income tax rate (*Veranlagungsoption*).

Withdrawals (*Entnahmen*) and other transfers of notes from an investor's securities account will be deemed to be a disposal unless certain requirements pursuant to § 27 (6)(1)(a) EStG are met such as a transfer to a securities account owned by the same taxpayer (i) with the same Austrian bank, (ii) with another Austrian bank if the taxpayer instructs the transferring bank (securities depository) to disclose the acquisition costs of the Notes to the transferee bank or (iii) with a foreign bank (securities depository), if the taxpayer instructs the transferring Austrian bank to notify to the competent Austrian tax office or, where the transferring bank is also a foreign bank (securities depository), the taxpayer notifies the acquisition cost and certain other information to the competent Austrian tax office within one month. A transfer of notes without consideration to a securities account of another taxpayer will not result in a disposal if, where the transferring bank is an Austrian bank, the transferor evidences the transfer without consideration to the transferring bank or instructs the transferring bank to notify the competent tax office, or, where the transferring bank is a foreign bank, the taxpayer notifies the acquisition cost and certain other information to the competent Austrian tax office within one month.

Special rules apply if an investor transfers his or her residence or deposit account outside of Austria or transfers the notes to a non-resident or if Austria loses for other reasons its taxation right with respect to the notes to other countries (exit tax, with an option for deferred taxation in the case of a transfer to an EU member state or certain member states of the European Economic Area).

#### *Corporate investors*

Corporate investors deriving business income from the Notes may avoid the application of Austrian withholding tax by filing a declaration of exemption (*Befreiungserklärung*) pursuant to § 94 (5) EStG with the Austrian paying agent or Austrian depository. Income including any capital gain derived from the Notes by a corporate investor is subject to Austrian corporate income tax at the general tax rate of 25%. For corporate investors the restrictions for the set-off of tax losses are not applicable. Tax losses can be set-off against all other income. Tax loss carry forwards are generally possible subject

to certain limitations applicable under Austrian law (e.g. no set-off of losses by more than 75% of the profits in a given year).

There is, inter alia, a special tax regime for private foundations established under Austrian law (*Privatstiftungen*).

### **Non-Austrian resident investors**

Interest income including any capital gains derived from the Notes by individuals who do not have a domicile or their habitual place of abode in Austria or by corporate investors that do not have their corporate seat or their place of management in Austria ("non-Austrian residents") is not taxable in Austria provided that the debtor neither has its seat or place of effective management outside of Austria and that the income is not attributable to an Austrian permanent establishment (for withholding tax under the EU Savings Directive see below).

In case of payments to non-Austrian residents, an Austrian paying agent or Austrian depository could abstain from levying the 25% Austrian withholding tax pursuant to § 94 (5) and (13) EStG. If any Austrian withholding tax is deducted by an Austrian paying agent or Austrian depository, the tax withheld shall be refunded to the non-Austrian resident investor upon application which has to be filed with the competent Austrian tax authority within five calendar years following the year of the imposition of the Austrian withholding tax.

Where non-Austrian residents receive income from the Notes as part of business income taxable in Austria (e.g. permanent establishment), they will generally be subject to the same tax treatment as Austrian resident business investors.

### **Implementation of the EU Savings Directive in Austria**

The EU Council Directive 2003/48/EC on taxation of savings income in the form of interest payments (the "**EU Savings Directive**") provides for an exchange of information between the authorities of EU member states regarding interest payments made in one member state to beneficial owners who are individuals and resident for tax purposes in another member state. Austria has implemented the EU Savings Directive by way of the EU Withholding Tax Act (*EU-Quellensteuergesetz*) which provides for a withholding tax rather than for an exchange of information. Such EU withholding tax is levied on interest payments within the meaning of the EU Withholding Tax Act made by a paying agent located in Austria to an individual resident for tax purposes in another member state of the European Union or certain dependent and associated territories. Further, withholding tax will be deducted – on a pro rata temporis basis – in case of changes of the individual's withholding tax status such as changes of his country of residence or transfer of his securities to a deposit account outside of Austria. The EU withholding tax currently amounts to 35%.

No EU withholding tax is deducted if the EU-resident investor provides the paying agent with a certificate drawn up in his name by the tax office of his member state of residence. Such certificate has to indicate, among other things, the name and address of the paying agent as well as the bank account number of the individual investor or the identification number of the notes (§ 10 EU Withholding Tax Act).

For the tax implications arising under the EU Savings Directive as amended on March 24, 2014, please see "*EU Savings Directive*" below.

### **Other Taxes**

There should be no transfer tax, registration tax or similar tax payable in Austria by investors as a consequence of the acquisition, ownership, disposition or redemption of the notes.

The Austrian inheritance and gift tax (*Erbschafts- und Schenkungssteuer*) was abolished with effect as of August 1, 2008. However, gifts from or to Austrian residents have to be notified to the tax authorities within a three-month notification period. There are certain exemptions from such

notification obligation, e.g. for gifts among relatives that do not exceed an aggregate amount of EUR 50,000 per year or gifts among unrelated persons that do not exceed an aggregate amount of EUR 15,000 within five years.

## Germany

### **Withholding Tax**

For German tax residents (e.g. persons whose residence, habitual abode, statutory seat or place of management is located in Germany), interest payments on the Notes are subject to withholding tax, provided that the Notes are held in custody with a German custodian, who is required to deduct the withholding tax from such interest payments (the "**Disbursing Agent**"). Disbursing Agents are German resident credit institutions, financial services institutions (including German permanent establishments of foreign institutions), securities trading companies or securities trading banks. The applicable withholding tax rate is 25 percent (plus 5.5 percent solidarity surcharge thereon and, if applicable, church tax). Individuals subject to church tax may apply in writing for church tax to be levied by way of withholding. Absent such application, individuals subject to church tax have to include their investment income in their income tax return and will then be assessed to church tax. For German credit institutions, an electronic information system for church withholding tax purposes will apply in relation to investment income received after December 31, 2014, with the effect that church tax will be collected by the Disbursing Agent by way of withholding unless the investor has filed a blocking notice (*Sperrvermerk*) with the German Federal Central Tax Office (*Bundeszentralamt für Steuern*) in which case the investor will be assessed to church tax.

The withholding tax regime should also apply to any gains from the disposition or redemption of Notes realized by private investors holding the Notes as private (and not as business) assets in custody with a Disbursing Agent. Subject to exceptions, the amount of capital gains on which the withholding tax charge is applied is generally levied on the difference between the proceeds received upon the disposition or redemption of the Notes and (after the deduction of actual expenses directly related thereto) the acquisition costs. Where custody has changed since the acquisition and the acquisition data is not proved to the Disbursing Agent in the form required by law, the tax at a rate of 25 percent (plus 5.5 percent solidarity surcharge and, if applicable, church tax) will be imposed on an amount equal to 30 percent of the proceeds from the sale or redemption of the Notes.

Accrued interest (*Stückzinsen*) received by the investor upon disposal of the Notes between two interest payment dates is considered as part of the sales proceeds thus increasing a capital gain or reducing a capital loss from the Notes. Accrued interest paid by the investor upon an acquisition of the Notes after the issue date qualifies as negative investment income either to be deducted from positive investment income generated in the same assessment period or to be carried forward to future assessment periods.

According to the German tax authorities, losses resulting from a sale where the sale proceeds do not exceed the transaction costs are treated as non-deductible for German taxation purposes; the same applies where, based on an agreement with the Disbursing Agent, the transactions costs are capped at the amount of the sale proceeds less a spread. Similarly, losses resulting from a bad debt loss (*Forderungsausfall*) in the case of an Issuer default or from a waiver of a receivable (*Forderungsverzicht*) in relation to the Notes, to the extent the waiver does not qualify as a hidden contribution, are not treated as tax-deductible.

German withholding tax should generally not be levied if the investor filed a withholding tax exemption certificate (*Freistellungsauftrag*) with the Disbursing Agent, but only to the extent the annual aggregate investment income does not exceed the maximum lump sum deduction amount (*Sparer-Pauschbetrag*) shown on the withholding tax exemption certificate. Currently, the maximum lump sum deduction amount (*Sparer-Pauschbetrag*) is EUR 801 (EUR 1,602 in the case of jointly assessed husband and wife or jointly assessed registered partners) for all investment income received in a given calendar year. Similarly, no withholding tax should be levied if the investor has submitted to the

Disbursing Agent a certificate of non-assessment (*Nichtveranlagungs-Bescheinigung*) issued by the competent local tax office.

German resident corporate and other German resident business investors should in essence not be subject to the withholding tax on gains from the disposition, sale or redemption of the Notes (i.e. for these investors only interest payments, but not gains from the sale or redemption of the Notes are subject to the withholding tax regime).

The Issuer does not assume any responsibility for the deduction of German withholding tax at the source (including solidarity surcharge and, where applicable, church tax thereon).

### ***Private Investors***

For German tax resident private investors the withholding tax is – without prejudice to certain exceptions – definitive under a special flat tax regime (*Abgeltungsteuer*). Under the flat tax regime, expenses actually incurred in connection with the investment into the Notes are not tax-deductible. Private investors can apply to have their income from the investment into the Notes assessed in accordance with the general rules on determining an individual's tax bracket if this results in a lower tax burden. Pursuant to the current view of the German tax authorities (which has recently been rejected by a fiscal court in a non-binding ruling appealed to the German Federal Fiscal Court (*Bundesfinanzhof*)), in this case expenses actually incurred can also not be deducted from the investment income, except for the aforementioned lump sum deduction. An assessment is mandatory for income from the investment into the Notes where the Notes are held in custody outside of Germany. Losses resulting from the sale or redemption of the Notes can only be off-set against other investment income. In the event that, absent sufficient positive investment income, a set-off is not possible in the assessment period in which the losses have been realized, such losses can be carried forward in order to be offset against any positive investment income generated in future assessment periods.

### ***Business Investors***

Interest payments and capital gains from the disposition or redemption of the Notes held as business assets by German tax resident business investors are generally subject to German income tax or corporate income tax (plus 5.5 percent solidarity surcharge thereon and, if applicable in the case of an individual holding the Notes as business assets, church tax). Any withholding tax deducted from interest payments is – as a general rule and subject to certain requirements – creditable against the German (corporate) income tax liability, or, to the extent exceeding the (corporate) income tax liability, refundable. The interest payments and capital gains are also subject to trade tax, if the Notes are attributable to a trade or business.

### ***Foreign Tax Residents***

Investors not resident in Germany should, in essence, not be taxable in Germany with the proceeds from the investment in the Notes, and no German withholding tax should be withheld from such income, even if the Notes are held in custody with a German credit (or comparable) institution. Exceptions apply, e.g., where the Notes are held as business assets in a German permanent establishment of the investor. However, a non-resident investor may be subject to tax with any income derived from the Notes in the jurisdiction where such investor is tax resident.

### ***Substitution of the Issuer***

If the Issuer exercises the right to substitute the debtor of the Notes, the substitution might, for German tax purposes, be treated as an exchange of the Notes for new notes issued by the Substitute Debtor and subject to similar taxation rules like the Notes. In particular, such a substitution might result in the recognition of a taxable gain or loss for any Holder.

## **Other taxes**

At present, the purchase, sale or other disposal of Notes does not give rise to capital transfer tax, value added tax, stamp duties or similar taxes or charges in Germany. However, under certain circumstances entrepreneurs may opt for a liability to value added tax with regard to the sales of Notes which would otherwise be tax exempt. Net wealth tax (*Vermögensteuer*) is, at present, not levied in Germany.

## **Grand Duchy of Luxembourg**

The following is a general description of certain Luxembourg tax considerations relating to the Notes. It specifically contains information on taxes on the income from the Notes withheld at source and provides an indication as to whether the Issuer assumes responsibility for the withholding of taxes at the source. It does not purport to be a complete analysis of all tax considerations relating to the Notes. Prospective purchasers of the Notes should consult their own tax advisors with respect to particular circumstances, the effect of state, local or foreign laws to which they may be subject and as to their tax position. This summary is based upon the law as in effect on the date of this Prospectus. The information contained within this section is limited to withholding taxation issues, and prospective investors should not apply any information set out below to other areas, including (but not limited to) the legality of transactions involving the Notes.

### **Withholding Tax**

#### **Resident Holders**

Under the Luxembourg law dated December 23, 2005 (hereafter, the "**Law**"), a 10 percent Luxembourg withholding tax is levied as of January 1, 2006 on interest payments or similar income payments (accrued since July 1, 2005) made by Luxembourg paying agents to (or for the benefit of) Luxembourg individual residents. This withholding tax also applies on accrued interest received upon disposal, redemption or repurchase of the Notes. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth.

Further, pursuant to the Law as amended by the law of July 17, 2008, Luxembourg resident individuals who are the beneficial owners of interest payments and other similar income made by a paying agent established outside Luxembourg in a Member State of the European Union or of the European Economic Area or in a jurisdiction having concluded an agreement with Luxembourg in connection with the EU Savings Directive as defined hereinafter, may also opt for a final 10 percent levy. In such case, the 10 percent levy is calculated on the same amounts as for the payments made by Luxembourg resident paying agents. The option for the 10 percent levy must cover all interest payments made by the paying agent to the Luxembourg resident beneficial owner during the entire civil year.

#### **Non-resident Holders**

Under the Luxembourg tax law currently in effect and subject to the application of the Luxembourg laws dated June 21, 2005 (the "**Laws**") implementing the EU Savings Directive and several agreements concluded between Luxembourg and certain dependent territories of the European Union, there is no withholding tax on payments of interest (including accrued but unpaid interest) made to a Luxembourg non-resident Holder. There is also no Luxembourg withholding tax, upon repayment of the principal, or subject to the application of the Laws, upon redemption or exchange of the Notes. Under the Laws, a Luxembourg based paying agent (within the meaning of the EU Savings Directive) is required since July 1, 2005, to withhold tax on interest and other similar income (including reimbursement premium received at maturity) paid by it to (or under certain circumstances, to the benefit of) an individual or a residual entity ("**Residual Entity**") in the sense of Article 4 (2) of the EU

Savings Directive (*i.e.* an entity without legal personality, except for (1) a Finnish *avoin yhtiö* and *kommandiittiyhtiö / öppet bolag* and *kommanditbolag* and (2) a Swedish *handelsbolag* and *kommanditbolag*, and whose profits are not taxed under the general arrangements for the business taxation and that is not, or has not opted to be considered as, a UCITS recognized in accordance with Council Directive 2009/65/EC), resident or established in another Member State of the European Union unless the beneficiary of the interest payments elects for an exchange of information. The same regime applies to payments to individuals or Residual Entities resident in any of the following territories: Aruba, British Virgin Islands, Curaçao, Guernsey, the Isle of Man, Jersey, Montserrat and Sint Maarten.

The withholding tax is currently 35 percent. In each case described above, responsibility for the withholding tax will be assumed by the Luxembourg paying agent.

## **The Netherlands**

The following is a general summary and the tax consequences as described here may not apply to a holder of Notes. Any potential investors should consult their own tax advisers for more information about the tax consequences of acquiring, owning and disposing of Notes in their particular circumstances.

This taxation summary solely addresses the principal Netherlands tax consequences of the acquisition, the ownership and disposition of Notes issued by Issuer after the date hereof held by a holder of Notes who is not a resident of The Netherlands. It does not consider every aspect of taxation that may be relevant to a particular holder of Notes under special circumstances or who is subject to special treatment under applicable law. Where in this summary English terms and expressions are used to refer to Netherlands concepts, the meaning to be attributed to such terms and expressions shall be the meaning to be attributed to the equivalent Netherlands concepts under Netherlands tax law.

This summary is based on the tax laws of The Netherlands as they are in force and in effect on the date of this Prospectus. The Netherlands means the part of the Kingdom of the Netherlands located in Europe. The laws upon which this summary is based are subject to change, potentially with retroactive effect. A change to such laws may invalidate the contents of this summary, which will not be updated to reflect any such change. This summary assumes that each transaction with respect to Notes is at arm's length.

### ***Withholding Tax***

All payments by Issuer under Notes can be made free of withholding or deduction of any taxes of whatever nature imposed, levied, withheld or assessed by The Netherlands or any political subdivision or taxing authority thereof or therein.

### ***Taxes on Income and Capital Gains***

A holder of Notes will not be subject to any Netherlands taxes on income or capital gains in respect of Notes, including such tax on any payment under Notes or in respect of any gain realised on the disposal, deemed disposal or exchange of Notes, provided that:

- (i) such holder is neither a resident nor deemed to be a resident of The Netherlands;
- (ii) such holder does not have an enterprise or an interest in an enterprise that is, in whole or in part, carried on through a permanent establishment or a permanent representative in The Netherlands and to which enterprise or part of an enterprise, as the case may be, Notes are attributable;
- (iii) if such holder is an individual, neither such holder nor any of the holder's spouse, partner, a person deemed to be the holder's partner, or other persons sharing such holder's house or household, or certain other of such holder's relatives (including foster children), whether

directly and/or indirectly as (deemed) settlor, grantor or similar originator (the "**Settlor**"), or upon the death of the Settlor, the Settlor's beneficiaries (the "**Beneficiaries**") in proportion to their entitlement to the estate of the Settlor, of a trust, foundation or similar arrangement (a "**Trust**") indirectly has control of the proceeds of Notes in The Netherlands; and

- (iv) if such holder is an individual, such income or capital gain does not form a "benefit from miscellaneous activities" in The Netherlands (*resultaat uit overige werkzaamheden*) which, for instance, would be the case if the activities in The Netherlands with respect to Notes exceed "normal active asset management" (*normaal, actief vermogensbeheer*) or if income and gains are derived from the holding, whether directly or indirectly, of (a combination of) shares, debt claims or other rights (a "lucrative interest"; *lucratief belang*) that the holder thereof has acquired under such circumstances that such income and gains are intended to be remuneration for work or services performed by such holder (or a related person) in The Netherlands, whether within or outside an employment relation, where such lucrative interest provides the holder thereof, economically speaking, with certain benefits that have a relation to the relevant work or services.

### **Gift, Estate or Inheritance Taxes**

No gift, estate or inheritance taxes will arise in The Netherlands with respect to an acquisition of Notes by way of a gift by, or on the death of, a holder who is neither resident nor deemed to be resident in The Netherlands for Netherlands inheritance and gift tax purposes, unless in the case of a gift of Notes by an individual who at the date of the gift was neither resident nor deemed to be resident in The Netherlands, such individual dies within 180 days after the date of the gift, while being resident or deemed to be resident in The Netherlands.

For purposes of Netherlands gift and inheritance tax, an individual with the Netherlands nationality will be deemed to be resident in The Netherlands if such individual has been resident in The Netherlands at any time during the ten years preceding the date of the gift or the individual's death.

For purposes of Netherlands gift tax, an individual not holding the Netherlands nationality will be deemed to be resident in The Netherlands if such individual has been resident in The Netherlands at any time during the twelve months preceding the date of the gift.

For purposes of Netherlands gift and inheritance tax, a gift that is made under a condition precedent is deemed to have been made at the moment such condition precedent is satisfied. If the condition precedent is fulfilled after the death of the donor, the gift is deemed to be made upon the death of the donor.

For purposes of Netherlands gift, estate and inheritance taxes, (i) a gift by a Trust, will be construed as a gift by the Settlor, and (ii) upon the death of the Settlor, as a rule, the Settlor's Beneficiaries, will be deemed to have inherited directly from the Settlor. Subsequently, the Beneficiaries will be deemed the Settlor of the Trust for purposes of the Netherlands gift, estate and inheritance tax in case of subsequent gifts or inheritances.

### **Value Added Tax**

There is no Netherlands value added tax payable in respect of payments in consideration for the issue of Notes, in respect of the payment of interest or principal under Notes, or the transfer of Notes.

### **Other Taxes and Duties**

There is no Netherlands registration tax, capital tax, stamp duty or any other similar tax or duty payable in The Netherlands by a holder of Notes in respect of or in connection with the execution, delivery and/or enforcement by legal proceedings (including any foreign judgment in the courts of The Netherlands) of the Notes or the performance of the obligations of Issuer under the Notes.

## EU Savings Directive

Under the EU Savings Directive, each Member State is required to provide to the tax authorities of another Member State details of payments of interest or other similar income paid by a person within its jurisdiction to, or collected by such a person for, an individual resident or certain limited types of entity named Residual Entities (within the meaning of Article 4 (2) of the EU Savings Directive) established in that other Member State. For a transitional period, Austria instead applies a withholding system in relation to such payments, deducting tax at a rate of meanwhile 35%; however, Austria has undertaken to implement an automatic exchange of information as of September 2017. Luxembourg has recently ceased to apply the withholding tax system and participates in the automatic exchange of information system as of January 1, 2015.

A number of non-EU countries and certain dependent or associated territories of certain Member States have adopted similar measures (either provision of information or transitional withholding) in relation to payments made by a person within its jurisdiction to, or collected by such a person for, an individual resident or certain Residual Entities established in a Member State. In addition, the Member States have entered into provision of information or transitional withholding arrangements with certain of those dependent or associated territories in relation to payments made by a person in a Member State to, or collected by such a person for, an individual resident or certain limited types of entity established in one of those territories.

The European Council formally adopted a Council Directive amending the EU Savings Directive on March 24, 2014 (the "**Amending Directive**"). The Amending Directive broadens the scope of the requirements described above. Member States have until January 1, 2016 to adopt the national legislation necessary to comply with the Amending Directive and the national legislation must apply from January 1, 2017. The changes made under the Amending Directive include extending the scope of the EU Savings Directive to payments made to, or collected for, certain other entities and legal arrangements. They also broaden the definition of "interest payment" to cover income that is equivalent to interest.

## The proposed Financial Transaction Tax

On February 14, 2013, the EU Commission adopted a proposal for a Council Directive (the "**Draft Directive**") on a common financial transaction tax (the "**FTT**"). According to the Draft Directive, the FTT shall be implemented in eleven EU Member States (Austria, Belgium, Estonia, France, Germany, Greece, Italy, Portugal, Spain, Slovakia and Slovenia; the "**Participating Member States**").

Pursuant to the original proposal under the Draft Directive, the FTT had a very broad scope and would apply to certain dealings in financial instruments (including secondary market transactions) entered into by persons both within and outside of the Participating Member States. Generally, it would apply to certain dealings in financial instruments where at least one party is a financial institution, and either (i) at least one party is established or deemed to be established in a Participating Member State or (ii) the financial instruments are issued in a Participating Member State.

According to a press announcement of the EU Council, ten of the Participating Member States, including Germany, currently intend to work on the introduction of an FTT based on a progressive implementation of such tax. The progressive implementation shall first focus on the taxation of shares and certain derivatives only which shall be implemented at the latest on January 1, 2016. As to the further implementation of any FTT, there is currently no detailed plan or timetable available.

Nevertheless the FTT remains subject to negotiation between the Participating Member States and was (and most probably will be) the subject of legal challenge. It may be altered prior to its adoption, the timing of which remains unclear. Moreover, once any directive has been adopted, it will need to be implemented into the respective domestic laws of the Participating Member States and the domestic provisions implementing a directive might deviate from such directive. Finally, additional EU Member States may decide to participate.

## SUBSCRIPTION, SALE AND OFFER OF THE NOTES

### General

Each of Merrill Lynch International, Citigroup Global Markets Limited, Bayerische Landesbank, BNP Paribas, Commerzbank Aktiengesellschaft, Credit Suisse Securities (Europe) Limited, DZ BANK AG Deutsche Zentral-Genossenschaftsbank, Frankfurt am Main, Erste Group Bank AG, Goldman Sachs International, Landesbank Hessen-Thüringen Girozentrale, Raiffeisen Bank International AG, The Royal Bank of Scotland plc and UniCredit Bank AG (each a "**Joint Lead Manager**" and together the "**Joint Lead Managers**") will, pursuant to a subscription agreement to be signed on or about March 3, 2015 (the "**Subscription Agreement**"), agree, subject to certain closing conditions, to subscribe, on a firm commitment basis, or procure subscribers for the Notes to be issued by the Issuer. The Joint Lead Managers will be entitled, under certain circumstances, to terminate the agreement reached with the Issuer. In such event, no Notes will be delivered to investors. Furthermore, the Issuer will agree to indemnify the Joint Lead Managers against certain liabilities in connection with the offer and sale of the Notes.

The fees payable to the Joint Lead Managers in connection with the offering, placement and subscription of the Notes will be with regard to the Tranche 1 Notes up to 0.50 percent of the aggregate principal amount of the Tranche 1 Notes and will be with regard to the Tranche 2 Notes up to 0.60 percent of the aggregate principal amount of the Tranche 2 Notes.

The Joint Lead Managers or their affiliates have provided from time to time, and expect to provide in the future, investment services to the Issuer or its affiliates, for which the Joint Lead Managers and their affiliates have received or will receive customary fees and commissions.

In addition, in the ordinary course of their business activities, the Joint Lead Managers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or Issuer's affiliates. In particular, Bank of America Merrill Lynch International Limited and Citigroup Global Markets Limited arranged the Euro 800,000,000 / USD 934,290,000 Dual-Currency Term Loan Facilities Agreement (see "*INFORMATION ABOUT INFINEON – Material Financings*" above). Certain of the Joint Lead Managers or their affiliates, and in particular Bank of America Merrill Lynch International Limited (acting as arranger and original lender with regard to the above lending transaction), Citigroup Global Markets Limited (acting as arranger with regard to the above lending transaction) and Citibank, N.A., London Branch (acting as original lender with regard to the above lending transaction), that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such Joint Lead Managers and their affiliates and in particular Bank of America Merrill Lynch International Limited and Citibank, N.A., London Branch, would hedge and did hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes. Any such short positions could adversely affect future trading prices of the Notes. The Joint Lead Managers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

There are no interests of natural and legal persons other than the Issuer and the Joint Lead Managers involved in the issue of the Notes, including conflicting ones that are material to the issue.

## **Offer of the Notes**

### ***Public offer, offer period and determination of pricing details***

The Notes will be offered to institutional investors and retail investors in compliance with applicable public offer restrictions by the Joint Lead Managers during an offer period which will commence on February 23, 2015 and will be open until and including March 24, 2015 subject to a shortening or extension agreed by the Issuer and the Joint Lead Managers. Should the Issuer and the Joint Lead Managers determine any shortening or extension of the offer period (e.g. due to changing market conditions), such changes will be published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

The Notes may be offered to the public in each of Austria, Germany, Luxembourg and The Netherlands following the effectiveness of the notification of the Prospectus by the CSSF according to Article 18 of the Prospectus Directive.

The aggregate principal amount of each Tranche of Notes to be issued will be determined on the basis of the number and volume of orders received which offer a yield acceptable to the Issuer. The issue price and the interest rate for each Tranche of Notes will be determined as described in "Method of determination of the pricing details" below on the pricing date which is expected to be on or about February 26, 2015 (the "**Pricing Date**"). Such information as well as the aggregate principal amount, the issue proceeds and the yield for each Tranche of Notes will be set out in a notice (the "**Pricing Notice**") which will be filed with the CSSF and published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) on or after the Pricing Date and prior to the Issue Date. The Issuer reserves the right not to issue any Tranche of Notes depending on market conditions. Any sale of the Notes on the secondary market will be subject to market conditions.

### ***Conditions of the offer***

There are no conditions to which the offer is subject.

Subscription rights for the Notes will not be issued. Therefore, there are no procedures in place for the exercise of any right of pre-emption, the negotiability of subscription rights and the treatment of subscription rights not exercised.

### ***Technical details of the offer***

During the offer period of the Notes investors may submit offers to purchase Notes to the Joint Lead Managers and using the information system Bloomberg or any other commonly used information system. In the case of an order prior to the determination of the pricing details, the investors shall specify at which price they would be prepared to purchase which amount of Notes. Following determination and notification of the pricing details the Joint Lead Managers will offer the Notes upon request in Austria, Germany, Luxembourg and The Netherlands.

### ***Method of determination of the pricing details***

The issue price and the interest rate of each Tranche of Notes will be determined on the Pricing Date on the basis of a yield which is determined by adding a credit spread (the "**Pricing Credit Spread**") to the level of the Midswaps (as defined below) at the time of pricing. The Pricing Credit Spread will be fixed on the basis of the orders received and confirmed by the Joint Lead Managers. The level of the Midswaps will be determined as the average yield of the bid and ask prices of interest-swap transactions ("**Midswaps**") with a maturity similar to the maturity of the respective Tranche of Notes shown on Bloomberg page ICAE1 or on any other screen page which is conventionally used to price Eurobond transactions at the time of pricing.

The resulting yield will be used to determine the issue price (which is expected to be less than par) and the rate of interest (which is expected to be a percentage figure which can be evenly divided by

1/8 of a full percent and which will be correspondingly higher if a higher issue price is determined and which will be correspondingly lower if a lower issue price is determined) for each Tranche of Notes, all to correspond to the yield which reflects the level of the Midswaps and the Pricing Credit Spread.

#### ***Confirmation of offers placed by, and allotments to, investors***

Each investor who has submitted an order in relation to a Tranche of Notes and whose order is accepted by the Joint Lead Managers will receive a confirmation by electronic mail, fax or through commonly used information systems setting out its respective allotment of Notes of such Tranche. Before an investor receives a confirmation from the Joint Lead Managers that its offer to purchase Notes of a Tranche has been accepted, the investor may reduce or withdraw its purchase order.

#### ***Delivery of the Notes to investors***

Following the determination of the pricing details and confirmation which orders have been accepted and which amounts have been allotted to particular investors, delivery and payment of the Notes of a Tranche will generally be made within eight business days after the date of pricing of the Notes and the confirmation of the allotment to investors. The Notes of a Tranche so purchased will be delivered via book-entry through the Clearing Systems (see "*GENERAL INFORMATION – Clearing and Settlement*") and their depository banks against payment of the issue price.

#### ***Costs and expenses relating to the offer***

The Issuer will not charge any costs, expenses or taxes directly to any investor. Investors must, however, inform themselves about any costs, expenses or taxes in connection with the Notes which are generally applicable in their respective country of residence, including any charges their own depository banks charge them for purchasing or holding securities.

#### ***Consent to the use of the Prospectus***

Each Joint Lead Manager and each further financial intermediary subsequently reselling or finally placing the Notes is entitled to use the Prospectus in Austria, Germany, Luxembourg and The Netherlands for the subsequent resale or final placement of the Notes during the period from and including February 23, 2015 to and including March 24, 2015 during which subsequent resale or final placement of the Notes can be made, provided however, that the Prospectus is still valid in accordance with Article 11 of the Luxembourg law relating to prospectuses for securities (*Loi du 10 juillet 2005 relative aux prospectus pour valeurs mobilières*), as amended, which implements Directive 2003/71/EC of the European Parliament and of the Council of November 4, 2003 (as amended by Directive 2010/73/EU of the European Parliament and of the Council of November 24, 2010) (the "**Luxembourg Prospectus Law**"). The Issuer accepts responsibility for the information given in this Prospectus also with respect to such subsequent resale or final placement of the Notes.

The Prospectus may only be delivered to potential investors together with all supplements in accordance with Article 13 of the Luxembourg Prospectus Law published before such delivery. Any supplement to the Prospectus in accordance with Article 13 of the Luxembourg Prospectus Law will be available for viewing in electronic form on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

When using the Prospectus, each relevant financial intermediary must make certain that it complies with all applicable laws and regulations in force in the respective jurisdictions.

**In the event of an offer being made by a financial intermediary, such financial intermediary shall provide information to investors on the terms and conditions of the offer at the time of that offer.**

**Any financial intermediary using the Prospectus shall state on its website that it uses the Prospectus in accordance with the consent of the Issuer and the conditions attached to this consent.**

## **Selling Restrictions**

### ***General***

Each Joint Lead Manager has acknowledged that other than explicitly mentioned in this Prospectus no action is taken or will be taken by the Issuer in any jurisdiction that would permit a public offering of the Notes, or possession or distribution of any offering material relating to them, in any jurisdiction where action for that purpose is required.

Each Joint Lead Manager has represented and agreed that it will comply with all applicable laws and regulations in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes any offering material relating to them.

### ***European Economic Area***

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), each Joint Lead Manager has represented, warranted and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") it has not made and will not make an offer of Notes which are subject to the offering contemplated by this Prospectus to the public in that Relevant Member State prior to the publication of a prospectus in relation to the Notes which has been approved by the competent authority in that Relevant Member State in accordance with the Prospectus Directive or, where appropriate, published in another Relevant Member State and notified to the competent authority in that Relevant Member State in accordance with Article 18 of the Prospectus Directive, provided that the Issuer has consented in writing to the use of the Prospectus for any such offers, except that it may, with effect from and including the Relevant Implementation Date, make an offer of Notes to the public in that Relevant Member State at any time:

- (a) to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (b) to fewer than 100, or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the Joint Lead Managers; or
- (c) in any other circumstances which do not require the publication by the Issuer of a prospectus pursuant to Article 3 of the Prospectus Directive;

provided that no such offer of the Notes shall require the Issuer or Joint Lead Managers to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement this Prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an "**offer of Notes to the public**" in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, and the expression "**Prospectus Directive**" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State) and includes any relevant implementing measure in the Relevant Member State, and the expression "**2010 PD Amending Directive**" means Directive 2010/73/EU.

### ***United States and its Territories***

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Each Joint Lead Manager has represented that it has not offered or sold, and agrees that it will not offer or sell, any Notes constituting part of its allotment within the United States except in accordance with Rule 903 of Regulation S under the Securities Act. Accordingly, neither it, its affiliates, nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to the Notes. Terms used in this paragraph have the meanings given to them by Regulation S.

In addition, each Joint Lead Manager has represented, warranted and agreed that, except to the extent permitted under U.S. Treasury Regulations section 1.163-5(c)(2)(i)(D) (the "**D Rules**"):

- (a) it has not offered or sold Notes, and during the restricted period shall not offer or sell Notes, directly or indirectly to a United States person or to a person who is within the United States or its possessions, and it has not delivered and shall not deliver within the United States or its possessions Notes that are sold during the restricted period;
- (b) it has and throughout the restricted period it shall have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Notes are aware that the Notes may not be offered or sold during the restricted period to a United States person or to a person who is within the United States or its possessions, except as permitted by the D Rules;
- (c) if it is a United States person, it is acquiring the Notes for purposes of resale in connection with their original issuance and not for the purpose of resale directly or indirectly to a United States person or a person within the United States or its possessions and it shall acquire or retain Notes for its own account only in accordance with the requirements of D Rules;
- (d) with respect to each affiliate that acquires Notes from it for the purpose of offering or selling such Notes during the restricted period, it either (i) repeats and confirms the representations contained in clauses (a), (b) and (c) of this paragraph on behalf of such affiliate or (ii) agrees that it shall obtain from such affiliate for the benefit of the Issuer the representations contained in clauses (a), (b) and (c) of this paragraph; and
- (e) it shall obtain for the benefit of the Issuer the representations and agreements contained in clauses (a), (b), (c) and (d) of this paragraph from any person other than its affiliate with whom it enters into a written contract, as defined in the D Rules, for the offer or sale of Notes during the restricted period.

Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and Treasury Regulations thereunder, including the D Rules. For the avoidance of doubt, all references to the D Rules above also refer to any successor rules for purposes of Section 4701 of the U.S. Internal Revenue Code of 1986 that are substantially identical to the D Rules in effect at the date of this Prospectus.

In addition, until 40 days after the commencement of the offering, an offer or sale of Notes within the United States by any dealer (whether or not participating in the offering) could violate the registration requirements of the Securities Act.

### ***United Kingdom of Great Britain and Northern Ireland***

Each Joint Lead Manager has represented and agreed that,

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000, as amended ("**FSMA**")) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

## GENERAL INFORMATION

### Authorization

The creation and issue of the Notes has been authorized by a resolution of the Supervisory Board of the Issuer dated February 12, 2015 and by a resolution of the Board of Management of the Issuer dated January 16, 2015.

### Clearing and Settlement

Payments and transfers of the Notes will be settled through Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium ("**Euroclear**") and Clearstream Banking, société anonyme, 42 Avenue JF Kennedy L-1855 Luxembourg ("**Clearstream Luxembourg**", Euroclear and Clearstream Luxembourg each being an "**ICSD**").

The Notes are intended to be held in a manner which would allow Eurosystem eligibility and upon issue to be deposited with one of the ICSDs as common safekeeper. This does not necessarily mean that any Tranche of Notes will be recognized as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.

The Tranche 1 Notes have been assigned securities codes as follows:

ISIN: XS1191115366;  
Common Code: 119111536; and  
WKN: A13SAN.

The Tranche 2 Notes have been assigned securities codes as follows:

ISIN: XS1191116174;  
Common Code: 119111617; and  
WKN: A13SAP.

### Notices to Holders

For so long as a Tranche of Notes are listed on the official list of the Luxembourg Stock Exchange and admitted to trading on the regulated market of the Luxembourg Stock Exchange, all notices to the Holders regarding such Tranche of Notes shall be published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) as well as in the German Federal Gazette (*Bundesanzeiger*).

### Yield

The yield of each Tranche of Notes will be included in the Pricing Notice. Such yield is calculated in accordance with the ICMA (International Capital Markets Association) method and based on the issue price of the respective Tranche of Notes as well as on the assumption that the Notes will not be redeemed prior to their stated maturity. The ICMA method determines the effective interest rate of notes taking into account accrued interest on a daily basis.

### Expenses

The expenses of the issue of the Notes are expected to amount to approximately EUR 420,000 plus the fees with regard to the Tranche 1 Notes of up to 0.50 percent of the aggregate principal amount of the Tranche 1 Notes and with regard to the Tranche 2 Notes of up to 0.60 percent of the aggregate principal amount of the Tranche 2 Notes, in each case to be paid in connection with the offer of the Notes to the Joint Lead Managers.

**Listing and Admission to Trading**

Application will be made to list the Notes on the official list of the Luxembourg Stock Exchange and to admit them to trading on the regulated market of the Luxembourg Stock Exchange.

**Rating**

Neither the Issuer nor the Notes are rated.

**Documents on Display**

For so long as any Notes shall be outstanding, copies and, where appropriate, English translations of the following documents may be obtained (and in the case of (b) can be found on the website of the Luxembourg Stock Exchange at [www.bourse.lu](http://www.bourse.lu)) free of charge during normal business hours at the specified office of the Issuer, namely:

- (a) The constitutional documents of the Issuer;
- (b) the Prospectus, any supplement thereto, if any, and any document incorporated by reference therein.

## INCORPORATION BY REFERENCE

The following documents are incorporated by reference into this Prospectus:

**The audited consolidated financial statements as of and for the fiscal year ended September 30, 2014 of Infineon Group prepared in accordance with IFRS as contained in the Annual Report for the fiscal year 2014 to which the page numbers refer:**

Consolidated statement of operations	p. 194
Consolidated statement of comprehensive income	p. 195
Consolidated statement of financial position	p. 196 – p. 197
Consolidated statement of cash flows	p. 198 – p. 199
Consolidated statement of changes in equity	p. 200 – p. 201
Notes to the consolidated financial statements	p. 202 – p. 269
Auditor's report <sup>1</sup>	p. 271

**The audited consolidated financial statements as of and for the fiscal year ended September 30, 2013 of Infineon Group prepared in accordance with IFRS as contained in the Annual Report for the fiscal year 2013 to which the page numbers refer:**

Consolidated statement of operations	p. 194
Consolidated statement of comprehensive income	p. 195
Consolidated statement of financial position	p. 196 – p. 197
Consolidated statement of cash flows	p. 198 – p. 199
Consolidated statement of changes in equity	p. 200 – p. 201
Notes to the consolidated financial statements	p. 202 – p. 277
Auditor's report <sup>2</sup>	p. 279

**The reviewed interim consolidated financial statements as of and for the three-month period ended December 31, 2014 of Infineon Group prepared in accordance with IFRS:**

Consolidated statement of operations	p. 24
Consolidated statement of comprehensive income	p. 25
Consolidated statement of financial position	p. 26
Consolidated statement of cash flows	p. 27
Consolidated statement of changes in equity	p. 28 – p. 29
Condensed notes to the unaudited interim consolidated financial statements	p. 30 – p. 46
Review report	p. 48

<sup>1</sup> English language translation of the German language audit opinion (*Bestätigungsvermerk*), issued in accordance with German generally accepted auditing standards, in particular Section 322 of the German Commercial Code (*Handelsgesetzbuch*) which refers to the IFRS consolidated financial statements.

<sup>2</sup> See footnote above.

Any information incorporated by reference that is not included in the above cross-reference list is considered as additional information and is not required by the relevant schedules of the Commission Regulation (EC) 809/2004 (as amended).

As long as any Notes are listed on the official list of the Luxembourg Stock Exchange and are admitted to trading on the regulated market of the Luxembourg Stock Exchange and any applicable laws so require the documents incorporated by reference are available on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) and may be inspected and are available free of charge during normal business hours at the office of the Issuer, Am Campeon 1-12, 85579 Neubiberg, Germany.

## NAMES AND ADDRESSES

### Issuer

#### **Infineon Technologies AG**

Am Campeon 1-12  
85579 Neubiberg  
Germany

### Principal Paying Agent

#### **Citibank, N.A., London Branch**

Citigroup Centre  
Canada Square  
Canary Wharf  
London E14 5LB  
United Kingdom

### Listing Agent in Luxembourg

#### **Banque Internationale à Luxembourg SA**

69 route d'Esch  
2953 Luxembourg  
Luxembourg

### Joint Lead Managers

#### **Merrill Lynch International**

2 King Edward Street  
London EC1A 1HQ  
United Kingdom

#### **Citigroup Global Markets Limited**

Citigroup Centre  
Canada Square  
Canary Wharf  
London E14 5LB  
United Kingdom

#### **Bayerische Landesbank**

Briener Strasse 18  
80333 Munich  
Germany

#### **BNP Paribas**

10 Harewood Avenue  
London NW1 6 AA  
United Kingdom

#### **Commerzbank**

#### **Aktiengesellschaft**

Kaiserstrasse 16 (Kaiserplatz)  
60311 Frankfurt am Main  
Germany

#### **Credit Suisse Securities (Europe) Limited**

One Cabot Square  
London E14 4QJ  
United Kingdom

#### **DZ BANK AG Deutsche Zentral-**

#### **Genossenschaftsbank, Frankfurt am Main**

Platz der Republik  
60265 Frankfurt am Main  
Germany

#### **Erste Group Bank AG**

Graben 21  
1010 Vienna  
Austria

#### **Goldman Sachs International**

Peterborough Court  
133 Fleet Street  
London EC4A 2BB  
United Kingdom

#### **Landesbank Hessen- Thüringen Girozentrale**

Neue Mainzer Strasse 52-58  
60311 Frankfurt am Main  
Germany

#### **Raiffeisen Bank International AG**

Am Stadtpark 9  
1030 Vienna  
Austria

#### **The Royal Bank of Scotland plc**

135 Bishopsgate  
London EC2M 3UR  
United Kingdom

#### **UniCredit Bank AG**

Arabellastrasse 12  
81925 Munich  
Germany

**Auditor to the Issuer**

**KPMG AG Wirtschaftsprüfungsgesellschaft**

Ganghoferstraße 29  
80339 Munich  
Germany

**Legal Advisors**

*To the Issuer*

**Freshfields Bruckhaus Deringer LLP**

Bockenheimer Anlage 44  
60322 Frankfurt/Main  
Germany

*To the Joint Lead Managers*

**White & Case LLP**

Bockenheimer Landstraße 20  
60323 Frankfurt/Main  
Germany