

## Infineon's Business Highlights for the Third Quarter of Financial Year 2005

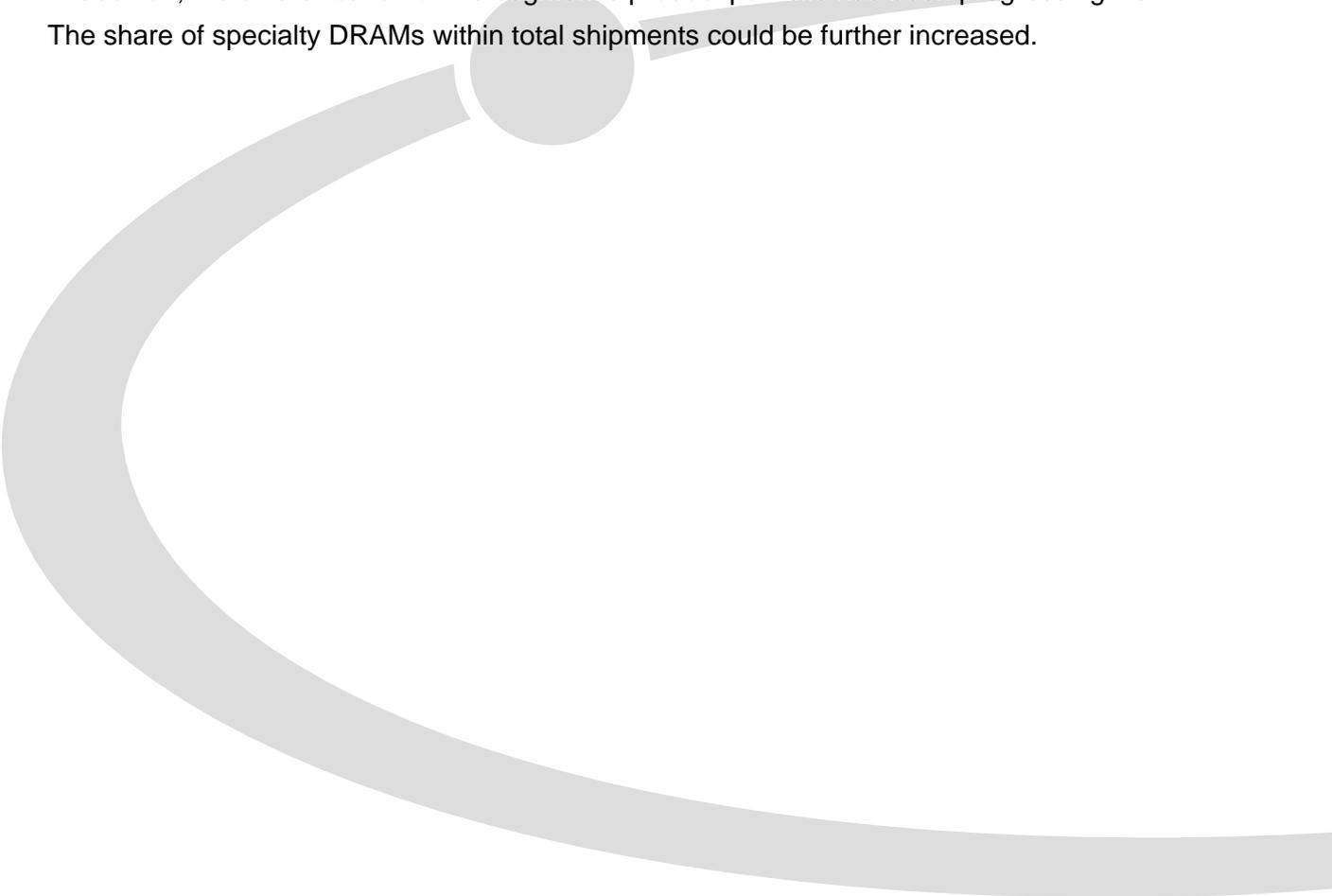
### Automotive, Industrial and Multimarket

- Infineon received the Supplier Award 2005 from Continental for outstanding performance in logistics and quality. In addition, Astec awarded the company its Quality Award for the implementation of Infineon's zero-defect program, which was launched at IBM.
- Infineon will supply the German government with its secure chips for use in next-generation electronic passports, which the German Passport Office intends to begin to issue in November 2005. The company will also supply a special chip package developed for identity cards and passports, as well as the inlay containing the antenna and its connection to the chip.
- In the third quarter, the company signed an agreement with a leading hard-disk-drive manufacturer to develop a product to enter the new and fast-growing market segments of mobile applications.

### Communication

- In the third quarter of financial year 2005, Infineon sampled its first UMTS six-band single-chip CMOS Radio Frequency (RF) transceiver, which makes UMTS phones usable worldwide. The new SMARTi 3G has already achieved design wins at various customers and is the world's first CMOS RF transceiver specifically developed for UMTS applications.
- The company launched a new multimedia phone platform offering flexible support to GPRS and EDGE cellular standards. The MP-E platform includes all hardware and software components required for high-performance wireless phones with advanced multimedia functionality such as video streaming, video recording and playback. The true three-chip solution consisting of multi-media baseband, power management unit and CMOS RF transceiver makes possible one of the cellular industry's smallest platforms.
- With the first sample of its VINAX chip available in the third quarter, Infineon announced the industry's first fully standard-compliant VDSL2 end-to-end solution. This standard was agreed upon by the International Telecommunications Union (ITU) in May 2005. With VINAX, the company extends its comprehensive DSL portfolio and established a leading position in VDSL2, which is necessary for Triple Play services such as multi-channel HDTV, on-line/on-demand gaming and video applications, Voice-over-IP, and high-speed Internet access.

## Memory Products

- During the third quarter of financial year 2005, the Memory Products segment started volume production of its 90-nanometer DRAM technology on 300-millimeter wafers.
  - The company presented several leading product innovations in the third quarter, including the first devices with DDR3-interface functionality, and a complete in-house solution for Fully Buffered DIMMs, the next-generation server modules.
  - In addition, the diversification of the segment's product portfolio has been progressing well. The share of specialty DRAMs within total shipments could be further increased.
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- A large, light gray decorative graphic consisting of a thick, curved line that starts from the left side, curves upwards and then downwards, ending on the right side. A small gray circle is positioned at the top of the curve, overlapping the text area.