Press Release

Infineon Makes Successful Debut on the Hybrid Bond Market and raises EUR 1.2 billion to re-finance the Cypress acquisition

Munich, Germany – 25 September 2019 – Infineon Technologies AG (FSE: IFX / OTCQX: IFNNY) today successfully launched and priced its inaugural EUR 1.2 billion dual-tranche hybrid bond. The proceeds from the issuance will be used to re-finance the proposed Cypress acquisition and for general corporate purposes.

“With the hybrid bond issuance, which is following our share placement in June, we have taken a further significant step in re-financing and de-risking the Cypress transaction,” said Dr. Sven Schneider, Chief Financial Officer of Infineon. “The instrument is contributing substantially to the envisaged equity portion of the overall financing. The issuance clearly shows investors’ trust in the prospects of Infineon as well as the future combined company and puts us in a position of great flexibility with respect to timing and instruments for the remaining re-financing needed.”

The hybrid bond issuance consists of two EUR 600 million perpetual tranches. Tranche 1 has a non-call period from issuance of 5.5 years and a fixed coupon of 2.875% until first reset date. Tranche 2 has a non-call period of 8.5 years and a fixed coupon of 3.625%. The bonds will be listed on the Luxemburg Stock Exchange.

The order book for both hybrid tranches was well oversubscribed enabling a diversified distribution among international institutional investors including fund managers, insurance companies, pension funds and banks.

S&P Global Ratings has assigned an issue rating of BB+ to the two tranches of the hybrid note. The bonds are expected to receive intermediate equity content (50% equity credit), once Infineon closes the acquisition of Cypress.

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Volker Gieritz (Headquarters)	Tel.: +49 89 234 36572	volker.gieritz@infineon.com	**Investor Relations:**
Sian Cummings (Americas)	Tel.: +1 310 252 7148	sian.cummings@infineon.com	Tel: +49 89 234 26655
Chi Kang David Ong (Asia-Pacific)	Tel.: +65 6876 3070	david.ong@infineon.com	investor.relations@infineon.com
Jonathan Liu (Greater China)	Tel.: +86 21 6101 9182	jonathan.liu@infineon.com	
Yoko Sasaki (Japan)	Tel.: +81 3 5745 7340	yoko.sasaki@infineon.com	

The offer is being made exclusively to qualified investors within the meaning of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 and there will be no public offering of the hybrid bonds in any jurisdiction.

About Infineon

Infineon Technologies AG is a world leader in semiconductor solutions that make life easier, safer and greener. Microelectronics from Infineon is the key to a better future. In the 2018 fiscal year (ending 30 September), the Company reported sales of €7.6 billion with about 40,100 employees worldwide. Infineon is listed on the Frankfurt Stock Exchange (ticker symbol: IFX) and in the USA on the over-the-counter market OTCQX International Premier (ticker symbol: IFNNY).

Further information is available at www.infineon.com
This press release is available online at www.infineon.com/press

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