News Release / Presseinformation

Revenue approximately unchanged; Segment Result Margin reflects strategic investments

- **Third-quarter revenue of Euro 990 million approximately unchanged compared to the previous quarter; Segment Result of Euro 126 million (12.7 percent margin)**
- **Outlook for fourth quarter 2012 confirmed: revenue flat to down slightly and Segment Result Margin of around 12 percent expected**
- **Planned investments in 2013 fiscal year to be significantly lower than in 2012 fiscal year**

Neubiberg, Germany, July 31, 2012 – Infineon Technologies AG today reported results for the third quarter of the 2012 fiscal year (as of June 30, 2012).

in Euro million	3 months ended Jun 30, 12	sequential +/- in %	3 months ended Mar 31, 12	year-on-year +/- in %	3 months ended Jun 30, 11
Revenue	990	0	986	(5)	1,043
Segment Result	126	(13)	144	(41)	212
Segment Result margin [in %]	12.7%		14.6%		20.3%
Income from continuing operations	90	(17)	109	(49)	175
Income from discontinued operations, net of income taxes	(8)	(500)	2	(153)	15
Net income	**82**	**(26)**	**111**	**(57)**	**190**
Basic earnings per share attributable to shareholders of Infineon Technologies AG (in Euro):					
Basic earnings per share from continuing operations	0.08	(20)	0.10	(50)	0.16
Basic earnings per share from discontinued operations	–	-	–	(100)	0.01
Basic earnings per share	**0.08**	**(20)**	**0.10**	**(53)**	**0.17**
Diluted earnings per share attributable to shareholders of Infineon Technologies AG (in Euro):					
Diluted earnings per share from continuing operations	0.08	(20)	0.10	(50)	0.16
Diluted earnings per share from discontinued operations	–	-	–	(100)	0.01
Diluted earnings per share	**0.08**	**(20)**	**0.10**	**(53)**	**0.17**

“Growth and Margin are currently below plan, reflecting global uncertainties. The underlying trends for energy efficiency, mobility and security business nevertheless remain positive. We will therefore continue our policy of strategic investment, firmly convinced that this is the only way for Infineon to extend its market leadership in the future. That said, we will make savings now wherever savings are to be made. With this, the cost situation remains manageable even in the face of current market conditions“, stated Peter Bauer, CEO of Infineon Technologies AG.

For the Finance and Business Press: INFXX201107-55e

Worldwide Headquarters:	**Name:**	**Phone:**	**Email:**
Media Relations	**Kay Laudien**	+49 89 234 28481	kay.laudien@infineon.com
Investor Relations	**EU/APAC/USA/CAN**	+49 89 234 26655	investor.relations@infineon.com

Details with regard to Group earnings in the third quarter of fiscal year 2012
Infineon reported revenue of Euro 990 million for the third quarter of the 2012 fiscal year, approximately unchanged from the previous quarter's Euro 986 million. Slight increases recorded by the Automotive (ATV), Industrial Power Control (IPC) and Power Management & Multimarket (PMM) segments, as well as a sharp rise in revenue for the Chip Card & Security (CCS) segment, more than offset the expected decrease in revenue from Other Operating Segments (OOS). The Euro/US Dollar exchange rate had a positive impact of Euro 12 million on revenue.

Segment Result fell from Euro 144 million in the second quarter to Euro 126 million in the third quarter while the Segment Result Margin dropped from 14.6 percent to 12.7 percent. The principal reasons for the decrease were a higher expense for amortization and depreciation and increased research and development expenditures. As in previous quarters, the exchange rate risk was hedged according to Company policy. As a consequence, there was no positive exchange rate impact at the level of Segment Result.

Income from continuing operations for the third quarter amounted to Euro 90 million, down from Euro 109 million one quarter earlier. Earnings per share from continuing operations (basic and diluted) fell from Euro 0.10 per share in the previous quarter to Euro 0.08 per share.

The result from discontinued operations for the third quarter was a loss of Euro 8 million, compared to a profit of Euro 2 million in the previous quarter. Earnings per share from discontinued operations (basic and diluted) were unchanged at Euro 0.00.

Net income for the third quarter amounted to Euro 82 million, down from the Euro 111 million reported one quarter earlier. Third quarter basic and diluted earnings per share were Euro 0.08 compared with Euro 0.10 in the previous quarter.

Investments, which the Company defines as the sum of purchases of property, plant and equipment, purchases of intangible assets and internally generated assets, amounted to Euro 158 million in the third quarter, compared to Euro 192 million in the preceding quarter. The expense for depreciation and amortization went up quarter-on-quarter from Euro 103 million to Euro 113 million.

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Free cash flow[1] from continuing operations decreased from negative Euro 10 million in the second quarter to negative Euro 22 million in the third, primarily reflecting an increase in net current assets, as inventory levels increased and payables to suppliers decreased due to payment of investments made in the previous quarter.

The gross cash position decreased marginally from Euro 2,190 million as at March 31, 2012 to Euro 2,150 million at June 30, 2012. The net cash position amounted to Euro 1,907 million, compared to Euro 1,927 million three months earlier.

Outlook for fourth quarter of fiscal year 2012 confirmed

Infineon forecasts that fourth-quarter revenue will be flat or down slightly compared with third quarter revenue and that the Segment Result Margin will be approximately 12 percent. Due to seasonal factors, PMM revenue is expected to rise whereas ATV revenue is expected to fall. CCS revenue is likely to be slightly lower than in the third quarter, while IPC revenue should remain at a similar level. The decrease in revenue is also being driven by a lower level of product and service sales related to the previously sold Wireline Communications and Wireless mobile phone businesses.

Outlook for fiscal year 2012

Based on the latest outlook for the fourth quarter, full-year revenue will be approximately 3 percent down from the previous year, reflecting lower revenue in the IPC and PMM segments and decreasing product and service sales in connection with the previously sold Wireline Communications and Wireless mobile phone businesses. The Segment Result Margin is forecast at between 13 and 14 percent of revenue. Investments will be at a similar level to the fiscal year 2011 and the depreciation and amortization expense will be in the region of Euro 430 million.

Measures affecting costs and levels of investment

Infineon's medium-term to long-term growth prospects remain positive thanks to the focus on products needed in the fields of energy efficiency, mobility and security. The expansion of development, selling and manufacturing capacities in recent quarters means that Infineon can react at any time to increases in demand by raising production volumes. The benefits of this strategy will, however, only be seen once production volumes, and hence sales revenue, increase significantly.

Due to uncertainties in the state of the global economy, current and near-term foreseeable sales revenue levels are significantly lower than originally forecasted. As a

[1] For definitions and the calculation of free cash flow and of gross and net cash position, please see pages 12 and 13.

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consequence, the Segment Result Margin is currently below the target of 15 percent averaged over the full economic cycle. Nevertheless, RoCE stands at 20 percent and is thus still higher than the Company's cost of capital. The Management Board has now initiated measures to safeguard the margin even if sales revenue only grows at a modest pace. Worldwide headcount was frozen starting in July. In addition, investments planned for the 2013 fiscal year are to be reduced sharply compared to the original plan and will be significantly lower than in the 2012 fiscal year. The Management Board continues to observe demand and revenue trends very closely and is evaluating further measures.

Change at CEO level

As announced on May 13, 2012, Peter Bauer will stand down from his position as Chief Executive Officer at the end of the current fiscal year for health reasons and at his own request. His successor will be his current board colleague, Dr. Reinhard Ploss.

"With effect from October 1, 2012, I will be handing over the reins in the Executive Board to my long-serving colleague Dr. Reinhard Ploss. Over the past four years, we have worked together to restructure the Company and laid the basis for future growth by focusing on products and services in the fields of energy efficiency, mobility and security", commented Peter Bauer. "Investments in recent quarters now mean that Infineon can react very quickly to any rise in customer demand, which will enable it to win market share as soon as the global economy picks up. I wish my successor and the Company every success on the next part of the journey and thank employees, customers and investors for their trust over the years", continued Bauer".

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Segment earnings in third quarter of fiscal year 2012

in Euro million	in % of total revenue	3 months ended Jun 30, 12	sequential +/- in %	3 months ended Mar 31, 12	year-on-year +/- in %	3 months ended Jun 30, 11
Infineon						
Revenue	100	990	0	986	(5)	1,043
Segment Result		126	(13)	144	(41)	212
Segment Result Margin [in %]		12.7%		14.6%		20.3%
Automotive (ATV)						
Segment Revenue	43	428	1	425	4	410
Segment Result		54	(14)	63	(33)	80
Segment Result Margin [in %]		12.6%		14.8%		19.5%
Industrial Power Control (IPC)						
Segment Revenue	18	177	2	174	(13)	204
Segment Result		26	(4)	27	(45)	47
Segment Result Margin [in %]		14.7%		15.5%		23.0%
Power Management & Multimarket (PMM)						
Segment Revenue	24	233	3	227	(13)	268
Segment Result		33	3	32	(52)	69
Segment Result Margin [in %]		14.2%		14.1%		25.7%
Chip Card & Security (CCS)						
Segment Revenue	12	122	9	112	14	107
Segment Result		18	29	14	29	14
Segment Result Margin [in %]		14.8%		12.5%		13.1%
Other Operating Segments (OOS)						
Segment Revenue	3	29	(26)	39	(46)	54
Segment Result		-	(100)	7	(100)	3
Corporate and Eliminations (C&E)						
Segment Revenue	0	1	(89)	9	+++	-
Segment Result		(5)	---	1	400	(1)

Revenue of the ATV segment edged up from Euro 425 million in the second quarter to a new record figure of Euro 428 million in the third quarter. Demand from German and Korean automobile manufacturers remained strong. Sales markets in Japan and North America also developed well. Higher production costs and increased research and development expenditure had a negative impact on Segment Result, which dipped from Euro 63 million in the previous quarter to Euro 54 million in the third quarter. The Segment Result Margin fell accordingly from 14.8 percent to 12.6 percent.

IPC segment revenue went up from Euro 174 million to Euro 177 million. Business with IGBT modules benefited from rising demand, while revenue generated with discrete IGBT chips decreased slightly. Segment Result, at Euro 26 million, was at a similar level to the previous quarter's Euro 27 million, while the Segment Result Margin slipped from 15.5 percent to 14.7 percent.

The PMM segment recorded third-quarter revenue of Euro 233 million, slightly higher than the Euro 227 million achieved in the preceding quarter. Growing demand for power semiconductors and a somewhat stronger US dollar more than offset slightly weaker demand for RF products in smartphones and in cellular base stations. Segment Result and Segment Result Margin were stable and came in at Euro 33 million and 14.2

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percent respectively. In the previous quarter, PMM recorded a Segment Result of Euro 32 million and a Segment Result Margin of 14.1 percent.

CCS segment revenue rose from its already-high second quarter level of Euro 112 million to reach Euro 122 million in the third quarter, with almost all product lines contributing to revenue growth. Demand in SIM cards, payment and government ID was particularly strong. Higher segment revenue helped push up the Segment Result from Euro 14 million to Euro 18 million, while the Segment Result Margin improved from 12.5 percent to 14.8 percent.

Revenue generated by Other Operating Segments (OOS) went down in line with expectations from Euro 39 million to Euro 29 million. The segment comprises of mainly product and service sales arising from the previously sold Wireline Communications and Wireless mobile phone businesses. Revenue from these sources will decline further in the future.

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Analyst and press telephone conferences

Infineon Technologies AG will hold a telephone conference for analysts and investors (in English only) on July 31, 2012 at 10.00 am (CEST), 4:00 a.m. (US EDT), during which Infineon's third-quarter performance will be presented. In addition, a telephone press conference with the Management Board will take place at 11.30 am (CEST), 5:30 a.m. (US EDT). This conference will be transmitted, in both German and English, over the Internet. The conferences will be available live and as downloads on Infineon's website at www.infineon.com/investor .

The **Q3 Investor Presentation** is available (in English) at:
http://www.infineon.com/cms/en/corporate/investor/reporting/index.html

Infineon Financial Calendar (*preliminary)

- Aug 29, 2012 — Commerzbank Sector Conference Week, Frankfurt
- Sep 26, 2012 — Baader Investment Conference, Munich
- Nov 14, 2012* — Earnings Release for the Fourth Quarter and Full 2012 Fiscal Year
- Nov 15 – 16, 2012 — Morgan Stanley TMT Conference, Barcelona
- Nov 20 – 21, 2012 — Company roadshow – including presentation by Dr. Helmut Gassel, Division President, Industrial Power Control (IPC), London
- Nov 27 – 28, 2012 — Credit Suisse Technology Conference, Scottsdale/Arizona

About Infineon

Infineon Technologies AG, Neubiberg, Germany, offers semiconductor and system solutions addressing three central challenges to modern society: energy efficiency, mobility, and security. In the 2011 fiscal year (ending September 30), the Company reported sales of Euro 4.0 billion with close to 26,000 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).

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FINANCIAL INFORMATION

According to IFRS – Preliminary and Unaudited

Due to the divestiture of the Wireless mobile phone business to Intel Corporation Infineon has reported the results of the Wireless mobile phone business as discontinued operations in the consolidated statements of operations below. Likewise, the consolidated statement of cash flows shows the cash inflows and outflows of the Wireless mobile phone business as discontinued operations. The prior period amounts have been adjusted accordingly.

Consolidated Statements of Operations

	3 months ended			9 months ended	
in Euro million; except for the per share data	Jun 30, 12	Mar 31, 12	Jun 30, 11	Jun 30, 12	Jun 30, 11
Revenue	990	986	1,043	2,922	2,959
Cost of goods sold	(633)	(621)	(613)	(1,839)	(1,724)
Gross profit	**357**	**365**	**430**	**1,083**	**1,235**
Research and development expenses	(116)	(110)	(109)	(332)	(329)
Selling, general and administrative expenses	(119)	(117)	(114)	(354)	(330)
Other operating income	5	11	2	20	13
Other operating expense	(17)	(20)	(8)	(49)	(32)
Operating income	**110**	**129**	**201**	**368**	**557**
Financial income	8	11	13	31	27
Financial expense	(14)	(13)	(14)	(45)	(43)
Income (expense) from investments accounted for using the equity method	(1)	-	(1)	-	1
Income from continuing operations before income taxes	**103**	**127**	**199**	**354**	**542**
Income tax expense	(13)	(18)	(24)	(51)	(45)
Income from continuing operations	**90**	**109**	**175**	**303**	**497**
Income from discontinued operations, net of income taxes	(8)	2	15	(14)	497
Net income	**82**	**111**	**190**	**289**	**994**
Attributable to:					
Non-controlling interests	-	-	-	-	-
Shareholders of Infineon Technologies AG	82	111	190	289	994
Basic earnings per share attributable to shareholders of Infineon Technologies AG (in Euro):					
Weighted average shares outstanding (in million) – basic	1,080	1,080	1,087	1,080	1,087
Basic earnings per share (in Euro) from continuing operations	0.08	0.10	0.16	0.28	0.46
Basic earnings per share (in Euro) from discontinued operations	-	-	0.01	(0.01)	0.45
Basic earnings per share (in Euro)	**0.08**	**0.10**	**0.17**	**0.27**	**0.91**
Diluted earnings per share attributable to shareholders of Infineon Technologies AG (in Euro):					
Weighted average shares outstanding (in million) – diluted	1,133	1,133	1,157	1,135	1,161
Diluted earnings per share (in Euro) from continuing operations	0.08	0.10	0.16	0.27	0.44
Diluted earnings per share (in Euro) from discontinued operations	-	-	0.01	(0.01)	0.43
Diluted earnings per share (in Euro)	**0.08**	**0.10**	**0.17**	**0.26**	**0.87**

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Segment Revenues and Segment Result

Infineon defines Segment Result as operating income (loss) excluding asset impairments, net of reversals, impact on earnings of restructuring measures and closures, net, share-based compensation expense, acquisition-related depreciation/amortization and gains (losses), gains (losses) on sales of assets, businesses, or interests in subsidiaries, and other income (expense), including litigation settlement costs.

Reconciliation of Segment Result to Operating Income

	3 months ended			9 months ended	
in Euro million	Jun 30, 12	Mar 31, 12	Jun 30, 11	Jun 30, 12	Jun 30, 11
Segment Result	126	144	212	411	591
plus / minus:					
Asset impairment reversals / asset impairments, net	(4)	(14)	-	(18)	5
Share-based compensation expense	(1)	-	-	(2)	(1)
Acquisition-related depreciation / amortization and losses	(1)	(1)	(1)	(3)	(3)
Gains (losses) on sales of assets, businesses, or interests in subsidiaries	-	-	(1)	-	(1)
Other expenses	(10)	-	(9)	(20)	(34)
Operating income	**110**	**129**	**201**	**368**	**557**

Revenues and Segment Result for the three and nine months ended June 30, 2012 and 2011

	3 months ended			9 months ended		
Revenue in Euro million	Jun 30, 12	Jun 30, 11	+/- in %	Jun 30, 12	Jun 30, 11	+/- in %
Automotive	428	410	4	1,244	1,156	8
Industrial Power Control	177	204	(13)	547	581	(6)
Power Management & Multimarket	233	268	(13)	682	747	(9)
Chip Card & Security	122	107	14	331	312	6
Other Operating Segments	29	54	(46)	111	156	(29)
Corporate and Eliminations	1	-	+++	7	7	-
Total	**990**	**1,043**	**(5)**	**2,922**	**2,959**	**(1)**

	3 months ended			9 months ended		
Segment Result in Euro million	Jun 30, 12	Jun 30, 11	+/- in %	Jun 30, 12	Jun 30, 11	+/- in %
Automotive	54	80	(33)	172	213	(19)
Industrial Power Control	26	47	(45)	92	153	(40)
Power Management & Multimarket	33	69	(52)	105	178	(41)
Chip Card & Security	18	14	29	38	38	-
Other Operating Segments	-	3	(100)	11	12	(8)
Corporate and Eliminations	(5)	(1)	400	(7)	(3)	133
Total	**126**	**212**	**(41)**	**411**	**591**	**(30)**

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Revenues and Segment Result
for the three months ended June 30, 2012 and March 31, 2012

	3 months ended		
Revenue in Euro million	Jun 30, 12	Mar 31, 12	+/- in %
Automotive	428	425	1
Industrial Power Control	177	174	2
Power Management & Multimarket	233	227	3
Chip Card & Security	122	112	9
Other Operating Segments	29	39	(26)
Corporate and Eliminations	1	9	(89)
Total	**990**	**986**	**0**

	3 months ended		
Segment Result in Euro million	Jun 30, 12	Mar 31, 12	+/- in %
Automotive	54	63	(14)
Industrial Power Control	26	27	(4)
Power Management & Multimarket	33	32	3
Chip Card & Security	18	14	29
Other Operating Segments	-	7	(100)
Corporate and Eliminations	(5)	1	---
Total	**126**	**144**	**(13)**

Employees

	Jun 30, 12	Mar 31, 12	Jun 30, 11
Infineon [(1)]	26,454	26,227	25,149

(1) As of June 30, 2012, March 31, 2012 and June 30, 2011, 4,183, 4,114 and 3,711 Infineon employees, respectively, were engaged in research and development.

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Consolidated Statement of Financial Position

in Euro million	Jun 30, 12	Mar 31, 12	Sep 30, 11
Assets:			
Current assets:			
Cash and cash equivalents	440	576	1,007
Financial investments	1,710	1,614	1,685
Trade and other receivables	563	540	593
therin: Trade accounts receivables	504	493	510
Inventories	546	521	507
Income tax receivable	7	9	30
Other current financial assets	4	5	2
Other current assets	144	124	142
Assets classified as held for sale	9	9	5
Total current assets	**3,423**	**3,398**	**3,971**
Property, plant and equipment	1,615	1,577	1,343
Goodwill and other intangible assets	138	134	111
Investments accounted for using the equity method	34	35	34
Deferred tax assets	261	257	262
Other financial assets	132	133	124
Other assets	41	46	28
Total non-current assets	**2,221**	**2,182**	**1,902**
Total assets	**5,644**	**5,580**	**5,873**
Liabilities and equity:			
Current liabilities:			
Short-term debt and current maturities of long-term debt	51	58	68
Trade and other payables	523	564	735
therin: Trade accounts payables	516	557	720
Current provisions	696	687	810
Income tax payable	74	84	59
Other current financial liabilities	126	137	159
Other current liabilities	178	149	174
Liabilities classified as held for sale	-	-	-
Total current liabilities	**1,648**	**1,679**	**2,005**
Long-term debt	192	205	237
Pension plans and similar commitments	172	169	168
Deferred tax liabilities	6	6	7
Long-term provisions	31	31	26
Other financial liabilities	7	7	4
Other liabilities	61	64	71
Total non-current liabilities	**469**	**482**	**513**
Total liabilities	**2,117**	**2,161**	**2,518**
Shareholders' equity:			
Ordinary share capital	2,174	2,173	2,173
Additional paid-in capital	5,710	5,706	5,854
Accumulated deficit	(4,225)	(4,307)	(4,514)
Other reserves	25	15	10
Own shares	(46)	(46)	(26)
Put options on own shares	(111)	(122)	(142)
Total equity attributable to shareholders of Infineon Technologies AG	**3,527**	**3,419**	**3,355**
Total liabilities and equity	**5,644**	**5,580**	**5,873**

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Infineon Regional Sales Development

in %	3 months ended			9 months ended	
	Jun 30, 12	Mar 31, 12	Jun 30, 11	Jun 30, 12	Jun 30, 11
Revenue:					
Europe, Middle East, Africa	43%	47%	49%	46%	48%
therein: Germany	22%	24%	28%	24%	27%
Asia-Pacific (w/o Japan)	38%	35%	36%	37%	36%
therein: China	16%	14%	15%	16%	17%
Japan	7%	6%	5%	6%	5%
Americas	12%	12%	10%	11%	11%
Total	**100%**	**100%**	**100%**	**100%**	**100%**

Consolidated Statements of Cash Flows

Gross and Net Cash Position

Infineon defines gross cash position as cash and cash equivalents and financial investments, and net cash position as gross cash position less short-term debt and long-term debt. Since Infineon holds some of its liquid funds in the form of financial investments, which for IFRS purposes are not considered to be “cash and cash equivalents”, it reports its gross and net cash positions to provide investors with an understanding of the Company’s liquidity. The gross and net cash position is derived as follows from the corresponding amounts in the consolidated statement of financial position:

in Euro million	Jun 30, 12	Mar 31, 12	Jun 30, 11
Cash and cash equivalents	440	576	822
Financial investments	1,710	1,614	1,763
Gross Cash Position	**2,150**	**2,190**	**2,585**
Less:			
Short-term debt and current maturities of long-term debt	51	58	83
Long-term debt	192	205	256
Net Cash Position	**1,907**	**1,927**	**2,246**

Free Cash Flow

Infineon defines free cash flow as cash flow from operating and investing activities from continuing operations excluding purchases or sales of financial investments. The presentation of free cash flow provides useful information to investors because this measure gives an indication of the cash-generating ability of Infineon. Free cash flow is an additional measure, since Infineon holds a portion of its liquid resources in form of financial investments and it eliminates changes of financial investments from the cash generated from Infineon’s business. Free cash flow is not intended to represent the residual cash flow available for discretionary expenditures, since dividends, debt service requirements or other non-discretionary expenditures are not deducted. Free cash flow includes only amounts from continuing operations, and is determined as follows from the consolidated statement of cash flows:

in Euro million	3 months ended			9 months ended	
	Jun 30, 12	Mar 31, 12	Jun 30, 11	Jun 30, 12	Jun 30, 11
Net cash provided by operating activities from continuing operations	136	181	311	376	622
Net cash used in investing activities from continuing operations	(258)	140	(548)	(669)	(2,310)
Adjusted for: Net purchases (net proceeds from sales) of financial investments	100	(331)	229	27	1,697
Free Cash Flow from continuing operations	**(22)**	**(10)**	**(8)**	**(266)**	**9**

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Investor Relations	**EU/APAC/USA/CAN**	+49 89 234 26655	investor.relations@infineon.com

Consolidated Statements of Cash Flows

in Euro million	3 months ended Jun 30, 12	Mar 31, 12	Jun 30, 11
Net income	**82**	**111**	**190**
Plus / less: net income from discontinued operations, net of income taxes	8	(2)	(15)
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	113	103	94
Income tax expense	13	18	24
Net interest result	4	2	4
Provision for (recovery of) doubtful accounts	5	-	(2)
Losses (gains) on sales of businesses and interests in subsidiaries	-	-	(2)
Losses (gains) on disposals of property, plant and equipment	1	(1)	-
Income from investments accounted for using the equity method	1	-	1
Dividends received from associated companies	-	-	5
Impairment charges	4	14	-
Share-based compensation	1	1	-
Change in trade and other receivables	(24)	(1)	(5)
Change in inventories	(22)	17	(20)
Change in other current assets	(23)	12	1
Change in trade and other payables	(41)	(46)	31
Change in provisions	-	(37)	50
Change in other current liabilities	30	(11)	(10)
Change in other assets and liabilities	(4)	(19)	(13)
Interest received	13	10	6
Interest paid	(6)	-	(12)
Income tax received (paid)	(19)	10	(16)
Net cash provided by operating activities from continuing operations	**136**	**181**	**311**
Net cash used in operating activities from discontinued operations	**-**	**-**	**(32)**
Net cash provided by operating activities	**136**	**181**	**279**
Purchases of financial investments	(850)	(450)	(550)
Proceeds from sales of financial investments	750	781	321
Purchases of intangible assets and other assets	(14)	(16)	(11)
Purchases of property, plant and equipment	(144)	(176)	(308)
Proceeds from sales of property, plant and equipment and other assets	-	1	-
Net cash provided by (used in) investing activities from continuing operations	**(258)**	**140**	**(548)**
Net cash used in investing activities from discontinued operations	**-**	**(2)**	**(43)**
Net cash provided by (used in) investing activities	**(258)**	**138**	**(591)**
Proceeds from issuance of long-term debt	-	8	2
Repayments of long-term debt	(21)	(15)	(17)
Repurchase of convertible subordinated bonds	-	-	(16)
Change in cash deposited as collateral	-	-	(1)
Proceeds from issuance of ordinary shares	1	-	-
Proceeds from issuance of put options on own shares	2	3	4
Dividend payments	-	(130)	-
Net cash used in financing activities from continuing operations	**(18)**	**(134)**	**(28)**
Net cash provided by financing activities from discontinued operations	**-**	**-**	**-**
Net cash used in financing activities	**(18)**	**(134)**	**(28)**
Net increase (decrease) in cash and cash equivalents	(140)	185	(340)
Effect of foreign exchange rate changes on cash and cash equivalents	4	(1)	-
Cash and cash equivalents at beginning of period	576	392	1,162
Cash and cash equivalents at end of period	**440**	**576**	**822**

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Worldwide Headquarters:	**Name:**	**Phone:**	**Email:**
Media Relations	**Kay Laudien**	+49 89 234 28481	kay.laudien@infineon.com
Investor Relations	**EU/APAC/USA/CAN**	+49 89 234 26655	investor.relations@infineon.com

D I S C L A I M E R

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

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

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

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