This Prospectus is dated 27 September 2019

Infineon Technologies AG
(Neubiberg, Federal Republic of Germany)

EUR 600,000,000 Subordinated Resettable Fixed Rate Notes with a First Reset Date April 2025

and

EUR 600,000,000 Subordinated Resettable Fixed Rate Notes with a First Reset Date April 2028

Infineon Technologies AG, incorporated in the Federal Republic of Germany, (the "**Issuer**" or "**Infineon**") will issue EUR 600,000,000 in aggregate principal amount of subordinated notes subject to interest rate reset at 5 year intervals commencing on the first reset date on 1 April 2025, ISIN: XS2056730323 (the "**NC5.5 Notes**") and EUR 600,000,000 in aggregate principal amount of subordinated notes subject to interest rate reset at 5 year intervals commencing on the first reset date on 1 April 2028, ISIN: XS2056730679 (the "**NC8.5 Notes**" and, together with the NC5.5 Notes, the "**Notes**" and each a "**Series**"), each on 1 October 2019 (the "**Issue Date**") at an issue price of 99.385% of their principal amount in respect of the NC5.5 Notes (the "**NC5.5 Issue Price**") and 99.121% of their principal amount in respect of the NC8.5 Notes (the "**NC8.5 Issue Price**", the NC5.5 Issue Price and the NC8.5 Issue Price, each an "**Issue Price**"). The Notes are issued in denominations of EUR 100,000 each (the "**Specified Denomination**"). The Notes will be governed by the laws of the Federal Republic of Germany.

The NC5.5 Notes shall bear interest on their principal amount (i) from and including the Issue Date to but excluding 1 April 2025 (the "**NC5.5 First Reset Date**") at a rate of 2.875% *per annum*; (ii) from and including the NC5.5 First Reset Date to but excluding 1 April 2030 at the relevant 5 year swap rate for the relevant reset period plus a margin of 338.8 basis points *per annum* (the "**NC5.5 Initial Margin**"); (iii) from and including 1 April 2030 to but excluding 1 April 2045 at the relevant 5 year swap rate for the relevant reset period plus a first step-up margin (being equal to the NC5.5 Initial Margin plus 25 basis points *per annum*); and (iv) from and including 1 April 2045 at the relevant 5 year swap rate for the relevant reset period plus a second step-up margin (being equal to the NC5.5 Initial Margin plus 100 basis points *per annum*).

The NC8.5 Notes shall bear interest on their principal amount (i) from and including the Issue Date to but excluding 1 April 2028 (the "**NC8.5 First Reset Date**", the NC5.5 First Reset Date and the NC8.5 First Reset Date, each a "**First Reset Date**") at a rate of 3.625% *per annum*; (ii) from and including the NC8.5 First Reset Date to but excluding 1 April 2033 at the relevant 5 year swap rate for the relevant reset period plus a margin of 399.6 basis points *per annum* (the "**NC8.5 Initial Margin**"); (iii) from and including 1 April 2033 to but excluding 1 April 2048 at the relevant 5 year swap rate for the relevant reset period plus a first step-up margin (being equal to the NC8.5 Initial Margin plus 25 basis points *per annum*); and (iv) from and including 1 April 2048 at the relevant 5 year swap rate for the relevant reset period plus a second step-up margin (being equal to the NC8.5 Initial Margin plus 100 basis points *per annum*).

During each interest period interest is scheduled to be paid annually in arrear, with respect to the NC5.5 Notes, on 1 April of each year, and, with respect to the NC8.5 Notes, on 1 April of each year (each an "**Interest Payment Date**"), commencing, with respect to the NC5.5 Notes, on 1 April 2020 (short first coupon), and, with respect to the NC8.5 Notes, on 1 April 2020 (short first coupon).

Upon the occurrence of a Change of Control Event (as defined in § 5(5)(c) of the terms and conditions of the NC5.5 Notes (the "**NC5.5 Terms and Conditions**") and of the terms and conditions of the NC8.5 Notes (the "**NC8.5 Terms and Conditions**" and, together with the NC5.5 Terms and Conditions, the "**Terms and Conditions**"), the interest rate payable on the Notes will be increased by an additional 500 basis points *per annum* above the otherwise applicable rate, if the Issuer does not redeem the Notes in whole (as set out in § 3(2)(f) of the Terms and Conditions).

The Issuer is entitled to defer payments of interest on any Interest Payment Date ("**Deferred Interest Payments**") and may pay such Deferred Interest Payments voluntarily at any time, but only has to pay such Deferred Interest Payments under certain circumstances as set out in the relevant Terms and Conditions.

Unless previously redeemed or purchased and cancelled, the Notes will not mature.

Each Series of Notes may be separately redeemed in whole but not in part at the option of the Issuer at an amount per Note equal to the Specified Denomination plus (i) interest accrued on the Note to but excluding the date of redemption but yet unpaid and (ii) any outstanding Deferred Interest Payments due and payable, (A) in case of the NC5.5 Notes, with effect (i) as of any date during the period from and

including 1 January 2025 to and including the NC5.5 First Reset Date and (ii) on any Interest Payment Date thereafter, and (B) in case of the NC8.5 Notes, with effect (i) as of any date during the period from and including 1 January 2028 (each a "**First Call Date**") to and including the NC8.5 First Reset Date and (ii) on any Interest Payment Date thereafter.

The Issuer may also redeem each Series of Notes separately in whole but not in part at any time following a Tax Event, an Accounting Event, a Rating Agency Event or an Acquisition Event (each as defined in the relevant Terms and Conditions), in each case, at an amount per Note (i) equal to 101.00% of the Specified Denomination if the redemption occurs prior to the relevant First Call Date or (ii) equal to the Specified Denomination if the redemption occurs on or after the relevant First Call Date, plus, in each case, (i) interest accrued on the Note to but excluding the date of redemption but yet unpaid and (ii) any outstanding Deferred Interest Payments due and payable on the Note. Additionally, the Issuer may redeem the Notes in whole but not in part at any time following a Gross-up Event and a Change of Control Event (each as defined in the Terms and Conditions) or if the Issuer has redeemed or repurchased and cancelled at least 75% of the originally issued aggregate principal amount of the relevant Series, in each case, at an amount per Note equal to the Specified Denomination plus (i) interest accrued to but excluding the date of redemption but yet unpaid and (ii) any outstanding Deferred Interest Payments.

Each Series of Notes will initially be represented by a temporary global note in bearer form (a "**Temporary Global Note**"). The Temporary Global Note will be exchangeable for a permanent global note in bearer form (a "**Permanent Global Note**" and together with the Temporary Global Notes, the "**Global Notes**") not earlier than 40 and not later than 180 days after the Issue Date upon certification as to non-U.S. beneficial ownership. The Global Notes will be deposited with a common depositary for Clearstream Banking S.A., Luxembourg and Euroclear Bank SA/NV (together, the "**Clearing System**").

This prospectus (the "**Prospectus**") constitutes a prospectus within the meaning of Article 6.3 of the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (the "**Prospectus Regulation**"). This Prospectus will be published in electronic form together with any supplement thereto and all documents incorporated by reference on the website of the Luxembourg Stock Exchange (www.bourse.lu) and on the website of the Issuer (www.infineon.com).

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 Prospectus Regulation. CSSF has only approved this prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer that is the subject of this Prospectus nor of the quality of the securities that are the subject of this Prospectus. By approving a prospectus, in accordance with Article 20 of the Prospectus Regulation, the CSSF does not engage in respect of economic or financial opportunity of the operation or the quality and solvency of the Issuer.

This Prospectus will be valid until 26 September 2020 and may in this period be used for admission of the Notes to trading on a regulated market. In case of a significant new factor, material mistake or material inaccuracy relating to the information included in this Prospectus which may affect the assessment of the Notes, the Issuer will prepare and publish a supplement to the Prospectus without undue delay in accordance with Article 23 of the Prospectus Regulation. The obligation of the Issuer to supplement this Prospectus will cease to apply once the Notes have been admitted to trading on the regulated market of the Luxembourg Stock Exchange and at the latest upon expiry of the validity period of this Prospectus.

Application has been made to the Luxembourg Stock Exchange for the Notes to be listed on the official list of the Luxembourg Stock Exchange (the "**Official List**") and to be admitted to trading on the Luxembourg Stock Exchange's regulated market "Bourse de Luxembourg", appearing on the list of regulated markets issued by the European Commission. The Luxembourg Stock Exchange's regulated market is a regulated market for the purposes of Directive 2014/65/EU (as amended, "**MiFID II**").

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

Following the respective First Reset Date, amounts payable under the Notes are calculated by reference to the annual swap rate for swap transactions denominated in Euro with a term of 5 years, which appears on the Reuters Screen Page ICESWAP2/EURFIXA and which is provided by ICE Benchmark Administration Limited ("**IBA**"). As at the date of this Prospectus, IBA appears on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority ("**ESMA**") pursuant to article 36 of the Benchmark Regulation (Regulation (EU) 2016/1011) (the "**Benchmark Regulation**").

Prospective purchasers of the Notes should ensure that they understand the nature of the Notes and the extent of their exposure to risks and that they consider the suitability of the Notes as an investment in light of their own circumstances and financial condition. Investing in the Notes involves certain risks. Please review the section entitled "*Risk Factors*" beginning on page 9 of this Prospectus.

Joint Structuring Advisors, Joint Global Coordinators and Joint Bookrunners

Citigroup **UniCredit Bank**

Joint Bookrunners

BNP PARIBAS **BofA Merrill Lynch** **Deutsche Bank**

Goldman Sachs International **J.P. Morgan**

RESPONSIBILITY STATEMENT

Infineon Technologies AG (the "**Issuer**" or "**Infineon**" and together with its consolidated subsidiaries the "**Group**" or the "**Infineon Group**") with its registered office in Neubiberg, Federal Republic of Germany, accepts responsibility for the information contained in this Prospectus and hereby declares that, to the best of its knowledge, the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect its import.

NOTICE

This Prospectus should be read and construed with any supplement thereto and with any other documents incorporated by reference. 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 and should make their own assessment as to the suitability of investing in the Notes.

The Issuer has confirmed to Citigroup Global Markets Europe AG, UniCredit Bank AG, BNP Paribas, Deutsche Bank Aktiengesellschaft, Goldman Sachs International, J.P. Morgan Securities plc and Merrill Lynch International (the "**Joint Bookrunners**") that this Prospectus is true and accurate in all material respects and is not misleading; that any opinions and intentions expressed herein are honestly held and based on reasonable assumptions; that there are no other facts with respect to the Issuer, the omission of which would make this Prospectus as a whole or any statement herein or opinions or intentions expressed herein misleading in any material respect; and that all reasonable enquiries have been made to verify the foregoing.

No person has been authorized by the Issuer to give any information or to make any representation not contained in or not consistent with this Prospectus or any other document entered into in relation to the Notes or any information supplied by the Issuer or such other information as is in the public domain and, if given or made, such information or representation should not be relied upon as having been authorized by the Issuer, the Joint Bookrunners or any individual Joint Bookrunner.

No representation or warranty is made or implied by the Joint Bookrunners or any of their respective affiliates, and neither the Joint Bookrunners nor any of their respective affiliates make any representation or warranty or accept any responsibility, as to the accuracy or completeness of the information contained in this Prospectus.

This Prospectus reflects the status as of its date. Neither the delivery of this Prospectus nor the offering, sale or delivery of any Note shall, in any circumstances, create any implication that the information contained in this Prospectus is true subsequent to the date upon which this Prospectus has been published or most recently supplemented or that there has been no adverse change in the financial position of the Issuer since the date hereof or, as the case may be, the date upon 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 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 document may only be communicated or caused to be communicated in circumstances in which section 21(1) of the Financial Services and Markets Act 2000 ("**FSMA**") does not apply.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), and will include Notes in bearer form that are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to U.S. persons, see "*Subscription, Sale and Offer of the Notes — Selling*

Restrictions". The distribution of this Prospectus as well as the offering, sale, and delivery of the Notes in certain jurisdictions may be restricted by law.

Persons into whose possession this Prospectus comes are required by the Issuer and the Joint Bookrunners to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of this Prospectus and other offering material relating to the Notes, see "*Subscription, Sale and Offer of the Notes — Selling Restrictions*".

This Prospectus 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.

This Prospectus does not constitute an offer or an invitation to subscribe for or purchase Notes and should not be considered as a recommendation by the Issuer or any Joint Bookrunners that any recipient of this Prospectus should subscribe for or purchase Notes. Each recipient of this Prospectus shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of the Issuer.

This Prospectus contains assessments of market data and information derived therefrom which could not be obtained from any independent sources. Such information is based on the Issuer's own internal assessments and may therefore deviate from the assessments of competitors of Infineon or future statistics by independent sources. As regards to the market position of Infineon, Infineon's own estimations are mainly based on company data which either is derived from information by competitors or from data provided by independent research companies.

For the avoidance of doubt, the content of any website referred to in this Prospectus does not form part of this Prospectus and the information on such websites has not been scrutinized or approved by the CSSF as competent authority under the Prospectus Regulation.

The language of this Prospectus is English. Any part of this Prospectus in the German language constitutes a translation except for the Terms and Conditions where the English part constitutes a translation. The German text of the Terms and Conditions is controlling and binding.

MIFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ARE THE ONLY TARGET MARKET

Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

PRIIPs REGULATION / PROHIBITION OF SALES TO EEA RETAIL INVESTORS

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by the PRIIPs Regulation for offering

or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

Where acting as agent on behalf of a disclosed or undisclosed client when purchasing, or making or accepting an offer to purchase, any Notes (or any beneficial interests therein) from the Issuer and/or the Joint Bookrunners the foregoing representations, warranties, agreements and undertakings will be given by and be binding upon both the agent and its underlying client.

BENCHMARK REGULATION: STATEMENT ON REGISTRATION OF BENCHMARK ADMINISTRATOR

Following the respective First Reset Date, interest amounts payable under the Notes are to be calculated by reference to the annual swap rate for swap transactions denominated in Euro with a term of 5 years, which appears on the Reuters Screen Page ICESWAP2 / EURFIXA and which is provided by IBA. As at the date of this Prospectus, IBA appears on the register of administrators and benchmarks established and maintained by ESMA pursuant to article 36 of the Benchmark Regulation.

STABILIZATION

IN CONNECTION WITH THE ISSUE OF THE NOTES, UNICREDIT BANK AG (THE "**STABILIZING MANAGER**") (OR ANY PERSON ACTING ON BEHALF OF THE STABILIZING MANAGER) MAY OVER-ALLOT NOTES OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE NOTES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, STABILIZATION MAY NOT NECESSARILY OCCUR. ANY STABILIZATION ACTION MAY BEGIN ON OR AFTER THE DATE ON WHICH ADEQUATE PUBLIC DISCLOSURE OF THE TERMS OF THE OFFER OF THE NOTES IS MADE AND, IF BEGUN, MAY CEASE AT ANY TIME, BUT IT MUST END NO LATER THAN THE EARLIER OF 30 DAYS AFTER THE ISSUE DATE OF THE NOTES AND 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE NOTES. ANY STABILIZATION ACTION OR OVER-ALLOTMENT MUST BE CONDUCTED BY THE STABILIZING MANAGER (OR ANY PERSON ACTING ON BEHALF OF THE STABILIZING MANAGER) IN ACCORDANCE WITH ALL APPLICABLE LAWS AND RULES.

ALTERNATIVE PERFORMANCE MEASURES

Certain terms used in this Prospectus and financial measures presented in the documents incorporated by reference are not recognized financial measures under International Financial Reporting Standards (IFRS) ("**Alternative Performance Measures**") and may therefore not be considered as an alternative to the financial measures defined in the accounting standards in accordance with generally accepted accounting principles. The Issuer has provided these Alternative Performance Measures because it believes they provide investors with additional information to assess the economic situation of the Issuer's business activities. The definition of the Alternative Performance Measures may vary from the definition of identically named alternative performance measures used by other companies. The Alternative Performance Measures used by the Issuer should not be considered as an alternative to measures derived in accordance with IFRS as measures of operating performance. These Alternative Performance Measures have limitations as analytical tools and should not be considered in isolation or as substitutes for analysis of results as reported under IFRS.

FORWARD-LOOKING STATEMENTS

This Prospectus contains certain forward-looking statements. A forward-looking statement is a statement that does not relate to historical facts and events. They are based on analyses or forecasts of

future results and estimates of amounts not yet determinable or foreseeable. These forward-looking statements are identified by the use of terms and phrases such as "anticipate", "believe", "could", "estimate", "expect", "intend", "may", "plan", "predict", "project", "will" and similar terms and phrases, including references and assumptions. This applies, in particular, to statements in this Prospectus containing information on future earning capacity, plans and expectations regarding the Infineon Group's business and management, its growth and profitability, and general economic and regulatory conditions and other factors that affect it.

Forward-looking statements in this Prospectus are based on current estimates and assumptions that the Issuer makes to the best of its present knowledge. These forward-looking statements are subject to risks, uncertainties and other factors which could cause actual results, including the Infineon Group's financial condition and results of operations, to differ materially from and be worse than results that have expressly or implicitly been assumed or described in these forward-looking statements. The Infineon Group's business is also subject to a number of risks and uncertainties that could cause a forward-looking statement, estimate or prediction in this Prospectus to become inaccurate. Accordingly, investors are strongly advised to read the section "*Information about Infineon — Business Overview*" of this Prospectus. This section includes more detailed descriptions of factors that might have an impact on the Infineon Group's business and the markets in which it operates.

In light of these risks, uncertainties and assumptions, future events described in this Prospectus may not occur. In addition, neither the Issuer nor the Joint Bookrunners assume any obligation, except as required by law, to update any forward-looking statement or to conform these forward-looking statements to actual events or developments.

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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 (including any document incorporated by reference) or any supplement to 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 the 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 investment. 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 the Infineon Group and have a material adverse effect on the business, cash flows, financial condition and results of operations. The order in which the risks are presented reflects, in Infineon's current view, the likelihood of their occurrence and the magnitude of their potential impact on the business, cash flows, results of operations and financial condition of the Infineon Group.

The proposed acquisition of Cypress Semiconductor Corporation ("**Cypress**") will expose the Infineon Group to the specific risks associated with Cypress. Following the integration of Cypress into the Infineon Group all the risks associated with both businesses will apply to the newly formed group combining the Infineon Group and Cypress.

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

Risks related to Infineon and the Infineon Group

I. Market Risks

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

As a globally operating company, the Infineon Group is highly dependent on global economic developments. A worldwide economic downturn, particularly in the semiconductor markets and the markets of the Infineon Group's customers, may result in lower revenues.

The current economic environment may deteriorate, being affected by geopolitical instability. Growing tendencies globally towards protectionism and potential restrictions and limitations impacting international trade may have a negative impact on the export economy in general, and on the Infineon Group's sales and results of operations in particular. The Infineon Group sees the risk that individual countries might take protectionist measures when trying to protect or improve their competitiveness on the global market, and other countries may institute corresponding counter-measures. This might result in market access barriers, such as higher import duties or more complicated certification processes in order to reduce imports. Due to the current increase in protectionist tendencies, the Infineon Group particularly sees itself at risk from additional or higher tariffs on semiconductors and on the products, components and raw materials the Infineon Group supplies or purchases, with import duties instituted between the United States and China posing a particular ongoing threat and uncertainty. These and other tariffs and/or measures could lead to a growing uncertainty on the demand side and a decrease in the sales of semiconductors, in particular in demand for automotive products, causing demand for the Infineon Group's products to drop and/or costs to increase (total revenue attributable to the Infineon Group's Automotive segment amounted to 43% in the fiscal year 2018).

In addition, the impending withdrawal of the United Kingdom from the European Union (Brexit) may adversely affect the EU integration process and the trade relationship between the U.K. and the EU, negatively impacting economies and businesses. Declines in demand for the Infineon Group's products as well as potential trade difficulties may be the consequence.

Any downturn in the European and global economies could cause demand in the Infineon Group's relevant market segments to decline and adversely affect the Infineon Group's business, cash flows, financial position and results of operations, which could in turn (in particular in the event of a significant and sudden decline of the Infineon Group's sales) adversely affect the Infineon Group's financing conditions and ability to meet its financial covenants and other obligations under its credit facilities or other indebtedness, and to fulfill its obligations under the Notes or cause the market price of the Notes to decline.

The 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 the Infineon Group therefore faces risks of rapid changes in its target markets. As a result, the Infineon Group's forecasts and expectations of business developments are subject to a high degree of uncertainty.

In the past, the cyclical pattern of the semiconductor industry was relatively predictable. It is, however, possible that future market downturns will follow other patterns. The absence of market growth or market contractions would make it considerably more difficult for the Infineon Group to reach its own growth targets. There is no assurance that the markets in which the Infineon Group operates will continue to grow, that the growth rates experienced in past years will be attainable again in future years, or that the Infineon Group will be successful in managing any future downturn or substantial decline in selling prices. In the event that the 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 the Infineon Group's financial condition, results of operations and cash flows.

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

The semiconductor industry is highly competitive, and is 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 the Infineon Group from achieving its long-term strategic targets with respect to market share gains and product pricing. Increased competitive pressure or the relative weakening of the Infineon Group's competitive position could materially and adversely affect the Infineon Group's business, cash flows, financial condition and results of operations.

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 the 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, the Infineon Group's competitive position may be adversely impacted by consolidation among other industry participants.

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

Risks can arise due to political or social changes in countries in which the Infineon Group manufactures and/or sells its products. Asian markets are particularly important to the Infineon Group's long-term strategy. In the nine-month period ended 30 June 2019, the Infineon Group generated 26% of its revenue in China, similar to previous financial years. The Infineon Group's operations in China are impacted by the fact that the Chinese legal system is still evolving and may change rapidly. For example, local regulations may require Infineon to enter into partnerships with local companies. These circumstances could lead to the 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 the Infineon Group's business and thus have an adverse impact on its financial condition and results of operations.

II. Operational Risks

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 (directly or through its subsidiaries) occasionally acquires or makes investments in other companies, businesses and technologies or enters into various forms of cooperation arrangements and face risks resulting from the expansion of their operations through acquisitions or co-operations. In case of acquisitions, the Infineon Group might be unable to successfully integrate new businesses or teams with the Infineon Group's culture, structures and strategies on a timely basis or at all. Neither can the 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. The 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.

The Infineon Group reviews the goodwill associated with its acquisitions for impairment at least once a year. Changes in the Infineon Group's expectations due to changes in market developments which the Infineon Group cannot foresee have in the past resulted in the 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 all outstanding Cypress' shares represents approximately 40% of the Infineon Group's market capitalization as of 30 June 2019 (Cypress market capitalization calculated based on the number of shares as of 30 June 2019 and the offer price) and is therefore of great significance for the Infineon Group's future success. The risks described above, especially in terms of integrating the two businesses, are therefore highly relevant.

Also, the integration of Cypress into the Infineon Group may result in a loss of Cypress' key personnel and may disrupt Cypress' 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 Cypress' and thus the Infineon Group's financial performance. Additionally, Cypress and the Infineon Group have incurred substantial financial advisory, legal, and other professional fees and expenses in connection with the acquisition and might continue to incur such expenses going forward (see also "*Risks associated with the proposed acquisition of Cypress as well as other future acquisitions, divestments and/or other strategic partnerships.*").

The Infineon Group's business could suffer due to decreases in market demand for its customers' products.

The Infineon Group's sales volume depends significantly on the market success of the Infineon Group's customers in developing, manufacturing and selling end-products that incorporate the 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 the Infineon Group's customers, resulting in a decrease in the volume of demand for the Infineon Group's products and adversely affecting the Infineon Group's results of operations.

The Infineon Group's operations rely on complex information technology systems and networks, and any disruptions, security breaches, data protection or data privacy breaches or cyber-attacks in such systems or networks could have a material adverse impact on the Infineon Group's business and results of operations.

The Infineon Group may be subject to cyber-attacks from time to time. Computer programmers and hackers may be able to penetrate its network security and misappropriate or compromise its confidential information, potentially without being detected. Computer programmers and hackers also may be able to develop and deploy viruses, worms, and other malicious software programs that attack the Infineon Groups' products. The costs to the Infineon Group to eliminate or alleviate cyber or other security problems could be significant, and its efforts to address these problems may not be successful and could result in interruptions and delays that may impede its sales, manufacturing, distribution or other critical functions.

In addition, the 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 the 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 the Infineon Group has put in place to manage its data and information technology risks an extended outage in a communications network utilized by the Infineon Group's systems or a similar event could lead to an extended unanticipated interruption of the Infineon Group's systems or networks. Furthermore, confidential information and relevant intellectual property data could be leaked as a result of information technology security breaches. Additionally, potential virus attacks, in particular on the 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 the Infineon Group's reputation, competitiveness and ultimately its business operations.

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. Quality problems could also damage the Infineon Group's reputation and, consequently, negatively affect demand for its products.

The design and production processes for the Infineon Group's products are highly complex. The Infineon Group might bring products to the market 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. The 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 the Infineon Group has shipped the products, the Infineon Group might not only bear direct liability for providing replacements or otherwise compensating customers, but could also suffer from long-term damage to the Infineon Group's relationship with important customers or to the Infineon Group's reputation in the industry generally. Any perception that products are defective would likely result in reduced sales, loss of customers and harm to the Infineon Group's business and reputation.

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

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

The semiconductor industry is characterized by rapid technological development. The frequent 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 the 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 increased customer expectations can add pressure on product development. Buffer times built into development and qualification processes to compensate for potential delays are reduced accordingly. If the 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 the 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 the Infineon Group's business, cash flows, financial condition and results of operations.

If the Infineon Group's outside foundry suppliers fail to meet the Infineon Group's expectations, the Infineon Group's results of operations could be adversely affected.

The Infineon Group outsources production of some of its products to third-party suppliers, including semiconductor foundry manufacturers and assembly and test facilities. If the Infineon Group's outside suppliers are unable to satisfy the Infineon Group's demand, or experience manufacturing difficulties, delays or reduced production yields, the 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 the Infineon Group's gross profit margin if the purchase costs of these products are higher than the Infineon Group's own manufacturing costs. The 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 the 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 the Infineon Group's results of operations.

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

The Infineon Group's manufacturing operations depend on the delivery of services and adequate supplies of raw materials on a timely basis. The Infineon Group purchases materials from a number of suppliers on a just-in-time basis. From time to time, suppliers may extend lead times, limit supply to the Infineon Group or increase prices due to capacity constraints or other factors. The 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. Regarding equipment, due to the complex nature of the equipment that the Infineon Group purchases, it is difficult to substitute one supplier for another or one piece of equipment for another. The Infineon Group's results of operations would be negatively affected if the Infineon Group were not able to obtain adequate supplies of quality services or materials on the one hand, and equipment on the other hand in a timely manner or if there were significant increases in the respective costs.

The Infineon Group is dependent on individual Asian production sites.

The Infineon Group's South East Asian manufacturing sites are of critical importance for its production. If, for example, political instability or natural disasters in the respective region were to impede the 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 the Infineon Group's business, financial condition and results of operations. Furthermore, the 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 re-investment, which could have a material adverse effect on the Infineon Group's results of operations.

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

Historically, a significant portion of the 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 the Infineon Group's key customers or distributors could materially and adversely affect the Infineon Group's business.

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

It is difficult to predict future growth and contraction of the markets that the Infineon Group serves, making it hard to estimate requirements for production capacity. If markets do not develop as the Infineon Group has anticipated, the Infineon Group risks underutilization of its facilities or insufficient capacity to meet customer demand. Underutilization of the Infineon Group's facilities may result in idle capacity costs, write-offs of inventories and losses on products. 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 the Infineon Group to undertake restructuring activities that may involve costs. 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 the Infineon Group's average selling prices and negatively affect the Infineon Group's results of operations.

In addition, during periods of increased demand, the Infineon Group may not have sufficient capacity to meet customer orders. The 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, the Infineon Group responded to increased demand by opening new production facilities or entering into strategic production alliances, which in many cases resulted in significant expenditures. The 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 the Infineon Group's production capacity in the future, the Infineon Group may have to spend substantial amounts which could negatively affect the Infineon Group's results of operations.

In view of the rapid pace of technological change and increasingly stringent customer requirements, coordination processes have 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 the Infineon Group's revenue and earnings.

The Infineon Group's main business focus is on power semiconductors with significant in-house manufacturing. Semiconductor companies operating in-house production facilities typically face the risk of delays in the ramping-up of production volumes at new production sites, coupled with the required transfer of technology to those sites. For example, in the Automotive segment customers' product approval and testing processes can take place over an extended period of time and thus influence the 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.

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

The 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 the 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 the Infineon Group's strategic alliances allow the Infineon Group's partners to terminate the agreement if a third party gains control of Infineon or of a significant portion of Infineon's shares. The Infineon Group's business could be harmed if any of the Infineon Group's strategic partners were to discontinue the Infineon Group's participation in a strategic alliance or if the alliance were otherwise terminated. To the extent the Infineon Group relies on alliances and third-party design and/or manufacturing relationships, the Infineon Group faces the risks of:

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

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

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

The 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 the Infineon Group. The Infineon Group can provide no assurance that it will be able to successfully retain and/or recruit the key personnel it requires.

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

Disturbances at its semiconductor facilities or within the Infineon Group's supply chain – at customers or at suppliers side which may be caused by various reasons, e.g. fire, natural hazards, earthquakes, supply shortage, terrorism, power failures – have resulted in the past and can result in the future 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 the Infineon Group. The 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 the Infineon Group. The materialization of any of these risks could have a material adverse effect on the Infineon Group's business, financial condition and results of operations.

III. Financial Risks

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

Although Infineon was able to conclude a financing agreement for the acquisition of Cypress, the 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 the Infineon Group's further capital needs.

Furthermore, the 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 the Infineon Group is unable to obtain financing from other sources on commercially reasonable terms at any time in the future, or at all, then the Infineon Group may face difficulties in repaying or be unable to repay its debts as they come due.

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

The Infineon Group's results of operations can be negatively affected by changes in exchange rates, particularly between the euro ("**EUR**") and the US dollar ("**USD**"), 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 the Infineon Group operates in an industry with prices primarily denominated in USD and Japanese yen and therefore receives a large portion of its revenues in USD and Japanese yen, a large portion of its expenses are in EUR, Malaysian ringgit, Singapore dollar or Chinese renminbi and it reports its financial results in EUR, which is its operational currency. As a result, the Infineon Group's financial results can to a significant extent be negatively affected by exchange rate fluctuations of such currencies against the EUR. 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.

The Infineon Group is exposed to interest rate risk through its financial assets and debt instruments resulting from its debt financing. Furthermore, the 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 may be 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, the Infineon Group's results of operations and financial condition can be adversely impacted by changes in interest rates.

The Infineon Group may be adversely affected by rising raw material and energy prices.

The Infineon Group is exposed to fluctuations in raw material prices. In particular gold, copper and petroleum-based organic polymer prices fluctuate constantly. The Infineon Group also depends on supplies of rare earths required for selected production processes within the process integration. The Infineon Group uses financial instruments 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 the Infineon Group is unable to offset cost rises or pass them on to customers, such price increases could have a material adverse effect on the Infineon Group's financial results.

In addition, the 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.

IV. Risks associated with the proposed acquisition of Cypress as well as other future acquisitions, divestments and/or other strategic partnerships.

Infineon is exposed to risks relating to the acquisition and integration of Cypress and to other potential acquisitions, divestments, joint ventures and/or other strategic collaborations in the future.

Infineon entered into a merger agreement with Cypress under which Infineon will, subject to certain closing conditions, acquire all of Cypress' shares (the "**Acquisition**").

The completion of the Acquisition is subject to regulatory approvals and other customary conditions as well as certain termination rights for each of Infineon and Cypress. The closing is expected by the end of calendar year 2019 or in early 2020. Should those or other conditions precedent for the Acquisition not be fulfilled and/or obtained and/or the merger agreement be terminated otherwise, the Acquisition will fail. For Infineon, a failure of the Acquisition may entail reputational damage due to the failure of the transaction and financial disadvantages caused, inter alia, by the time lost, costs

incurred in connection with the transaction and a breakup fee being payable to Cypress in the amount of USD 425 million.

In connection with the Acquisition, Infineon concluded a EUR 6,600 million/USD 3,330 million syndicated dual-currency term loan facilities agreement on 3 June 2019 with various international banks (the "**Facilities Agreement**") to finance the Acquisition. Infineon's indebtedness will increase considerably as a result of the financing Infineon obtains under the Facilities Agreement to fund the Acquisition. Besides, Infineon had to pay certain fees to the finance parties under the Facilities Agreement, which would be lost without compensation should the Acquisition not be successful. The Facilities Agreement contains certain undertakings, restrictions and covenants that restrict Infineon's operating flexibility and which restrict Infineon to a similar or same extent as corresponding undertakings, restrictions and covenants in existing senior facilities. Furthermore, the Facilities Agreement contains certain market-standard provisions, pursuant to which the lenders may terminate the Facilities Agreement and accelerate all borrowings or, as applicable, cancel their commitments under the Facilities Agreement.

The implementation of the Acquisition also involves the risks that the offering price for Cypress' shares may be considered too high, the Acquisition may prove to be less successful than anticipated, Cypress' financial or operational performance may not develop as expected, or sales, earnings and cash flow goals pursued by way of the Acquisition may not be met. In addition, the Acquisition, as well as other potential acquisitions in the future, is subject to a number of risks, including unexpected losses of key employees; extraordinary or unexpected legal, regulatory, contractual and other costs; difficulties in integrating the financial, technological and management standards, processes, procedures and controls of Cypress and its subsidiaries with those of the Infineon Group's existing operations; challenges in managing the increased scope, geographic diversity and complexity of the operations; mitigating contingent and/or assumed liabilities; the possible loss of customers and/or suppliers; and control issues in relation to joint ventures and other arrangements where Infineon does not exercise sole control. Hence, Infineon may not be able to integrate Cypress into the Infineon Group as planned or only at a higher cost than originally planned, and/or may not realize the anticipated cost savings, synergies, future earnings or other benefits that it intends to achieve from the Acquisition.

Furthermore, Infineon only conducted a limited due diligence with regards to Cypress and only had limited access to relevant documents when making the decision to acquire Cypress. The integration of Cypress into the Infineon Group could further require a larger amount of the time and attention of both companies' management than originally anticipated. If integration issues significantly divert management's attention from other responsibilities, the Infineon Group's and Cypress' business could be adversely affected.

Both, the Infineon Group and Cypress depend on their respective key employees for the successful integration and implementation of a common strategy for the combined group. If either of the companies were to lose key employees due to their combination or other reasons, a rapid integration and leveraging of the respective strengths of each company could be more difficult.

In addition to the Acquisition, the Infineon Group continues to examine possibilities to expand its business through acquisitions. The Infineon Group may thus grow further through additional acquisitions. No guarantee can be given that additional suitable acquisition targets can be found or that further acquisitions that are identified as strategically important can be realized. The consummation of such further acquisitions may involve risks similar to those described above with regard to the Acquisition. Divestments, on the other side, bear risks arising from the sale contract with the purchaser and that the achieved sale price is too low in the view of the market. If the Infineon Group decides to divest another business, product line, or assets, it may encounter difficulty in finding

or completing such divestiture opportunity in a timely manner. These circumstances could delay the achievement of the Infineon Group's strategic objectives or cause the Infineon Group to incur additional expenses with respect to the business, product line or assets it seeks to dispose. Even following a divestiture, the Infineon Group may be contractually obligated with respect to certain continuing obligations to customers, vendors, landlords, or other third parties.

Furthermore, the Infineon Group itself may become a target for other market participants seeking to improve their competitive position. Any actual or attempted acquisition of Infineon by a competitor could result in unpredictable consequences that could have a material adverse effect on the Infineon Group's results of operations and financial condition.

Investments made in joint ventures and acquisitions, in particular if these are of comparable or even greater size than the Acquisition, may weaken the Infineon Group's financial profile, especially in the short term, which may result, among others, in rating downgrades. For example, the Acquisition may result in a rating downgrade by the rating agency Standard & Poor's or that the Infineon Group will temporarily not be able to meet its financial profile targets. The Infineon Group may not realize the anticipated cost savings, synergies, future earnings or other benefits that it intends to achieve from acquisitions or joint ventures, or the acquired entities or established joint ventures may not develop as expected. The Infineon Group cannot guarantee that any acquisition or joint venture will yield benefits that are sufficient to justify the expenses Infineon has incurred or will incur in completing such acquisitions or joint ventures. Furthermore, any acquisition or joint venture may not be as successful as the acquisitions or joint ventures that the Infineon Group has completed in the past. The Infineon Group could also take on additional risks as a result of acquisitions or joint ventures, including the risk of potential guarantee or liability claims resulting from the disposal of former business units or joint ventures.

The realization of any of these risks could have a material adverse effect on the Infineon Group's business, financial condition and results of operations, which could in turn adversely affect Infineon's ability to fulfill its obligations under the Notes or cause the market price of the Notes to decline.

If unexpected difficulties were to arise following the completion of the Acquisition and integration of Cypress, or if Cypress' business failed to perform and/or develop as anticipated, the Infineon Group could be forced to recognize impairment losses on the tangible or intangible assets and/or goodwill of Cypress in the future.

Following the completion of the Acquisition, Infineon will have to recognize a substantial portion of the difference between the amount paid for the Acquisition and the book value of Cypress' equity as tangible and intangible assets and/or goodwill of Cypress. IFRS and the International Accounting Standard 36 (Impairment of Assets) ("**IAS 36**") require Infineon to test goodwill and intangible assets with indefinite lives at least annually, or more frequently if there is an indication of impairment, by using a single-step quantitative test performed at the level of a cash-generating unit ("**CGU**") or group of CGUs which compares the carrying amount of a CGU or group of CGUs with its recoverable amount. The excess (if any) of the carrying amount over the recoverable amount has to be recorded as an impairment loss. Tangible and intangible assets with definite lives are not tested annually, but rather when there are indicators of impairment. As a result, Infineon may be forced to recognize an impairment loss on the tangible and intangible assets and/or goodwill of Cypress in accordance with IFRS and IAS 36 if unexpected difficulties were to arise in the course of the integration of Cypress into the Infineon Group, if Cypress' business were to fail to develop as expected or if any other unexpected development were to occur affecting the performance or sustainability of Cypress' business.

Any such impairment losses could have a material adverse effect on the Infineon Group's business, financial condition and results of operations, which could in turn adversely affect Infineon's ability to fulfill its obligations under the Notes or cause the market price of the Notes to decline.

Following the completion of the Acquisition, the Infineon Group will be exposed to risks associated with the business of Cypress and in general Infineon will not have warranty claims against Cypress or its shareholders for any such risks.

Infineon derived the information about Cypress that is contained in this Prospectus, including the financial information about Cypress, from publicly available information, most notably the public disclosures of Cypress itself, and therefore could not examine whether or not such information or financial statements are accurate and complete, or whether they represent Cypress in a comprehensive manner. In preparing the acquisition offer and its terms, Infineon relied on the publicly available information about Cypress and could therefore only conduct a limited due diligence. Infineon Group might therefore be exposed to the risk that there are significant additional risks that have not been apparent from publicly available information or disclosed to Infineon during its due diligence.

Infineon believes that it may, following the completion of the Acquisition, face the following specific risks associated with the business of Cypress and that exist in addition to the risks described in this section "Risk Factors" with regard to the Infineon Group's business generally:

- *Cypress is dependent on third parties to manufacture, market and distribute its products. Problems in the performance or availability of these third parties could seriously harm Cypress' financial performance.*

  Cypress relies significantly on independent contractors and subcontractors to manufacture its products, which includes wafer fabrication, assembly, packaging and testing. In 2017, Cypress sold a wafer fabrication facility which reduced its internal manufacturing capacity, thereby increasing its reliance on third-party suppliers. The purchaser operates the fabrication facility as a stand-alone business that manufactures wafers for Cypress and for other semiconductor companies. If the purchaser is unable to effectively operate the facility, faces financial difficulty, or is otherwise unable to meet Cypress' product demands, its supply of components may be adversely affected. Such events could lead to difficulties in delivering products to its customers on time and have a negative impact on Cypress' revenue and financial results.

  Cypress also relies on channel partners for the marketing and sale of its products. Worldwide sales through its distributors accounted for approximately 72% of its revenue in its fiscal year 2018. Cypress faces ongoing business risks due to its reliance on its channel partners to create and maintain customer relationships where Cypress has a limited or no direct relationship. Should its relationships with its channel partners or their effectiveness decline, it faces the risk of declining demand. In addition, some of its channel partners are affiliated with companies from which Cypress sources materials or with which it has other business relationships, so any deterioration in its dealings with such a channel partner may disrupt the broader relationship. Cypress' contracts with its distributors may be terminated by either party upon notice. The termination of a significant distributor, reseller, or sales representative could (a) impact Cypress' revenue and limit its access to certain end customers, (b) result in the return of a material amount of inventory held by a terminated distributor or reseller that Cypress may not be able to resell or have to resell at a loss, and (c) jeopardize Cypress' ability to collect accounts receivable originating through a terminated distributor or reseller.

- *Cypress may not be able to consume minimum commitments under their "take or pay" agreements, which may have a material adverse impact on their earnings.*

Cypress has entered into agreements with certain vendors that include "take or pay" terms. Take or pay terms obligate Cypress to purchase a minimum required amount of services or make specified payments in lieu of such purchase. Cypress may not be able to consume minimum commitments under these take or pay terms, requiring payments to vendors, which may have a material adverse impact on our earnings.

- *Changes in U.S. and international tax legislation and tax policy could materially impact Cypress' business.*

  A majority of Cypress' revenue is generated from customers located outside the U.S. and a substantial portion of its assets, including employees, are located outside the U.S. In the past, tax administrations globally have considered initiatives which could substantially eliminate utilization or reduce its ability to claim net operating losses and foreign tax credits, and eliminate various tax deductions. If any of these proposals are constituted into law, they could have a negative impact on Cypress' financial position and results of operations.

  Cypress is subject to income and other taxes in the United States and various foreign jurisdictions. Its tax liabilities are affected by the amounts it charges in intercompany transactions for inventory, services, licenses, funding and other items. Cypress is subject to ongoing tax audits in various jurisdictions. Tax authorities may disagree with these intercompany transactions and may assess additional taxes or adjust taxable income on its tax returns.

- *If the tax incentive or tax holiday arrangements Cypress has negotiated in Malaysia and Thailand change or cease to be in effect or applicable, or if its assumptions and interpretations regarding tax laws and incentive or holiday arrangements prove to be incorrect, the amount of corporate income taxes Cypress has to pay could significantly increase.*

  Cypress has structured its operations to maximize the benefit from various tax incentives and tax holidays extended to the Company in various jurisdictions to encourage investment or employment. Each tax incentive is separate from the others, and may be granted, withheld, extended, modified, truncated, complied with or terminated independently without any effect on the other incentives. The tax incentives are presently scheduled to expire at various dates within the next five years, subject in certain cases to potential extensions, which Cypress may or may not be able to obtain. Absent these tax incentives, the corporate income tax rate in these jurisdictions that would otherwise apply to it would be between 20% and 30%. The tax incentives that Cypress has negotiated are also subject to its compliance with various operating and other conditions. If Cypress cannot, or elects not to, comply with the operating conditions included in any particular tax incentive, it will lose the related tax benefits and it could be required to refund previously realized material tax benefits. Depending on the incentive at issue, Cypress could also be required to modify its operational structure and tax strategy, which may not be as beneficial to it as the benefits provided under the present tax concession arrangements. Cypress' interpretations and conclusions regarding the tax incentives are not binding on any taxing authority, and if its assumptions about tax and other laws are incorrect or if these tax incentives are substantially modified or rescinded it could suffer material adverse tax and other financial consequences, which could adversely affect its cash flows.

- *Cypress' financial results could be adversely impacted if companies that it has invested in fail to develop and successfully bring to market new and proprietary products.*

Cypress has made or committed investments in certain companies. There can be no guarantee that such businesses will perform as expected or at all, launch new products and solutions as expected or gain market acceptance. For example, during the second quarter of the fiscal year 2019, Cypress determined that its investment in Deca Technologies Inc. ("**Deca**") was other-than temporarily impaired due to significant reductions of previously estimated orders by certain customers, and consequently it recognized an impairment charge of USD 29.5 million.

The merger agreement underlying the Acquisition provides, in line with market practice for acquisitions of public companies, that warranties and representations made by Cypress shall not survive the closing of the acquisition. No warranties and representations are made by the shareholders of Cypress. Infineon is therefore not in a position to assert claims against Cypress or its shareholders based on risks, defects, losses and damages that may be identified following the completion of the merger.

If any of the business risks of Cypress proved to be more severe or if any unknown risks emerge, this could have a material adverse effect on the Infineon Group's business, financial condition and results of operations, which could in turn adversely affect Infineon's ability to fulfill Its obligations under the Notes or cause the market price of the Notes to decline.

V. Legal Risks

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

In April 2009, insolvency proceedings were opened with respect to Qimonda AG ("**Qimonda**"), a company into which Infineon had carved out and transferred all significant assets, liabilities and business activities attributable to the memory business (Memory Products) in 2006 and at which Infineon held a stake of about 77%. Insolvency proceedings were also opened for further domestic and foreign subsidiaries of Qimonda. The insolvency of Qimonda has given rise to various disputes between the insolvency administrator and the Issuer.

Although some claims originally brought by the insolvency administrator have been settled, claims relating to the proceedings in connection with the alleged economic reincorporation by way of activation of a shell company 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. On the grounds of an alleged activation of a shell company without adequate disclosure of such, the insolvency administrator filed claims for payment of at least approximately EUR 3,350 million plus interest. Furthermore, the insolvency administrator continued to base a substantial part of his alleged payment claims, as already asserted out of court against Infineon in August 2011 for an unspecified amount, on liability for impairment of capital (in German "*Differenzhaftung*"). This claim is based on the allegation that, from the very beginning, the carved-out memory product business had a negative billion euro value. The insolvency administrator therefore asserts that Infineon is obliged to make good the difference between this negative value and the lowest issue price of the subscribed stock.

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

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

The 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, export control and environmental issues. The ultimate resolution of these legal disputes could have a material adverse effect on the Infineon Group's results of operations.

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

Since April 2008, the EU Commission has been investigating manufacturers of chips for smartcards for alleged violations of antitrust laws. In September 2014, the EU Commission imposed a fine of EUR 82.8 million on the Infineon Group which the Infineon Group appealed. In September 2018, the European Court of Justice referred the case back to the court of first instance in order to review the proportionality of the fine where the case is still pending. Two class actions for damages following these investigative proceedings and the decision of the EU Commission have been formally filed in Canada. Further, in July 2019, a direct customer filed a lawsuit against Infineon Technologies UK Limited, Renesas Electronics Corporation, Renesas Electronics Europe Limited and Renesas Electronics Europe GmbH in London (United Kingdom) relating to the aforementioned EU antitrust case. Infineon Technologies AG received service of process in this regards in August 2019.

There can be no assurance that other violations of antitrust and competition laws, past or present, will not be alleged. Specifically, that may be the case in connection with acquisitions where the compliance standards and policies of acquired businesses may have a lesser standard than those followed by Infineon.

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

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

Despite the Infineon Group's current efforts aimed at ensuring quality, defects may occur in the Infineon Group's products. The occurrence of defects, particularly in areas in which those defects could result in personal injuries, such as the Infineon Group's automotive division, could give rise to warranty claims or to liability for damages caused by such defects. The Infineon Group could also incur consequential damages and experience limited acceptance of the Infineon Group's products in the market. In addition, customers have from time to time notified the Infineon Group of potential contractual warranty claims in respect of products that the Infineon Group supplied, and are likely to do so in the future. These matters could have a material adverse effect on the Infineon Group's business and financial condition.

The Infineon Group could be subject to tax risks attributable to previous tax assessment periods and changes in tax legislation.

The Infineon Group could accrue unanticipated tax expenses in relation to previous tax assessment periods which have not yet been subject to a tax audit or are currently subject to a tax audit in the various countries in which the Infineon Group operates.

Many of the Infineon Group's German and foreign companies, are subject to a routine tax audit by German or foreign tax authorities. The German tax authorities finalized their last regular income tax audit of Infineon in 2018 (covering years 2010-2013). The next regular income tax audit is expected to commence in November 2019 (covered period most likely 2014-2017). In ongoing or future tax audits, the tax laws or relevant facts, especially in relation to acquisitions or group restructuring activities, could be interpreted by the tax authorities in a manner deviating from the relevant company's view. As a result, the tax authorities could revise original tax assessments and substantially increase the tax burden (including interest and penalty payments) of the relevant company.

The Infineon Group, so far, has not been made aware by any tax auditor of any significant findings which would not be reflected in the tax provisions, liabilities and contingent liabilities the respective Infineon Group company has accounted for. Nevertheless, it cannot be ruled out that past, ongoing and/or future tax audits may lead to an additional tax expense and/or payment, which may have a material adverse effect on the Infineon Group's business, financial condition and results of operations, which could in turn adversely affect the Infineon Group's ability to fulfill its obligations under the Notes or cause the market price of the Notes to decline.

In addition, any change in legislation concerning corporate income tax and other future changes in tax law in Germany or other countries in which the Infineon Group is subject to taxation could lead to higher tax expenses and also has the potential to significantly influence the development of the markets in which the Infineon Group operates generally.

The realization of any of these risks could have a material adverse effect on the Infineon Group's business, financial condition and results of operations, which could in turn adversely affect its ability to fulfill its obligations under the Notes or cause the market price of the Notes to decline.

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

The Infineon Group’s success depends on its ability to obtain patents, licenses and other intellectual property rights covering the Infineon Group’s products, designs 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 the 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 the 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 the Infineon Group or be made available to the Infineon Group only on unfavorable terms.

Litigation, which could require significant financial and management resources, may be necessary to enforce the Infineon Group’s intellectual property rights or to defend against claims of infringement of intellectual property rights brought against the Infineon Group. Lawsuits may have a material adverse effect on the Infineon Group’s business. The 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 the Infineon Group may be required to pay damages for the prior use of third-party intellectual property.

VI. Regulatory and Political Risks

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

The Infineon Group's operations are subject to many environmental laws and regulations wherever the Infineon Group operates, governing, among other things, the use and handling of hazardous substances typically used in the manufacturing of semiconductors (such as acids and solvents), wastewater discharges, waste disposal and the investigation and remediation of soil and ground water contamination. Such regulations or substance bans (e.g. Regulation (EC) No 1907/2006 concerning the registration, evaluation, authorization and restriction of chemicals ("**REACH**"), Directive 2011/65/EU on the restriction of the use of certain hazardous substances in electrical and electronic equipment) have been implemented in various countries of the world.

The increasing awareness of environmental protection and/or issues may result in even stricter environmental laws and regulations for the markets in which the Infineon Group operates. Such legislation may complicate the Infineon Group's research and development activities, may require the 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. The Infineon Group is not able at this time to estimate the amount of additional costs that it may incur in connection with such future regulations.

The 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 fiscal year 2017 and in the fiscal year 2018, 85% of the Infineon Group's revenues were generated outside Germany and 68% were generated outside Europe, Middle East and Africa ("**EMEA**"). The 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 the Infineon Group operates jointly with a partner. The location of such facilities is determined by market entry hurdles, technology and cost factors. Substantial changes in legislation and policies affecting trade and investments as well as changing practices of the regulatory, tax, judicial and administrative bodies in the respective countries could restrict the Infineon Group's business activities in these countries and expose the Infineon Group to fines, sanctions and loss of reputation, which all could have an adverse effect on the Infineon Group's business and results of operations.

In addition, Cypress manufactures and sells many products that are subject to U.S. export control laws and related regulations. Cypress also manufactures and sells products that are sold indirectly to the U.S. government and may subject it to government procurement regulations, investigations or review. While Cypress 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 Cypress' ability to export products 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 Cypress' ability to design, manufacture and sell some of its products outside the U.S., and could thereby materially adversely affect Cypress.

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

The Infineon Group's reported expenses have been reduced in recent years by various subsidies received from governmental entities. In particular, the Infineon Group has received, and expects to continue to receive, subsidies for investment projects as well as for R&D projects. The Infineon Group recognized governmental subsidies as a reduction of R&D expenses and cost of sales in an aggregate amount of EUR 105 million in the fiscal year 2017 and EUR 123 million in the fiscal year 2018.

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 the 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 the Infineon Group's business.

The terms of certain of the subsidies the Infineon Group has received impose conditions that may limit the 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 the Infineon Group's ability to operate its business in the manner the Infineon Group believes to be most cost effective

Risks related to the Notes

VII. Risks associated with the characteristics of the Notes

Risks related to Subordination

The obligations of the Issuer under the Notes constitute direct, unsecured and subordinated obligations of the Issuer ranking (i) subordinated to all present and future unsubordinated and subordinated obligations of the Issuer which do not fall under (ii) or (iii); (ii) pari passu among themselves and with all other present and future unsecured obligations of the Issuer ranking subordinated to all unsubordinated and subordinated obligations of the Issuer (including any Parity Security of the Issuer as defined in the Terms and Conditions), except for any subordinated obligations required to be preferred by mandatory provisions of law; and (iii) senior only to the rights and claims of holders Junior Securities (as defined in the Terms and Conditions).

In the event of the dissolution, liquidation, insolvency or any proceeding to avoid insolvency of the Issuer, the obligations of the Issuer under the Notes will be subordinated to all unsubordinated and all subordinated obligations of the Issuer which do not fall under (ii) or (iii) above so that in any such event payments will not be made under the Notes until all claims against the Issuer which, as described above, or by operation of law, rank senior to the obligations of the Issuer under the Notes have been satisfied in full. Any such proceedings may take a considerable amount of time so that payments in the event of the dissolution, liquidation, insolvency or any proceeding to avoid insolvency of the Issuer, if a payment will be made at all, might only be made once these proceedings have been concluded.

Investors should take into consideration that unsubordinated liabilities may also arise out of events that are not reflected on the Issuer's balance sheet, including, without limitation, the issuance of guarantees or other payment undertakings. Claims of beneficiaries under such guarantees or other

payment undertakings will, in winding-up or insolvency proceedings of the Issuer, become unsubordinated liabilities and will therefore be paid in full before payments are made to Holders.

In case of insolvency plan proceedings (*Insolvenzplanverfahren*) the Holders generally would have no voting right on the adoption of an insolvency plan presented by the Issuer, the relevant insolvency administrator or custodian (sections 237 and 246 of the German Insolvency Code). In addition, their claims would be waived after the adoption of the insolvency plan, unless the insolvency plan makes an exception to this general rule (section 225 paragraph 1 German Insolvency Code).

The Notes are undated securities in which an investment constitutes a financial risk for an indefinite period.

The Notes may never be redeemed. The Issuer is under no obligation to redeem the Notes at any time. The Holders have no right to call for their redemption. Certain market expectations may exist among investors in the Notes with regard to the Issuer making use of a right to call the Notes for redemption. Should the Issuer's actions diverge from such expectations, the market value of the Notes could be adversely affected, and the liquidity of the Notes could be reduced.

There is also no guarantee that an active public market in the Notes will develop.

Prospective investors should be aware that they may be required to bear the financial risks of an investment in the Notes for an indefinite period and may not recover their investment at all.

The Notes are subject to a risk of early redemption, since the Issuer has the right to call each Series of Notes.

In addition to the call dates, the Issuer has the right to call each Series of Notes for reason of minimal outstanding amount in relation to such Series of Notes, if a Gross-up Event or a Change of Control Event, a Tax Event, an Accounting Event, a Rating Agency Event or an Acquisition Event (each as defined in the Terms and Conditions) occurred. A Holder is exposed to the risk that due to such redemption his investment will have a lower than expected yield. Also, in case of a redemption of the Notes, a Holder may only be able to reinvest on less favorable conditions as compared to the original investment.

During any period when the Issuer may, or may be perceived to be able to, elect to call and redeem a Series of Notes, the market value of the relevant Series of Notes generally will not rise substantially above the price at which they can be redeemed.

The current IFRS accounting classification of financial instruments such as the Notes as equity instruments may change, which may result in the occurrence of an Accounting Event

In June 2018, the IASB (*International Accounting Standards Board*) published the discussion paper DP/2018/1 on "*Financial Instruments with Characteristics of Equity*" (the "**DP/2018/1 Paper**") and a public meeting was recently held on this matter. If the proposals set out in the DP/2018/1 Paper are implemented in their current form, the current IFRS accounting classification of financial instruments such as the Notes as equity instruments may change and this may result in the occurrence of an Accounting Event. In such an event, the Issuer may have the option to redeem, in whole but not in part, the Notes pursuant to the Terms and Conditions of the Notes. The implementation of any of the proposals set out in the DP/2018/1 Paper or any other similar such proposals that may be made in the future, including the extent and timing of any such implementation, if at all, is still uncertain. Accordingly, no assurance can be given as to the future classification of the Notes from an accounting perspective or whether any such change may result in the occurrence of an Accounting Event, thereby providing the Issuer with the option to redeem the Notes pursuant to the Terms and Conditions of the Notes.

For a description of the risks related to the early redemption of the Notes, see the Risk Factor entitled "*The Notes are subject to a risk of early redemption, since the Issuer has the right to call each Series of Notes*".

Interest payments under the Notes may be deferred at the option of the Issuer.

Holders should be aware that interest may not be due and payable (*fällig*) on the scheduled Interest Payment Date, and that the payment of the resulting Deferred Interest Payments is subject to certain further conditions. Failure to pay interest as a result of an interest deferral will not constitute a default of the Issuer or a breach of any other obligations under the Notes or for any other purposes. Holders will not receive any additional interest or compensation for the deferral of payment. In particular, the resulting Deferred Interest Payments will not bear interest.

Any deferral of interest payments will likely have an adverse effect on the market price of the Notes. In addition, as a result of the interest deferral provision of the Notes, the market price of the Notes may be more volatile than the market prices of other debt securities on which interest accrues that are not subject to such deferrals and may be more sensitive generally to adverse changes in the Issuer's financial condition.

The Holders are exposed to risks relating to fixed interest rate notes.

Until the respective First Reset Date of the Notes, the Notes bear interest at a fixed rate for the initial fixed rate period. A holder of a fixed interest rate Note carries the risk that the prices of the Notes can fall as a result of changes in the interest rate on the market. While the nominal interest rate of the Notes is fixed for the entire initial fixed rate period of the Notes and thereafter will be reset every five years to the reference rate plus the relevant margin specified in the Terms and Conditions, the current interest rate on the capital market ("**market interest rate**") typically changes on a daily basis. As the market interest rate changes, the price of a Note with a fixed interest rate also changes – but in the opposite direction. If the market interest rate increases, the price of a Note with a fixed interest rate typically falls until the yield of such a Note approximately equals the market interest rate. If the market interest rate decreases, the price of a fixed interest rate Note typically increases, until the yield of such Note is approximately equal to the market interest rate. Holders should be aware that movements of the market interest rate can adversely affect the market price of the Notes and can lead to losses for Holders if they sell their Notes.

Investors are exposed to the risk that the credit spread of the Issuer widens, resulting in a decrease in the price of the Notes.

The Holders are exposed to risks relating to the reset of interest rates linked to the EUR 5-year Swap Rate.

Starting with the end of the initial fixed interest rate period, the Notes bear interest at a rate which will be determined on each respective reset date at the EUR 5-year swap rate for the relevant reset period plus a margin and a step-up respectively. Investors should be aware that the performance of the EUR 5-year swap rate and the interest income on the Notes cannot be anticipated. Due to varying interest income, investors are not able to determine a definite yield of the Notes at the time they purchase them, so that their return on investment cannot be compared with that of investments having longer fixed interest periods. Investors in the Notes should bear in mind that neither the current nor the historical level of the EUR 5-year swap rate is an indication of the future development of such 5-year swap rate.

Furthermore, during each reset period, it cannot be ruled out that the price of the Notes may fall as a result of changes in the market interest rate, as the market interest rate fluctuates. During each of these

periods, the investor is exposed to the risk as described under "*The Holders are exposed to risks relating to fixed interest rate notes*".

Risks associated with the reform of interest rate 'benchmarks'

The Notes provide for the specific feature in the relevant Terms and Conditions that following the respective First Reset Date (as defined in the Terms and Conditions), interest amounts payable under the Notes are calculated by reference to the annual swap rate for swap transactions denominated in Euro with a term of 5 years, which appears on the Reuters Screen Page ICESWAP2 / EURFIXA.

This swap-rate, the underlying Euro Interbank Offered Rate ("**EURIBOR**") and other interest rates or other types of rates and indices which are deemed "benchmarks" (each a "**Benchmark**" and together, the "**Benchmarks**") have become the subject of regulatory scrutiny and recent national and international regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such Benchmarks to perform differently than in the past, or to disappear entirely, or have other consequences which cannot be predicted. Therefore, because the Notes bear the specific risk that they might be impacted by any changes or reforms to the Benchmark, any such consequence could have a material adverse effect on the Notes.

International proposals for reform of Benchmarks include the European Council's regulation (EU) 2016/1011 of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (the "**Benchmark Regulation**") which is fully applicable since 1 January 2018.

Given that the Notes provide for the specific feature that the interest amount will be calculated by reference to a Benchmark under certain circumstances, the Benchmark Regulation could have a material impact on the Notes, including in any of the following circumstances:

- a rate or index which is a Benchmark may only be used if its administrator obtains authorization or is registered and in case of an administrator which is based in a non-EU jurisdiction, if the administrator's legal benchmark system is considered equivalent (Art. 30 Benchmark Regulation), the administrator is recognized (Art. 32 Benchmark Regulation) or the relevant Benchmark is endorsed (Art. 33 Benchmark Regulation) (subject to applicable transitional provisions). If this is not the case, Notes linked to such Benchmarks could be impacted; and
- the methodology or other terms of the Benchmark could be changed in order to comply with the terms of the Benchmark Regulation, and such changes could have the effect of reducing or increasing the rate or level or affecting the volatility of the published rate or level, and could have an impact on the Notes, including determination of the rate by the Issuer, the Calculation Agent or an independent adviser, as the case may be.

In addition to the aforementioned Benchmark Regulation, there are numerous other proposals, initiatives and investigations which may impact Benchmarks.

Following the implementation of any such potential reforms, the manner of administration of Benchmarks may change, with the result that they may perform differently than in the past, or Benchmarks could be eliminated entirely, or there could be other consequences which cannot be predicted.

Any changes to a Benchmark as a result of the Benchmark Regulation or other initiatives, could have a material adverse effect on the costs of administering or otherwise participating in the setting of a Benchmark and complying with any such regulations or requirements. Investors should be aware that any changes to a relevant Benchmark may have a material adverse effect on the value of the Notes.

Under the Terms and Conditions, certain benchmark replacement provisions will apply in case a Benchmark (or any component part thereof) used as a reference for the calculation of interest amounts payable under the Notes were to be discontinued or otherwise unavailable:

If a Benchmark (or any component part thereof) used to calculate interest amounts payable under the Notes for any interest period has ceased to be calculated or administered, the Issuer shall endeavor to appoint an independent adviser, which must be an independent financial institution of international repute or other independent financial adviser experienced in the international capital markets. Such independent adviser will be tasked with determining whether an officially recognized successor rate to the discontinued Benchmark exists. If that is not the case, the independent adviser will attempt to find an alternative rate which, possibly after application of adjustments or spreads, can replace the discontinued Benchmark. If the independent adviser determines a successor rate or alternative rate (the "**New Benchmark Rate**"), such rate will replace the previous Benchmark for purposes of determining the relevant rate of interest. Such determination will be binding for the Issuer, the Calculation Agent, the Paying Agents and the Holders. Any amendments pursuant to these fallback provisions will apply with effect from the respective effective date specified in the terms and conditions of the Notes. In case of a benchmark replacement, no adjustments will be made if this would result in a Rating Agency Event (as defined in the Terms and Conditions).

If the Issuer fails to appoint an independent adviser or if the adviser fails to determine a New Benchmark Rate following a discontinuation of a relevant Benchmark, the reference rate applicable to the immediately following interest period shall be the original benchmark rate determined on the last preceding interest determination date. This may result in the Notes effectively becoming fixed interest rate instruments even after the initial fixed interest rate period.

The replacement of a Benchmark could have adverse effects on the economic return of the Holder compared to the applicable benchmark rate.

VIII. Risks associated with the Solvency of the Issuer

Holders are subject to the risk of a partial or total failure of the Issuer to make interest and/or redemption payments.

Any person who purchases the Notes is relying on the creditworthiness of the Issuer and has no rights against any other person. Holders are subject to the risk of a partial or total failure of the Issuer to make interest and/or redemption payments that the Issuer is obliged to make under the Notes. The worse the creditworthiness of the Issuer, the higher the risk of loss. A materialisation of the credit risk may result in partial or total failure of the Issuer to make interest and/or redemption payments under the Notes.

Risk of a potential decrease in the market value of the Notes

In addition, even if the likelihood that the Issuer will be in a position to fully perform all obligations under the Notes when they fall due, actually has not decreased, market participants could nevertheless be of that opinion. Market participants may in particular be of such opinion if market participants' assessment of the creditworthiness of corporate debtors in general or debtors operating in the industries sector adversely change. If any of these risks occur, third parties would only be willing to purchase the Notes for a lower price than before the materialisation of said risk. The market value of the Notes may therefore decrease.

IX. Other Risks associated with the Notes

Certain rights of the Holders under the Terms and Conditions may be amended or reduced or even cancelled by holders' resolutions and any such resolutions will be binding for all holders of the respective Series of Notes. Any such resolution may effectively be passed with the consent of less than a majority of the aggregate principal amount of the respective Series of Notes outstanding.

Since the Terms and Conditions of each Series of Notes provide for meetings of Holders of the respective Series of Notes or the taking of votes without a meeting, the Terms and Conditions of such Series of Notes may be amended by majority resolution of the Holders of such Series of Notes and a Holder is subject to the risk of being outvoted by a majority resolution of the Holders of the respective Series of Notes. Pursuant to the German Act on Debt Securities of 2009 (*Schuldverschreibungsgesetz* – "**SchVG**"), the relevant majority for Holders' resolutions is generally based on votes cast, rather than on the aggregate principal amount of the relevant Notes outstanding, therefore, any such resolution may effectively be passed with the consent of less than a majority of the aggregate principal amount of the respective Series of Notes outstanding. As such majority resolution is binding on all Holders of the respective Series of Notes, certain rights of such Holder against the Issuer under the Terms and Conditions of such Series of Notes may be amended or reduced or even cancelled.

Since the Terms and Conditions of each Series of Notes provide that the Holders of the respective Series of Notes are entitled to appoint a Holders' Representative by a majority resolution of such Holders, it is possible that a Holder may be deprived of its individual right to pursue and enforce its rights under the Terms and Conditions of such Series of Notes against the Issuer, such right passing to the Holders' Representative who is then exclusively responsible to claim and enforce the rights of all the Holders of the relevant Series of Notes. Any such majority resolution will be binding on Holders, who have due and payable claims arising from the Notes, but who have not received payment from the Issuer prior to the amendment taking effect.

USE OF PROCEEDS

In connection with the offering of the Notes, the Issuer will receive net proceeds of EUR 1.185 billion, consisting of (i) EUR 593 million net proceeds with respect to the NC5.5 Notes (representing the aggregate issue price of the NC5.5 Notes less the fees and expenses incurred in connection with the issue of the NC5.5 Notes) and of (ii) EUR 592 million net proceeds with respect to the NC8.5 Notes (representing the aggregate issue price of the NC8.5 Notes less the fees and expenses incurred in connection with the issue of the NC8.5 Notes).

The Issuer intends to use these proceeds to cancel or prepay loans entered into for financing the proposed acquisition of Cypress Semiconductor Corporation ("**Cypress**") and for general corporate purposes (see "*Proposed Acquisition of Cypress*" below). If the proposed acquisition of Cypress has not been completed by 5 October 2020, the Issuer may exercise its right to redeem the Notes at 101% of their principal amount plus accrued interest and will in such case use the proceeds of the offering for that purpose.

INFORMATION ABOUT INFINEON

General

Infineon is a stock corporation (*Aktiengesellschaft*) organized under German law. Following the incorporation on 30 March 1999, the then parent company Siemens AG carved out and transferred its semiconductor operations to Infineon in the form of a non-cash contribution with economic effect as of 1 April 1999. Infineon was incorporated for an indefinite period.

Already as part of the group of Siemens AG and its subsidiaries ("**Siemens Group**"), Infineon has been at the forefront of the development, manufacturing and marketing of semiconductors starting in 1952. In 1999, the Siemens semiconductors group was spun off of the Siemens Group to form the Infineon Group and in March 2000 Infineon Technologies AG was listed on the Frankfurt Stock Exchange. Starting in 2001, Siemens AG gradually reduced its remaining 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. The Issuer's Legal Entity Identifier (LEI) is: TSI2PJM6EPETEQ4X1U25.

Infineon's principal office is located at Am Campeon 1-15, 85579 Neubiberg, Germany; its telephone number is: +49 89 234-0.

The company has 17 manufacturing sites globally. As of 30 June 2019, the Infineon Group has about 41,808 employees worldwide.

As of 30 June 2019 S&P Global Ratings Europe Limited[1,2] ("**S&P**"), has assigned a solicited long-term credit rating of BBB to Infineon Technologies AG[3]. In addition, EUR 500 million bonds issued with a maturity in 2022 were rated BBB[4] as well. On 3 June 2019, S&P placed Infineon's BBB long-term issuer credit and issue ratings on credit watch with negative implications.

Information on the Issuer's website www.infineon.com and information accessible via this website does not form part of this prospectus unless it is incorporated by reference.

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1 S&P Global Ratings Europe Limited is established in the European Community and is registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as amended (the "**CRA Regulation**").

2 The European Securities and Markets Authority publishes on its website (http://www.esma.europa.eu/page/List-registered-and-certified-CRAs) a list of credit rating agencies registered in accordance with the CRA Regulation. That list is updated within five working days following the adoption of a decision under Article 16, 17 or 20 CRA Regulation. The European Commission shall publish that updated list in the Official Journal of the European Union within 30 days following such update.

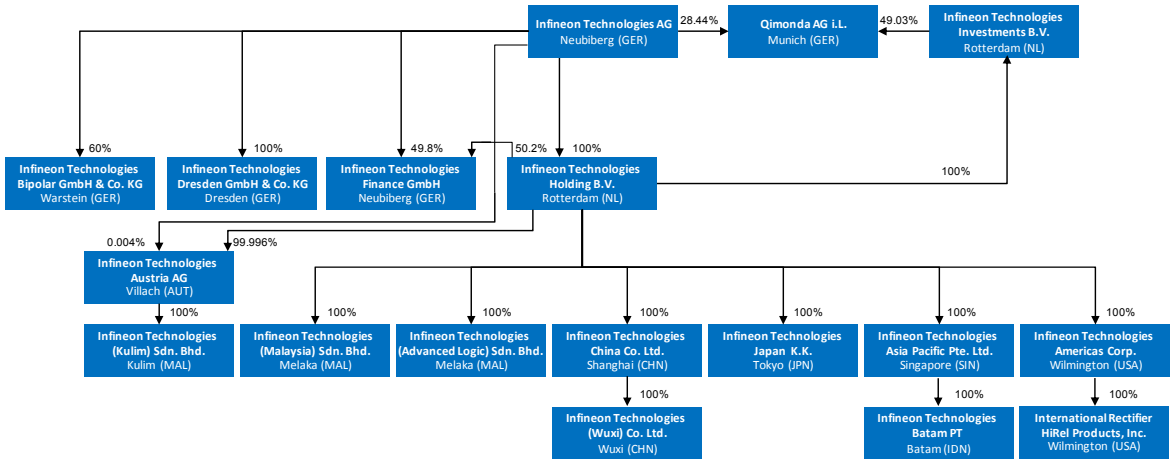
3 A credit rating assesses the creditworthiness of an entity and informs an investor therefore about the probability of the entity being able to redeem invested capital. It is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

4 According to the definition published by S&P Global Ratings Europe Limited on its homepage a rating of BBB means "An obligation rated 'BBB' exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation. The ratings from 'AA' to 'CCC' may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories."

Organizational Structure

Infineon is the parent company of the Infineon Group, with 102 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 30 June 2019).

The following diagram depicts, in simplified form, the Infineon Group's corporate structure, as of 30 June 2019.



Infineon's most significant fully consolidated subsidiaries, meaning subsidiaries contributing 5% or more to the Infineon Group's EBITDA based on the consolidated EBITDA for the nine-month period ended 30 June 2019, are set out below:

Name of company	Registered/Legal Seat	Shareholdings in %
Infineon Technologies Americas Corp.	Wilmington, Delaware, USA	100
Infineon Technologies Asia Pacific Pte. Ltd.	Singapore, Singapore	100
Infineon Technologies Austria AG	Villach, Austria	100
Infineon Technologies Dresden GmbH & Co. KG	Dresden, Germany	100
Infineon Technologies (Kulim) Sdn. Bhd.	Kulim, Malaysia	100
Infineon Technologies (Malaysia) Sdn. Bhd.	Melaka, Malaysia	100

Business Overview

Principal Activities of the Infineon Group

General Overview

The Infineon Group designs, develops, manufactures and markets a broad range of semiconductors and systems solutions. 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. Its strategic focus lies on markets with long-term growth potential. It addresses

four megatrends affecting modern society: Energy Efficiency, Mobility, Security and Internet of Things & Big Data. Infineon Group's operations and customers are located mainly in Europe, Asia and North America.

The Infineon Group organizes its business operations in four main operating segments: Automotive, Industrial Power Control, Power Management & Multimarket and Digital Security Solutions (until 30 September 2018: Chip Card & Security). The Automotive segment designs, develops, manufactures and markets semiconductors for use in automotive applications and focuses on drivetrain, engine management, safety and comfort applications. In the fiscal year 2018, 43% of the Infineon Group's revenue was generated by its Automotive segment and as in previous years, the major growth drivers were the megatrends electro-mobility and advanced driver assistance systems. The Industrial Power Control segment designs, develops, manufactures and markets semiconductors and system solutions primarily for the use in industrial electronics applications. It specializes in the efficient conversion of electrical energy along the entire supply chain (generation, transmission, storage and consumption). The applications range from industrial drives, renewable energy like solar and wind power, to trains as well as major home appliances. The Power Management & Multimarket segment designs, develops, manufactures and markets power semiconductors for the use in power supplies going into servers, battery powered applications and a broad range of other applications, components for mobile devices and cellular network infrastructure as well as high-reliability components for application in harsh environments. The Digital Security Solutions segment designs, develops, manufactures and markets semiconductors and system solutions primarily for use in security applications. These range from traditional smartcards such as payment cards and government IDs to embedded security which includes security solutions for computing, automotive security, Industry 4.0, and the smart home. In addition, the Digital Security Solutions segment is supporting the three other segments with the integration of security as a function in their respective systems solutions.

In the nine-month period ended 30 June 2019, Infineon Group reported revenues of EUR 5,967 million (nine-month period ended 30 June 2018: EUR 5,552 million) with 41,808 employees worldwide as of 30 June 2019 (39,227 employees worldwide as of 30 June 2018). The Infineon Group operates 17 manufacturing sites in 10 countries.

Megatrends and Growth drivers

In offering semiconductor components and system solutions the Infineon Group is addressing four central challenges to modern society: Energy Efficiency, Mobility, Security and the Internet of Things together with Big Data, which in Infineon's view are the sources for future structural growth and the continued increase in demand for the Infineon Group's products.

Strategically, Infineon Group aims to focus on the fastest growing segments of the semiconductor market while tackling the global megatrends. As a technological leader it aims to leverage its core competencies in different end markets to maximize the return on investments. Also, Infineon Group targets to create value for its customers through its understanding of the relevant systems.

In Infineon's view, in the short- to long-term, electro mobility, automated driving, battery-powered applications and data center – power supply / power management will have the greatest growth rates while renewable energy, energy storage, distribution, collaborative robots, contactless payment and government IDs are expected to have medium to low growth rates. In the short- to medium-term, Infineon expects home appliances as well as powering 5G to have medium to low growth rates and in the medium- to long-term, embedded security applications are expected to have a medium growth rate. The other applications in the Infineon Group's target markets are expected to show standard growth patterns.

Megatrend Energy Efficiency

Due to a growing world population as well as better standards of living, consumption of electric power is constantly increasing and at the same time regulatory measures are taken to reduce CO_2 emissions. This drives the trend towards renewable energies (wind, solar power), energy storage, efficient power supplies (AC-DC conversion, DC-DC conversion) as well as (smart) motor control and drives (for automation, major home appliances and battery-powered devices).

Renewable Energies & Energy Storage

The Infineon Group benefits from the fact that wind power turbines and solar power plants require a multiple of power semiconductors per gigawatt of power generated as compared to conventional power plants. In contrast to coal, natural gas or nuclear power plants there is no synchronized turbine generating constant 50 hertz alternating current. This means that the generated electricity cannot be fed directly into the grid and power-electronic conversion systems are required. In addition, the shift to the use of renewable energies also changes the requirements of the entire energy supply chain. Generating electricity by wind and sun does not take place centrally in a small number of sites, but rather de-centrally at many different locations. Furthermore, fluctuation in power generation is typically not aligned with power demand patterns, making temporary storage necessary.

Power Supplies

The ongoing digitalization also impacts power supplies, increasing the need for efficient AC-DC as well as DC-DC conversion. Regarding AC-DC conversion, growth in this area of power supplies comes from improved performance as well as unit growth of devices. Infineon sees significant growth potential in the case of servers, where performance levels are crucial and correspondingly a high number of power semiconductors is required for power supplies. Demand for computing power and storage capacity is driven by cloud computing, e-commerce, social networks and increasingly by machine learning. The Infineon Group also sees growth opportunities in business with compact chargers and solutions for wireless charging of smartphones, tablets and lightweight notebooks. Furthermore, 5G telecommunications networks require a multitude of power conversion components as compared to prior generations. In DC-DC conversion, intelligent Point-of-Load power management is becoming increasingly important. Servers, PCs and communication devices are supplied with higher voltages which need to be precisely stepped down to the required low voltages directly at the processor.

(Smart) Motor Control and Drives

Electric drives are at the heart of a large number of industrial systems, for example cranes, conveyer belts and robots. Electric motors account for approximately 28% of worldwide electric power consumption and therefore the savings potential is correspondingly large when efficiency is increased. One possibility for reducing the power consumption of an electric motor is the use of an electronic control unit for variable speed control which requires a large number of power semiconductor components. Infineon expects an increasing market penetration of electronic speed control units in the future. For example, the manufacturers of home appliances are increasingly relying on variable speed drive motors, a trend called inverterisation. These motors are significantly more energy-efficient, emit less noise and have a longer service life than motors which only operate in either an on or an off-mode.

One important type of electronic motor is referred to as brushless direct current (BLDC) motor. In BLDC motors the commutation is electronic, depending on rotor position, rotor rotation speed and torque. This calls for the appropriate power semiconductors and, depending on the configuration, also for components for diagnostic and security functions. Because of their high level of energy efficiency and their low power-to-weight ratio, BLDC motors are particularly well-suited for use in battery-

powered systems. Examples here are cordless home appliances such as robot vacuum cleaners, cordless drills and electric lawn mowers.

Megatrend Mobility

Global population growth and increasing urbanization and industrialization are driving the demand for all types of transportation. From forms of mass transportation such as aircraft and trains to privately used vehicles like cars and e-bikes. The Infineon Group benefits from the increased number of vehicles and especially from the growth in the number of electronic systems per vehicle.

Electro-Mobility & Charging Infrastructure

Driven by regulatory requirements, the automotive industry is continuously working to reduce emissions. A European Commission regulation requires the reduction of average fleet emissions to 95 grams of CO_2 per kilometer by 2021. Comparable regulations aimed at bringing down emissions exist in other major regions of the world. In order to reduce the fleet average to the mandated CO_2 value, car manufacturers add hybrid or electric vehicles to their portfolio. These have a significantly higher semiconductor content than conventional cars. The Infineon Group offers a wide range of semiconductor components for these applications.

The steadily increasing number of electric vehicles also requires building up a corresponding charging infrastructure. Depending on the system topology, the charging stations use different types of power semiconductors, as offered by the Industrial Power Control and Power Management & Multimarket segments.

In addition, sustainable and fast mobility within metropolitan areas as well as between big cities is one of the key topics of the 21st century. Infineon Group's components are used both in local public transportation trains, subway trains and trams as well as in high-speed trains.

Automated Driving & Traction Systems

Today, the majority of innovations in vehicles is based on electronics. The Infineon Group provides a comprehensive product portfolio for advanced driver assistance systems and automated driving. Systems for partially and fully automated driving essentially consist of sensors (for example radar, cameras in the vehicle's interior or exterior), a central high-performance computer for the evaluation of sensor data as well as calculation of the driving strategy (the system's intelligence) and actuators (steering, brakes, engine control and transmission). The higher the automation level of a car, the more semiconductors are required to implement the desired functionality. For safety reasons, redundancy of sub-systems is required, again driving the semiconductor content per car.

Megatrend Security

In a world that is becoming continuously more connected and digital, the need to protect the integrity of data and of securing devices against unauthorized access steadily increases. This is driving growing demand for hardware-based security solutions.

Relevant applications include government ID's, security for mobile devices, secure authentication for the Internet of Things, security for industrial applications (smart factories) and security for connected vehicles. For example, the market penetration of chip-based government ID's is constantly increasing, as more and more countries are making the transition to chip-based documents or are increasing the range of such documents in use.

Today payment services can be integrated into mobile devices thanks to the development of smartphones and wearables, the mobile internet and Near Field Communication (NFC) technologies. The Infineon Group offers the necessary security solutions involving the storage and processing of sensitive information and supplies the security chip, known as the Secure Element (SE).

Furthermore the demand for data and IT security in connected vehicles is rising. The Infineon Group addresses this opportunity with its security controllers – either as a separate component or integrated in their automotive microcontrollers.

Megatrend Internet of Things & Big Data

The Internet of Things refers to devices and machines connected to the internet, thus enabling data exchange and device control. Growth in the number of such devices drives the demand for power semiconductors and sensors, and especially security solutions. Infineon Group supplies various security chips and security solutions for the authentication of electronic systems. From complex IT infrastructure with numerous servers and routers all the way down to computers and tablets.

Industry 4.0 is another driver for an increasing demand for security solutions. A combination of software and hardware-based security solutions can protect networked machines and communication nodes. Examples are the TPM (trusted platform module) chips from the Infineon Group, which can be integrated in routers, industrial PC's and complex control units and which serve to identify devices to communication partners in the network.

Furthermore, the megatrend and growth driver Internet of Things & Big Data includes collaborative robots, human machine interaction, virtual reality/augmented reality, smart home and mobile communications.

The Infineon Group offers not only the necessary sensors, microcontrollers and power semiconductors, but also provides numerous start-ups as well as research institutions with know- how in the area of motor control, sensor systems, communications connections and security. The Infineon Group's sensors such as silicon microphones and radar sensors are used in various human machine interaction applications such as voice assistants or gesture controls.

The Infineon Group's Segments

The Infineon Group organizes its business operations into four main segments. The operations of Cypress (see "*Information about Cypress*" and "*The Proposed Acquisition of Cypress*") are expected to complement and strengthen Infineon Group's business and thus enable the offering of system solutions targeting mainly automotive, industrial and Internet of Things (IoT) end markets.

The Automotive segment

Business description

Infineon Group offers a very broad product portfolio of microcontrollers, sensors, as well as discrete power semiconductors and power ICs, serving the major automotive application segments: powertrain and engine management assistance and safety systems as well as comfort electronics and security applications. Fields of applications comprise:

- Powertrain: alternator control, battery charging control, battery management, combustion engine control, electric motor control, generator control, start-stop system and transmission control;
- Assistance and safety systems: airbag, ABS (Anti-Blocking System), automatic parking, autonomous emergency braking system, blind spot detection, cruise control, distance warning systems, electronic chassis control, electronic power steering, electronic stability control, lane departure warning system, tire pressure monitoring system;
- Comfort electronics: air conditioning, door electronics, electronic control units, electronic seat adjustment, hatch door, lighting, power windows, steering, sunroof, suspension, and windshield wipers;

- Security: digital tachograph, communication (car-to-car, car-to-infrastructure), manipulation protection (e.g. odometer), protection against software manipulation and original spare parts authentication.

Major growth drivers of the Automotive segment are electro-mobility and automated driving. The Infineon Group supplies powertrain solutions for all types of electric vehicles, be it pure electric vehicles, full hybrid and plug-in hybrid vehicles or so-called mild hybrid vehicles based on 48 volt technology. It also provides sensors and microcontrollers for use in advanced driver assistance systems. Both trends are increasing the semiconductor content per vehicle and the Issuer expects that they will account for a significant part of the Group's revenue growth in the Automotive segment over the next five years. In addition, the Group also expect to continue to benefit from new functions in the areas of comfort and safety as well as from the further electrification of conventional car functions.

The Infineon Group's portfolio of power semiconductors, sensors and microcontrollers puts it in the position to address the systems of today and to actively shape the transformation of the automotive industry. The Group's expertise in silicon-based IGBTs and IGBT modules supports it in the development of silicon carbide-based power semiconductors going forward. In the area of sensors, it benefits from the continuously increasing number of sensors per vehicle. Radar systems are expected to be enhanced by additional sensor technologies, a development the Group is anticipating for example with the development of a Lidar (light detection and ranging) solution. Also, with the 32-bit microcontrollers of its AURIX™ family the Infineon Group benefits from the trend towards higher levels of automation as these devices control electronic systems (for example steering and braking systems) and work as a host controller that ensures the functional safety of central computing platforms.

In the automotive field, Infineon Group’s and Cypress’ portfolios are expected to complement each other and therefore address an even broader range of applications. The automotive microcontroller portfolio of Cypress mainly covers body and infotainment applications, as compared to Infineon Group’s position in chassis, powertrain and advanced driver assistance systems. This complementary portfolio is expected to result in broader customer access and cross selling opportunities. With the addition of Cypress, the portfolio is furthermore expected to expand through connectivity (WiFi, Bluetooth, USB-C) and external NOR flash memory components for processors. NOR flash supports the growing use of high compute-power processors in cluster/infotainment and automated driving. Connectivity and security components are expected to become more and more relevant for higher level of vehicle automation, including for example over-the air software updates. See also "*Information about Cypress*".

Key customers in the Automotive segment include: Aptiv, Bosch, BYD, Continental, Delphi, Denso, Hella, Hitachi, Hyundai, Keihin, Lear, Mando, Mitsubishi Electric, Omron, Preh, Valeo, Veoneer and ZF.

The Infineon Group recorded revenue of EUR 2,609 million for the Automotive segment in the nine-month period ended 30 June 2019, an increase of 8% on the nine-month period ended 30 June 2018 figure of EUR 2,417 million. The Automotive segment generated 44% of the Infineon Group’s revenue in the nine-month period ended 30 June 2019. The Segment Result[5] totaled EUR 327 million in the nine-month period ended 30 June 2019 and thus came in slightly lower than the previous nine-

[5] Segment Result is defined as operating income (loss) excluding certain impairments (such as goodwill impairments), impact on earnings of restructuring measures and closures, share-based compensation expense, acquisition related depreciation/amortization and other expenses, gains (losses) on sales of businesses, or interests in subsidiaries and other income (expense), including the costs of legal proceedings. Segment Result is the indicator that Infineon uses to evaluate the operating performance of its segments and for budgeting.

month period ended 30 June 2018 Segment Result of EUR 339 million. The Segment Result Margin[6] in the nine-month period ended 30 June 2019 amounted to 12.5%.

The Industrial Power Control segment

Business description

The Industrial Power Control segment specializes in the efficient conversion of electric energy along the entire supply chain (generation, transmission, storage and consumption).

The segment's product portfolio comprises discrete IGBTs, IGBT bare dies, 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 addition, it includes Intelligent Power Modules (IPM), i.e. the combination of a controller, a driver IC and a switch in one package.

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

- Renewable energy generation: photovoltaic systems, wind power turbines;
- Energy transmission: FACTS (Flexible AC Transmission Systems) and offshore wind farm HVDC (High-Voltage Direct Current) lines;
- Energy storage;
- Home appliances: air conditioning, dishwashers, induction cooking, microwave ovens, refrigerators, vacuum cleaners and washing machines;
- Industrial vehicles: agricultural vehicles, forklifts, construction vehicles, electric delivery vehicles and hybrid busses;
- Traction: high-speed trains, locomotives, metro trains and trams;
- Charging stations for electric vehicles.

Strategically speaking, discrete IGBTs, IGBT bare dies, IGBT modules and the associated drivers form the core business of the Industrial Power Control segment. The Infineon Group wants to further grow and take advantage of economies of scale in this segment in both research and development and in manufacturing. The Group is strengthening this core by pursuing its technology leadership also in silicon carbide components, therewith creating an attractive product portfolio for its customers.

The Industrial Power Control segment also uses know-how relating to the application of IGBT to realize additional growth potentials in adjacent product areas. This applies on the one hand to products for digital power control, including the development of driver algorithms, and on the other hand to functional integration, as evidenced by so-called intelligent power modules (IPM).

Based on this portfolio, Industrial Power Control addresses especially high-growth application fields such as industrial automation, renewable energies and home appliances. At the same time, the portfolio serves emerging applications for power semiconductors such as the charging infrastructure for electric vehicles and electrified commercial and agricultural vehicles.

Infineon Group's and Cypress' product portfolios are expected to complement each other in the Industrial Power Control segment. For example, in a variable-speed electric drive application going into air-conditioning, Infineon Group is expected to contribute power semiconductors and sensors and Cypress is expected to contribute the microcontrollers and connectivity. This portfolio combination is expected to not only enable cross-selling opportunities but also an enhanced system solution offering. In fact, both companies have started a commercial cooperation in this application field in the first half of 2018. See also "*Information about Cypress*".

[6] Segment Result Margin is calculated as the percentage of Segment Result in relation to revenue.

Key customers in the Industrial Power Control segment include: ABB, Alstom, Bombardier, CRRC, Danfoss, Eaton, Emerson, Goldwind, Innovance, Midea, Nidec, Rockwell, Schneider Electric, Siemens, Sungrow, Toshiba, Vestas and Yaskawa.

In the nine-month period ended 30 June 2019, the Infineon Group recorded revenue of EUR 1,056 million in the Industrial Power Control segment, which is 10% more than the previous nine-month period ended 30 June 2018 figure of EUR 963 million. The Industrial Power Control segment generated 18% of the Infineon Group's revenue in the nine-month period ended 30 June 2019. The Segment Result amounted to EUR 192 million in the nine-month period ended 30 June 2019, an increase by 5% compared to the EUR 182 million in the nine-month period ended 30 June 2018. The Segment Result Margin in the nine-month period ended 30 June 2019 amounted to 18.2%.

The Power Management & Multimarket segment

Business description

The Power Management & Multimarket segment covers business with energy-efficient power supplies, mobile devices, human-machine interaction as well as high-reliability components for application in harsh environments. The product portfolio offered includes low-voltage (up to 40 volts), medium (from 40 volts to 500 volts) and high-voltage (over 500 volts) power transistors. Together with the corresponding drivers, the MOSFETs of the CoolMOS™ and OptiMOS™ families form the primary focus of the Power Management & Multimarket power semiconductor business. The portfolio of silicon-based power semiconductors is supplemented by switches based on gallium nitride.

In its radio-frequency and sensor business – the second mainstay of Power Management & Multimarket besides power semiconductors – Infineon Group has a strong technological expertise in MEMS (in particular silicon microphones), Time-of-Flight for 3D sensing applications as well as radar. This expertise can be used in an increasing number of application fields that are expected to grow strongly in the coming years, for example Human Machine Interaction (HMI), facial and gesture recognition and augmented reality. Furthermore, Power Management & Multimarket offers radio-frequency components that are used for example for low noise amplification in mobile telephones and for communication between mobile devices and base stations.

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

- Power management (i.e. components for adapters, chargers, power supplies) for consumer electronics, home appliances, mobile devices, PCs and notebooks, servers, telecom;
- Battery-powered applications: DIY tools (cordless screwdrivers, drills, etc.), eBikes, eScooter, hedge trimmer, lawn mower, multi-copters;
- Internet of Things: communications, sensors, smart speaker, voice control;
- Mobile devices: activity trackers, navigation devices, smartphones, tablets;
- Charging stations for electric vehicles;
- LED and conventional lighting systems;
- HiRel (high-reliability applications): Commercial aviation, defense technologies, oil and natural gas exploration, space systems, submarine telecommunications cables.

The Power Management & Multimarket segment continuously expands its product portfolio for (digital) power control and places its focus on technologically adjacent markets, for example Point-of-Load controllers for data centers and Class D audio amplifiers.

Through the combination of the Power Management & Multimarket segment's power semiconductors, sensors and radio-frequency chips with Cypress' microcontrollers and connectivity, Infineon targets to provide system solutions for customers in the areas of Internet of Things, human machine interaction, as well as in power management.

Key customers in the Power Management & Multimarket segment include: Airbus, Alibaba, Artesyn, Baidu, Boeing, Cisco, Dell, Delta, Ericsson, Google, Hewlett Packard Enterprise, HP, Huawei, Lenovo, LG Electronics, Lite-On, Makita, Nokia, Osram, Panasonic, Quanta and Samsung.

In the nine-month period ended 30 June 2019, the Power Management & Multimarket segment generated revenue totaling EUR 1,806 million, which is 8% more than the revenue of EUR 1,667 million recorded in the nine-month period ended 30 June 2018. The Power Management & Multimarket segment generated 30% of the Infineon Group's revenue in the nine-month period ended 30 June 2019. The Segment Result totaled EUR 432 million in the nine-month period ended 30 June 2019, 23% up in comparison to the figure of EUR 351 million recorded in the nine-month period ended 30 June 2018. The Segment Result Margin in the nine-month period ended 30 June 2019 amounted to 23.9%.

The Digital Security Solutions segment

Business description

The Digital Security Solutions segment offers applications aimed at increasing security in a more and more connected, digital and smart world. It designs, develops, manufactures and markets semiconductors and system solutions primarily for use in security applications. These applications range from traditional smartcards such as payment cards and government IDs to new areas such as embedded security which includes security solutions for computing, automotive security, Industry 4.0, and the smart home. The segment's core competencies lie in the fields of contactless interface technology and embedded microcontroller solutions (embedded control). In addition to its role as an independent business unit, the Digital Security Solutions segment also supports the three other segments with the integration of security as a function in their system solutions and in doing so is creating additional potential for differentiation.

The Digital Security Solutions segment's fields of applications include:

- Authentication: accessories, brand protection, game consoles, industrial control systems;
- Automotive: Connected vehicles (e.g. eCall, car-to-car communications, car-to-infrastructure communications), electronic toll collection, protection against manipulation (e.g. odometer, digital tachograph);
- Governmental identification documents: Driver's licenses, healthcare cards, national identity cards, passports;
- Internet of Things: Connected driving, Industry 4.0, smart city, smart home;
- Mobile communications: Conventional SIM cards, high-end SIM cards, embedded SIM (machine-to-machine communication);
- Payment systems: Credit/debit cards, mobile payment, contactless payment;
- Ticketing, access control;
- Trusted computing.

The Digital Security Solutions segment expands its product portfolio into software and system solution offering in order to address customer needs in these growing areas. The segment realizes in the meantime approximately one quarter of its revenue with software-related projects. Its software and

system competence puts Infineon Group in a position to provide reference designs and security modules which are ready-to-use.

Infineon aims to combine its security expertise and components in Digital Security Solution segment with Cypress' microcontrollers and connectivity. Through this Infineon Group will be in a better position to address the security requirements of the growing Internet of Things market. One such example would be a combination of Cypress' connectivity and microcontroller with Infineon Group's security component to a security-hardened microcontroller. Such a microcontroller would be able to connect to the cloud and provide state-of-the-art data security, for example for smart IP cameras.

Key customers in the Digital Security Solutions segment include: Gemalto, Giesecke & Devrient, Google, HP, Idemia, Lenovo, Microsoft, Samsung, US Government Publishing Office and Watchdata.

The Digital Security Solutions segment generated revenue totaling EUR 480 million in the nine-month period ended 30 June 2019, 4% less than the EUR 501 million in the nine-month period ended 30 June 2018. The Digital Security Solutions segment accounted for 8% of the Infineon Group revenue in the nine-month period ended 30 June 2019. The Segment Result amounted to EUR 55 million in the nine-month period ended 30 June 2019, a decrease of 32% compared to EUR 81 million in the nine-month period ended 30 June 2018. The Segment Result Margin amounted to 11.5% in the nine-month period ended 30 June 2019.

Other Operating Segments

Other Operating Segments comprise the remaining activities of businesses that have been disposed of, and other business activities. Since the sale of the Wireless mobile phone business in 2011, supplies to Intel Mobile Communications are included in this segment. Also included are, since the sale of the major part of Infineon's Radio Frequency Power Components business, supplies of LDMOS wafers and related components, as well as packaging and test services for Cree, Inc.

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.

Similarly, certain items are included in Corporate and Eliminations, which are not allocated to the four main operating segments described above. These include certain corporate headquarters cost and selected topics, which are not allocated to the segments since they arise from corporate decisions and are not within the direct control of segment management.

Furthermore, raw materials, supplies and work in progress of the common frontend production, and raw materials and supplies of the common backend production, are not under the control or responsibility of the operating segment management and are therefore allocated to operations. Only work in progress of backend production and finished goods are allocated to the operating segments.

Manufacturing

The Infineon Group operates 17 manufacturing sites in 10 countries: Villach (Austria); Beijing and Wuxi (both China); Dresden, Regensburg and Warstein (all Germany); Cegléd (Hungary); Batam (Indonesia); Cheonan (Korea); Melaka and Kulim (both Malaysia); Tijuana (Mexico); Singapore; and Leominster, Mesa, San José and Temecula (all USA).

By far the largest share of the amount invested in property, plant and equipment was accounted for by investments in manufacturing facilities in the fiscal year 2018. Approximately two thirds of this amount were spent with respect to frontend, the rest essentially spent with respect to backend manufacturing facilities.

In recent years, the Infineon Group has seen a rapid increase in the demand for power semiconductors due a number of structural growth drivers in its target markets. In Infineon's view, in the field of power semiconductors competitive differentiation is to a substantial degree achieved by the process technologies applied in manufacturing. Infineon was the first company to deploy 300-millimeter thin wafer technology for power semiconductors at its frontend manufacturing site in Dresden and expanded capacities in differentiating manufacturing technologies for power semiconductors such as the high-voltage MOSFETs of the CoolMOS™ family and IGBT power switches. Given Infineon's expectation of on-going demand growth in its end markets, Infineon decided in May 2018 to build a second 300-millimeter fab. The construction of a fully automated facility for the manufacture of 300-millimeter thin wafers at the Villach (Austria) site started in November 2018. Volume manufacturing is planned to begin in early 2021.

In addition, the Infineon Group is expanding its 200-millimeter frontend manufacturing capacities in Kulim in differentiating manufacturing technologies for sensors as well as discrete and integrated power semiconductors.

Furthermore, it is continuing to ramp volume production capacities for its silicon carbide MOSFETs and silicon carbide diodes on 150-millimeter wafers. The Infineon Group is now one of the first companies worldwide to manufacture its entire silicon carbide portfolio on wafers with a 150 millimeter diameter. The expansion of silicon manufacturing capacities at the aforementioned Villach site will also ultimately facilitate the expansion of manufacturing capacities for silicon carbide and gallium nitride. Existing buildings and manufacturing lines can be reused for these compound semiconductors. This results in capex-efficient expansion of capacities.

On 9 November 2018, Infineon acquired all of the shares in Siltectra GmbH, Germany. Siltectra GmbH is developing a wafer splitting technology, called Cold Split, which allows to precisely separate crystal material resulting in almost no loss of material in comparison to the conventional sawing approach. This technology can be used in two ways: One is cutting a boule into wafers yielding significantly more wafers than the conventional sawing approach. The other use case is to split a processed wafer to allow the re-use of its backside. Infineon is planning to further develop the technology into volume production within the next years.

The purchase price for Siltectra GmbH amounted to EUR 124 million.

Corresponding to the expansion of frontend manufacturing facilities, the Infineon Group is expanding its backend manufacturing capacities for IGBT modules for industrial and automotive applications.

Due to the cyclical nature of the semiconductor business and the need to maintain high operational flexibility, the Infineon Group uses cycle management with the aim to provide the Group with flexibility in periods of volatile revenue developments.

Market Environment and Competition

The worldwide semiconductor market showed a compound annual growth rate ("**CAGR**") between the fiscal year 1999 and 2018 of 6.1%[7]. During the same period, Infineon showed an organic revenue CAGR of approximately 9%.[8] The global semiconductor market relevant for the Infineon Group (i.e. excluding memory ICs and microprocessors) grew by 6.3% in the calendar year 2018 on a US dollar basis.[9] Revenues of the Infineon Group grew by 8.4% in the calendar year 2018.

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7 Data derived from WSTS (World Semiconductor Trade Statistics) in EUR, October 2018, and adjusted for the fiscal year of Infineon ending on 30 September.

8 Based on Infineon's portfolio (excl. Other Operating Segments and Corporate & Eliminations) per end of its fiscal year 2018. Growth rate adjusted for one-time increase from International Rectifier Corporation acquisition to show organic growth.

9 Based on IHS Markit, Technology Group, "Worldwide Semiconductor Shipment Forecast with Regional Splits – Application Market Forecast Tool", June 2019.

For the Automotive segment, in the calendar year 2018, the worldwide market for automotive semiconductors amounted to USD 37.7 billion, growing by 9.3% in comparison to 2017. For the first time, China displaced North America as the second largest sales region. During that period, the Infineon Group increased its market share based on revenues from 10.8% to 11.2%. The four largest competitors in the calendar year 2018 were NXP (12.0%), Renesas (8.9%), Texas Instruments (8.2%) and STMicroelectronics (7.6%).[10]

The worldwide market for power discretes and modules amounted to USD 20.9 billion in the calendar year 2018. Infineon Group's market share based on revenues was 19.9% in 2018. The five largest competitors were ON Semiconductor (8.9%), STMicroelectronics (5.4%), Mitsubishi (4.8%), Vishay (4.5%) and Toshiba (4.5%).[11]

For the Industrial Power Control segment, the worldwide market for IGBT-based power semiconductors – discrete IGBT power transistors and IGBT modules – reached USD 6.224 billion in the calendar year 2018, an increase of 17.4% compared to the previous year value of USD 5.303 billion. The market for IGBT-based power semiconductors covers also IPM's (Intelligent Power Modules). The Infineon Group increased its market share based on revenues to 28.6% in 2018 (2017: 26.9%). The four largest competitors in the calendar year 2018 were Mitsubishi (15.2%), Fuji Electric (9.7%), ON Semiconductor (7.2%) and Semikron (5.7%).[12]

For the Power Management & Multimarket segment, in the calendar year 2018, the world market for standard MOSFET power transistors grew by 16.8% to USD 7.581 billion (2017: USD 6.492 billion). Increasing its market share based on revenues by 0.7 percentage points, the Infineon Group continues to be the market leader with a 27.7% market share in 2018 (2017: 27.0%). The four largest competitors in the calendar year 2018 were ON Semiconductor (13.1%), STMicroelectronics (8.0%), Toshiba (7.0%) and Renesas (7.0%).[13]

For the Digital Security Solutions segment, in the calendar year 2017, the world market for smart card and security ICs decreased by 0.2% to USD 3.260 billion (2016: USD 3.266 billion). At this time the Infineon Group held 24.2% of the world market for smart card and secure ICs based on revenues and continues to maintain a leadership position in the supply of tamper resistant security chipsets. The four largest competitors in the calendar year 2017 were NXP (23.8%), Samsung (12.9%), STMicroelectronics (10.4%) and EM Micro (1.8%).[14]

Selected Financial Information

The following table sets out selected financial information relating to the Infineon Group. The information has been extracted from the audited consolidated financial statements of the Infineon Group prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("**IFRS**") as of and for the fiscal year ended 30 September 2018 and as of and for the fiscal year ended 30 September 2017, respectively, as well as from the unaudited interim consolidated financial information prepared in accordance with IAS 34 as of and for the nine-month period ended 30 June 2019 unless otherwise stated.

[10] All data referred to in this section is derived from Strategy Analytics, "Automotive Semiconductor Vendor 2018 Market Shares", April 2019.
[11] Based on IHS Markit, Technology Group, "Power Semiconductor Market Share Database – 2018", September 2019.
[12] Based on IHS Markit, Technology Group, "Power Semiconductor Market Share Database – 2018", September 2019.
[13] Based on IHS Markit, Technology Group, "Power Semiconductor Market Share Database – 2018", September 2019.
[14] All data referred to in this is derived from ABI Research, "Smart Card & Secure ICs", October 2018.

	As of and for the fiscal year ended 30 September		As of and for the nine-month period ended 30 June	
	2018	**2017**	**2019**	**2018**
	(audited)	(audited)	(unaudited)	(unaudited)
	EUR in millions (unless indicated otherwise)			
Revenue	**7,599**	**7,063**	**5,967**	**5,552**
by region:				
Europe, Middle East, Africa	2,443	2,272	1,819	1,832
Therein: Germany	1,171	1,094	873	878
Asia-Pacific (w/o Japan and Greater China)	1,129	1,071	898	819
Greater China	2,599	2,376	2,021	1,870
Therein: China	1,921	1,735	1,574	1,386
Japan	534	463	446	388
Americas	894	881	783	643
Therein: USA	719	714	645	514
by Segment:				
Automotive	3,284	2,989	2,609	2,417
Industrial Power Control	1,323	1,206	1,056	963
Power Management & Multimarket	2,318	2,148	1,806	1,667
Digital Security Solutions	664	708	480	501
Other Operating Segments	10	9	16	4
Corporate and Eliminations	-	3	-	-
Gross profit	**2,885**	**2,621**	**2,263**	**2,071**
Gross margin[15, 16]	**38.0%**	**37.1%**	**37.9%**	**37.3%**
Operating income	1,469	983	915	1,099
Net income	1,075	790	709	933
EBIT (unaudited)[16, 17]	1,456	989	884	1,092

[15] Gross margin is defined as percentage of gross profit (for the nine month period ended 30 June 2019 and 2018, respectively: EUR 2,263 million and EUR 2,071 million; for the fiscal year 2018 and 2017, respectively: EUR 2,885 million and EUR 2,621 million) in relation to revenue (for the nine month period ended 30 June 2019 and 2018, respectively: EUR 5,967 million and EUR 5,552 million; for the fiscal year 2018 and 2017, respectively: EUR 7,599 million and EUR 7,063 million).

[16] Infineon Technologies AG reports this performance measure because it believes it is a helpful figure for evaluating the Infineon Group's operating performance. This measure is not a performance indicator recognized under International Financial Reporting Standards (IFRS). The measure reported is not necessarily comparable to similar performance figures published by other companies. All these performance measures are unaudited.

[17] EBIT is defined as earnings (loss) from continuing operations before interest and taxes. Please also see footnote 18.

	As of and for the fiscal year ended 30 September		As of and for the nine-month period ended 30 June	
	2018	**2017**	**2019**	**2018**
	(audited)	(audited)	(unaudited)	(unaudited)
	EUR in millions (unless indicated otherwise)			
EBITDA (unaudited)[16, 18]	2,317	1,801	1,585	1,727
Segment Result	1,353	1,208	1,008	953
Segment Result Margin (unaudited)[16, 19]	17.8%	17.1%	16.9%	17.2%
Total assets	**10,879**	**9,945**	**12,950**	**10,613**
Total equity	**6,446**	**5,636**	**8,258**	**6,317**
Net cash provided by operating activities from continuing operations	1,571	1,728	920	930
Net cash used in investing activities from continuing operations	(1,163)	(1,131)	(2,110)	(784)
Net cash provided by (used in) financing activities from continuing operations	(542)	(340)	1,176	(243)
Free cash flow (unaudited)[16, 20]	618	594	(295)	391

[18] EBITDA is defined as EBIT plus scheduled depreciation and amortization.

	Fiscal year ended September 30 2018	Fiscal year ended September 30 2017	Nine-month period ended 30 June 2019[(a)]	Nine-month period ended 30 June 2018 [(a)]
	(in EUR millions)			
EBITDA[(a)]	2,317	1,801	1,585	1,727
Scheduled depreciation and amortization	(861)	(812)	(701)	(635)
EBIT[(a)]	1,456	989	884	1,092
Interest	(45)	(56)	(27)	(36)
Income from continuing operations before income taxes	1,411	933	857	1,056
Income Tax	(193)	(142)	(131)	(139)
Income from continuing operations	1,218	791	726	917

(a) unaudited

[19] Segment Result Margin is defined as percentage of segment result (for the nine month period ended 30 June 2019 and 2018, respectively: EUR 1,008 million and EUR 953 million; for the fiscal year 2018 and 2017, respectively: EUR 1,353 million and EUR 1,208 million) in relation to revenue (for the nine month period ended 30 June 2019 and 2018, respectively: EUR 5,967 million and EUR 5,552 million; for the fiscal year 2018 and 2017, respectively: EUR 7,599 million and EUR 7,063 million).

[20] Free cash flow is defined as net cash provided by operating activities (for the nine month period ended 30 June 2019 and 2018, respectively: EUR 920 million and EUR 930 million; for the fiscal year 2018 and 2017, respectively: EUR 1,571 million and EUR 1,728 million) and net cash used in investing activities, both from continuing operations (for the nine month period ended 30 June 2019 and 2018, respectively: EUR (2,110) million and EUR (784) million; for the fiscal year 2018 and 2017, respectively: EUR (1,163) million and EUR (1,131) million), adjusted for cash flows related to the purchase and sale of financial investments (for the nine month period ended 30 June 2019 and 2018, respectively: EUR 895 million and EUR 245 million; for the fiscal year 2018 and 2017, respectively: EUR 210 million and EUR (3) million).

	As of and for the fiscal year ended 30 September		As of and for the nine-month period ended 30 June	
	2018	**2017**	**2019**	**2018**
	(audited)	(audited)	(unaudited)	(unaudited)
	EUR in millions (unless indicated otherwise)			
Depreciation and amortization (unaudited)	861	812	701	635
Investments (unaudited)[16, 21]	1,254	1,022	1,101	836
Gross cash position (unaudited)[16, 22]	2,543	2,452	3,435	2,621
Net cash position (unaudited)[16, 23]	1,011	618	1,900	792
Gross debt (long-term and short-term) (unaudited)[16, 24]	1,532	1,834	1,535	1,829
Basic earnings per share in €	0.95	0.70	0.62	0.82
Diluted earnings per share in €	0.95	0.70	0.62	0.82
Dividend per share in €[25]	0.27	0.25	N/A	N/A
Adjusted earnings per share in € (diluted) (unaudited)[16, 26]	0.98	0.85	0.71	0.70

[21] Investments is defined as investments in property, plant and equipment (for the nine month period ended 30 June 2019 and 2018, respectively: EUR 989 million and EUR 721 million; for the fiscal year 2018 and 2017, respectively: EUR 1,090 million and EUR 874 million) and intangible assets (for the nine month period ended 30 June 2019 and 2018, respectively: EUR 112 million and EUR 115 million; for the fiscal year 2018 and 2017, respectively: EUR 164 million and EUR 148 million) including capitalized development cost.

[22] Gross cash position is defined as cash and cash equivalents (as of 30 June 2019 and 2018, respectively: EUR 722 million and EUR 771 million; as of 30 September 2018 and 2017, respectively: EUR 732 million and EUR 860 million) plus financial investments (as of 30 June 2019 and 2018, respectively: EUR 2,713 million and EUR 1,850 million; as of 30 September 2018 and 2017, respectively: EUR 1,811 million and EUR 1,592 million).

[23] Net cash position is defined as gross cash position (as of 30 June 2019 and 2018, respectively: EUR 3,435 million and EUR 2,621 million; as of 30 September 2018 and 2017, respectively: EUR 2,543 million and EUR 2,452 million) less gross debt (long-term and short-term debt) (as of 30 June 2019 and 2018, respectively: EUR 1,535 million and EUR 1,829 million; for the fiscal year 2018 and 2017, respectively: EUR 1,532 million and EUR 1,834 million) as defined in footnote 24.

[24] Gross debt (long-term and short-term) is defined as short-term debt and current maturities of long-term debt (as of 30 June 2019 and 2018, respectively: EUR 28 million and EUR 319 million; as of 30 September 2018 and 2017, respectively: EUR 25 million and EUR 323 million) plus long-term debt (as of 30 June 2019 and 2018, respectively: EUR 1,507 million and EUR 1,510 million; as of 30 September 2018 and 2017, respectively: EUR 1,507 million and EUR 1,511 million).

[25] As of 30 September, 2018 and 2017, respectively, this has been the proposed dividend, which has been approved by the annual general meeting on 21 February 2019 and the annual general meeting on 22 February 2018, respectively.

[26] Adjusted earnings per share in € (diluted) is defined as below. The calculation of the adjusted earnings per share is based on unrounded figures.

	Fiscal year ended September 30 2018	**Fiscal year ended September 30 2017**	**Nine-month period ended 30 June 2019[(a)]**	**Nine-month period ended 30 June 2018[(a)]**
	(in EUR millions)			
Net income from continuing operations attributable to shareholders of Infineon Technologies AG – diluted	1,218	791	726	917
Plus/minus				

	As of and for the fiscal year ended 30 September		As of and for the nine-month period ended 30 June	
	2018	2017	2019	2018
	(audited)	(audited)	(unaudited)	(unaudited)
	EUR in millions (unless indicated otherwise)			
Equity ratio (unaudited)[16, 27]	59.3%	56.7%	63,8%	59,5%
Return on equity (unaudited)[16, 28]	16.7%	14.0%	N/A	N/A
Return on assets (unaudited)[16, 29]	9.9%	7.9%	N/A	N/A
Debt-to-equity ratio (unaudited)[16, 30]	23.8%	32.5%	18.6%	29.0%

Impairments on assets (excluding capitalized development costs) including assets classified as held for sale, net of reversals (without impairments/reversals of impairments on capitalized development costs since 1 October 2017 (but impairments in connection with the sale of the largest part of the Radio Frequency Power Components business to Cree, Inc. are included in the nine months ended 30 June 2018 and for the fiscal year 2018 here). Previous periods were not adjusted.)	7	5	-	11
Impact on earnings of restructuring and closures, net	-	3	-	-
Share-based compensation expense	13	13	8	10
Acquisition related depreciation/amortization and other expenses	118	153	83	89
(Gains)/losses on sales of assets, businesses, or interests in subsidiaries, net	(272)	15	1	(271)
Other income and expense, net	18	36	1	15
Acquisition-related expenses within financial result	-	-	25	-
Tax effects on adjustments	9	(49)	(24)	45
Revaluation of deferred tax assets resulting from the annually updated earnings forecast	5	-	(11)	(19)
Adjusted net income from continuing operations attributable to shareholders of Infineon Technologies AG - diluted	1,116	967	809	797
Weighted-average number of shares outstanding (in million) - diluted	1,134	1,134	1,138	1,134
Adjusted earnings per share (in euro) – diluted (the calculation of the adjusted earnings per share is based on unrounded figures.)	0.98	0.85	0.71	0.70

(a) unaudited

27 Equity ratio is defined as total equity (as of 30 June 2019 and 2018, respectively: EUR 8,258 million and EUR 6,317 million; as of 30 September 2018 and 2017, respectively: EUR 6,446 million and EUR 5,636 million) divided by total assets (as of 30 June 2019 and 2018, respectively: EUR 12,950 million and EUR 10,613 million; as of 30 September 2018 and 2017, respectively: EUR 10,879 million and EUR 9,945 million).

28 Return on equity is defined as net income (for the fiscal year 2018 and 2017, respectively: EUR 1,075 million and EUR 790 million) divided by total equity (as of 30 September 2018 and 2017, respectively: EUR 6,446 million and EUR 5,636 million).

29 Return on assets is defined as net income (for the fiscal year 2018 and 2017, respectively: EUR 1,075 million and EUR 790 million) divided by total assets (as of 30 September 2018 and 2017, respectively: EUR 10,879 million and EUR 9,945 million).

30 Debt-to-equity ratio is defined as gross debt (long-term and short-term debt), as defined in footnote 24, divided by total equity (as of 30 June 2019 and 2018, respectively: EUR 8,258 million and EUR 6,317 million; as of 30 September 2018 and 2017, respectively: EUR 6,446 million and EUR 5,636 million).

	As of and for the fiscal year ended 30 September		As of and for the nine-month period ended 30 June	
	2018	**2017**	**2019**	**2018**
	(audited)	(audited)	(unaudited)	(unaudited)
	EUR in millions (unless indicated otherwise)			
Debt-to-total-capital ratio (unaudited)[16, 31]	14.1%	18.4%	11.9%	17.2%
Return on Capital Employed (RoCE) (unaudited)[16, 32]	20.5%	14.9%	N/A	N/A

[31] Debt-to-total-capital-ratio is defined as gross debt (long-term and short-term debt), as defined in footnote 24, divided by total assets (as of 30 June 2019 and 2018, respectively: EUR 12,950 million and EUR 10,613 million; as of 30 September 2018 and 2017, respectively: EUR 10,879 million and EUR 9,945 million).

[32] Return on Capital Employed (RoCE) is defined as operating income from continuing operations after tax divided by capital employed which is defined as below. RoCE was calculated using actual capital employed, without adjustments for exceptional factors such as provisions recorded in connection with the Qimonda insolvency, purchase price allocations for acquisitions as well as changes in deferred tax assets and liabilities, each of which influences the level of capital employed.

	As of and for the fiscal year ended 30 September 2018	**As of and for the fiscal year ended 30 September 2017**
	(in EUR millions)	
Operating income	1,469	983
Plus/minus		
Financial result excluding interest result (the financial result for both the 2018 and 2017 fiscal year amounted to EUR (53) million, and included negative EUR (45) million and EUR (56) million, respectively, of net interest result)	(8)	3
Gain from investments accounted for using the equity method	(5)	3
Income tax	(193)	(142)
Operating income from continuing operations after tax	1,263	847
Assets	10,879	9,945
Plus/minus		
Cash and cash equivalents	(732)	(860)
Financial investments	(1,811)	(1,592)
Assets classified as held for sale	(11)	(23)
Total current liabilities	(2,182)	(2,098)
Short-term debt and current maturities of long-term debt	25	323
Capital employed	6,168	5,695
RoCE	20.5%	14.9%

As of 30 September 2018 and 30 September 2017, the Infineon Group had 40,098 and 37,479 employees, respectively. As of 30 June 2019 and 30 June 2018, the Infineon Group had 41,808 and 39,227 employees, respectively.

The Infineon Group's net cash-to-EBITDA ratio amounted to 0.4 for the fiscal year 2018 and 0.3 for the fiscal year 2017 (net cash-to-EBITDA ratio is defined as net cash position, as defined in footnote 16 and 23, divided by EBITDA, as defined in footnote 16 and 18).

Financial information relating to the 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 30 September 2018 contained in the Infineon Group's Annual Report 2018, the audited IFRS consolidated financial statements of Infineon for the fiscal year ended 30 September 2017 contained in the Infineon Group's Annual Report 2017 and the unaudited interim consolidated financial information of the Infineon Group for the nine-month period ended 30 June 2019 taken from its quarterly results statement as of 30 June 2019 are incorporated by reference into this Prospectus.

Trend information and significant changes in financial performance or financial position

Other than as set out in the first four paragraphs under "*Recent Events and Outlook – Outlook*" on pages 63 - 64, there has been no material adverse change in the prospects of Infineon since 30 September 2018.

There have been no significant changes in the financial performance or the financial position of the Infineon Group since 30 June 2019.

A capital increase in the amount of EUR 225,547,846 in share capital took place in mid-June 2019 (resulting in gross proceeds of just over EUR 1.5 billion before deduction of commissions and expenses) and the proposed acquisition of Cypress as described under "*Proposed Acquisition of Cypress*" was announced in early-June 2019.

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*), the EU Audit Regulation Nr. 537/2014 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 30 September 2018 and the fiscal year ended 30 September 2017, each prepared in accordance with IFRS and the additional requirements of German commercial law pursuant to section 315e (1) German Commercial Code (*Handelsgesetzbuch*) in the respective applicable version[33] and has, in each case, issued an unqualified auditor's opinion thereon.

Administrative, Management and Supervisory Bodies

In accordance with the German Stock Corporation Act (*Aktiengesetz*), Infineon has both a management board (*Vorstand*) (the "**Management Board**") and a supervisory board (*Aufsichtsrat*) (the "**Supervisory Board**"). The Management Board is responsible for the management of Infineon's

[33] Section 315a German Commercial Code old version was amended to section 315e German Commercial Code with effect from 19 April 2017.

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.

Management Board

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

Name	Function	Membership on other supervisory boards and comparable bodies
Dr. Reinhard Ploss	Chairman of the Management Board, Chief Executive Officer (CEO) Labor Director	Member of the Supervisory Board - Infineon Technologies Austria AG, Villach, Austria (Chairman) Member of the Board of Directors - Infineon Technologies Americas Corp., Wilmington/Delaware, USA
Dr. Helmut Gassel	Chief Marketing Officer (CMO)	Member of the Board of Directors - Infineon Technologies Asia Pacific Pte., Ltd., Singapore (Chairman) - Infineon Technologies Japan K.K., Tokio, Japan (Chairman) - Infineon Technologies China Co., Shanghai, People's Republic of China - Infineon Technologies Americas Corp., Wilmington/Delaware, USA (Chairman)
Jochen Hanebeck	Chief Operations Officer (COO)	Member of the Supervisory Board - Infineon Technologies Austria AG, Villach, Austria
Dr. Sven Schneider	Chief Financial Officer (CFO)	Member of the Supervisory Board - Infineon Technologies Austria AG, Villach, Austria Member of the Board of Directors - Infineon Technologies China Co., Shanghai, People's Republic of China - Infineon Technologies Asia Pacific Pte., Ltd., Singapore

Supervisory Board

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

Name (Principal occupation)	Function	Membership on other supervisory boards and comparable bodies
Dr. Wolfgang Eder	Chairman	Member of the Supervisory Board - voestalpine AG, Linz, Austria
Johann Dechant* General works council, Infineon Technologies AG	Deputy Chairman	Member of the Administrative Board - SBK Siemens-Betriebskasse, Heidenheim/Brenz, Germany
Peter Bauer Independent Business Consultant, Coach	Member	Member of the Supervisory Board - OSRAM Licht AG, Munich, Germany (Chairman) - OSRAM GmbH, Munich, Germany (Chairman) - Bragi GmbH, Munich, Germany
Dr. Herbert Diess Chairman of the Management Board, Volkswagen AG	Member	Member of the Supervisory Board - Audi AG, Ingolstadt, Germany (Chairman) - FC Bayern München AG, Munich, Germany - Porsche Austria GmbH, Salzburg, Austria - Porsche Holding GmbH, Salzburg, Austria - Porsche Retail GmbH, Salzburg, Austria - SEAT S.A., Martorell, Spain (Chairman) - Skoda Auto a.s., Mladá Boleslav, Czech Republic (Chairman) Member of the Board of Directors - FAW-Volkswagen Automotive Co., Ltd., Changchun, People's Republic of China - Shanghai Volkswagen Automotive Co., Ltd., Anting, People's Republic of China Member of the Advisory Board - Porsche Holding GmbH, Salzburg, Austria
Annette Engelfried* Trade Union Secretary, Information Technologies, Siemens Team, IG Metall District Manager Berlin-Brandenburg-Saxony	Member	Member of the Supervisory Board - Infineon Technologies Dresden Verwaltungs GmbH, Neubiberg, Germany - Siemens Gamesa Renewable Energy Management GmbH, Hamburg, Germany

Name (Principal occupation)	Function	Membership on other supervisory boards and comparable bodies
Peter Gruber* Senior Vice President Operations Finance, Infineon Technologies AG	Member	Member of the Supervisory Board - Infineon Technologies Dresden Verwaltungs GmbH, Neubiberg, Germany
Gerhard Hobbach* Member of the Infineon Works Council, Munich – Campeon, Infineon Technologies AG	Member	None
Hans-Ulrich Holdenried Management Consultant	Member	Member of the Supervisory Board - CANCOM SE, Munich, Germany Member of the Advisory Board - Bridge imp GmbH, Grünwald, Germany
Prof. Dr. Renate Köcher Managing Director - Institut für Demoskopie Allensbach GmbH	Member	Member of the Supervisory Board - BMW AG, Munich, Germany - Robert Bosch GmbH, Gerlingen, Germany - Nestlé Deutschland AG, Frankfurt/Main, Germany
Dr. Susanne Lachenmann* Lead Development Engineer for Design Enabling and Services, Infineon Technologies AG	Member	None
Géraldine Picaud Member of the Management Board (CFO), LafargeHolcim, Ltd.	Member	Member of the Supervisory Board - Holcim Group Services Ltd., Holderbank, Switzerland - Holcim Technology Ltd., Jona, Switzerland - Lafarge Maroc SA, Casablanca, Morocco - LafargeHolcim Maroc SAS, Casablanca, Morocco - LafargeHolcim Maroc Afrique SAS, Casablanca, Morocco - Lafarge Africa Plc., Lagos State, Nigeria - Huaxin Cement Co., Ltd. Wuhan, People's Republic of China

Name (Principal occupation)	Function	Membership on other supervisory boards and comparable bodies
Dr. Manfred Puffer Management Consultant	Member	Member of the Supervisory Board - Athora Lebensversicherung AG, Wiesbaden, Germany - Nova KBM Bank, Maribor, Slovenia - EVO Finance, Madrid, Spain - Oldenburgische Landesbank AG, Oldenburg, Germany Member of the Board of Directors - Athene Holding Ltd., Pembroke, Bermuda - Catalina, Holdings (Bermuda) Ltd., Hamilton, Bermuda
Jürgen Scholz* First authorized agent of IG Metall	Member	Member of the Supervisory Board - Krones AG, Neutraubling. Germany Member of the Administrative Board - BKK of BMW AG, Dingolfing, Germany
Kerstin Schulzendorf* Expert in the frontend-production, Infineon Technologies Dresden GmbH & Co. KG	Member	None
Dr. Eckart Sünner Independent Attorney	Member	None
Diana Vitale* Deputy chairwoman of the Infineon Works Council Warstein Infineon Technologies AG	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 1-15, 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 the 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 the 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 the 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 four 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 the Infineon Group, as well as on any exceptional matters that may arise. 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

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 elected 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 mediation committee ("**Mediation Committee**") pursuant to section 27 paragraph 3 of the German Co-Determination Act (*Mitbestimmungsgesetz*), the nomination committee ("**Nomination Committee**"), the executive committee ("**Executive Committee**"), the investment, finance and audit committee ("**Audit Committee**") and the strategy and technology committee ("**Strategy and Technology Committee**").

The sole duty of the Mediation Committee, which consists of the chairman of the Supervisory Board, the deputy chairman and one further representative of the shareholders and employees respectively, 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 Nomination Committee which consists exclusively of three 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 Executive Committee consists of the chairman of the Supervisory Board, the deputy chairman and one further representative of the shareholders and employees respectively. It prepares decisions to be taken by the full Supervisory Board regarding the appointment or dismissal of members of the Management Board, the terms of the service contracts and other contractual arrangements between Infineon and the members of the Management Board and Management Board compensation issues.

The Audit Committee, consisting of two representatives of the shareholders and employee representatives respectively, 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 interim financial 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 which consists of three shareholder representatives and three employee representatives, 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 (*Deutscher Corporate Governance Kodex*) dated 7 February 2017 (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. Section 161 of the German Stock Corporation Act (*Aktiengesetz*) merely requires the 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 the declaration of compliance issued in November 2018, the Management Board and Supervisory Board had declared a deviation from section 5.3.2 paragraph 3 sentence 3 of the Corporate Governance Code, according to which the chairman of the supervisory board should not chair the audit committee. The reason for this deviation was that the chairman of the Audit Committee, Dr. Eckart Sünner, was also elected chairman of the Supervisory Board at the meeting of the Supervisory Board on 22 February 2018. At the meeting of the Supervisory Board held on 6 August 2019, Dr. Wolfgang Eder was elected as the new chairman of the Supervisory Board. Dr. Sünner has resigned from his position as chairman of the Supervisory Board. Therefore, the deviation is obsolete.

In August 2019, the Management Board and Supervisory Board therefore updated the 2018 declaration of compliance. Infineon has complied with all recommendations of the Corporate Governance Code in the version dated 7 February 2017 and will continue to do so. In relation to section 5.3.2 paragraph 3 sentence 3 of the Corporate Governance Code this has been the case since the meeting of the Supervisory Board on 6 August 2019, in which Dr. Eder was elected chairman of the Supervisory Board.

The declarations of compliance are available on Infineon's website (www.infineon.com).

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 99.52% as of 30 June 2019.

Based on such notifications received from shareholders until 30 June 2019, 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% in Infineon:

Name	Percentage of voting rights[34]	Date of latest notice / date on which threshold was crossed/reached
BlackRock, Inc.	5.36%	28 June 2019 / 24 June 2019
Allianz Global Investors Europe GmbH	4.82%	21 June 2019 / 18 June 2019
Kingdom of Norway	3.14%	31 May 2019 / 29 May 2019

Investments

In the fiscal year 2018, the Infineon Group's investments in property, plant and equipment and in intangible assets amounted to EUR 1,254 million in total, representing an increase of EUR 232 million or 23% compared to the EUR 1,022 million invested in the previous year. Relative to revenues, these investments in the fiscal year 2018 increased to 16.5% compared to the previous year's 14.5%. EUR 1,090 million of the overall investment volume was dedicated to property, plant and equipment (previous year: EUR 874 million) and EUR 164 million to intangible assets including capitalized research and development costs (previous year: EUR 148 million).

By far the largest share of the amount invested in property, plant and equipment is accounted for by investments in manufacturing facilities. In the fiscal year 2018, approximately two thirds of this amount went to frontend manufacturing facilities, with the rest mainly going to backend manufacturing facilities.

Investments in the fiscal year 2018 focused on the following areas:

- Expansion of 300-millimeter frontend manufacturing capacities in Dresden in differentiating manufacturing technologies for power semiconductors such as the high-voltage MOSFETSs of the Infineon Group's CoolMOS™ family and IGBT power switches.
- Expansion of 200-millimeter frontend manufacturing capacities in Kulim in differentiating manufacturing technologies for sensors as well as discrete and integrated power semiconductors.
- Continued ramp of volume production capacity of the Infineon Group's silicon carbide MOSFETs and silicon carbide diodes on 150-millimeter wafers.
- Expansion of backend manufacturing capacities for IGBT modules for industrial and automotive applications. Backend manufacturing capacities were expanded to accommodate the strong demand for IGBT modules of the HybridPACK™ family as well as in Wuxi at the new joint venture with the Chinese automobile manufacturer SAIC Motor Corporation Ltd. The joint venture, named SIAPM (SAIC Infineon Automotive Power Modules (Shanghai) Co., Ltd.), was formed on 7 February 2018 and has been manufacturing since August 2018.

Furthermore, during the fiscal year 2017, investments were made in frontend and backend sites primarily regarding a further increased level of automation as well as with regards to adaptation and retooling of manufacturing lines to accommodate the modified product portfolio, in particular due to

[34] Based on Infineon's share capital as of 30 June 2019.

the beginning of volume production for new technologies and products, as well as in regard to equipment for innovative technologies, capacity extension and further improvements in quality.

In the nine-month period ended 30 June 2019 investments in property, plant and equipment amounted to EUR 989 million and in intangible and other assets to EUR 112 million. These amounts are included in net cash used in investing activities from continuing operations of EUR 2,110 million for the same period. This figure included also a net cash out of EUR 123 million to acquire 100% of the shares in Siltectra GmbH, as well as EUR 895 million used for purchases of financial investments.

As already described above, the Infineon Group has for some time seen a rapid increase in the demand for power semiconductors and therefore decided to build a second 300-millimeter fab, following its first one in Dresden (Germany). The Infineon Group will build a fully automated facility for the manufacture of 300-millimeter thin wafers at the Villach (Austria) site, which has been the Group's competence center for power semiconductors. Constructions started in November 2018. Volume manufacturing is planned to begin in early 2021, with maximum manufacturing capacity achieved as early as 2026. Total investments will reach approximately EUR 1.6 billion. When operating a full capacity, the estimated additional revenue resulting from the fab will be approximately EUR 1.8 billion annually.

Further, in early-June 2019, Infineon announced the proposed acquisition of Cypress as described under "*Proposed Acquisition of Cypress*".

Material Debt Financings

In connection with the acquisition of Cypress, Infineon concluded a EUR 6,600 million/USD 3,330 million syndicated dual-currency term loan facilities agreement on 3 June 2019 with various international banks as mandated lead arrangers and bookrunners (the "**Mandated Lead Arrangers and Bookrunners**") and one international bank as agent (the "**Agent**") (the "**Facilities Agreement**"). In addition, the Facilities Agreement has also been underwritten by various other international banks acting as underwriters (the "**Underwriters**") and has been syndicated to banks, consisting of the Mandated Lead Arrangers and Bookrunners (or their respective affiliates) and/or the Underwriters and further national and international banks. The Facilities Agreement consisted of five unsecured tranches: first, a EUR 1,500 million bridge term loan with an initial term of one year (which was already cancelled following the capital increase of Infineon), second, a EUR 5,100 million bridge term loan with an initial term of one year (of which EUR 24 million were already cancelled following the capital increase of Infineon) and two extension options for Infineon of six months each, third, a USD 1,110 million term loan with a term of three years, fourth, a USD 1,110 million term loan with a term of four years and fifth, a USD 1,110 million term loan with a term of five years. The Facilities Agreement contains a change of control clause which entitles any lender in the event of a defined change of control to request the Agent and Infineon to enter into negotiations with a view to agreeing alternative terms for continuing the facilities or, in specific cases, to give notice of termination and call for repayment of the relevant credit amount. The syndicated dual-currency term loan has not been drawn to date and will only be drawn if the acquisition process regarding Cypress is completed.

In addition, the Infineon Group has the following debt instruments outstanding:

- EUR 500 million unsubordinated, unsecured bond issued by Infineon in March 2015 with a maturity in March 2022;
- USD 935 million senior unsecured notes issued in three series by Infineon in a US private placement and funded in April 2016. Series A USD 350 million with a maturity in April 2024, Series B USD 350 million with a maturity in April 2026 and Series C USD 235 million with a maturity in April 2028.

Material Contracts

Other than the financing contract described above (see "*Material Debt Financings*") and the merger agreement described below (see "*Proposed Acquisition of Cypress*"), 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 payment obligations to the Holders in respect of the Notes being issued.

Intellectual Property

The Infineon Group's intellectual property rights include patents, copyrights, trade secrets, trademarks, utility models and design rights and primarily relate to IC designs and manufacturing and test process technologies. In the course of the fiscal year 2018, the Infineon Group has applied for approximately 1,550 patents worldwide and for approximately 1,800 patents in the fiscal year 2017. As of 30 June 2019, the Infineon Group's worldwide patent portfolio comprised approximately 26,800 patents and patent applications. As a result of the acquisition of Cypress, the Infineon Group's patent portfolio will increase by a further approximately 3,900 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 litigation matters the 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 manufacturers of chips for smartcards since April 2008 for alleged violations of antitrust laws. Concluding these proceedings, the EU Commission finally imposed a fine of EUR 82.8 million on Infineon in September 2014. Infineon therefore brought an appeal against this decision before the General Court of the European Union (the "***Court***") in November 2014. This appeal was dismissed by the Court and Infineon filed an appeal to the European Court of Justice against this decision in February 2017. In September 2018, the European Court of Justice referred the case back to the court of first instance in order to re-review the proportionality of the fine.

Two class actions for damages in connection with these antitrust violations have been formally filed in Canada. However, no dates have yet been scheduled for court proceedings. Further, in July 2019, a direct customer filed a lawsuit against Infineon Technologies UK Limited, Renesas Electronics Corporation, Renesas Electronics Europe Limited and Renesas Electronics Europe GmbH in London (United Kingdom) relating to the aforementioned EU antitrust case. Infineon Technologies AG received service of process in this regards in August 2019.

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 insolvency administrator and Infineon.

In September 2014, Infineon and the insolvency administrator reached a partial settlement in the amount of EUR 260 million to settle all litigation pending regarding Qimonda between the administrator and the 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 3,350 million plus interest.

The legal dispute has, in the meantime, focused on the claims asserted for alleged lack of value. In August 2013, the court appointed an independent expert to clarify the valuation issues raised by the insolvency administrator and to address technical matters. In September 2018, in consultation with the parties, the independent expert appointed by the court presented an interim report on his preliminary assessment of the value of the contribution in kind. Infineon is in principle prepared to conduct discussions about an out of court settlement of the legal distribute on the basis of this interim report.

It is not clear at this stage if the legal dispute can be resolved with an out of court settlement, and, if this is not the case, when a first-instance court decision would be reached.

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. So far, settlements have been reached with most of the major liability creditors.

Infineon recorded provisions relating to Qimonda of EUR 203 million in total as of 30 June 2019. This comprises mainly provisions for the pending legal dispute including legal costs. However, there can be no certainty that the provisions recorded for Qimonda will be sufficient to cover all of the liabilities that could ultimately be incurred in relation to the insolvency of Qimonda. In addition it is possible that liabilities and risks materialize that are currently considered to be unlikely to do so, and accordingly are not included in provisions.

Other

The 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, export control and environmental issues.

Apart from the above mentioned proceedings, neither Infineon nor any of the companies of the 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 the Infineon Group's financial position or profitability.

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

Additional Information

Share Capital

As of 30 August 2019, Infineon's capital stock amounted to EUR 2,500,591,754 and was divided into 1,250,295,877 no-par value registered shares which are fully paid up. As of 30 August 2019, Infineon held six million treasury shares.

Fiscal Year

Infineon's fiscal year runs from 1 October of each year until 30 September 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 Cypress is envisaged to be completed by the end of calendar year 2019 or in early 2020 (see "*Proposed Acquisition of Cypress*"). As part of the refinancing of the Cypress acquisition, a capital increase, excluding subscription rights, by way of an accelerated bookbuilding was executed on 18 June 2019 and resulted in new share capital in the amount of EUR 225,547,846.00. Around 113 million new shares were issued and net proceeds of just over EUR 1.5 billion (before deduction of commissions and expenses) were received.

Outlook

The global semiconductor market relevant for the Infineon Group (i.e. excluding memory ICs and microprocessors) grew by 6.3% in the calendar year 2018 on a US dollar basis, and is expected to decline 3.7% in the calendar year 2019. The global semiconductor market including memory ICs and microprocessors grew 12.4% in 2018 but is predicted to decline 12.5% in the calendar year 2019. These predictions mainly reflect how the market for memory ICs is expected to develop. All those growth figures are based on market sizes measured in USD.[35]

[35] Based on content supplied by IHS Markit, Technology Group, "Worldwide Semiconductor Shipment Forecast with Regional Splits – Application Market Forecast Tool", June 2019.

As already announced on 27 March 2019, in view of the continued global economic uncertainties and weaker end-market demand the Group is facing, Infineon expects that not only revenues but also earnings will be negatively impacted for the fiscal year 2019, and Infineon updated its outlook accordingly.

Assuming a EUR/USD exchange rate of 1.15, for the fourth quarter of the fiscal year 2019, Infineon expects sequential revenue growth of 1%, plus or minus 2 percentage points. The Power Management & Multimarket segment is expected to grow above Group average. Revenue for the Automotive segment is expected to grow in line with Group average. For the segments Industrial Power Control and Digital Security Solutions Infineon expects revenue to be down by a low-single digit percentage.

Based on the last three quarters and on the assumptions for the fourth quarter described above, Infineon expects revenues of approximately EUR 8 billion for the fiscal year 2019 compared to EUR 7.6 billion in the fiscal year 2018. Revenue growth is therefore expected to be slightly above 5%.

For the fiscal year 2019, investments in the amount of approximately EUR 1.5 billion are planned. This amount includes the costs associated with the construction of the 300-millimeter thin wafer production facility at the Villach (Austria) site which started in November 2018. Depreciation and amortization are expected to be in the region of EUR 1 billion, of which around EUR 90 million are related to depreciation in regards to purchase price allocations mainly in connection with the acquisition of International Rectifier Corporation in 2015.

The Infineon Group's gross cash position as of 30 June 2019 amounted to EUR 1 billion plus 30% of its revenues from the last twelve months. Post-acquisition of Cypress (see "*Proposed Acquisition of Cypress*") Infineon remains committed to its conservative financial policy and retention of its investment grade rating. Hence, its target for the gross cash position of Infineon Group at EUR 1 billion plus 10%-20% of its revenues from the respective last twelve months and the target for gross debt at a maximum of 2x EBITDA remain in place. Infineon aims that the lower end of the liquidity target should be maintained at all times. While the acquisition of Cypress is expected to result in Infineon's gross debt to initially exceed that target, the Infineon Group aims to return in the mid-term to its target level.

The following are key elements of Infineon's financial policy

- A comfortable liquidity level for financing operating activities and potential investments throughout the cycle, Infineon's high focus on centralizing cash (including excess cash repatriation from its subsidiaries) and its EUR 1 billion liquidity cushion built up for net pension liabilities and contingent liabilities.
- A debt position with a balanced and long-term maturity profile, aimed at securing repayment of debt even if capital market financing should not be available, and a confirmation by S&P that Infineon Group's BBB investment grade rating would be confirmed or rated down by one notch at a maximum following the acquisition of Cypress.
- A track record of consistent dividend distribution since 2011. Infineon's dividend policy aims for a participation of shareholders in the success of the business and keeping the dividend at least at a constant level in times of flat or declining earnings. For the fiscal year 2018, the total dividend distribution amounted to EUR 305 million (EUR 283 million for the fiscal year 2017).

INFORMATION ABOUT CYPRESS

Business overview[36]

Cypress manufactures and sells advanced embedded system solutions for automotive, industrial, home automation and appliances, consumer electronics and medical products. Cypress' programmable systems-on-chip, general-purpose microcontrollers, analog ICs, wireless and USB-based connectivity solutions and reliable, high-performance memories help engineers design differentiated products and bring them to market fast. Cypress provides two critical elements of Internet of Things capability: microcontrollers (MCUs) and wireless connectivity.

The company was founded in 1982 and is headquartered in San José, California with sites in the US, Europe and Asia including a frontend manufacturing facility in Austin, Texas (USA), as well as two backend manufacturing facilities in Thailand and the Philippines. Cypress had approximately 5,850 employees as of 30 December 2018.[37]

Cypress combines wafer capacity from outsourced external foundry partners with output from its own manufacturing facility, which allows it to meet swings in demand while lowering capital expense requirements and lowering fixed costs. The company outsourced approximately 63% of its wafer requirement in 2018.

Cypress operates two business segments as described below.

The Microcontroller and Connectivity Division

The Microcontroller and Connectivity Division ("**MCD**") focuses on connect and compute solutions for the Internet of Things and automotive solutions that enhance the in-cabin user experience. MCD offerings include robust wireless and wired connectivity solutions that combine with flexible, high-performance microcontroller (MCU) and analog solutions, backed with a focus on design software. The portfolio includes Wi-Fi, Bluetooth and Bluetooth Low Energy solutions and wireless combo solutions; Traveo automotive MCUs, PSoC programmable MCUs and general-purpose MCUs; CapSense capacitive-sensing controllers and automotive TrueTouch touchscreen solutions; a broad line of USB controllers, including solutions for the USB-C and USB Power Delivery standards; and analog PMIC Power Management ICs. This division also includes the intellectual property business.

In the fiscal year 2018, Cypress reported revenues of USD 1.5 billion for the MCD Division, accounting for 59% of the revenues of Cypress. In the six-month period ended 30 June 2019, Cypress reported revenues of USD 665 million for the MCD Division, accounting for 62% of the revenues (six-month period ended 1 July 2018: USD 705 million). Revenues of the MCD Division decreased by USD 40.6 million, or 5.8%, in the six-month period ended 30 June 2019 compared to the same prior year period.

The Memory Products Division

The Memory Products Division ("**MPD**") focuses on fail-safe storage and data logging solutions for mission critical applications. The portfolio includes specialized, high-performance parallel and serial NOR flash memories, static random access memories (SRAM), F-RAM ferroelectric memory devices, nonvolatile SRAMs (nvSRAM), and other specialty memories. This division also includes Cypress' nonvolatile DIMM subsidiary AgigA Tech Inc.

In the fiscal year 2018, Cypress reported revenues of USD 1.0 billion for the MPD Division, accounting for 41% of the revenues of Cypress. In the six-month period ended 30 June 2019 Cypress

[36] Financial data provided in this section is derived from Cypress' publicly available consolidated financial statements (10-K for fiscal year 2018 and 10-Q for Q2 2019) prepared in accordance with US-GAAP and used as defined therein.

[37] Company information.

reported revenue of USD 407 million for the MPD Division, accounting for 38% of the revenues (six-month period ended 1 July 2018: USD 501 million). Revenues of the MPD Division decreased by USD 94.5 million, or 18.9%, in the six-month period ended 30 June 2019 compared to the same prior year period. The decrease was primarily due to the divestiture of NAND business, which was completed on 1 April 2019.

Revenues disaggregated by end market

In the six-month period ended 30 June 2019 Cypress reported revenue of USD 353 million for the Internet of Things market, for the automotive market of USD 400 million and for the legacy market of USD 318 million.

Key financial data of Cypress

The following table sets out selected financial information relating to Cypress. The information has been extracted from the consolidated financial statements of Cypress prepared by Cypress in accordance with generally accepted accounting principles in the United States ("**US GAAP**") for the fiscal year ended 31 December 2017 and for the fiscal year ended 30 December 2018, respectively, as well as from the consolidated interim financial statements prepared in accordance with US GAAP for the six-month period ended 30 June 2019 and for the six-month period ended 1 July 2018, respectively.

	As of and for the fiscal year ended		**As of and for the six-month period ended**	
	30 December 2018	**31 December 2017**	**30 June 2019**	**1 July 2018**
	USD thousands (unless indicated otherwise)			
Revenues	2,483,840	2,327,771	1,071,225	1,206,331
Cost of revenues	1,552,385	1,545,837	670,058	759,801
Gross profit[38]	931,455	781,934	401,167	446,530
Gross margin[39]	37.5%	33.6%	37.4%	37.0%
Operating income	164,428	78,093	45,302	86,608
Income before income taxes and non-controlling interest	96,583	2,146	24,056[40]	54,311[40]
Net income (loss) per share-attributable to Cypress – Diluted in $	0.95	(0.24)	0.02	0.10
Cash and cash equivalents	285,720	151,596	372,180	112,718
Total assets	3,693,215	3,537,050	3,648,476	3,504,497

[38] Gross profit is defined as revenues (each of its respective period, disclosed in the respective 10-K and/or 10-Q) as shown in the table above minus cost of revenues (each of its respective period, disclosed in the respective 10-K and/or 10-Q) as shown in the table above.

[39] Gross margin is defined as gross profit (each of its respective period, disclosed in the respective 10-K and/or 10-Q) as shown in the table above divided by revenues (each of its respective period, disclosed in the respective 10-K and/or 10-Q) as shown in the table above.

[40] Income before income taxes, share in net loss and impairment of equity method investee and non-controlling interest.

Proposed Acquisition of Cypress

On 3 June 2019, Infineon entered into a merger agreement with Cypress. Under the terms of the agreement, Infineon is to acquire Cypress by means of a merger of a wholly owned subsidiary of Infineon with and into Cypress, with Cypress surviving the merger as a wholly owned subsidiary of Infineon (reverse triangular merger). Infineon is offering Cypress' shareholders USD 23.85 in cash for each Cypress' share (the "**Acquisition**"). This represents a premium of 46% to Cypress' unaffected 30-day-volume-weighted average price during the period from 15 April 2019 to 28 May 2019, the last trading day prior to media reports regarding a potential acquisition of Cypress. The offering price corresponds to a fully diluted enterprise value for Cypress of EUR 9.0 billion. The Acquisition will be funded using the proceeds of the capital increase against cash contributions completed on 18 June 2019 (and described below), the proceeds from the issuance of the Notes as well as the loan facilities under the Facilities Agreement as well as cash on hand. The Facilities Agreement for the remaining part of the funding is fully underwritten by a consortium of banks. In connection with the Acquisition, Infineon is committed to retain an investment grade rating and intends to ultimately finance approximately 30% of the total transaction value with equity and the remainder with debt (including through capital markets transactions) as well as cash on hand. In view of the equity portion, a capital increase against cash under exclusion of subscription rights was executed on 18 June 2019. Infineon issued approximately 113 million new shares and generated net proceeds of just over EUR 1.5 billion. The proposed Acquisition remains subject to regulatory approvals as well as other customary conditions. The closing is expected by the end of calendar year 2019 or in early 2020.

Please see a description for the financing of the proposed Cypress acquisition under "*Material Debt Financings*".

Unaudited Aggregated Financial Information

The Acquisition is expected to have a material impact on the cash flows, financial position and results of operations of the Infineon Group. In order to give an indication of the impact of the Acquisition on certain selected performance measures of the Infineon Group, Infineon has prepared the following unaudited aggregated financial information ("**Unaudited Aggregated Financial Information**") for illustrative purposes. The Unaudited Aggregated Financial Information was neither prepared on the basis of the IDW Accounting Practice Statement: Preparation of Pro Forma Financial Information (IDW AcPS AAB 1.004) (*IDW Rechnungslegungshinweis: Erstellung von Pro-Forma-Finanzinformationen (IDW RH HFA 1.004)*), as promulgated by the Institute of Public Auditors in Germany (*IDW, Institut der Wirtschaftsprüfer in Deutschland e.V.*) nor does it constitute or is comparable to pro forma financial information within the meaning of Annex 20 of the Prospectus Regulation. Due to its nature, the Unaudited Aggregated Financial Information describes a hypothetical situation and does not reflect the actual cash flows, financial position and results of operations of the Infineon Group following the completion of the Acquisition nor does it indicate the future development of the cash flows, financial position and results of operations of the combined group following the completion of the Acquisition.

For the purposes of showing performance measures in the Unaudited Aggregated Financial Information relating to profit and loss statement items as well as relating cash flow statement items, it has been assumed that the closing of the Acquisition occurred as of 1 July 2018, and for the purposes of presenting balance sheet information in the Unaudited Aggregated Financial Information, it has been assumed that the closing of the Acquisition occurred as of 30 June 2019, in each case subject to the limitations, estimates and further assumptions described herein.

The Unaudited Aggregated Financial Information has been prepared based on the following historical financial information:

- Historical balance sheet information of Infineon has been derived from the unaudited interim consolidated financial information prepared by Infineon in accordance with IAS 34 as of and for the nine-month period ended 30 June 2019.
- Historical balance sheet information of Cypress has been derived from the unaudited condensed consolidated interim financial statements prepared by Cypress in accordance with US GAAP as of and for the six-month period ended 30 June 2019.
- For the purposes of showing performance measures in the Unaudited Aggregated Financial Information relating to profit and loss statement items as well as relating to cash flow statement items, the historical financial information of Infineon has been (i) calculated based on the financial information included in the audited consolidated financial statements of the Infineon Group prepared in accordance with IFRS as of and for the fiscal year ended 30 September 2018 as well as from the unaudited interim consolidated financial information prepared in accordance with IAS 34 as of and for the nine-month period ended 30 June 2019 and (ii) derived as total of the figure for the twelve-month period ended 30 September 2018 contained in the audited consolidated financial statements of the Infineon Group prepared in accordance with IFRS as of and for the fiscal year ended 30 September 2018 and the figure for the nine-month period ended 30 June 2019 less the figure for the nine-months period ended 30 June 2018 both as contained in the unaudited interim consolidated financial information prepared in accordance with IAS 34 as of and for the nine-month period ended 30 June 2019, if not indicated otherwise below.
- For the purposes of showing performance measures in the Unaudited Aggregated Financial Information relating to profit and loss statement items as well as relating to cash flow statement items, the historical financial information of Cypress has been (i) calculated based on the financial information included in the audited consolidated financial statements of Cypress prepared in accordance with US GAAP for the fiscal year ended 30 December 2018 as well as from the unaudited condensed consolidated interim financial statements prepared in accordance with US GAAP as of and for the six-month period ended 30 June 2019 and 1 July 2018, respectively, and (ii) derived as total of the figure for the twelve-month period ended 30 December 2018 contained in the consolidated financial statements of Cypress prepared in accordance with US GAAP for the fiscal year ended 30 December 2018 and the figure for the six-month period ended 30 June 2019 less the figure for the six-month period ended 1 July 2018 as contained in the unaudited condensed consolidated interim financial statements prepared in accordance with US GAAP for the six-month period ended 30 June 2019 and 1 July 2018, respectively, if not indicated otherwise below.

To conform to the Infineon reporting currency, the historical Cypress US GAAP consolidated financial information has been converted from US dollar to euro at the following rate: for currency conversion from US dollar to euro an exchange rate of 1.1380 was used for financial data as of 30 June 2019 and an exchange rate of 1.1412 was used for financial information for the twelve-month period ended 30 June 2019.

When preparing the Unaudited Aggregated Financial Information, principally only publicly available information regarding Cypress was available to Infineon. This results in significant limitations in respect of the Unaudited Aggregated Financial Information, which must be taken into account when reading this document. For example:

- Cypress' (condensed) consolidated financial statements have been prepared in accordance with US GAAP, which differs in certain material respects from IFRS. Infineon did not have access to the information required to align the recognition, measurement and presentation principles of Cypress with the recognition, measurements and presentation principles used by

Infineon for the purpose of identifying material differences in significant accounting policies between Infineon and Cypress and therefore did not adjust the financial statements of Cypress to conform to IFRS and the recognition, measurement and presentation principles of Infineon. The Unaudited Aggregated Financial Information might therefore deviate from financial information that would have been prepared aligning Cypress' financial information to IFRS and the recognition, measurement and presentation principles of Infineon.

- The Acquisition will be accounted for as a business combination in accordance with IFRS 3 (Business Combinations). The identifiable assets acquired and the liabilities assumed of Cypress are required to be measured in accordance with IFRS 3. Based on the information that was available to Infineon when preparing the Unaudited Aggregated Financial Information, Infineon was neither able to conclusively determine the consideration transferrable by it for the Acquisition nor to perform a final or a preliminary purchase price allocation. As a result, the presentation of illustrative aggregated total assets in the table below is a mere aggregation of consolidated total assets of both Infineon and Cypress as at 30 June 2019 and does not include any adjustments resulting from a purchase price allocation in accordance with IFRS 3 "Business Combinations" e.g. goodwill or identifiable intangible assets. Furthermore, no impact from the subsequent measurement of any acquired assets and assumed liabilities is presented as an adjustment to any performance measures in the Unaudited Aggregated Financial Information relating to profit and loss statement items. Such items also do not reflect interest expense or other effects of the future combination of Infineon or Cypress such as cost synergies.

The presentation of gross debt, gross debt to EBITDA and net cash (debt) to EBITDA in the Unaudited Aggregated Financial Information includes additional indebtedness that the Infineon Group has not yet incurred, but expects to incur until immediately after the closing of the Acquisition in connection therewith or related thereto. The determination of the amount of such additional indebtedness involves significant estimates by Infineon, including estimates relating, but not limited to, the exchange rate at closing, the number of Cypress shares outstanding and purchasable by Infineon at closing, the amount of Cypress debt repayable and the amount of payments due to Cypress personnel as a consequence of the Acquisition, the amount of transactions costs associated with the Acquisition, the effects of foreign currency hedging relating to the Acquisition and the net proceeds from the offering of the Notes. These estimates are subject to uncertainties and some or all of these estimates may turn out to be inaccurate, resulting in the actual amount of additional indebtedness that the Infineon Group will incur until immediately after the closing of the Acquisition to be higher or lower then currently estimated.

The Unaudited Aggregated Financial Information has to be read in conjunction with the historical audited consolidated financial statements of the Infineon Group prepared in accordance with IFRS as of and for the fiscal year ended 30 September 2018 as well as in conjunction with the unaudited interim consolidated financial information prepared in accordance with IAS 34 as of and for the nine-month period ended 30 June 2019, and the historical audited consolidated financial statements of Cypress prepared in accordance with US GAAP for the fiscal year ended 30 December 2018 as well as in conjunction with the unaudited condensed consolidated interim financial statements prepared in accordance with US GAAP for the six-month period ended 30 June 2019 and 1 July 2018, respectively.

EUR in billions (unless indicated otherwise, may not add up due to rounding)

	Historical Financial Information				Aggregated Financial Information
	Infineon	**Cypress**	**Combined**	**Adjustments**	
	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Revenue	**8.01**[41]	**2.06**	**10.07**	**N/A**	**10.07**
by region:					
United States	0.85[41]	0.21[42]	1.06	N/A	1.06
China, Taiwan, and Hong Kong	2.75[41, 43]	0.79[44]	3.54	N/A	3.54
Japan	0.59[41]	0.49[45]	1.08	N/A	1.08
Europe	2.38[41, 46]	0.28[47]	2.66	N/A	2.66
Rest of the World	1.44[41, 48]	0.28[49]	1.73	N/A	1.73

[41] IFRS 15 "Revenue from Contracts with Customers" has been applied by Infineon for the first time as of 1 October 2018. Infineon did not adjust the financial information for the application of IFRS 15 for the period from 1 July 2018 to 30 September 2018 as Infineon considers the impact of IFRS 15 for this period to be immaterial.

[42] The historical financial information is derived as total of revenue for region "United States" for the twelve-month period ended 30 December 2018 contained in the notes to the consolidated financial statements of Cypress prepared in accordance with US GAAP for the fiscal year ended 30 December 2018 and revenue for region "United States" for the six-month period ended 30 June 2019 less the revenue for region "United States" for the six-month period ended 1 July 2018 both contained in the notes to the unaudited condensed consolidated interim financial statements prepared in accordance with US GAAP for the six-month period ended 30 June 2019 and 1 July 2018, respectively.

[43] The information presented for Infineon is not comparable with Greater China as presented in Infineon historical financial information. It has been adjusted to align with publicly available information from Cypress for region "China, Taiwan, and Hong Kong" presented by Cypress for the sole purpose of the presentation of the Unaudited Aggregated Financial Information. The information for Infineon was derived from the Company's accounting records.

[44] The historical financial information is derived as total of revenue for region "China, Taiwan, and Hong Kong" for the twelve-month period ended 30 December 2018 contained in the notes to the consolidated financial statements of Cypress prepared in accordance with US GAAP for the fiscal year ended 30 December 2018 and the revenue for region "China, Taiwan, and Hong Kong" for the six-month period ended 30 June 2019 less revenue for region "China, Taiwan, and Hong Kong" for the six-month period ended 1 July 2018 both contained in the notes to the unaudited condensed consolidated interim financial statements prepared in accordance with US GAAP for the six-month period ended 30 June 2019 and 1 July 2018, respectively.

[45] The historical financial information is derived as total of revenue for region "Japan" for the twelve-month period ended 30 December 2018 contained in the notes to the consolidated financial statements of Cypress prepared in accordance with US GAAP for the fiscal year ended 30 December 2018 and the revenue for region "Japan" for the six-month period ended 30 June 2019 less the revenue for region "Japan" for the six-month period ended 1 July 2018 both contained in the notes to the unaudited condensed consolidated interim financial statements prepared in accordance with US GAAP for the six-month period ended 30 June 2019 and 1 July 2018, respectively.

[46] The information presented for Infineon is not comparable with "Europe, Middle East, Africa" as presented in Infineon historical financial information. It has been adjusted according to publicly available information from Cypress for region "Europe" presented by Cypress for the sole purpose of the presentation of the Unaudited Aggregated Financial Information. The information for Infineon was derived from the Company's accounting records.

[47] The historical financial information is derived as total of revenue for region "Europe" for the twelve-month period ended 30 December 2018 contained in the notes to the consolidated financial statements of Cypress prepared in accordance with US GAAP for the fiscal year ended 30 December 2018 and revenue for region "Europe" for the six-month period ended 30 June 2019 less the revenue for region "Europe" for the six-month period ended 1 July 2018 both contained in the notes to the unaudited condensed consolidated interim financial statements prepared in accordance with US GAAP for the six-month period ended 30 June 2019 and 1 July 2018, respectively.

[48] The information presented for Infineon is not comparable with "Asia-Pacific (excluding Japan, Greater China)" and "Americas" as presented in Infineon historical financial information. It has been adjusted to align with publicly available information from Cypress for region "Rest of the World" presented by Cypress for the sole purpose of the presentation of the Unaudited Aggregated Financial Information. The information for Infineon was derived from the Company's accounting records.

[49] The historical financial information is derived as total of revenue for region "Rest of the World" for the twelve-month period ended 30 December 2018 contained in the notes to the consolidated financial statements of Cypress prepared in accordance with US GAAP for the fiscal year ended 30 December 2018 and revenue for region "Rest of the World" for the six-month period ended 30 June 2019 less the revenue for region "Rest of the world" for the six-month period ended 1 July 2018 both contained in the notes to the unaudited condensed consolidated interim financial statements prepared in accordance with US GAAP for the six-month period ended 30 June 2019 and 1 July 2018, respectively.

by product category:					
Power	5.57[41, 50]	-	5.57	N/A	5.57
RF & Sensors	1.14[41, 50]	-	1.14	N/A	1.14
Embedded control & connectivity	1.28[41, 50]	1.26[51]	2.54	N/A	2.54
Differentiated memories	-	0.80[52]	0.80	N/A	0.80
Others	0.02[41, 50]	-	0.02	N/A	0.02
Gross profit	**3.08**[41]	**0.78**	**3.85**	N/A	**3.85**
Operating income	**1.29**[41]	**0.11**	**1.39**	N/A	**1.39**
Net income	**0.85**[41]	**0.28**	**1.14**	N/A	**1.14**
Free cash flow	**(0.07)**[53]	**0.41**[54]	**0.34**	N/A	**0.34**
Investments-to-Sales	**19.0%**[55]	**1.9%**[56]	**15.5%**	N/A	**15.5%**
Total assets	**12.95**	**3.21**	**16.16**	N/A	**16.16**
EBITDA	**2.18**[41, 57]	**0.28**[58]	**2.46**	N/A	**2.46**

[50] The information presented is derived from the Company's accounting records and not included in the unaudited interim consolidated financial information for the nine-month period ended 30 June 2019.

[51] The historical financial information is derived as total of the Microcontroller and Connectivity Division ("MCD") revenue for the twelve-month period ended 30 December 2018 contained in the notes to the consolidated financial statements of Cypress prepared in accordance with US GAAP for the fiscal year ended 30 December 2018 and the MCD revenue for the six-month period ended 30 June 2019 less the MCD revenue for the six-month period ended 1 July 2018 both contained in the notes to the unaudited condensed consolidated interim financial statements prepared in accordance with US GAAP for the six-month period ended 30 June 2019 and 1 July 2018, respectively.

[52] The historical financial information is derived as total of the Memory Products Division ("MPD") revenue for the twelve-month period ended 30 December 2018 contained in the notes to the consolidated financial statements of Cypress prepared in accordance with US GAAP for the fiscal year ended 30 December 2018 and the MPD revenue for the six-month period ended 30 June 2019 less the MPD revenue for the six-month period ended 1 July 2018 both as contained in the notes to the unaudited condensed consolidated interim financial statements prepared in accordance with US GAAP for the six-month period ended 30 June 2019 and 1 July 2018, respectively.

[53] Free cash flow of Infineon is defined as net cash provided by operating activities and net cash used in investing activities, both from continuing operations, adjusted for cash flows related to the purchase and sale of financial investments, each as presented in the relevant financial statements of Infineon.

[54] Free cash flow of Cypress is defined as sum of net cash provided by operating activities and net cash used in investing activities, each as presented in the relevant financial statements of Cypress.

[55] Investments-to-Sales of Infineon is defined as percentage of Investments in relation to revenue and Investments is defined as investments in property, plant and equipment and intangible assets including capitalized development cost, each as presented in the relevant financial statements of Infineon.

[56] Investments-to-Sales of Cypress is defined as percentage of Investments in relation to revenue and Investments is defined as acquisitions of property, plant and equipment, each as presented in the relevant financial statements of Cypress.

[57] EBITDA of Infineon is calculated as the total of earnings from continued operations before interest and taxes plus scheduled depreciation and amortization for the twelve-month period ended 30 September 2018 contained in the audited consolidated financial statements of the Infineon Group prepared in accordance with IFRS as of and for the fiscal year ended 30 September 2018 plus the total of earnings from continued operations before interest and taxes plus scheduled depreciation and amortization for the nine-month period ended 30 June 2019 less the total of earnings from continued operations before interest and taxes and scheduled depreciation and amortization for the nine-months period ended 30 June 2018 all contained in the unaudited interim consolidated financial information prepared in accordance with IAS 34 as of and for the nine-month period ended 30 June 2019.

[58] EBITDA of Cypress is defined as operating income plus depreciation and amortization less share in net loss and impairment of equity method investees. EBITDA of Cypress is calculated as the total of operating income plus depreciation and amortization less share in net loss and impairment of equity method investees for the twelve-month period ended 30 December 2018 contained in the consolidated financial statements of Cypress prepared in accordance with US GAAP for the fiscal year ended 30 December 2018 plus the total of operating income plus depreciation and amortization less share in net loss and impairment of equity method investees for the six-month period ended 30 June 2019 less the total of operating income and depreciation and amortization and the share in net loss and impairment of equity method investees for the six-month period ended 1 July 2018 all contained in the unaudited condensed consolidated interim financial statements prepared in accordance with US GAAP for the six-month period ended 30 June 2019 and 1 July 2018, respectively.

Gross debt (long-term and short-term)	**1.54**[59]	**0.76**[60]	**2.29**	**5.47**[61]	**7.76**
Gross debt-to-EBITDA	**0.7**[41, 62]	N/A	N/A	N/A	**3.2**
Gross cash position	**3.44**[63]	**0.33**[64]	**3.76**	**(1.52)**[65]	**2.24**
Net cash (debt) position	**1.90**[66]	**(0.43)**[67]	**1.47**	**(6.99)**[68]	**(5.52)**
Net cash (debt)-to-EBITDA	**0.9**[41, 69]	N/A	N/A	N/A	**(2.2)**

Integration of Cypress

With the integration of Cypress, the Infineon Group aims to become a leader in power system solutions for the automotive and industrial markets as well as the Internet of Things (IoT) (consumer and industrial IoT). Infineon believes that the strengths of Infineon Group and Cypress are highly complementary to each other and expanding the Infineon Group's scope is the main strategic rationale for the acquisition. Whereas Infineon Group's core product offering is built around power discretes and modules, sensors, automotive microcontrollers and security components, Cypress adds microcontrollers for industrial applications, connectivity and software/ecosystem solutions as well as differentiated memories. This combined portfolio will enable comprehensive system solutions, adding value for customers, including a broader offering than Infineon Group's competitors and connect real world applications to the digital world. The benefits are expected to lie in a higher bill-of-material share in core target applications, more design-wins due to microcontroller socket opportunities, cross-selling opportunities and a better value proposition for small and medium customers, i.e. one-stop shop, system solutions and reference designs. Additionally, the combination of the Infineon Group's and Cypress' expertise allows for a deeper system understanding, faster design cycles as well as software, ecosystem and solution enablement services to address adjacent and new markets.

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[59] Gross debt (long-term and short-term) of Infineon is defined as short-term debt and current maturities of long-term debt plus long-term debt, each as presented in the relevant unaudited interim consolidated financial statements of Infineon as of 30 June 2019.

[60] Gross debt (long-term and short-term) of Cypress is defined as current portion of long-term debt plus revolving credit facility and long-term portion of debt, each as presented in the relevant unaudited condensed consolidated financial statements of Cypress as of 30 June 2019.

[61] Adjustments solely reflect the estimated additional financial debt which Infineon expects to incur due to the acquisition of Cypress and repayment of Cypress debt less book value as of 30 June 2019 of Cypress debt assumed to be repaid. This assumes the issuance of the Notes and other instruments to be accounted for as equity under IAS 32. The adjustment does not reflect any estimate of a decrease / increase of debt of Infineon or Cypress between 30 June 2019 and 31 December 2019 for any other reason. Adjustments are based on an assumed potential closing date of the transaction being 31 December 2019. Accordingly, the estimated amount includes payments expected in connection with the transaction. The adjustments include the estimated increase in financial debt due to the payment for the outstanding shares of Cypress, the repayment of Cypress' existing financial debt and related financial liabilities, certain transaction costs (e.g. M&A fees, advisory fees, hedging fees and financing fees) as well as the payment of certain Cypress employee-related obligations in connection with the closing of the transaction (e.g. share-based payments) assumed by Infineon.

[62] Gross debt-to-EBITDA is defined as gross debt as defined in footnote 59 divided by EBITDA as defined in footnote 57.

[63] Gross cash position of Infineon is defined as cash and cash equivalents plus financial investments, each as presented in the relevant unaudited interim consolidated financial statements of Infineon as of 30 June 2019.

[64] Gross cash position of Cypress refers to cash and cash equivalents as contained in the unaudited condensed consolidated interim financial statements prepared in accordance with US GAAP as of and for the six-month period ended 30 June 2019.

[65] Adjustment to gross cash position reflects the usage of the net proceeds from the mid-June 2019 capital increase of Infineon in connection with the acquisition of Cypress.

[66] Net cash position of Infineon is defined as gross cash position as defined in footnote 63 less gross debt (short-term and long-term debt) as defined in footnote 59.

[67] Net cash position of Cypress is defined as gross cash position as defined in footnote 64 less gross debt (short-term and long-term debt) as defined in footnote 60.

[68] Adjustment to net cash (debt) position is the total of the adjustments to gross debt position as described in footnote 61 and gross cash position as described in footnote 65.

[69] Net cash (debt)-to-EBITDA is defined as net cash position as defined in footnote 66 divided by EBITDA as defined in footnote 57.

Moreover, the Infineon Group and Cypress are expected to complement one another also in terms of sales regions and channels. With the Acquisition, the Infineon Group is expected to have a more diversified geographic exposure and for example enhance its footprint in Japan. In addition, the Acquisition is expected to lead to a reinforced presence in high value-add distribution business and an increase in customer numbers. The Infineon Group is expected to leverage Cypress' advanced digital marketing capabilities to win more customers and for cross-selling.

While the main driving force for the acquisition is scope expansion, the Infineon Group will also considerably increase its scale. Based on Infineon's estimate, the combined company will be among the ten largest semiconductor companies worldwide with a total semiconductor market of EUR 408 billion, become the number one provider of automotive semiconductors with a total market of EUR 32 billion and ascend to number four in 32-bit microcontrollers with a total market of EUR 8 billion, each estimate based on combined revenues in the calendar year 2018.[70]

Based on Company information and estimates, together with Cypress, the Infineon Group is expected to have more than 30,000 patents and more than 47,000 employees (which includes more than 8,600 R&D employees).

Based on an increased addressable market with more structural growth drivers, a broader geographical mix, an enlarged customer base and a higher share of distribution, Infineon believes that the combined group has the potential to grow revenues by over 9% through the cycle (mid- to long-term) going forward (current Infineon average-cycle target: 9%). The Infineon Group expects cost synergies of approximately EUR 180 million per year by 2022, resulting from combined procurement for materials and manufacturing services, aligned R&D roadmap, joint go-to-market approaches and streamlined administrative functions. The overall revenue synergy potential is expected to be around EUR 1.5 billion per year when the planned cross-selling and system solutions synergies are fully ramped, assumed to be around 2028. The Infineon Group targets the segment result margin of the combined group to increase to 19% in the medium term (current Infineon average-cycle target: 17%). In addition, an expected reduced capital intensity is anticipated to lead to a lower investment-to-sales ratio of 13% in the medium-term (current Infineon average-cycle target: 15%).

[70] Based on content supplied by IHS Markit, Technology Group, "Annual 2001-2018 Semiconductor Market Share Competitive Landscaping Tool – 2019", August 2019 (for total semiconductor companies and 32-bit MCU suppliers); Strategy Analytics, "Automotive Semiconductor Vendor 2018 Market Shares", April 2019. Euro values based on 12-month average €/$ exchange rate of 1.19 for 2018.

Terms and Conditions of the NC5.5 Notes

Anleihebedingungen

Diese Anleihebedingungen sind in deutscher Sprache abgefasst und mit einer Übersetzung in die englische Sprache versehen. Der deutsche Wortlaut ist allein rechtsverbindlich. Die englische Übersetzung dient nur zur Information.

§ 1
(Verbriefung und Nennbetrag)

(1) Währung, Nennbetrag und Form.

Die Infineon Technologies AG (die "**Emittentin**") begibt auf den Inhaber lautende, nachrangige, resettable, festverzinsliche Schuldverschreibungen (die "**Schuldverschreibungen**") im Nennbetrag von je EUR 100.000 (der "**Nennbetrag**") und im Gesamtnennbetrag von EUR 600.000.000.

(2) Globalurkunden und Austausch.

Die Schuldverschreibungen werden zunächst in einer vorläufigen Globalinhaberschuldverschreibung (die "**Vorläufige Globalurkunde**") ohne Zinsscheine verbrieft und bei einer gemeinsamen Verwahrstelle für Clearstream Banking S.A., Luxemburg und Euroclear Bank SA/NV (beide gemeinsam nachstehend als "**Clearingsystem**" bezeichnet) hinterlegt. Die Vorläufige Globalurkunde wird nicht vor Ablauf von 40 und spätestens nach Ablauf von 180 Tagen nach dem Begebungstag der Schuldverschreibungen gegen Vorlage einer Bestätigung über das Nichtbestehen U.S.-amerikanischen wirtschaftlichen Eigentums (*beneficial ownership*) (ausgenommen bei bestimmten Finanzinstituten oder bestimmten Personen, die Schuldverschreibungen über solche Finanzinstitute halten) an den Schuldverschreibungen gemäß den Regeln und Betriebsabläufen des Clearingsystems

Terms and Conditions

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

§ 1
(Form and Denomination)

(1) Currency, Denomination and Form.

Infineon Technologies AG (the "**Issuer**") issues subordinated, resettable, fixed rate bearer notes (the "**Notes**") in a denomination of EUR 100,000 each (the "**Principal Amount**") in the aggregate principal amount of EUR 600,000,000.

(2) Global Notes and Exchange.

The Notes will initially be represented by a temporary global bearer note (the "**Temporary Global Note**") without coupons which will be deposited with a common depositary for Clearstream Banking S.A., Luxembourg and Euroclear Bank SA/NV (together hereinafter referred to as the "**Clearing System**"). The Temporary Global Note will be exchangeable for a permanent global bearer Note (the "**Permanent Global Note**" and, together with the Temporary Global Note, each a "**Global Note**") without coupons not earlier than 40 and not later than 180 days after the issue date of the Notes upon certification as to non-U.S. beneficial ownership (other than in case of certain financial institutions or certain persons holding Notes through such financial institutions) in accordance with the rules and operating procedures of the Clearing System. Payments on the Temporary Global Note will only be made

gegen eine endgültige Global-inhaberschuldverschreibung (die "**Dauer-Globalurkunde**" und, gemeinsam mit der Vorläufigen Globalurkunde, jeweils eine "**Globalurkunde**") ohne Zinsscheine ausgetauscht. Zahlungen auf die Vorläufige Globalurkunde erfolgen nur gegen Vorlage einer solchen Bestätigung. Einzelurkunden oder Zinsscheine werden nicht ausgegeben.

against presentation of such certification. No definitive Notes or interest coupons will be issued.

(3) Den Inhabern der Schuldverschreibungen (die "**Anleihegläubiger**") stehen Miteigentumsanteile bzw. Rechte an der Globalurkunde zu, die nach Maßgabe des anwendbaren Rechts und der Regeln und Bestimmungen des Clearingsystems übertragen werden können.

(3) The holders of the Notes (the "**Noteholders**") are entitled to proportional co-ownership interests or rights in the Global Note, which are transferable in accordance with applicable law and the rules and regulations of the Clearing System.

§ 2
(Status)

§ 2
(Status)

(1) Die Verbindlichkeiten der Emittentin aus den Schuldverschreibungen begründen direkte, nicht besicherte und nachrangige Verbindlichkeiten der Emittentin, die

(1) The obligations of the Issuer under the Notes constitute direct, unsecured and subordinated obligations of the Issuer ranking

(a) nachrangig gegenüber allen gegenwärtigen und zukünftigen nicht nachrangigen und nachrangigen Verbindlichkeiten der Emittentin, die nicht unter § 2(1)(b) oder (c) fallen, sind,

(a) subordinated to all present and future unsubordinated and subordinated obligations of the Issuer which do not fall under § 2(1)(b) or (c),

(b) untereinander und mit allen anderen gegenwärtigen und zukünftigen nicht besicherten Verbindlichkeiten, die nachrangig gegenüber allen nicht nachrangigen und nachrangigen Verbindlichkeiten der Emittentin sind (einschließlich Gleichrangiger Wertpapiere der Emittentin), gleichrangig sind, soweit nicht zwingende gesetzliche Bestimmungen solche anderen nachrangigen Verbindlichkeiten im Rang besserstellen; und

(b) *pari passu* among themselves and with all other present and future unsecured obligations of the Issuer ranking subordinated to all unsubordinated and subordinated obligations of the Issuer (including any Parity Security of the Issuer), except for any subordinated obligations required to be preferred by mandatory provisions of law; and

(c) im Rang nur den Ansprüchen und Rechten von Inhabern von

(c) senior only to the rights and claims

Nachrangigen Wertpapieren vorgehen.

of holders of Junior Securities.

Im Fall der Auflösung, der Liquidation, der Insolvenz oder eines der Abwendung der Insolvenz der Emittentin dienenden Verfahrens stehen die Verbindlichkeiten der Emittentin aus den Schuldverschreibungen allen nicht nachrangigen und allen nachrangigen Verbindlichkeiten der Emittentin, die nicht unter § 2(1)(b) oder (c) fallen, im Rang nach, so dass Zahlungen auf die Schuldverschreibungen erst erfolgen, wenn alle Ansprüche gegen die Emittentin aus Verbindlichkeiten, die den Verbindlichkeiten der Emittentin aus den Schuldverschreibungen nach Maßgabe dieses § 2 oder kraft Gesetzes im Rang vorgehen, vollständig befriedigt sind; erst nach Befriedigung aller der vorgenannten Ansprüche und der Verbindlichkeiten aus den Schuldverschreibungen können die verbleibenden Vermögenswerte an die Inhaber der Nachrangigen Wertpapiere der Emittentin verteilt werden.

In the event of the dissolution, liquidation, insolvency or any proceeding to avoid insolvency of the Issuer, the obligations of the Issuer under the Notes will be subordinated to all unsubordinated and all subordinated obligations of the Issuer which do not fall under § 2(1)(b) or (c) above so that in any such event payments will not be made under the Notes until all claims against the Issuer which pursuant to this § 2 are expressed to, or by operation of law, rank senior to the obligations of the Issuer under the Notes have been satisfied in full; only after all of the aforementioned claims and obligations under the Notes have been satisfied any remaining assets may be distributed to the holders of the Junior Securities of the Issuer.

"**Gleichrangiges Wertpapier**" bezeichnet jedes gegenwärtige oder zukünftige Wertpapier, Namenswertpapier oder jedes andere Instrument, das (i) von der Emittentin begeben ist und gleichrangig mit den Schuldverschreibungen ist oder als im Verhältnis zu den Schuldverschreibungen gleichrangig vereinbart ist, oder (ii) von einer Tochtergesellschaft begeben und von der Emittentin dergestalt garantiert ist oder für das die Emittentin dergestalt die Haftung übernommen hat, dass die Verpflichtungen der Emittentin aus der maßgeblichen Garantie oder Haftungsübernahme im Verhältnis zu den Verpflichtungen der Emittentin aus den Schuldverschreibungen gleichrangig sind.

"**Parity Security**" means any present or future security, registered security or other instrument which (i) is issued by the Issuer and ranks or is expressed to rank *pari passu* with the Notes, or (ii) is issued by a Subsidiary and guaranteed by the Issuer or for which the Issuer has otherwise assumed liability where the Issuer's obligations under the relevant guarantee or other assumption of liability rank *pari passu* with the Issuer's obligations under the Notes.

"**Nachrangiges Wertpapier**" bezeichnet (i) die Stammaktien der Emittentin, (ii) jede Aktie einer anderen Gattung von Aktien der Emittentin, die mit den Stammaktien der Emittentin gleichrangig ist, (iii) jedes andere Wertpapier,

"**Junior Security**" means (i) the ordinary shares of the Issuer, (ii) any share of any other class of shares of the Issuer ranking *pari passu* with the ordinary shares of the Issuer, (iii) any other security, registered security or other instrument of the Issuer

Namenswertpapier oder jedes andere Instrument, das von der Emittentin begeben ist und bei dem die daraus folgenden Verbindlichkeiten der Emittentin mit den unter (i) und (ii) beschriebenen Instrumenten der Emittentin gleichrangig oder als gleichrangig vereinbart sind und (iv) jedes gegenwärtige oder zukünftige Wertpapier, Namenswertpapier oder jedes andere Instrument, das von einer Tochtergesellschaft begeben ist, und das von der Emittentin dergestalt garantiert ist oder für das die Emittentin dergestalt die Haftung übernommen hat, dass die betreffenden Verbindlichkeiten der Emittentin aus der maßgeblichen Garantie oder Haftungsübernahme mit den unter (i), (ii) und (iii) beschriebenen Instrumenten der Emittentin gleichrangig oder als gleichrangig vereinbart sind.

the Issuer's obligations under which rank or are expressed to rank *pari passu* with the instruments of the Issuer described under (i) and (ii), and (iv) any present or future security, registered security or other instrument which is issued by a Subsidiary and guaranteed by the Issuer or for which the Issuer has otherwise assumed liability where the Issuer's obligations under such guarantee or other assumption of liability rank or are expressed to rank *pari passu* with the instruments of the Issuer described under (i), (ii) and (iii).

"**Tochtergesellschaft**" bezeichnet jede Gesellschaft, an der die Emittentin direkt oder indirekt mehrheitlich beteiligt ist und die von der Emittentin im Sinne von IFRS beherrscht wird.

"**Subsidiary**" means an entity in which the Issuer holds directly or indirectly a majority interest and which is controlled by the Issuer within the meaning of IFRS.

(2) Die Anleihegläubiger sind nicht berechtigt, Forderungen aus den Schuldverschreibungen gegen etwaige Forderungen der Emittentin gegen sie aufzurechnen, und die Emittentin ist nicht berechtigt, etwaige Forderungen, welche sie gegen einen Anleihegläubiger hat, gegen Forderungen dieses Anleihegläubigers aus den Schuldverschreibungen aufzurechnen.

(2) The Noteholders may not set off any claim arising under the Notes against any claim that the Issuer may have against any of them. The Issuer may not set off any claims it may have against any Noteholder against any claims of such Noteholder under the Notes.

(3) Unter Beachtung von § 2(1) bleibt es der Emittentin unbenommen, ihre Verbindlichkeiten aus den Schuldverschreibungen auch aus dem sonstigen freien Vermögen zu bedienen.

(3) Subject to § 2(1), the Issuer may satisfy its obligations under the Notes also from other distributable assets (*sonstiges freies Vermögen*) of the Issuer.

(4) Für die Rechte der Anleihegläubiger aus den Schuldverschreibungen ist diesen keine Sicherheit durch die Emittentin oder durch Dritte gestellt; eine solche Sicherheit wird auch zu keinem Zeitpunkt

(4) No security is, or shall at any time be, granted by the Issuer or any other person securing rights of the Noteholders under the Notes.

gestellt werden.

§ 3
(Zinsen)

(1) Zinslauf.

In dem Zeitraum ab dem 1. Oktober 2019 (der "**Zinslaufbeginn**") (einschließlich) bis zum Zinslaufende gemäß § 3(3) werden die Schuldverschreibungen bezogen auf den Gesamtnennbetrag in Höhe des gemäß § 3(2) anwendbaren Zinssatzes (der "**Zinssatz**") verzinst. Während dieses Zeitraums sind Zinsen jährlich nachträglich am 1. April eines jeden Jahres vorbehaltlich einer Rückzahlung oder eines Rückkaufs und anschließender Entwertung zur Zahlung vorgesehen, erstmals am 1. April 2020 (kurze erste Zinsperiode) (jeweils ein "**Zinszahlungstag**"), und werden nach Maßgabe der in § 4(1) dargelegten Bedingungen fällig.

(2) Zinssatz.

(a) Für jeden Zinszeitraum, der in den Zeitraum ab dem Zinslaufbeginn (einschließlich) bis zum 1. April 2025 (der "**Erste Reset-Termin**") (ausschließlich) fällt, entspricht der Zinssatz 2,875% per annum.

(b) Für jeden Zinszeitraum, der in den Reset-Zeitraum ab dem Ersten Reset-Termin (einschließlich) bis zum 1. April 2030 (dem "**Ersten Step-Up-Termin**") (ausschließlich) fällt, entspricht der Zinssatz dem Referenzsatz für diesen Reset-Zeitraum zuzüglich 338,8 Basispunkten per annum (die "**Anfängliche Marge**").

(c) Für jeden Zinszeitraum, der in einen Reset-Zeitraum ab dem Ersten Step-Up-Termin (einschließlich) bis zum 1. April 2045 (dem "**Zweiten Step-Up-Termin**") (ausschließlich) fällt, entspricht der Zinssatz dem Referenzsatz für diesen

§ 3
(Interest)

(1) Interest accrual.

In the period from and including 1 October 2019 (the "**Interest Commencement Date**") to the cessation of interest accrual in accordance with § 3(3) the Notes bear interest on their aggregate principal amount at the prevailing rate of interest according to § 3(2) (the "**Rate of Interest**"). During such period, interest is scheduled to be paid annually in arrear on 1 April of each year, commencing on 1 April 2020 (short first coupon) (each an "**Interest Payment Date**") (subject to redemption or repurchase and cancellation), and will be due and payable (*fällig*) in accordance with the conditions set out in § 4(1).

(2) Rate of Interest.

(a) For any Interest Period falling in the period from and including the Interest Commencement Date to but excluding 1 April 2025 (the "**First Reset Date**"), the Rate of Interest shall be equal to 2.875 per cent. per annum.

(b) For any Interest Period falling in the Reset Period from and including the First Reset Date to but excluding 1 April 2030 (the "**First Step-Up Date**"), the Rate of Interest shall be equal to the Reference Rate for such Reset Period plus 338.8 basis points per annum (the "**Initial Margin**").

(c) For any Interest Period falling in a Reset Period from and including the First Step-Up Date to but excluding 1 April 2045 (the "**Second Step-Up Date**"), the Rate of Interest shall be equal to the Reference Rate for such Reset Period plus the First

Reset-Zeitraum zuzüglich der Ersten Step-Up-Marge (wie nachfolgend definiert).

"**Erste Step-Up-Marge**" bezeichnet die Anfängliche Marge zuzüglich 25 Basispunkten per annum.

Step-Up Margin (as defined below).

"**First Step-Up Margin**" means the Initial Margin plus 25 basis points per annum.

(d) Für jeden Zinszeitraum, der in einen Reset-Zeitraum fällt, der an oder nach dem Zweiten Step-Up-Termin beginnt, entspricht der Zinssatz dem Referenzsatz für den betreffenden Reset-Zeitraum zuzüglich der Zweiten Step-Up-Marge (wie nachstehend definiert).

"**Zweite Step-Up-Marge**" bezeichnet die Anfängliche Marge zuzüglich 100 Basispunkten per annum.

(d) For any Interest Period falling in any Reset Period commencing on or after the Second Step-Up Date, the Rate of Interest shall be equal to the Reference Rate for the relevant Reset Period plus the Second Step-Up Margin (as defined below).

"**Second Step-Up Margin**" means the Initial Margin plus 100 basis points per annum.

(e) Die Berechnungsstelle wird den anwendbaren Zinssatz für die Schuldverschreibungen an dem betreffenden Zinsfeststellungstag bestimmen und veranlassen, dass dieser der Emittentin, der Hauptzahlstelle und jeder Börse, an der die Schuldverschreibungen zu diesem Zeitpunkt notiert sind und deren Regeln eine Mitteilung an die Börse verlangen, sowie den Anleihegläubigern gemäß § 11(2) unverzüglich, aber keinesfalls später als am achten auf dessen Bestimmung folgenden Geschäftstag mitgeteilt wird.

"**Geschäftstag**" bezeichnet jeden Tag (außer einem Samstag oder Sonntag), an dem das Trans-European Automated Real-time Gross settlement Express Transfer system 2 (TARGET2) geöffnet ist und Geschäftsbanken und Devisenmärkte in Frankfurt am Main und das Clearing-System Zahlungen in Euro abwickeln.

(e) The Calculation Agent will, on the relevant Interest Determination Date, determine the applicable Rate of Interest and cause the same to be notified to the Issuer, the Principal Paying Agent and, if required by the rules of any stock exchange on which the Notes are then listed, to such stock exchange, and to the Noteholders in accordance with § 11(2) without undue delay, but, in any case, not later than on the eighth Business Day after its determination.

"**Business Day**" means any day (other than Saturday or Sunday) on which the Trans-European Automated Real-time Gross settlement Express Transfer system 2 (TARGET2) is open and commercial banks and foreign exchange markets in Frankfurt am Main and the Clearing System settle payments in Euro.

(f) Wenn ein Kontrollwechsel-Ereignis (wie in § 5(5) definiert) eintritt und die Emittentin die Schuldverschreibungen nicht insgesamt gemäß § 5(5) an dem Kontrollwechsel-Stichtag (wie in § 5(5) definiert) zurückzahlt, erhöht sich der für die Berechnung der Zinsen ansonsten

(f) If a Change of Control Event (as defined in § 5(5)) occurs and the Issuer does not redeem the Notes in whole in accordance with § 5(5) on the Change of Control Effective Date (as defined in § 5(5)), the applicable Rate of Interest will be subject to an additional 500 basis points per

anwendbare Zinssatz ab dem Kontrollwechsel-Stichtag um zusätzliche 500 Basispunkte per annum. Für den Fall, dass in dem Zeitraum zwischen dem Eintritt des ersten Kontrollwechsel-Ereignisses und dem Tag, an dem die Kontrollwechsel-Mitteilung (wie in § 5(5) definiert) in Bezug auf diesen ersten Kontrollwechsel veröffentlicht wird, mehr als ein Kontrollwechsel-Ereignis eintritt, erhöht sich der für die Berechnung der Zinsen ansonsten anzuwendende Zinssatz jedoch nur einmal.

annum above the otherwise applicable prevailing Rate of Interest from the Change of Control Effective Date, provided however that, in case more than one Change of Control Event has occurred in the period from the occurrence of the first Change of Control Event to and including the day on which the Change of Control Notice (as defined in § 5(5)) with regard to such first Change of Control Event is published, the otherwise applicable Rate of Interest will only be increased once.

(g) Die Zinsen für einen beliebigen Zeitraum werden auf der Grundlage des Zinstagequotienten berechnet.

(g) Interest for any period of time will be calculated on the basis of the Day Count Fraction.

"**Zinstagequotient**" bezeichnet bei der Berechnung des Zinsbetrages für eine Schuldverschreibung für einen beliebigen Zeitraum (ab dem ersten Tag dieses Zeitraums (einschließlich) bis zum letzten Tag dieses Zeitraums (ausschließlich)) (der "**Zinsberechnungszeitraum**"):

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last day of such period) (the "**Calculation Period**"):

(i) wenn der Zinsberechnungszeitraum der Feststellungsperiode entspricht, in die er fällt, oder kürzer als diese ist, die Anzahl von Tagen in dem Zinsberechnungszeitraum dividiert durch die Anzahl von Tagen in der betreffenden Feststellungsperiode; und

(i) if the Calculation Period is equal to or shorter than the Determination Period in which it falls, the number of days in the Calculation Period divided by the number of days in such Determination Period; and

(ii) wenn der Zinsberechnungszeitraum länger als eine Feststellungsperiode ist, die Summe aus

(ii) if the Calculation Period is longer than one Determination Period, the sum of:

(A) der Anzahl der Tage in dem betreffenden Zinsberechnungszeitraum, die in die Feststellungsperiode fallen, in der der Zinsberechnungszeitraum beginnt, dividiert durch die Anzahl der Tage in der betreffenden Feststellungsperiode; und

(A) the number of days in such Calculation Period falling in the Determination Period in which the Calculation Period begins divided by the number of days in such Determination Period; and

(B) die Anzahl der Tage in dem

(B) the number of days in such

betreffenden Zinsberechnungszeitraum, die in die nachfolgende Feststellungsperiode fallen, dividiert durch die Anzahl der Tage in der betreffenden Feststellungsperiode.

Calculation Period falling in the next Determination Period divided by the number of days in such Determination Period.

Dabei gilt Folgendes:

Where:

"**Feststellungsperiode**" bezeichnet jede Periode ab einem Feststellungstermin (einschließlich), der in ein beliebiges Jahr fällt, bis zum nächsten Feststellungstermin (ausschließlich).

"**Determination Period**" means each period from and including a Determination Date in any year to but excluding the next Determination Date.

"**Feststellungstermin**" bezeichnet jeden 1. April.

"**Determination Date**" means each 1 April.

(3) Zinslaufende.

Die Verzinsung der Schuldverschreibungen endet mit Beginn des Tages, an dem ihr Nennbetrag zur Rückzahlung fällig wird. Sollte die Emittentin eine Zahlung von Kapital auf die Schuldverschreibungen bei Fälligkeit nicht leisten, endet die Verzinsung der Schuldverschreibungen mit Beginn des Tages der tatsächlichen Zahlung. Der in einem solchen Fall jeweils anzuwendende Zinssatz wird gemäß diesem § 3 bestimmt.

(3) Cessation of interest accrual.

The Notes will cease to bear interest from the beginning of the day their principal amount is due for repayment. If the Issuer fails to make any payment of principal under the Notes when due, the Notes will cease to bear interest from the beginning of the day on which such payment is made. In such case the applicable rate of interest will be determined pursuant to this § 3.

(4) Feststellung des Referenzsatzes.

Die Berechnungsstelle bestimmt an jedem Zinsfeststellungstag den betreffenden Referenzsatz nach Maßgabe dieses § 3(4).

(4) Determination of the Reference Rate.

The Calculation Agent will determine the relevant Reference Rate in accordance with this § 3(4) on each Interest Determination Date.

Der "**Referenzsatz**" für einen Reset-Zeitraum wird von der Berechnungsstelle an dem betreffenden Zinsfeststellungstag (wie nachstehend definiert) vor dem Reset-Termin, an dem der betreffende Reset-Zeitraum beginnt (der "**Referenz-Reset-Termin**"), festgelegt und ist,

The "**Reference Rate**" for a Reset Period will be determined by the Calculation Agent on the relevant Interest Determination Date (as defined below) prior to the Reset Date on which the relevant Reset Period commences (the "**Reference Reset Date**") and will be,

(a) solange kein Benchmark-Ereignis eingetreten ist,

(i) der Ursprüngliche

(a) as long as no Benchmark Event has occurred,

(i) the Original Benchmark Rate;

Benchmarksatz; oder

(ii) falls eine für die Festlegung des Ursprünglichen Benchmarksatzes benötigte Information am betreffenden Zinsfeststellungstag nicht auf der Bildschirmseite erscheint, der Referenzbankensatz an diesem Zinsfeststellungstag.

Kann der Referenzbankensatz nicht gemäß der Definition dieses Begriffs bestimmt werden, aber ist kein Benchmark-Ereignis eingetreten, entspricht der jeweilige "Referenzsatz" dem durch die Berechnungsstelle festgelegten Ursprünglichen Benchmarksatz, welcher zuletzt auf der Bildschirmseite verfügbar war; und

(b) wenn ein Benchmark-Ereignis eingetreten ist, wird der "Referenzsatz" für jeden Reset-Zeitraum, der an oder nach dem Stichtag (wie in § 3(5)(i) definiert) beginnt, gemäß § 3(5) bestimmt.

"**Ursprünglicher Benchmarksatz**" bezeichnet den um 11:00 Uhr (Frankfurter Zeit) gefixten, als Prozentsatz ausgedrückten Swapsatz per annum für in Euro denominierter Swap-Transaktionen mit einer Laufzeit von 5 Jahren, der auf der Bildschirmseite am betreffenden Zinsfeststellungstag gegen 11:00 Uhr (Frankfurter Zeit) angezeigt wird.

Der "**Referenzbankensatz**" ist der Prozentsatz, der auf Basis der 5-Jahres-Mid-Swapsatz-Quotierungen, die der Berechnungsstelle auf Bitten der Emittentin ungefähr um 11:00 Uhr (Frankfurter Zeit) von bis zu fünf führenden von der Emittentin ausgewählten Swap-Händlern im Interbankenhandel (die "**Reset-Referenzbanken**") gestellt werden, am Zinsfeststel-

or

(ii) in the event that any of the information required for the purposes of the determination of the Original Benchmark Rate does not appear on the Screen Page on the relevant Interest Determination Date, the Reference Bank Rate on that Interest Determination Date.

If the Reference Bank Rate cannot be determined pursuant to the definition of this term, but no Benchmark Event has occurred, the relevant "Reference Rate" shall be equal to the last Original Benchmark Rate available on the Screen Page as determined by the Calculation Agent; and

(b) if a Benchmark Event has occurred, the "Reference Rate" for each Reset Period commencing on or after the Effective Date (as defined in § 3(5)(i)) will be determined in accordance with § 3(5).

"**Original Benchmark Rate**" means the annual swap rate which is fixed at 11:00 a.m. (Frankfurt time) and is expressed as a percentage per annum for Euro denominated swap transactions with a maturity of 5 years which appears on the Screen Page on the relevant Interest Determination Date at or around 11:00 a.m. (Frankfurt time).

"**Reference Bank Rate**" means the percentage rate determined by the Calculation Agent on the basis of the 5-year Mid Swap Rate Quotations provided by up to five leading swap dealers in the interbank market selected by the Issuer (the "**Reset Reference Banks**") to the Calculation Agent at the request of the Issuer at approximately 11.00 a.m. (Frankfurt time) on the Interest

lungstag von der Berechnungsstelle festgelegt wird. Wenn mindestens drei 5-Jahres-Mid-Swapsatz-Quotierungen genannt werden, wird der Referenzbankensatz das arithmetische Mittel der 5-Jahres-Mid-Swapsatz-Quotierungen unter Ausschluss der höchsten Quotierung (bzw., für den Fall von gleich hohen Quotierungen, einer der höchsten Quotierungen) und der niedrigsten Quotierung (bzw., für den Fall von gleich hohen Quotierungen, einer der niedrigsten Quotierungen) sein. Falls nur zwei 5-Jahres-Mid-Swapsatz-Quotierungen zur Verfügung gestellt werden, ist der Referenzbankensatz das rechnerische Mittel der zur Verfügung gestellten Quotierungen. Falls nur eine 5-Jahres-Mid-Swapsatz-Quotierung zur Verfügung gestellt wird, ist der Referenzbankensatz gleich der zur Verfügung gestellten Quotierung. Dabei bezeichnet "**5-Jahres-Mid-Swapsatz-Quotierung**" das arithmetische Mittel der nachgefragten (*bid*) und angebotenen (*offered*) Prozentsätze für den jährlichen Festzinszahlungsstrom (berechnet auf einer 30/360 Tage-Berechnungsbasis) einer fixed-for-floating Euro Zinsswap-Transaktion, (x) die eine 5-jährige Laufzeit hat und am betreffenden Reset-Termin beginnt, (y) die auf einen Betrag lautet, der dem einer repräsentativen einzelnen Transaktion in dem relevanten Markt zur relevanten Zeit eines anerkannten Händlers mit guter Bonität im Swap-Markt entspricht, und (z) deren variabler Zahlungsstrom auf dem 6-Monats EURIBOR Satz beruht (berechnet auf einer Actual/360 Tage-Berechnungsbasis).

Dabei gilt Folgendes:

"**Bildschirmseite**" bezeichnet die Reuters Bildschirmseite "ICESWAP2 / EURFIXA" unter der Überschrift "EURIBOR BASIS" und dem Untertitel "11:00 AM Frankfurt time" (auf dem solche Überschriften und Untertitel von Zeit zu Zeit erscheinen). Hat die

Determination Date. If at least three 5-year Mid Swap Rate Quotations are provided, the Reference Bank Rate will be the arithmetic mean of the quotations, eliminating the highest quotation (or, in the event of equality one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest). If only two 5-year Mid Swap Rate Quotations are provided, the Reference Bank Rate will be the arithmetic mean of the quotations provided. If only one 5-year Mid Swap Rate Quotation is provided, the Reference Bank Rate will be the quotation provided. For this purpose, "**5-year Mid Swap Rate Quotation**" means the arithmetic mean of the bid and offered rates for the annual fixed rate leg (calculated on a 30/360 day count basis) of a fixed-for-floating Euro interest rate swap transaction which transaction (x) has a term of 5 years and commencing on the relevant Reset Date, (y) is in an amount that is representative of a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market, and (z) has a floating leg based on the 6-months EURIBOR rate (calculated on an Actual/360 day count basis).

Where:

"**Screen Page**" means Reuters Screen Page "ICESWAP2 / EURFIXA" under the heading "EURIBOR BASIS" and the caption "11:00 AM Frankfurt time" (as such headings and captions may appear from time to time). If the Screen Page permanently ceases to quote the Original

Bildschirmseite dauerhaft aufgehört, den Ursprünglichen Benchmarksatz anzugeben, ist diese Quotierung jedoch auf einer anderen, von der Berechnungsstelle nach billigem Ermessen ausgewählten Bildschirmseite verfügbar (die "**Ersatzbildschirmseite**"), wird die Ersatzbildschirmseite zum Zweck der Festlegung des Ursprünglichen Benchmarksatzes eingesetzt.

Benchmark Rate but such quotation is available from another page selected by the Calculation Agent in its reasonable discretion (the "**Replacement Screen Page**"), the Replacement Screen Page must be used for the purpose of the determination of the Original Benchmark Rate.

"**Reset-Termin**" bezeichnet den Ersten Reset-Termin und danach jeden fünften Jahrestag des vorausgegangenen Reset-Termins.

"**Reset Date**" means the First Reset Date and thereafter each fifth anniversary of the immediately preceding Reset Date.

"**Reset-Zeitraum**" bezeichnet jeden Zeitraum ab dem Ersten Reset-Termin (einschließlich) bis zum nächstfolgenden Reset-Termin (ausschließlich) und nachfolgend ab jedem Reset-Termin (einschließlich) bis zu dem jeweils nächstfolgenden Reset-Termin (ausschließlich).

"**Reset Period**" means each period from and including the First Reset Date to but excluding the next following Reset Date and thereafter from and including each Reset Date to but excluding the next following Reset Date.

"**TARGET-Geschäftstag**" bezeichnet einen Tag, an dem das Trans-European Automated Real-time Gross settlement Express Transfer system 2 (TARGET2) betriebsbereit ist.

"**TARGET Business Day**" means a day on which the Trans-European Automated Real-time Gross settlement Express Transfer system 2 (TARGET2) is operational.

"**Zinsfeststellungstag**" bezeichnet den zweiten TARGET-Geschäftstag vor dem betreffenden Referenz-Reset-Termin.

"**Interest Determination Date**" means the second TARGET Business Day prior to the relevant Reference Reset Date.

(5) Benchmark-Ereignis.

(5) Benchmark Event.

Wenn ein Benchmark-Ereignis in Bezug auf den Ursprünglichen Benchmarksatz (oder eine Teilkomponente davon) eintritt, gilt für die Bestimmung des betreffenden Referenzsatzes und den Reset des Zinssatzes gemäß diesem § 3(5) Folgendes:

If a Benchmark Event has occurred in relation to the Original Benchmark Rate (or any component part thereof), the relevant Reference Rate and the reset of the Rate of Interest in accordance with this § 3(5) will be determined as follows:

(a) Die Emittentin wird sich bemühen, sobald dies (nach billigem Ermessen der Emittentin) praktikabel ist, einen Unabhängigen Berater zu benennen, der einen Neuen Benchmarksatz, die Anpassungsmarge (gemäß § 3(5)(d)) und etwaige Benchmark-

(a) The Issuer shall endeavour to appoint an Independent Adviser as soon as it is (in the Issuer's reasonable discretion) practicable, who will determine a New Benchmark Rate, the Adjustment Spread (in accordance with

Änderungen (gemäß § 3(5)(e)) festlegt.

§ 3(5)(d)) and any Benchmark Amendments (in accordance with § 3(5)(e)).

(b) Wenn vor dem betreffenden Zinsfeststellungstag

(b) If prior to the relevant Interest Determination Date,

(i) es der Emittentin nicht gelingt, einen Unabhängigen Berater zu ernennen; oder

(i) the Issuer fails to appoint an Independent Adviser; or

(ii) der ernannte Unabhängige Berater keinen Neuen Benchmarksatz gemäß diesem § 3(5) festlegt,

(ii) the Independent Adviser appointed by it fails to determine a New Benchmark Rate in accordance with this § 3(5),

dann entspricht der "Referenzsatz" für den unmittelbar nachfolgenden Reset-Zeitraum dem an dem letzten zurückliegenden Zinsfeststellungstag festgestellten Ursprünglichen Benchmarksatz.

then the "Reference Rate" applicable to the immediately following Reset Period shall be the Original Benchmark Rate determined on the last preceding Interest Determination Date.

Falls dieser § 3(5)(b) bereits im Hinblick auf den Ersten Reset-Termin angewendet werden muss, entspricht der "Referenzsatz" für den ersten Reset-Zeitraum dem Ursprünglichen Benchmarksatz auf der Bildschirmseite an dem letzten Tag vor dem Zinsfeststellungstag, an dem dieser Ursprüngliche Benchmarksatz angezeigt wurde.

If this § 3(5)(b) is to be applied in respect of the First Reset Date, the "Reference Rate" applicable to the first Reset Period shall be the Original Benchmark Rate on the Screen Page on the last day preceding the Interest Determination Date on which such Original Benchmark Rate was displayed.

Falls der gemäß diesem § 3(5)(b) bestimmte Ausweichsatz zur Anwendung kommt, wird § 3(5) erneut angewendet, um den Referenzsatz für den nächsten nachfolgenden Reset-Zeitraum zu bestimmen.

If the fallback rate determined in accordance with this § 3(5)(b) is to be applied, § 3(5) will be operated again to determine the Reference Rate applicable to the next subsequent Reset Period.

(c) *Nachfolge-Benchmarksatz oder Alternativ-Benchmarksatz*. Falls der Unabhängige Berater nach billigem Ermessen feststellt,

(c) *Successor Benchmark Rate or Alternative Benchmark Rate*. If the Independent Adviser determines in its reasonable discretion that:

(i) dass es einen Nachfolge-Benchmarksatz gibt, dann ist dieser Nachfolge-

(i) there is a Successor Benchmark Rate, then such Successor Benchmark Rate

Benchmarksatz anstelle des Ursprünglichen Benchmarksatzes maßgeblich; oder

shall subsequently be used in place of the Original Benchmark Rate; or

(ii) dass es keinen Nachfolge-Benchmarksatz aber einen Alternativ-Benchmarksatz gibt, dann ist dieser Alternativ-Benchmarksatz an Stelle des Ursprünglichen Benchmarksatzes maßgeblich,

(ii) there is no Successor Benchmark Rate but that there is an Alternative Benchmark Rate, then such Alternative Benchmark Rate shall subsequently be used in place of the Original Benchmark Rate,

und dann entspricht der "Referenzsatz" für den unmittelbar nachfolgenden Reset-Zeitraum und alle folgenden Reset-Zeiträume vorbehaltlich § 3(5)(h) dem betreffenden Neuen Benchmarksatz an dem betreffenden Zinsfeststellungstag zuzüglich der Anpassungsmarge gemäß § 3(5)(d).

and then the "Reference Rate" for the immediately following Reset Period and all following Reset Periods, subject to § 3(5)(h), will be the relevant New Benchmark Rate on the relevant Interest Determination Date plus the Adjustment Spread as provided in § 3(5)(d).

(d) *Anpassungsmarge.* Die Anpassungsmarge (oder die Formel oder die Methode zur Bestimmung der Anpassungsmarge) wird auf den Neuen Benchmarksatz angewendet, um den betreffenden Referenzsatz zu bestimmen.

(d) *Adjustment Spread*. The Adjustment Spread (or the formula or methodology for determining the Adjustment Spread) shall be applied to the New Benchmark Rate to determine the relevant Reference Rate.

(e) *Benchmark-Änderungen*. Wenn ein Neuer Benchmarksatz und die entsprechende Anpassungsmarge gemäß diesem § 3(5) festgelegt werden, und wenn der Unabhängige Berater feststellt, dass Folgeänderungen, resultierend aus den vorgenannten Festlegungen, hinsichtlich der Feststellungen bezüglich des Zinssatzes notwendig sind, um die ordnungsgemäße Anwendung des Neuen Benchmarksatzes und der entsprechenden Anpassungsmarge zu gewährleisten (diese Änderungen, die "**Benchmark-Änderungen**"), dann wird der Unabhängige Berater die

(e) *Benchmark Amendments*. If any New Benchmark Rate and the applicable Adjustment Spread are determined in accordance with this § 3(5), and if the Independent Adviser determines that, resulting from the aforementioned determinations, amendments to the determinations in respect of the Rate of Interest are necessary to ensure the proper operation of such New Benchmark Rate and the applicable Adjustment Spread (such amendments, the "**Benchmark Amendments**"), then the Independent Adviser will determine the Benchmark Amendments and the Issuer will give notice thereof in

Benchmark-Änderungen feststellen und die Emittentin wird diese durch eine Mitteilung gemäß § 3(5)(f) bekanntmachen.

Diese Benchmark-Änderungen können insbesondere folgende Regelungen in diesen Anleihebedingungen erfassen:

(A) den Referenzsatz einschließlich der "Bildschirmseite" und/oder die Methode zur Bestimmung des Ausweichsatzes (sog. *fallback*) für den Referenzsatz einschließlich des Referenzbankensatzes; und/oder

(B) die Definitionen der Begriffe "Geschäftstag", "Zinszahlungstag", "Reset-Termin", "Zinsfest-stellungstag", "Zinstagequotient" und/oder "Zinsperiode" (einschließlich der Festlegung ob der Referenzsatz vorausschauend vor oder zu Beginn der betreffenden Zinsperiode oder zurückblickend vor oder zum Ablauf der betreffenden Zinsperiode bestimmt wird); und/oder

(C) die Geschäftstagekonvention gemäß § 6(2).

(f) *Mitteilungen, etc.* Die Emittentin hat einen Neuen Benchmarksatz, die Anpassungsmarge und etwaige Benchmark-Änderungen gemäß diesem § 3(5) der Hauptzahlstelle und der Berechnungsstelle sowie gemäß § 11 den Anleihegläubigern mitzuteilen, und zwar sobald eine solche Mitteilung (nach billigem Ermessen der Emittentin) nach deren Feststellung praktikabel ist.

accordance with § 3(5)(f).

The Benchmark Amendments may comprise in particular the following conditions of these Terms and Conditions:

(A) the Reference Rate including the "Screen Page" and/or the method for determining the fallback rate in relation to the Reference Rate, including the Reference Bank Rate; and/or

(B) the definitions of the terms "Business Day", "Interest Payment Date", "Reset Date", "Interest Determination Date", "Day Count Fraction" and/or "Interest Period" (including the determination whether the Reference Rate will be determined in advance on or prior to the relevant Interest Period or in arrear on or prior to the end of the relevant Interest Period); and/or

(C) the business day convention in § 6(2).

(f) *Notices, etc.* The Issuer will notify any New Benchmark Rate, the Adjustment Spread and the Benchmark Amendments (if any) determined under this § 3(5) to the Principal Paying Agent und the Calculation Agent and, in accordance with § 11, the Noteholders as soon as such notification is (in the Issuer's reasonable discretion) practicable

Eine solche Mitteilung ist unwiderruflich und hat den Stichtag zu benennen.

Der Neue Benchmarksatz, die Anpassungsmarge und etwaige Benchmark-Änderungen, die jeweils in der Mitteilung benannt werden, sind für die Emittentin, die Berechnungsstelle, die Hauptzahlstelle, eventuelle weitere Zahlstellen und die Anleihegläubiger bindend. Der Neue Benchmarksatz, die Anpassungsmarge und die etwaigen Benchmark-Änderungen gelten ab dem Stichtag.

Am Tag dieser Mitteilung hat die Emittentin der Hauptzahlstelle und der Berechnungsstelle eine durch zwei Unterschriftsberechtigte der Emittentin unterzeichnete Bescheinigung zu übergeben, die

(i)

(A) bestätigt, dass ein Benchmark-Ereignis eingetreten ist;

(B) den nach Maßgabe der Bestimmungen dieses § 3(5) festgestellten Neuen Benchmarksatz benennt;

(C) die entsprechende Anpassungsmarge und etwaige Benchmark-Änderungen benennt, die jeweils nach Maßgabe der Bestimmungen dieses § 3(5) festgestellt wurden; und

(D) den Stichtag benennt;

following the determination thereof. Such notice shall be irrevocable and shall specify the Effective Date.

The New Benchmark Rate, the Adjustment Spread and the Benchmark Amendments (if any), each as specified in such notice, will be binding on the Issuer, the Calculation Agent, the Principal Paying Agent, any additional paying agents and the Noteholders. The New Benchmark Rate, the Adjustment Spread and the Benchmark Amendments, if any, will be in effect from the Effective Date.

On the date of such notice, the Issuer shall deliver to the Principal Paying Agent and the Calculation Agent a certificate signed by two authorized signatories of the Issuer

(i)

(A) confirming that a Benchmark Event has occurred;

(B) specifying the relevant New Benchmark Rate determined in accordance with the provisions of this § 3(5);

(C) specifying the applicable Adjustment Spread and the Benchmark Amendments (if any), each as determined in accordance with the provisions of this § 3(5); and

(D) specifying the

und

(ii) bestätigt, dass die etwaigen Benchmark-Änderungen notwendig sind, um die ordnungsgemäße Anwendung des Neuen Benchmarksatzes und der entsprechenden Anpassungsmarge zu gewährleisten.

(g) *Definitionen.* Zur Verwendung in diesem § 3(5):

Die "**Anpassungsmarge**", die positiv, negativ oder gleich Null sein kann, wird in Basispunkten ausgedrückt und bezeichnet entweder (a) die Spanne oder (b) das Ergebnis der Anwendung der Formel oder Methode zur Berechnung der Spanne,

(A) die im Fall eines Nachfolge-Benchmarksatzes formell im Zusammenhang mit der Ersetzung des Ursprünglichen Benchmarksatzes durch den Nachfolge-Benchmarksatz von dem Nominierungsgremium empfohlen wird; oder

(B) die (sofern keine Empfehlung abgegeben wurde oder im Fall eines Alternativ-Benchmarksatzes) an den internationalen Anleihekapitalmärkten (oder, hilfsweise, an den internationalen Swapmärkten) auf den Neuen Benchmarksatz (oder eine Teilkomponente davon) angewendet wird, um einen industrieweit akzeptierten Ersatz-Benchmarksatz für den Ursprünglichen Benchmarksatz zu erzeugen, wobei sämtliche

Effective Date; and

(ii) confirming that the Benchmark Amendments, if any, are necessary to ensure the proper operation of such relevant New Benchmark Rate and the applicable Adjustment Spread.

(g) *Definitions.* As used in this § 3(5):

The "**Adjustment Spread**", which may be positive, negative or zero, will be expressed in basis points and means either (a) the spread or (b) the result of the operation of the formula or methodology for calculating the spread,

(A) which in the case of a Successor Benchmark Rate, is formally recommended in relation to the replacement of the Original Benchmark Rate with the Successor Benchmark Rate by any Relevant Nominating Body; or

(B) which (if no such recommendation has been made, or in the case of an Alternative Benchmark Rate) is applied to the New Benchmark Rate (or any component part thereof) in the international debt capital markets (or, alternatively, the international swap markets) to produce an industry-accepted replacement benchmark rate for the Original Benchmark Rate, provided that all determinations will be made by the Independent Adviser in

Feststellungen durch den Unabhängigen Berater nach billigem Ermessen vorgenommen werden.

"**Alternativ-Benchmarksatz**" bezeichnet eine alternative Benchmark oder einen alternativen Bildschirmsatz, die bzw. der üblicherweise an den internationalen Anleihekapitalmärkten (oder, hilfsweise, an den internationalen Swapmärkten) zur Bestimmung von Zinssätzen bzw. Mid-Swap-Sätzen in Euro angewendet wird, wobei sämtliche Feststellungen durch den Unabhängigen Berater vorgenommen werden.

Ein "**Benchmark-Ereignis**" tritt ein, wenn:

(A) der Ursprüngliche Benchmarksatz (oder eine Teilkomponente davon) nicht mehr regelmäßig veröffentlicht oder nicht mehr erstellt wird; oder

(B) eine öffentliche Bekanntmachung des Administrators des Ursprünglichen Benchmarksatzes (oder einer Teilkomponente davon) dahingehend vorliegt, dass dieser die Veröffentlichung des Ursprünglichen Benchmarksatzes (oder einer Teilkomponente davon) dauerhaft oder auf unbestimmte Zeit eingestellt hat oder einstellen wird (in Fällen in denen kein Nachfolgeadministrator ernannt worden ist, der die Veröffentlichung des Ursprünglichen Benchmarksatzes (oder einer Teilkomponente davon) vornehmen wird); oder

its reasonable discretion.

"**Alternative Benchmark Rate**" means an alternative benchmark or an alternative screen rate which is customarily applied in the international debt capital markets (or, alternatively, the international swap markets) for the purpose of determining rates of interest or mid swap rates, respectively in EUR, provided that all determinations will be made by the Independent Adviser.

A "**Benchmark Event**" occurs if:

(A) the Original Benchmark Rate (or any component part thereof) ceasing to be published on a regular basis or ceasing to exist; or

(B) a public statement by the administrator of the Original Benchmark Rate (or any component part thereof) is made that it has ceased or that it will cease publishing the Original Benchmark Rate (or any component part thereof) permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue the publication of the Original Benchmark Rate (or any component part thereof)); or

(C) eine öffentliche Bekanntmachung der Aufsichtsbehörde des Administrators des Ursprünglichen Benchmarksatzes (oder einer Teilkomponente davon) vorliegt, dass der Ursprüngliche Benchmarksatz (oder einer Teilkomponente davon) dauerhaft oder auf unbestimmte Zeit nicht mehr fortgeführt wird oder fortgeführt werden wird; oder

(C) a public statement by the supervisor of the administrator of the Original Benchmark Rate (or any component part thereof) is made, that the Original Benchmark Rate (or any component part thereof) has been or will permanently or indefinitely discontinued; or

(D) eine öffentliche Bekanntmachung der Aufsichtsbehörde des Administrators des Ursprünglichen Benchmarksatzes (oder einer Teilkomponente davon) vorliegt, wonach der Ursprüngliche Benchmarksatz (oder eine Teilkomponente davon) allgemein oder in Bezug auf die Schuldverschreibungen nicht mehr verwendet wird oder verwendet werden darf, oder nach welcher der Ursprüngliche Benchmarksatz (oder eine Teilkomponente davon) nicht länger als repräsentativ für einen industrieweit akzeptierten Benchmarksatz angesehen wird; oder

(D) a public statement by the supervisor of the administrator of the Original Benchmark Rate (or any component part thereof) is made as a consequence of which the Original Benchmark Rate (or any component part thereof) has been or will be prohibited from being used either generally, or in respect of the Notes, or pursuant to which the Original Benchmark Rate (or any component part thereof) has ceased or will cease to be representative as an industry accepted benchmark rate; or

(E) die Verwendung des Ursprünglichen Benchmarksatzes (oder einer Teilkomponente davon) zur Berechnung oder Bestimmung des Referenzsatzes für die Zahlstellen, die Berechnungsstelle, die

(E) it has become unlawful for any Paying Agent, the Calculation Agent, the Issuer or any other party to calculate or determine any Reference Rate using the Original Benchmark Rate (or any component part thereof); or

Emittentin oder jeden Dritten rechtswidrig geworden ist; oder

(F) die Methode für die Feststellung des Ursprünglichen Benchmarksatzes (oder einer Teilkomponente davon) ändert sich wesentlich gegenüber der Methode, die der Administrator des Ursprünglichen Benchmarksatzes bei Verzinsungsbeginn anwendet.

"**Nachfolge-Benchmarksatz**" bezeichnet einen Nachfolger oder Ersatz des Ursprünglichen Benchmarksatzes, der formell durch das Nominierungsgremium empfohlen wurde.

"**Neuer Benchmarksatz**" bezeichnet den jeweils gemäß diesem § 3(5) bestimmten Nachfolge-Benchmarksatz bzw. Alternativ-Benchmarksatz.

"**Nominierungsgremium**" bezeichnet in Bezug auf die Ersetzung des Ursprünglichen Benchmarksatzes (oder einer Teilkomponente davon):

(A) die Zentralbank für die Währung in der die Benchmark oder der Bildschirmsatz dargestellt wird oder eine Zentralbank oder andere Aufsichtsbehörde, die für die Aufsicht des Administrators der Benchmark oder des Bildschirmsatzes zuständig ist; oder

(B) jede Arbeitsgruppe oder jeden Ausschuss gefördert durch, geführt oder mitgeführt von oder gebildet von (a) der

(F) the methodology for the determination of the Original Benchmark Rate (or any component part thereof) is materially altered compared to the methodology as used by the administrator of the Original Benchmark Rate at the Interest Commencement Date.

"**Successor Benchmark Rate**" means a successor to or replacement of the Original Benchmark Rate which is formally recommended by any Relevant Nominating Body.

"**New Benchmark Rate**" means the Successor Benchmark Rate or, as the case may be, the Alternative Benchmark Rate determined in accordance with this § 3(5).

"**Relevant Nominating Body**" means, in respect of the replacement of the Original Benchmark Rate (or any component part thereof):

(A) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or

(B) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of

Zentralbank für die Währung in der die Benchmark oder der Bildschirmsatz dargestellt wird, (b) einer Zentralbank oder anderen Aufsichtsbehörde, die für die Aufsicht des Administrators der Benchmark oder des Bildschirmsatzes zuständig ist, (c) einer Gruppe der zuvor genannten Zentralbanken oder anderer Aufsichtsbehörden oder (d) dem Finanzstabilitätsrat (*Financial Stability Board*) oder Teilen davon.

(a) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (c) a group of the aforementioned central banks or other supervisory authorities or (d) the Financial Stability Board or any part thereof.

"**Unabhängiger Berater**" bezeichnet ein von der Emittentin ernanntes unabhängiges Finanzinstitut mit internationalem Ansehen oder einen anderen unabhängigen Finanzberater mit Erfahrung in internationalen Kapitalmärkten.

"**Independent Adviser**" means an independent financial institution of international repute or other independent financial adviser experienced in the international capital markets, in each case appointed by the Issuer.

(h) Eine Anpassung des Ursprünglichen Benchmarksatzes im Falle eines Benchmark-Ereignisses darf nur insoweit durchgeführt werden, als durch diese Anpassung kein Ratingagenturereignis eintritt.

(h) Any adjustment to the Original Benchmark Rate in case of a Benchmark Event will be made only to the extent that no Rating Agency Event would occur as a result of such adjustment.

(i) Der Stichtag für die Anwendung des Neuen Benchmarksatzes, der Anpassungsmarge und der etwaigen Benchmark-Änderungen gemäß diesem § 3(5) (der "**Stichtag**") ist der Zinsfeststellungstag, der auf den frühesten der folgenden Tage fällt oder diesem nachfolgt:

(i) The effective date for the application of the New Benchmark Rate, the Adjustment Spread and the Benchmark Amendments (if any) determined under this § 3(5) (the "**Effective Date**") will be the Interest Determination Date falling on or after the earliest of the following dates:

(A) den Tag des Eintritts des Benchmark-Ereignisses, wenn das Benchmark-Ereignis aufgrund des Absatzes (A) oder (F) der Definition des Begriffs "Benchmark-Ereignis" einge-

(A) if the Benchmark Event has occurred as a result of clause (A) or (F) of the definition of the term "Benchmark Event", the date of the occurrence of the Benchmark Event; or

treten ist; oder

(B) den Tag, ab dem die Veröffentlichung des Ursprünglichen Benchmarksatzes (oder einer Teilkomponente davon) eingestellt wird, oder ab dem der Ursprüngliche Benchmarksatz (oder eine Teilkomponente davon) eingestellt wird oder nicht länger als repräsentativ angesehen wird, wenn das Benchmark-Ereignis aufgrund der Absätze (B), (C) oder (D) der Definition des Begriffs "Benchmark-Ereignis" eingetreten ist; oder

(C) den Tag, ab dem der Ursprüngliche Benchmarksatz nicht mehr verwendet werden darf, wenn das Benchmark-Ereignis aufgrund des Absatzes (E) der Definition des Begriffs "Benchmark-Ereignis" eingetreten ist.

(j) Wenn ein Benchmark-Ereignis in Bezug auf einen Neuen Benchmarksatz eintritt, gilt dieser § 3(5) entsprechend für die Ersetzung des Neuen Benchmarksatzes durch einen neuen Nachfolge-Benchmarksatz bzw. Alternativ-Benchmarksatz. In diesem Fall gilt jede Bezugnahme in diesem § 3(5) auf den Begriff Ursprünglicher Benchmarksatz als Bezugnahme auf den vorherigen Neuen Benchmarksatz.

§ 4
(Fälligkeit von Zinszahlungen; Aufschub von Zinszahlungen; Zahlung Aufgeschobener Zinszahlungen)

(1) Fälligkeit von Zinszahlungen; wahlweiser

(B) if the Benchmark Event has occurred as a result of clause (B), (C) or (D) of the definition of the term "Benchmark Event", the date from which the Original Benchmark Rate (or any component part thereof) ceases to be published, is discontinued or ceases to be representative, as the case may be; or

(C) if the Benchmark Event has occurred as a result of clause (E) of the definition of the term "Benchmark Event", the date from which the prohibition applies.

(j) If a Benchmark Event occurs in relation to any New Benchmark Rate, this § 3(5) shall apply mutatis mutandis to the replacement of such New Benchmark Rate by any new Successor Benchmark Rate or Alternative Benchmark Rate, as the case may be. In this case, any reference in this §3(5) to the term Original Benchmark Rate shall be deemed to be a reference to the prior New Benchmark Rate.

§ 4
(Due date for interest payments; Deferral of interest payments; Payment of Deferred Interest Payments)

(1) Due date for interest payments; optional

Zinsaufschub.

(a) Zinsen werden für jede Zinsperiode an dem unmittelbar auf diese Zinsperiode folgenden Zinszahlungstag fällig, sofern sich die Emittentin nicht durch eine Bekanntmachung an die Anleihegläubiger gemäß § 11 innerhalb einer Frist von nicht weniger als 10 Geschäftstagen vor dem betreffenden Zinszahlungstag dazu entscheidet, die betreffende Zinszahlung insgesamt oder teilweise auszusetzen.

Wenn sich die Emittentin an einem Zinszahlungstag zur Nichtzahlung aufgelaufener Zinsen (insgesamt oder teilweise) entscheidet, dann ist sie nicht verpflichtet, diese Zinsen an dem betreffenden Zinszahlungstag zu zahlen. Eine Nichtzahlung aus diesem Grunde begründet keinen Verzug der Emittentin und keine anderweitige Verletzung ihrer Verpflichtungen aufgrund dieser Schuldverschreibungen oder für sonstige Zwecke.

Nach Maßgabe dieses § 4(1)(a) nicht fällig gewordene Zinsen sind aufgeschobene Zinszahlungen ("**Aufgeschobene Zinszahlungen**").

"**Zinsperiode**" bezeichnet jeden Zeitraum ab dem Zinslaufbeginn (einschließlich) bis zum ersten Zinszahlungstag (ausschließlich) und nachfolgend ab jedem Zinszahlungstag (einschließlich) bis zu dem jeweils nächstfolgenden Zinszahlungstag (ausschließlich).

(b) Aufgeschobene Zinszahlungen werden nicht verzinst.

(2) Freiwillige Zahlung von Aufgeschobenen Zinszahlungen.

Die Emittentin ist berechtigt, ausstehende Aufgeschobene Zinszahlungen jederzeit insgesamt oder teilweise nach Bekanntmachung an die Anleihegläubiger gemäß § 11 unter Einhaltung einer Frist von nicht weniger als 10 und nicht mehr als 15 Geschäftstagen nachzuzahlen,

interest deferral.

(a) Interest for each Interest Period will be due and payable (*fällig*) on the Interest Payment Date immediately following such Interest Period, unless the Issuer elects, by giving not less than 10 Business Days' notice to the Noteholders prior to the relevant Interest Payment Date in accordance with § 11, to defer the relevant payment of interest in whole or in part.

If the Issuer elects not to pay accrued interest on an Interest Payment Date (in whole or in part), then it will not have any obligation to pay such interest on such Interest Payment Date. Any such failure to pay interest will not constitute a default of the Issuer or any other breach of its obligations under the Notes or for any other purpose.

Interest not due and payable in accordance with this § 4(1)(a) will constitute deferred interest payments ("**Deferred Interest Payments**").

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

(b) Deferred Interest Payments will not bear interest.

(2) Optional Settlement of Deferred Interest Payments.

The Issuer will be entitled to pay outstanding Deferred Interest Payments (in whole or in part) at any time on giving not less than 10 and not more than 15 Business Days' notice to the Noteholders in accordance with § 11 which notice will specify (i) the amount of Deferred Interest

wobei eine solche Bekanntmachung (i) den Betrag an Aufgeschobenen Zinszahlungen, der je Schuldverschreibung gezahlt werden soll, und (ii) den für diese Zahlung festgelegten Termin (der "**Freiwillige Nachzahlungstermin**") enthalten muss.

Payments to be paid per Note and (ii) the date fixed for such payment (the "**Optional Settlement Date**").

(3) Pflicht zur Zahlung von Aufgeschobenen Zinszahlungen.

Die Emittentin ist verpflichtet, ausstehende Aufgeschobene Zinszahlungen insgesamt und nicht nur teilweise am nächsten Pflichtnachzahlungstag zu zahlen.

"**Pflichtnachzahlungstag**" bezeichnet den frühesten der folgenden Tage:

(i) den Tag, der zehn Geschäftstage nach dem Tag liegt, an dem ein Obligatorisches Nachzahlungsereignis eingetreten ist;

(ii) den Tag, an dem die Emittentin aufgelaufene Zinsen, die keine Aufgeschobenen Zinszahlungen sind, auf die Schuldverschreibungen zahlt;

(iii) den Tag, der zehn Geschäftstage nach dem Tag liegt, an dem die Emittentin oder eine Tochtergesellschaft eine Dividende, sonstige Ausschüttung oder sonstige Zahlung auf ein Gleichrangiges Wertpapier zahlt;

(iv) den Tag, der zehn Geschäftstage nach dem Tag liegt, an dem die Emittentin oder eine Tochtergesellschaft ein Gleichrangiges Wertpapier zurückzahlt, oder den Tag, der zehn Geschäftstage nach dem Tag liegt, an dem die Emittentin oder eine Tochtergesellschaft ein Gleichrangiges Wertpapier zurückkauft oder anderweitig

(3) Mandatory payment of Deferred Interest Payments.

The Issuer must pay outstanding Deferred Interest Payments (in whole but not in part) on the next Mandatory Settlement Date.

"**Mandatory Settlement Date**" means the earliest of:

(i) the date falling ten Business Days after the date on which a Compulsory Settlement Event has occurred;

(ii) the date on which the Issuer pays scheduled interest on the Notes which does not constitute a Deferred Interest Payment;

(iii) the date falling ten Business Days after the date on which the Issuer or any Subsidiary pays any dividend, other distribution or other payment in respect of any Parity Security;

(iv) the date falling ten Business Days after the date on which the Issuer or any Subsidiary redeems any Parity Security, or the date falling ten Business Days after the date on which the Issuer or any Subsidiary repurchases or otherwise acquires (in each case directly or indirectly) any Parity Security;

erwirbt (jeweils direkt oder indirekt);

(v) den Tag an dem die Emittentin Schuldverschreibungen gemäß diesen Anleihebedingungen zurückzahlt oder den Tag, der zehn Geschäftstage nach dem Tag liegt, an dem die Emittentin oder eine Tochtergesellschaft (jeweils direkt oder indirekt) Schuldverschreibungen zurückkauft oder anderweitig erwirbt; und

(v) the date on which the Issuer redeems Notes in accordance with these Terms and Conditions, or the date falling ten Business Days after the date on which the Issuer or any Subsidiary repurchases or otherwise acquires (in each case directly or indirectly) Notes; and

(vi) den Tag, an dem eine Entscheidung hinsichtlich der Auseinandersetzung, Liquidation oder Auflösung der Emittentin ergeht (sofern dies nicht für die Zwecke oder als Folge einer Verschmelzung, Umstrukturierung, eines Insolvenzplanverfahrens oder einer Sanierung geschieht, bei der die Emittentin noch zahlungsfähig ist und bei der die fortführende Gesellschaft im Wesentlichen alle Vermögenswerte und Verpflichtungen der Emittentin übernimmt),

(vi) the date on which an order is made for the winding up, liquidation or dissolution of the Issuer (other than for the purposes of or pursuant to a merger, reorganisation, or an insolvency plan procedure (*Insolvenzplanverfahren*) or restructuring whilst solvent, where the continuing entity assumes substantially all of the assets and obligations of the Issuer),

mit der Maßgabe, dass

provided that

(x) in den vorgenannten Fällen (iii) und (iv) kein Pflichtnachzahlungstag vorliegt, wenn die Emittentin oder die betreffende Tochtergesellschaft nach Maßgabe der Bedingungen des betreffenden Gleichrangigen Wertpapiers zu der Zahlung, zu der Rückzahlung, zu dem Rückkauf oder zu dem anderweitigen Erwerb verpflichtet ist;

(x) in the cases (iii) and (iv) above no Mandatory Settlement Date occurs if the Issuer or the relevant Subsidiary is obliged under the terms and conditions of such Parity Security to make such payment, such redemption, such repurchase or such other acquisition;

(y) in den vorgenannten Fällen (iv) und (v) kein Pflichtnachzahlungstag vorliegt, wenn die Emittentin oder die betreffende Tochtergesellschaft (jeweils direkt oder indirekt) ein Gleichrangiges Wertpapier oder Schuldverschreibungen (insgesamt

(y) in the cases (iv) and (v) above no Mandatory Settlement Date occurs if the Issuer or the relevant Subsidiary repurchases or otherwise acquires (in each case directly or indirectly) any Parity Security or any Notes (in whole or in part) in a

oder teilweise) nach einem öffentlichen Rückkaufangebot oder öffentlichen Umtauschangebot mit einer unter dem Nennwert liegenden Gegenleistung je Gleichrangigem Wertpapier bzw. je Schuldverschreibung zurückkauft oder anderweitig erwirbt; und

public tender offer or public exchange offer at a consideration per Parity Security or, as applicable, per Note below its par value; and

(z) in den vorgenannten Fällen (iii) und (iv) kein Pflichtnachzahlungstag vorliegt, wenn die betreffenden Zahlungen auf oder in Bezug auf ein Gleichrangiges Wertpapier Konzerninterne Zahlungen sind.

(z) in the cases (iii) and (iv) above no Mandatory Settlement Date occurs if the relevant payments on, or in respect of, any Parity Security are Intra-Group Payments.

(4) Definitionen.

In diesen Anleihebedingungen gilt Folgendes:

"**Konzerninterne Zahlungen**" sind Zahlungen, die ausschließlich an die Emittentin und/oder an eine oder mehrere ihrer Tochtergesellschaften erfolgen.

Ein "**Obligatorisches Nachzahlungsereignis**" bezeichnet vorbehaltlich des nachstehenden Satzes 2 jedes der folgenden Ereignisse:

(i) die ordentliche Hauptversammlung der Emittentin beschließt, eine Dividende, sonstige Ausschüttung oder sonstige Zahlung auf eine Aktie einer beliebigen Gattung der Emittentin zu leisten;

(ii) die Emittentin oder eine Tochtergesellschaft zahlt eine Dividende, sonstige Ausschüttung oder sonstige Zahlung auf ein Nachrangiges Wertpapier; oder

(iii) die Emittentin oder eine Tochtergesellschaft (jeweils direkt oder indirekt) zahlt oder kauft ein Nachrangiges Wertpapier zurück oder erwirbt es auf andere Weise (außer als Ergebnis eines

(4) Definitions.

For the purposes of these Terms and Conditions:

"**Intra-Group Payments**" means payments made exclusively to the Issuer and/or one or more of its Subsidiaries.

"**Compulsory Settlement Event**" means any of the following events, subject to the proviso in sentence 2 below:

(i) the ordinary general meeting of shareholders (*ordentliche Hauptversammlung*) of the Issuer resolves on the payment of any dividend, other distribution or other payment on any share of any class of the Issuer;

(ii) the Issuer or any Subsidiary pays any dividend, other distribution or other payment in respect of any Junior Security; or

(iii) the Issuer or any Subsidiary redeems, repurchases or otherwise acquires (in each case directly or indirectly) any Junior Security (other than as a result of the exchange or conversion of one class

Umtauschs oder einer Wandlung einer Aktiengattung in eine andere).

In den vorgenannten Fällen (ii) und (iii) tritt jedoch kein Obligatorisches Nachzahlungsereignis ein, wenn

(w) die Emittentin oder die betreffende Tochtergesellschaft nach Maßgabe der Bedingungen des betreffenden Nachrangigen Wertpapiers zu der Zahlung, zu der Rückzahlung, zu dem Rückkauf oder zu dem anderweitigen Erwerb verpflichtet ist;

(x) die Emittentin oder die betreffende Tochtergesellschaft eine Aktie einer beliebigen Gattung der Emittentin oder ein Nachrangiges Wertpapier nach Maßgabe eines bestehenden oder zukünftigen Aktienoptions- oder Aktienbeteiligungsprogramms oder ähnlichen Programms für Mitglieder des Vorstands oder des Aufsichtsrats (oder, im Falle verbundener Unternehmen, ähnlicher Gremien) oder Mitarbeiter der Emittentin oder mit ihr verbundener Unternehmen (jeweils direkt oder indirekt) zurückkauft oder anderweitig erwirbt; oder

(y) die betreffenden Zahlungen auf oder in Bezug auf ein Nachrangiges Wertpapier Konzerninterne Zahlungen sind; oder

(z) die Emittentin oder die betreffende Tochtergesellschaft eine Aktie einer beliebigen Gattung der Emittentin zurückkauft oder anderweitig erwirbt, um von ihr begebene Wandelschuldverschreibungen zu beliefern.

of shares for another class).

The cases (ii) and (iii) above are subject to the proviso that no Compulsory Settlement Event occurs if

(w) the Issuer or the relevant Subsidiary is obliged under the terms and conditions of such Junior Security to make such payment, such redemption, such repurchase or such other acquisition;

(x) the Issuer or the relevant Subsidiary repurchases or otherwise acquires (in each case directly or indirectly) any share of any class of the Issuer or any Junior Security pursuant to the obligations of the Issuer under any existing or future stock option or stock ownership programme or similar programme for any members of the executive board or supervisory board (or, in the case of affiliates, comparable boards) or employees of the Issuer or any of its affiliates; or

(y) the relevant payments on, or in respect of, any Junior Securities are Intra-Group Payments; or

(z) the Issuer or the relevant Subsidiary repurchases or otherwise acquires (in each case directly or indirectly) any share of any class of the Issuer to deliver shares under any convertible securities issued by it.

§ 5
(Rückzahlung und Rückkauf)

(1) Rückzahlung.

§ 5
(Redemption and Repurchase)

(1) Redemption.

Die Schuldverschreibungen haben keine festgelegte Fälligkeit. Sofern die Emittentin ihre Rechte in Übereinstimmung mit den Bestimmungen in § 5(3), (4) oder (5) ausübt, wird die Emittentin die Schuldverschreibungen zum relevanten Betrag unter den Bedingungen, die in den Bestimmungen in § 5(3), (4) oder (5) dargelegt sind, zurückzahlen.

The Notes have no scheduled maturity date. If the Issuer exercises its rights in accordance with the provisions set out in this § 5(3), (4) or (5), the Issuer will redeem the Notes at the relevant amount subject to the provisions set out in § 5(3), (4) or (5).

(2) Rückkauf.

Die Emittentin oder eine Tochtergesellschaft können, soweit gesetzlich zulässig, jederzeit Schuldverschreibungen auf dem freien Markt oder anderweitig sowie zu jedem beliebigen Preis kaufen. Derartig erworbene Schuldverschreibungen können entwertet, gehalten oder wieder veräußert werden.

(2) Repurchase.

Subject to applicable laws, the Issuer or any Subsidiary may at any time purchase Notes in the open market or otherwise and at any price. Such acquired Notes may be cancelled, held or resold.

(3) Rückzahlung nach Wahl der Emittentin.

Die Emittentin kann die Schuldverschreibungen (insgesamt und nicht nur teilweise) mit Wirkung zu jedem Tag während des Zeitraums ab dem 1. Januar 2025 (der "**Erste Rückzahlungstag**") (einschließlich) bis zum Ersten Reset-Termin (einschließlich) oder mit Wirkung zu jedem nachfolgenden Zinszahlungstag durch Erklärung gemäß § 5(6) kündigen. Im Falle einer solchen Kündigung hat die Emittentin die Schuldverschreibungen am festgelegten Rückzahlungstermin zum Nennbetrag zuzüglich der bis zum Tag der Rückzahlung in Bezug auf die Schuldverschreibungen aufgelaufenen, aber noch nicht bezahlten Zinsen sowie, zur Klarstellung, sämtlicher gemäß § 4(3) fälligen Aufgeschobenen Zinszahlungen zurückzuzahlen.

(3) Redemption at the Option of the Issuer.

The Issuer may, upon giving notice in accordance with § 5(6), call the Notes for redemption (in whole but not in part) with effect as of any date during the period from and including 1 January 2025 (the "**First Call Date**") to and including the First Reset Date or with effect as of any Interest Payment Date thereafter. In the case such call notice is given, the Issuer will redeem the remaining Notes at the Principal Amount plus any accrued and unpaid interest on the Notes to but excluding the date of redemption and, for the avoidance of doubt, any Deferred Interest Payments payable pursuant to § 4(3) on the specified redemption date.

(4) Rückzahlung nach Eintritt eines Gross-up-Ereignisses, eines Steuerereignisses, eines Rechnungslegungsereignisses, eines Ratingagenturereignisses oder eines Akquisitionsereignisses oder bei geringem

(4) Redemption following a Gross-up Event, a Tax Event, an Accounting Event, a Rating Agency Event or an Acquisition Event or in case of minimal outstanding aggregate principal amount.

ausstehenden Gesamtnennbetrag

(a) *Gross-up-Ereignis, geringer ausstehender Gesamtnennbetrag.*

Wenn

(i) ein Gross-up-Ereignis eintritt; oder

(ii) die Emittentin und/oder eine Tochtergesellschaft allein oder gemeinsam Schuldverschreibungen im Volumen von 75 % oder mehr des ursprünglich begebenen Gesamtnennbetrages der Schuldverschreibungen erworben oder zurückgezahlt hat,

dann ist die Emittentin berechtigt, durch Erklärung gemäß § 5(6) die Schuldverschreibungen (insgesamt und nicht nur teilweise) jederzeit mit Wirkung zu dem in der Erklärung gemäß § 5(6) für die Rückzahlung festgelegten Tag zu kündigen. Im Falle einer solchen Kündigung hat die Emittentin die Schuldverschreibungen am festgelegten Rückzahlungstermin zum Nennbetrag zuzüglich der bis zum Tag der Rückzahlung in Bezug auf die Schuldverschreibungen aufgelaufenen, aber noch nicht bezahlten Zinsen sowie, zur Klarstellung, sämtlicher gemäß § 4(3) fälligen Aufgeschobenen Zinszahlungen zurückzuzahlen.

Ein "**Gross-up-Ereignis**" tritt ein, wenn der Emittentin am oder nach dem Begebungstag der Schuldverschreibungen ein Gutachten einer anerkannten Anwaltskanzlei vorliegt (und die Emittentin der Zahlstelle eine Kopie davon gibt), aus dem hervorgeht, dass die Emittentin aufgrund einer an oder nach dem Begebungstag der Schuldverschreibungen in Kraft tretenden Gesetzesänderung (oder einer Änderung von darunter erlassenen Bestimmungen und Vorschriften) der Bundesrepublik Deutschland oder einer ihrer Gebietskörperschaften oder Behörden oder

(a) *Gross-up Event, minimal outstanding aggregate principal amount.*

If

(i) a Gross-up Event occurs; or

(ii) the Issuer and/or any Subsidiary has, severally or jointly, purchased or redeemed Notes equal to or in excess of 75 per cent. of the aggregate principal amount of the Notes initially issued,

the Issuer may, upon giving notice in accordance with § 5(6), call the Notes for redemption (in whole but not in part) at any time with effect as of the date fixed for redemption in the notice pursuant to § 5(6). In the case such call notice is given, the Issuer will redeem the remaining Notes on the specified redemption date at the Principal Amount plus any accrued and unpaid interest on the Notes to but excluding the date of redemption and, for the avoidance of doubt, any Deferred Interest Payments payable pursuant to § 4(3).

A "**Gross-up Event**" will occur if on or after the issue date of the Notes an opinion of a recognised law firm has been delivered to the Issuer (and the Issuer has provided the Paying Agent with a copy thereof) stating that the Issuer has or will become obliged by a legislative body, a court or any authority to pay Additional Amounts pursuant to § 7 as a result of any change in or amendment to the laws (or any rules or regulations thereunder) of the Federal Republic of Germany or any political subdivision or any authority of or in the Federal Republic of Germany, or as a result of any change in or amendment to

als Folge einer Änderung der offiziellen Auslegung oder Anwendung dieser Gesetze, Bestimmungen oder Vorschriften durch eine gesetzgebende Körperschaft, ein Gericht oder eine Behörde (einschließlich des Erlasses von Gesetzen sowie Bekanntmachung gerichtlicher oder aufsichtsrechtlicher Entscheidungen) verpflichtet ist oder verpflichtet sein wird, Zusätzliche Beträge gemäß § 7 zu zahlen und die Emittentin diese Verpflichtung nicht abwenden kann, indem sie zumutbare Maßnahmen ergreift, die sie nach Treu und Glauben für angemessen hält.

any official interpretation or application of those laws or rules or regulations (including the enactment of any legislation and the publication of any judicial decision or regulatory determination), and that obligation cannot be avoided by the Issuer taking such reasonable measures it (acting in good faith) deems appropriate.

Die Bekanntmachung der Rückzahlung nach Eintritt eines Gross-up-Ereignisses darf nicht früher als 90 Tage vor dem Tag erfolgen, an dem die Emittentin erstmals verpflichtet wäre, Zusätzliche Beträge gemäß § 7 zu zahlen.

No such notice of redemption following the occurrence of a Gross-up Event may be given earlier than 90 days prior to the earliest date on which the Issuer would be for the first time obliged to pay the Additional Amounts pursuant to § 7.

(b) *Steuerereignis, Rechnungslegungsereignis, Ratingagenturereignis, Akquisitionsereignis*.

(b) *Tax Event, Accounting Event, Rating Agency Event, Acquisition Event.*

Wenn

If

(i) ein Ratingagenturereignis eintritt; oder

(i) a Rating Agency Event occurs; or

(ii) ein Rechnungslegungsereignis eintritt; oder

(ii) an Accounting Event occurs; or

(iii) ein Steuerereignis eintritt, oder

(iii) a Tax Event occurs, or

(iv) ein Akquisitionsereignis eintritt,

(iv) an Acquisition Event occurs,

dann ist die Emittentin berechtigt, durch Erklärung gemäß § 5(6) die Schuldverschreibungen (insgesamt und nicht nur teilweise) jederzeit mit Wirkung zu dem in der Erklärung gemäß § 5(6) für die Rückzahlung festgelegten Tag zu kündigen. Im Falle einer solchen Kündigung hat die Emittentin die Schuldverschreibungen am festgelegten Rückzahlungstermin (i) zu 101 % des Nennbetrages, falls die Rückzahlung vor dem Ersten Rückzahlungstag erfolgt, und

the Issuer may, upon giving notice in accordance with § 5(6), call the Notes for redemption (in whole but not in part) at any time with effect as of the date fixed for redemption in the notice pursuant to § 5(6). In the case such call notice is given, the Issuer will redeem the remaining Notes on the specified redemption date (i) at 101.00 per cent. of the Principal Amount if the redemption occurs prior to the First Call Date and (ii) at the Principal Amount if the

(ii) zum Nennbetrag, falls die Rückzahlung an oder nach dem Ersten Rückzahlungstag erfolgt, jeweils zuzüglich der bis zum Tag der Rückzahlung in Bezug auf die Schuldverschreibungen aufgelaufenen, aber noch nicht bezahlten Zinsen sowie, zur Klarstellung, sämtlicher gemäß § 4(3) fälligen Aufgeschobenen Zinszahlungen, zurückzuzahlen.

redemption occurs on or after the First Call Date, in each case plus any accrued and unpaid interest on the Notes to but excluding the date of redemption and, for the avoidance of doubt, any Deferred Interest Payments payable pursuant to § 4(3).

Ein "**Ratingagenturereignis**" tritt ein, wenn:

A "**Rating Agency Event**" will occur if:

(i) entweder

(i) either

(x) eine Ratingagentur eine Veränderung ihrer Methodologie für Hybridkapital oder der Interpretation dieser Methodologie veröffentlicht, durch die ein Verlust der Eigenkapitalanrechnung (wie nachstehend definiert) eintritt; oder

(x) any Rating Agency publishes a change in its hybrid capital methodology or the interpretation thereof, as a result of which a Loss in Equity Credit (as defined below) occurs; or

(y) die Emittentin eine schriftliche Bestätigung von einer Ratingagentur erhalten und diese an die Hauptzahlstelle in Kopie weitergegeben hat, welche besagt, dass aufgrund einer Veränderung ihrer Methodologie für Hybridkapital oder der Interpretation dieser Methodologie ein Verlust der Eigenkapitalanrechnung eingetreten ist; oder

(y) the Issuer has received, and has provided the Principal Paying Agent with a copy of, a written confirmation from any Rating Agency that, as a result of a change in its hybrid capital methodology or the interpretation thereof, a Loss in Equity Credit occurred; or

(ii) in einer Situation, in der die Schuldverschreibungen seit ihrem Begebungstag insgesamt oder teilweise refinanziert worden sind und sie aus diesem Grund insgesamt oder teilweise nicht mehr in einer Kategorie der Eigenkapitalanrechnung einzuordnen sind, die Schuldverschreibungen aufgrund

(ii) in a situation where the Notes have been fully or partially re-financed since their issue date and are no longer eligible for any category of "equity credit" in full or in part as a result, the Notes would no longer have been eligible for any category of "equity credit" as a result of a change in its hybrid capital

einer Veränderung ihrer Methodologie für Hybridkapital oder der Interpretation dieser Methodologie auch dann nicht mehr in einer Kategorie der Eigenkapitalanrechnung einzuordnen gewesen wären, wenn sie nicht refinanziert worden wären.

methodology or the interpretation thereof had they not been refinanced.

Dabei gilt Folgendes:

Where:

"**Anfängliche Eigenkapitalanrechnungskategorie**" bezeichnet die folgende Kategorie der Eigenkapitalanrechnung ("*equity credit*" oder eine vergleichbare Beschreibung, die von der betreffenden Ratingagentur jeweils genutzt wird, um zu beschreiben, inwieweit die Bedingungen eines Instruments die vorrangigen Verbindlichkeiten der Emittentin unterstützen), der die Schuldverschreibungen von der betreffenden Ratingagentur anfänglich mit Wirkung ab dem folgenden Tag zugeordnet sind oder zugeordnet sein werden:

"**Initial Category of Equity Credit**" means the following category of "equity credit" (or such similar nomenclature as may be used by the relevant Rating Agency from time to time to describe the degree to which the terms of an instrument are supportive of the Issuer's senior obligations) initially attributed, or to be attributed, by the relevant Rating Agency to the Notes with effect from the following date:

(x) im Fall von S&P, die Kategorie der Eigenkapitalanrechnung an dem Tag, ab dem in Bezug auf die Schuldverschreibungen kein Akquisitionsereignis mehr eintreten kann, wie anfänglich am oder um den Tag ihrer Begebung durch S&P gegenüber der Emittentin bestätigt; und

(x) in the case of S&P, the category of "equity credit" on the date on which the Notes will no longer be subject to an Acquisition Event, as first confirmed by S&P to the Issuer at or around the date of issuance; and

(y) im Fall einer anderen Ratingagentur als S&P, die Kategorie der Eigenkapitalanrechnung an dem Tag, an dem diese erstmals von der betreffenden Ratingagentur zugeordnet wird.

(y) in the case of any Rating Agency other than S&P, the category of "equity credit" on the date when it is assigned for the first time by such Rating Agency.

"**Ratingagentur**" bezeichnet S&P, wobei "**S&P**" die S&P Global

"**Rating Agency**" means S&P, where "**S&P**" means S&P Global

Ratings Europe Limited oder eine ihrer Nachfolgegesellschaften bezeichnet, und jede andere, international anerkannte Ratingagentur, von der die Emittentin jeweils ein beauftragtes Rating erhält, sowie jeweils ihre Tochter- oder Nachfolgegesellschaften.

Ratings Europe Limited or any of its successors, and any other rating agency of international standing from which the Issuer receives, from time to time, a solicited rating, and, in each case, their respective subsidiaries or successors.

Ein "**Verlust der Eigenkapitalanrechnung**" tritt ein, wenn die Schuldverschreibungen nicht mehr in einer Kategorie der Eigenkapitalanrechnung der betreffenden Ratingagentur einzuordnen sind, die mindestens der Anfänglichen Eigenkapitalanrechnungskategorie entspricht.

A "**Loss in Equity Credit**" occurs if the Notes are no longer eligible to be assigned by the relevant Rating Agency a category of "equity credit" that is at least equal to the Initial Category of Equity Credit.

Ein "**Rechnungslegungsereignis**" liegt vor, wenn eine anerkannte Wirtschaftsprüfungsgesellschaft, die im Auftrag der Emittentin handelt, der Emittentin ein Gutachten übermittelt, wonach die durch die Ausgabe der Schuldverschreibungen beschafften Gelder nicht oder ab dem Tag der Implementierung der betreffenden neuen International Financial Reporting Standards ("**IFRS**") bzw. anderen Rechnungslegungsstandards, die die IFRS für Zwecke der Erstellung der konsolidierten Jahresabschlüsse der Emittentin ersetzen, nicht mehr als "Eigenkapital" gemäß IFRS bzw. der anwendbaren anderen Rechnungslegungsstandards ausgewiesen werden dürfen.

An "**Accounting Event**" will occur if a recognised accountancy firm, acting upon instructions of the Issuer, has delivered an opinion to the Issuer, stating that the funds raised through the issuance of the Notes as a result of a change in accounting principles may not or will no longer from the implementation date of the relevant new International Financial Reporting Standards ("**IFRS**") or any other accounting standards that may replace IFRS for the purposes of drawing up the annual consolidated financial statements of the Issuer, be recorded as "equity" pursuant to IFRS or such other applicable accounting standards.

Der Zeitraum, in dem die Emittentin die Rückzahlung der Schuldverschreibungen infolge des Eintretens eines Rechnungslegungsereignisses mitteilen kann, beginnt an dem Tag, an dem die Änderung der relevanten neuen IFRS (die "**Änderung**") offiziell verabschiedet wird. Zur Klarstellung, diese Frist umfasst

The period during which the Issuer may notify the redemption of the Notes as a result of the occurrence of an Accounting Event shall start on the date on which the change in the relevant new IFRS (the "**Change**") is officially adopted. For the avoidance of doubt, such period shall include any transitional period between the date on which the

jede Übergangszeit zwischen dem Tag, an dem die Änderung offiziell veröffentlicht wird, und dem Tag, an dem sie in Kraft tritt.

Change is officially published and the date on which it comes into effect.

Ein "**Steuerereignis**" liegt vor, wenn am oder nach dem Begebungstag der Schuldverschreibungen der Emittentin ein Gutachten einer anerkannten Anwaltskanzlei vorliegt (und die Emittentin der Zahlstelle eine Kopie davon gibt), aus dem hervorgeht, dass aufgrund einer Gesetzesänderung (oder einer Änderung von darunter erlassenen Bestimmungen und Vorschriften) der Bundesrepublik Deutschland oder einer ihrer Gebietskörperschaften oder einer ihrer Steuerbehörden, oder als Folge einer Änderung der offiziellen Auslegung oder Anwendung solcher Gesetze, Bestimmungen oder Vorschriften durch eine gesetzgebende Körperschaft, ein Gericht, eine Regierungsstelle oder eine Aufsichtsbehörde (einschließlich des Erlasses von Gesetzen sowie der Bekanntmachung gerichtlicher oder aufsichtsrechtlicher Entscheidungen), Zinsen, die von der Emittentin auf die Schuldverschreibungen zu zahlen sind, von der Emittentin nicht mehr für die Zwecke der deutschen Ertragsteuer voll abzugsfähig sind und die Emittentin dieses Risiko nicht abwenden kann, indem sie zumutbare Maßnahmen ergreift, die sie nach Treu und Glauben für angemessen hält.

A "**Tax Event**" will occur if on or after the issue date of the Notes an opinion of a recognised law firm has been delivered to the Issuer (and the Issuer has provided the Paying Agent with a copy thereof) stating that, as a result of any amendment to, or change in, the laws (or any rules or regulations thereunder) of the Federal Republic of Germany or any political subdivision or any taxing authority thereof or therein, or as a result of any amendment to, or change in, an official interpretation or application of any such laws, rules or regulations by any legislative body, court, governmental agency or regulatory authority (including the enactment of any legislation and the publication of any judicial decision or regulatory determination), interest payable by the Issuer in respect of the Notes is no longer fully deductible by the Issuer for German income tax purposes, and that risk cannot be avoided by the Issuer taking such reasonable measures as it (acting in good faith) deems appropriate.

Ein "**Akquisitionsereignis**" liegt vor, wenn die Emittentin oder eine Tochtergesellschaft (x) den Erwerb der Cypress Semiconductor Corporation nicht abgeschlossen und vollzogen hat und (y) öffentlich

An "**Acquisition Event**" will occur if the Issuer or any Subsidiary (x) has not completed and closed the acquisition of Cypress Semiconductor Corporation, and (y) has publicly stated that it no longer

erklärt hat, dass sie nicht länger beabsichtigt, den Erwerb zu verfolgen und die Emittentin gemäß § 11 den Anleihegläubigern dieses Akquisitionsereignis am oder vor dem 5. Oktober 2020 bekanntgemacht hat, bevor sie die Erklärung nach § 5(6) abgegeben hat. Die Emittentin kann auf ihr Recht zur Rückzahlung wegen eines Akquisitionsereignisses verzichten, indem sie den Verzicht nach § 11 bekannt macht.

intends to pursue such acquisition, and the Issuer has given notice to the Noteholders in accordance with § 11 on or prior to 5 October 2020 of such Acquisition Event prior to giving the notice in accordance with § 5(6). The Issuer may waive its right to call the Notes for redemption based on an Acquisition Event by giving notice of the waiver pursuant to § 11.

(5) *Kündigungsrecht der Emittentin nach Eintritt eines Kontrollwechselereignisses.*

(a) Wenn ein Kontrollwechsel-Ereignis (wie in § 5(5)(c) definiert) eintritt, hat die Emittentin sobald wie möglich, nachdem sie Kenntnis davon erhalten hat, den Kontrollwechsel-Stichtag (wie in § 5(5)(c) definiert) zu bestimmen und das Kontrollwechsel-Ereignis und den Kontrollwechsel-Stichtag gemäß § 11 anzuzeigen (die "**Kontrollwechsel-Mitteilung**").

(b) Wenn ein Kontrollwechsel-Ereignis eintritt, ist die Emittentin berechtigt, die Schuldverschreibungen (insgesamt, jedoch nicht teilweise) durch Erklärung gemäß dem nachstehenden Absatz mit Wirkung zu dem Kontrollwechsel-Stichtag zu kündigen.

Die Emittentin kann ihr Recht zur Rückzahlung gemäß diesem § 5(5) durch eine Bekanntmachung an die Anleihegläubiger gemäß § 11 innerhalb einer Frist von nicht mehr als 5 Geschäftstagen nach Bekanntmachung der Kontrollwechsel-Mitteilung ausüben. Diese Bekanntmachung kann auch zeitgleich mit der Kontrollwechsel-Mitteilung erfolgen.

(5) *Issuer Call Right following a Change of Control Event.*

(a) If a Change of Control Event (as defined in § 5(5)(c)) occurs, the Issuer will, as soon as practicable, after becoming aware thereof fix the Change of Control Effective Date (as defined in § 5(5)(c)) and give notice in accordance with § 11 of the Change of Control Event and the Change of Control Effective Date (the "**Change of Control Notice**").

(b) If a Change of Control Event occurs, the Issuer may call the Notes for redemption (in whole but not in part) with effect as of the Change of Control Effective Date upon giving notice in accordance with the following paragraph.

The Issuer may give notice to the Noteholders within not more than 5 Business Days after publication of the Change of Control Notice in accordance with § 11 of a redemption pursuant to this § 5(5). Such notice may be given simultaneously with the Change of Control Notice.

Im Falle einer solchen Erklärung ist die Emittentin verpflichtet, die Schuldverschreibungen am Kontrollwechsel-Stichtag zum Nennbetrag zuzüglich der bis zum Kontrollwechsel-Stichtag in Bezug auf die Schuldverschreibungen aufgelaufenen, aber noch nicht bezahlten Zinsen sowie, zur Klarstellung, sämtlicher gemäß § 4(3) fälligen Aufgeschobenen Zinszahlungen zurückzuzahlen.

In this case the Issuer shall redeem on the Change of Control Effective Date each Note at its Principal Amount plus any accrued and unpaid interest on the Notes to but excluding the Change of Control Effective Date and, for the avoidance of doubt, any Deferred Interest Payments payable pursuant to § 4(3).

(c) In diesem § 5(5) gilt Folgendes:

(c) In this § 5(5):

Ein "**Kontrollwechsel-Ereignis**" gilt jedes Mal als eingetreten, wenn nach dem Begebungstag der Schuldverschreibungen ein Kontrollwechsel eintritt und es innerhalb des Kontrollwechselzeitraums zu einer Absenkung des Ratings auf Grund des eingetretenen Kontrollwechsels kommt.

A "**Change of Control Event**" shall be deemed to have occurred at each time if a Change of Control occurs after the issue date of the Notes and within the Change of Control Period a Rating Downgrade in respect of that Change of Control occurs.

Dabei gilt Folgendes:

Where:

Eine "**Absenkung des Ratings**" gilt in Bezug auf einen Kontrollwechsel als eingetreten, wenn (a) innerhalb des Kontrollwechselzeitraums ein zuvor von einer Rating Agentur vergebenes beauftragtes Rating für die langfristigen Verbindlichkeiten der Emittentin (i) zurückgezogen und nicht durch ein gleichwertiges, beauftragtes Rating einer anderen Rating Agentur ersetzt wurde oder (ii) von einem Investment Grade Rating (BBB- von S&P oder jeweils gleichwertig, oder besser) in ein non-Investment Grade Rating (BB+ von S&P oder jeweils gleichwertig, oder schlechter) geändert oder (iii) (falls das von einer Rating Agentur für die langfristigen Verbindlichkeiten der Emittentin vergebene Rating unterhalb des Investment Grade Ratings liegt) um

A "**Rating Downgrade**" shall be deemed to have occurred in respect of a Change of Control (a) if within the Change of Control Period any solicited long-term credit rating previously assigned to the Issuer by any Rating Agency is (i) withdrawn and not subsequently replaced by an equivalent solicited rating by another Rating Agency or (ii) changed from an investment grade rating (BBB- by S&P, or its equivalent for the time being, or better) to a non-investment grade rating (BB+ by S&P, or its equivalent for the time being, or worse) or (iii) (if the long-term credit rating of the Issuer assigned by any Rating Agency shall be below an investment grade rating) lowered one full rating notch (from BB+ to BB by S&P or such similar

einen ganzen Punkt (von BB+ nach BB von S&P oder eine ähnliche Absenkung eines gleichwertigen Ratings) abgesenkt wird; oder (b) zur Zeit des Kontrollwechsels kein Rating für die langfristigen Verbindlichkeiten der Emittentin vergeben ist und keine Rating Agentur während des Kontrollwechselzeitraums ein Investment Grade Rating für die langfristigen Verbindlichkeiten der Emittentin vergibt (es sei denn, die Emittentin ist trotz zumutbarer Anstrengungen innerhalb dieses Zeitraums nicht in der Lage, ein solches Rating für die langfristigen Verbindlichkeiten der Emittentin zu erhalten, ohne dass dies seine Ursache im Kontrollwechsel hat). Wenn zum Zeitpunkt des Eintritts des Kontrollwechsels von mehr als einer Ratingagentur ein Rating für die langfristigen Verbindlichkeiten der Emittentin vergeben worden ist, dann ist das niedrigere, von einer der Ratingagenturen vergebene Rating für die langfristigen Verbindlichkeiten der Emittentin maßgeblich für die Feststellung, ob eine Absenkung des Ratings eingetreten ist.

lower of equivalent rating); or (b) if at the time of the Change of Control, there is no long-term credit rating assigned to the Issuer and no Rating Agency assigns during the Change of Control Period an investment grade credit long-term credit rating to the Issuer (unless the Issuer is unable to obtain such a long-term credit rating within such period having used all reasonable endeavours to do so and such failure is unconnected with the occurrence of the Change of Control). If at the time of the occurrence of the Change of Control the long-term credit rating of the Issuer is assigned by more than one Rating Agency, the lower long-term credit rating assigned by any such Rating Agency shall be taken into account to determine whether a Rating Downgrade has occurred.

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

"**Persons acting in concert**" has the meaning given to it in § 2 para. 5 WpÜG.

"**Kontrolle**" bezeichnet das unmittelbare oder mittelbare Eigentum oder die unmittelbare oder mittelbare Verfügungsbefugnis in jedweder Form (wie in § 34 WpHG beschrieben) an insgesamt mehr als 50 % der stimmberechtigten Aktien der Emittentin.

"**Control**" means any direct or indirect legal ownership or any legal entitlement (as defined in § 34 of WpHG of, in the aggregate, more than 50 per cent. of the voting shares of the Issuer.

Ein "**Kontrollwechsel**" liegt vor, wenn eine Person oder Personen, die gemeinsam handeln, nach dem Begebungstag der

A "**Change of Control**" occurs if any Person or Persons acting in concert acquire Control of the Issuer

Schuldverschreibungen Kontrolle über die Emittentin erwirbt bzw. erwerben.

after the issue date of the Notes.

Der "**Kontrollwechselzeitraum**" ist der Zeitraum, der 120 Tage nach dem Eintritt eines Kontrollwechsels endet.

"**Change of Control Period**" means the period ending 120 days after the occurrence of the Change of Control.

"**Kontrollwechsel-Stichtag**" bezeichnet folgenden von der Emittentin in der Kontrollwechsel-Mitteilung festgelegten Tag: (i) falls zum betreffenden Zeitpunkt nicht-nachrangige Fremdkapitalwertpapiere der Emittentin oder einer anderen Gesellschaft unter einer Garantie der Emittentin ausstehen, ist "Kontrollwechsel-Stichtag": (x) frühestens der fünfte Geschäftstag nach dem Tag, an dem solche Wertpapiere aufgrund einer Kündigung der Inhaber dieser Wertpapiere wegen des gleichen Kontrollwechsel-Ereignisses (oder eines vergleichbaren Konzepts) fällig werden können, aber in jedem Fall (y) spätestens der 60. Tag nach Veröffentlichung der Kontrollwechsel-Mitteilung.
(ii) Falls zum betreffenden Zeitpunkt keine nicht-nachrangigen Fremdkapitalwertpapiere der Emittentin oder einer anderen Gesellschaft unter einer Garantie der Emittentin ausstehen, ist "Kontrollwechsel-Stichtag" ein Geschäftstag, der nicht weniger als 20 und nicht mehr als 60 Tage nach Bekanntmachung der Kontrollwechsel-Mitteilung liegen darf.

"**Change of Control Effective Date**" means the following date fixed by the Issuer in the Change of Control Notice: (i) If at the relevant time any senior debt securities of the Issuer or another entity benefitting from a guarantee of the Issuer are outstanding, "Change of Control Effective Date" means (x) the fifth Business Day following the date on which such securities may become payable due to put notices of the holders of such securities in respect of the same Change of Control Event (or a similar concept) at the earliest but in any event (y) the 60th day following the publication of the Change of Control Notice at the latest. (ii) If at the relevant time no senior debt securities of the Issuer or another entity benefitting from a guarantee of the Issuer are outstanding, "Change of Control Effective Date" means a Business Day which falls not less than 20 nor more than 60 days after publication of the Change of Control Notice.

"**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

"**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

selbstständige juristische Person handelt oder nicht.

"**WpHG**" bezeichnet das Wertpapierhandelsgesetz in seiner jeweils gültigen Fassung.

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

not being a separate legal entity.

"**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.

(6) Bekanntmachung der Rückzahlung.

Die Emittentin kann ein Recht zur Rückzahlung gemäß § 5(3), (4) oder (5) durch eine Bekanntmachung an die Anleihegläubiger gemäß § 11 unter Einhaltung einer Frist von nicht weniger als 10 und nicht mehr als 60 Tagen ausüben. Die Bekanntmachung soll in den Fällen des § 5(4) diejenigen Tatsachen enthalten, auf welche die Emittentin ihr Recht zur Rückzahlung stützt, und den für die Rückzahlung festgelegten Tag bezeichnen.

(6) Notification of Redemption.

The Issuer will give not less than 10 nor more than 60 days' notice to the Noteholders in accordance with § 11 of any redemption pursuant to § 5(3), (4) or (5). In the case of § 5(4) such notices will set forth the underlying facts of the Issuer's right to redemption and specify the date fixed for redemption.

§ 6
(Zahlungen)

(1) Die Emittentin verpflichtet sich, Kapital und Zinsen auf die Schuldverschreibungen bei Fälligkeit in Euro zu zahlen. Die Zahlung von Kapital und Zinsen auf die Schuldverschreibungen erfolgt, vorbehaltlich geltender steuerrechtlicher und sonstiger gesetzlicher Regelungen und Vorschriften, über die Hauptzahlstelle zur Weiterleitung an das Clearingsystem oder nach dessen Weisung zur Gutschrift für die jeweiligen Kontoinhaber. Die Zahlung an das Clearingsystem oder nach dessen Weisung 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

§ 6
(Payments)

(1) The Issuer undertakes to pay, as and when due, principal and interest on the Notes in euro. Payment of principal and interest on the Notes will be made, subject to applicable fiscal and other laws and regulations, through the Principal Paying Agent for on-payment to the Clearing System or to its order for credit to the respective account holders. Payments to the Clearing System or to its order will 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 as set forth in § 7.

gemäß § 7 ein.

(2) Falls ein Fälligkeitstag für die Zahlung von Kapital und/oder Zinsen kein Geschäftstag ist, erfolgt die Zahlung erst am nächstfolgenden Geschäftstag; die Anleihegläubiger sind nicht berechtigt, Zinsen oder eine andere Entschädigung wegen eines solchen Zahlungsaufschubs zu verlangen.

(2) If the due date for any payment of principal and/or interest is not a Business Day, payment will be effected only on the next Business Day. The Noteholders will have no right to claim payment of any interest or other indemnity in respect of such delay in payment.

§ 7
(Besteuerung)

Sämtliche Zahlungen von Kapital und Zinsen in Bezug auf die Schuldverschreibungen sind ohne Einbehalt oder Abzug von oder aufgrund von gegenwärtigen oder zukünftigen Steuern oder sonstigen Abgaben gleich welcher Art zu leisten, die von oder in der Bundesrepublik Deutschland oder für deren Rechnung oder von oder für Rechnung einer dort zur Steuererhebung ermächtigten Gebietskörperschaft oder Behörde in der Bundesrepublik Deutschland auferlegt oder erhoben werden, es sei denn, ein solcher Einbehalt oder Abzug ist gesetzlich vorgeschrieben. Falls die Emittentin gesetzlich zu einem solchen Einbehalt oder Abzug verpflichtet ist, wird die Emittentin diejenigen zusätzlichen Beträge ("**Zusätzlichen Beträge**") zahlen, die erforderlich sind, damit die den Anleihegläubigern zufließenden Nettobeträge nach diesem Einbehalt oder Abzug jeweils den Beträgen entsprechen, die ohne einen solchen Einbehalt oder Abzug von den Anleihegläubiger empfangen worden wären; die Verpflichtung zur Zahlung solcher zusätzlicher Beträge besteht jedoch nicht im Hinblick auf Steuern und Abgaben, die:

§ 7
(Taxation)

All payments of principal and interest in respect of the Notes will be made free and clear of, and without withholding or deduction for, or on account of, any present or future taxes or duties of whatever nature imposed or levied by way of withholding or deduction by or in or for the account of the Federal Republic of Germany or any political subdivision or any authority thereof or therein having power to tax unless such withholding or deduction is required to be made by law. If the Issuer is required by law to make such withholding or deduction, the Issuer will pay such additional amounts ("**Additional Amounts**") as will be necessary in order that the net amounts received by the Noteholders, after such withholding or deduction will be equal to the respective amounts which would otherwise have been receivable in the absence of such withholding or deduction; except that no such Additional Amounts will be payable on account of any taxes or duties which:

(i) auf andere Weise als durch Einbehalt oder Abzug von zahlbaren Beträgen zu entrichten sind; oder

(i) are payable otherwise than by withholding or deduction from amounts payable; or

(ii) von einer als Depotbank oder Inkassobeauftragter des Anleihegläubigers handelnden Person oder sonst auf andere Weise zu entrichten sind als dadurch, dass die Emittentin aus den von ihr zu leistenden Zahlungen einen Abzug oder

(ii) are payable by any person acting as custodian bank or collecting agent on behalf of a Holder, or otherwise in any manner which does not constitute a deduction or withholding by the Issuer from payments made by it; or

Einbehalt vornimmt; oder

(iii) wegen einer gegenwärtigen oder früheren persönlichen oder geschäftlichen Beziehung des Anleihegläubigers (oder eines Treuhänders, Treugebers, Begünstigten, Gesellschafters oder Anteilseigner eines solchen Anleihegläubigers, falls es sich bei diesem um ein Nachlassvermögen, ein Treuhandvermögen, eine Personengesellschaft oder eine Kapitalgesellschaft handelt) zu der Bundesrepublik Deutschland zu zahlen sind, und nicht allein deshalb, weil Zahlungen auf die Schuldverschreibungen aus Quellen in der Bundesrepublik Deutschland stammen (oder für Zwecke der Besteuerung so behandelt werden) oder dort besichert sind; oder

(iii) are payable by reason of the Noteholder (or a fiduciary, settlor, beneficiary, member or shareholder of such Noteholder, if such Noteholder is an estate, a trust, a partnership or a corporation) having, or having had, some personal or business connection with the Federal Republic of Germany and not merely by reason of the fact that payments in respect of the Notes are, or for purposes of taxation are deemed to be, derived from sources in, or are secured in, the Federal Republic of Germany; or

(iv) aufgrund (x) einer Richtlinie oder Verordnung der Europäischen Union betreffend die Besteuerung von Zinserträgen oder (y) einer zwischenstaatlichen Vereinbarung, eines zwischenstaatlichen Abkommens oder einer zwischenstaatlichen Verständigung über deren Besteuerung, an der der Staat, in dem die Emittentin steuerlich ansässig ist oder die Europäische Union beteiligt ist, oder (z) einer gesetzlichen Vorschrift, die diese Richtlinie, Verordnung, Vereinbarung, Verständigung oder dieses Abkommen umsetzt oder befolgt, abzuziehen oder einzubehalten sind; oder

(iv) are to be withheld or deducted pursuant to (x) any European Union Directive or Regulation concerning the taxation of interest income, or (y) any international treaty, agreement or understanding relating to such taxation and to which the Issuer's country of domicile for tax purposes or the European Union is a party, or (z) any provision of law implementing, or complying with, or introduced to conform with, such Directive, Regulation, treaty, agreement or understanding; or

(v) durch die Erfüllung von gesetzlichen Anforderungen oder durch die Vorlage einer Nichtansässigkeitserklärung oder durch die sonstige Geltendmachung eines Anspruchs auf Befreiung gegenüber der betreffenden Steuerbehörde vermeidbar sind oder gewesen wären; oder

(v) are avoidable or would have been avoidable through fulfilment of statutory requirements or through the submission of a declaration of non-residence or by otherwise enforcing a claim for exemption vis à vis the relevant tax authority; or

(vi) abgezogen oder einbehalten werden, weil der wirtschaftliche Eigentümer der Schuldverschreibungen nicht selbst rechtlicher Eigentümer (Anleihegläubiger) der Schuldverschreibungen ist und der

(vi) are deducted or withheld because the beneficial owner of the Notes is not himself the legal owner (Noteholder) of the Notes and the deduction or withholding in respect of payments to the

Abzug oder Einbehalt bei Zahlungen an den wirtschaftlichen Eigentümer nicht erfolgt wäre oder eine Zahlung zusätzlicher Beträge bei einer Zahlung an den wirtschaftlichen Eigentümer nach Maßgabe der vorstehenden Regelungen hätte vermieden werden können, wenn dieser zugleich rechtlicher Eigentümer (Anleihegläubiger) der Schuldverschreibungen gewesen wäre; oder

beneficial owner would not have been made or the payment of Additional Amounts in respect of a payment to the beneficial owner in accordance with the above provisions could have been avoided if the latter had also been the legal owner (Noteholder) of the Notes; or

(vii) jegliche Kombination der Absätze (i)-(vi).

(vii) any combination of items (i)-(vi).

Die Emittentin ist keinesfalls verpflichtet, zusätzliche Beträge in Bezug auf einen Einbehalt oder Abzug von Beträgen zu zahlen, die gemäß Sections 1471 bis 1474 des U.S. Internal Revenue Code (in der jeweils geltenden Fassung oder gemäß Nachfolgebestimmungen), gemäß zwischenstaatlicher Abkommen, gemäß den in einer anderen Rechtsordnung in Zusammenhang mit diesen Bestimmungen erlassenen Durchführungsvorschriften oder gemäß mit dem Internal Revenue Service geschlossenen Verträgen von der Emittentin, der jeweiligen Zahlstelle oder einem anderen Beteiligten abgezogen oder einbehalten wurden ("**FATCA-Steuerabzug**") oder Anleger in Bezug auf einen FATCA-Steuerabzug schadlos zu halten.

In any event, the Issuer will have no obligation to pay additional amounts deducted or withheld by the Issuer, the relevant Paying Agent or any other party ("**FATCA Withholding**") in relation to any withholding or deduction of any amounts required by the rules of U.S. Internal Revenue Code Sections 1471 through 1474 (or any amended or successor provisions), pursuant to any inter-governmental agreement, or implementing legislation adopted by another jurisdiction in connection with these provisions, or pursuant to any agreement with the U.S. Internal Revenue Service or indemnify any investor in relation to any FATCA Withholding.

§ 8
(Vorlegungsfrist, Verjährung)

Die Vorlegungsfrist der Schuldverschreibungen wird auf zehn Jahre reduziert. Die Verjährungsfrist für Ansprüche aus den Schuldverschreibungen, die innerhalb der Vorlegungsfrist zur Zahlung vorgelegt wurden, beträgt zwei Jahre von dem Ende der betreffenden Vorlegungsfrist an.

§ 8
(Presentation Period, Prescription)

The period for presentation of the Notes will be reduced to 10 years. 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.

§ 9
(Zahlstellen und Berechnungsstelle)

(1) Bestellung.

Die Emittentin hat Citibank Europe plc als Hauptzahlstelle in Bezug auf die Schuldverschreibungen (die "**Hauptzahlstelle**" und gemeinsam mit

§ 9
(Paying and Calculation Agent)

(1) Appointment.

The Issuer has appointed Citibank Europe plc as principal paying agent with respect to the Notes (the "**Principal Paying Agent**" and, together with any additional

jeder etwaigen von der Emittentin nach § 9(2) bestellten zusätzlichen Zahlstelle, die "**Zahlstellen**") bestellt.

Die Emittentin hat Citibank Europe plc als Berechnungsstelle in Bezug auf die Schuldverschreibungen (die "**Berechnungsstelle**" und, gemeinsam mit den Zahlstellen, die "**Verwaltungsstellen**") bestellt.

Die Geschäftsräume der Verwaltungsstellen befinden sich unter den folgenden Adressen:

Hauptzahlstelle:
1 North Wall Quay
Dublin 1
Irland

Berechnungsstelle:
1 North Wall Quay
Dublin 1
Irland

(2) Änderung oder Beendigung der Bestellung.

Die Emittentin behält sich das Recht vor, jederzeit die Benennung einer Zahlstelle oder Berechnungsstelle zu verändern oder zu beenden und Nachfolger bzw. zusätzliche Zahlstellen bzw. Berechnungsstellen zu ernennen. Den Anleihegläubigern werden Änderungen in Bezug auf die Zahlstellen bzw. Berechnungsstelle oder deren angegebenen Geschäftsstellen umgehend gemäß § 11 bekannt gemacht.

(3) Status der beauftragten Stellen.

Die Zahlstellen und die Berechnungsstelle handeln ausschließlich als Vertreter der Emittentin und übernehmen keine Verpflichtungen gegenüber den Anleihegläubigern; es wird kein Vertrags-, Auftrags- oder Treuhandverhältnis zwischen ihnen und den Anleihegläubigern begründet. Die Zahlstellen sind von den Beschränkungen des § 181 des Bürgerlichen Gesetzbuchs

paying agent appointed by the Issuer in accordance with § 9(2), the "**Paying Agents**").

The Issuer has appointed Citibank Europe plc as calculation agent with respect to the Notes (the "**Calculation Agent**" and, together with the Paying Agents, the "**Agents**").

The addresses of the specified offices of the Agents are:

Principal Paying Agent:
1 North Wall Quay
Dublin 1
Ireland

Calculation Agent:
1 North Wall Quay
Dublin 1
Ireland

(2) Variation or Termination of Appointment.

The Issuer reserves the right at any time to vary or terminate the appointment of any Paying Agent or Calculation Agent and to appoint successor or additional Paying Agents or Calculation Agent, as the case may be. Notice of any change in the Paying Agents or Calculation Agent, as the case may be, or in the specified office of any Paying Agent or Calculation Agent, as the case may be, will promptly be given to the Noteholders pursuant to § 11.

(3) Status of the Agents.

The Paying Agents and Calculation Agent act solely as agents of the Issuer and do not assume any obligations towards or relationship of contract, agency or trust for or with any of the Noteholders. The Paying Agents are exempt from the restrictions of § 181 of the German Civil Code (*Bürgerliches Gesetzbuch*).

befreit.

(4) Wenn die Emittentin gemäß § 3(5) einen Unabhängigen Berater bestellt, dann ist § 9(3) auf den Unabhängigen Berater entsprechend anzuwenden.

(4) If the Issuer appoints an Independent Advisor in accordance with § 3(5), § 9(3) shall apply mutatis mutandis to the Independent Advisor.

§ 10
(Weitere Emissionen)

Die Emittentin kann ohne Zustimmung der Anleihegläubiger weitere Schuldverschreibungen begeben, die in jeder Hinsicht (gegebenenfalls mit Ausnahme des Tags der Begebung, des Zinslaufbeginns und/oder des Ausgabepreises) die gleichen Bedingungen wie die Schuldverschreibungen dieser Anleihe haben und die zusammen mit den Schuldverschreibungen dieser Anleihe eine einheitliche Gesamtemission bilden.

§ 10
(Further Issues)

The Issuer may from time to time, without the consent of the Noteholders, create and issue further Notes having the same terms and conditions as the Notes of this series in all respects (or in all respects except for the issue date, interest commencement date and/or the issue price) so as to form a single series with the Notes of this series.

§ 11
(Bekanntmachungen)

(1) Alle Bekanntmachungen, die die Schuldverschreibungen betreffen, außer den in § 13 vorgesehenen Bekanntmachungen, die ausschließlich gemäß den Bestimmungen des Gesetzes über Schuldverschreibungen aus Gesamtemissionen ("**SchVG**") erfolgen, sind von der Emittentin im Bundesanzeiger zu veröffentlichen. Jede derartige Mitteilung gilt am dritten Kalendertag nach dem Tag der Veröffentlichung (oder bei mehreren Veröffentlichungen am dritten Kalendertag nach dem Tag der ersten solchen Veröffentlichung) als wirksam erfolgt.

(2) Alle Bekanntmachungen, die die Schuldverschreibungen betreffen, werden (solange die Schuldverschreibungen an der Luxemburger Wertpapierbörse notiert sind) auf der Internet-Seite der Luxemburger Börse unter www.bourse.lu veröffentlicht. Für das Datum und die Rechtswirksamkeit sämtlicher Bekanntmachungen ist die erste

§ 11
(Notices)

(1) All notices regarding the Notes, other than any notices stipulated in § 13 which will be made exclusively pursuant to the provisions of the German Act on Issues of Debt Securities (*Gesetz über Schuldverschreibungen aus Gesamtemissionen*, "**SchVG**"), will be published in the Federal Gazette (*Bundesanzeiger*) by the Issuer. Any notice will be deemed to have been validly given on the third calendar day following the date of such publication (or, if published more than once, on the third calendar day following the date of the first such publication).

(2) All notices regarding the Notes will be published (so long as the Notes are listed on the Luxembourg Stock Exchange) on the website of the Luxembourg Stock Exchange on www.bourse.lu. Any notice will become effective for all purposes on the date of the first such publication.

Veröffentlichung maßgeblich.

(3) Die Emittentin ist berechtigt, alle die Schuldverschreibungen betreffenden Mitteilungen an das Clearingsystem zur Weiterleitung an die Anleihegläubiger zu übermitteln.

(3) The Issuer will be entitled to deliver all notices concerning the Notes to the Clearing System for communication by the Clearing System to the Noteholders.

§ 12
(Ersetzung)

(1) Ersetzung.

Die Emittentin (oder die Nachfolgeschuldnerin) ist jederzeit berechtigt, sofern sie sich nicht mit einer Zahlung von Kapital oder Zinsen oder einer anderen Zahlung aus den Schuldverschreibungen in Verzug befindet, ohne Zustimmung der Anleihegläubiger jede Gesellschaft, deren stimmberechtigte Gesellschaftsanteile zu mehr als 90 % direkt oder indirekt von der Emittentin gehalten werden, an Stelle der Emittentin als Hauptschuldnerin (die "**Nachfolgeschuldnerin**") für alle Verpflichtungen aus und im Zusammenhang mit dieser Emission einzusetzen, vorausgesetzt, dass:

(i) die Nachfolgeschuldnerin alle Verpflichtungen der Emittentin in Bezug auf die Schuldverschreibungen übernimmt;

(ii) die Nachfolgeschuldnerin alle erforderlichen behördlichen Genehmigungen erhalten hat und berechtigt ist, an die Hauptzahlstelle die zur Erfüllung der Zahlungsverpflichtungen auf die Schuldverschreibungen zu zahlenden Beträge in Euro zu zahlen, ohne verpflichtet zu sein, jeweils in dem Land, in dem die Nachfolgeschuldnerin oder die Emittentin ihren Sitz oder Steuersitz haben, erhobene Steuern oder andere Abgaben jeder Art abzuziehen oder einzubehalten;

§ 12
(Substitution)

(1) Substitution.

The Issuer (or the Substitute Debtor) may, without the consent of the Noteholders, if no payment of principal or of interest or any other amount in respect of the Notes is in default, at any time substitute for the Issuer any company of which more than 90 per cent of the voting shares or other equity interests are directly or indirectly owned by the Issuer as principal debtor in respect of all obligations arising from or in connection with the Notes (the "**Substitute Debtor**") provided that:

(i) the Substitute Debtor assumes all obligations of the Issuer in respect of the Notes;

(ii) the Substitute Debtor has obtained all necessary governmental authorisations and may transfer to the Principal Paying Agent in Euro and without being obligated to deduct or withhold any taxes or other duties of whatever nature levied by the country in which the Substitute Debtor or the Issuer has its domicile or tax residence, all amounts required for the fulfilment of the payment obligations arising under the Notes;

(iii) die Nachfolgeschuldnerin sich verpflichtet hat, jeden Anleihegläubiger hinsichtlich solcher Steuern, Abgaben oder behördlichen Lasten freizustellen, die einem Gläubiger infolge der Ersetzung auferlegt werden;

(iv) die Emittentin unwiderruflich und unbedingt gegenüber den Anleihegläubiger die Zahlung aller von der Nachfolgeschuldnerin auf die Schuldverschreibungen zu zahlenden Beträge auf nachrangiger Basis garantiert;

(v) aufgrund der Ersetzung kein Ereignis eintreten würde, welches die Nachfolgeschuldnerin dazu berechtigen würde, die Schuldverschreibung gemäß § 5(4) zu kündigen und zurückzuzahlen; und

(vi) der Hauptzahlstelle jeweils ein oder mehrere Rechtsgutachten bezüglich der betroffenen Rechtsordnungen von anerkannten Rechtsanwälten vorgelegt werden, das bestätigt bzw. die bestätigen, dass die Bestimmungen in diesem § 12(1) erfüllt wurden.

(2) Bezugnahmen.

Im Fall einer Schuldnerersetzung gemäß § 12(1) gilt jede Bezugnahme in diesen Anleihebedingungen auf die Emittentin als eine solche auf die Nachfolgeschuldnerin und jede Bezugnahme auf die Bundesrepublik Deutschland als eine solche auf den Staat (die Staaten), in welchem die Nachfolgeschuldnerin steuerlich ansässig ist. Klarstellend sei erwähnt, dass dies nur gilt, soweit sich nicht aus Sinn und Zweck der jeweiligen Bedingung ergibt, dass die Bezugnahme entweder weiterhin nur auf die Infineon Technologies AG erfolgen soll (also insbesondere im Hinblick auf Abschnitt (i)

(iii) the Substitute Debtor has agreed to indemnify and hold harmless each Noteholder against any tax, duty, assessment or governmental charge imposed on such Noteholder as a result of such substitution;

(iv) the Issuer irrevocably and unconditionally guarantees on a subordinated basis in favour of each Noteholder the payment of all sums payable by the Substitute Debtor in respect of the Notes;

(v) no event would occur as a result of the substitution that would give rise to the right of the Substitute Debtor to call the Notes for redemption pursuant to § 5(4); and

(vi) there will have been delivered to the Principal Paying Agent an opinion or opinions with respect to the relevant jurisdictions of lawyers of recognised standing to the effect that the provisions of this § 12(1) above have been satisfied.

(2) References.

In the event of a substitution pursuant to § 12(1), any reference in these Terms and Conditions to the Issuer will be a reference to the Substitute Debtor and any reference to the Federal Republic of Germany will be a reference to the Substitute Debtor's country (countries) of domicile for tax purposes. For the avoidance of doubt this will apply only to the extent that the meaning and purpose of the relevant condition requires that the relevant reference will continue to be a reference only to Infineon Technologies AG (i.e. in particular in relation to limb (i) of the definition of the term Compulsory

der Definition des Begriffs Obligatorisches Nachzahlungsereignis, das Ratingagenturereignis, Akquisitionsereignis und § 5(5) (Kontrollwechsel-Ereignis), oder dass die Bezugnahme auf die Nachfolgeschuldnerin und gleichzeitig auch auf die Infineon Technologies AG, im Hinblick auf deren Verpflichtungen aus der Garantie gemäß § 12(1)(iv), erfolgen soll (Gross-up-Ereignis, Steuerereignis und § 7).

Settlement Event, the Rating Agency Event, Acquisition Event and § 5(5) (Change of Control Event), or that the reference will be to the Substitute Debtor and Infineon Technologies AG, in relation to Infineon Technologies AG's obligations under the guarantee pursuant to § 12(1)(iv), at the same time (Gross-up Event, Tax Event and § 7)).

(3) Bekanntmachung und Wirksamwerden der Ersetzung.

Die Ersetzung der Emittentin ist gemäß § 11 bekannt zu machen. Mit der Bekanntmachung der Ersetzung wird die Ersetzung wirksam und die Emittentin und im Falle einer wiederholten Anwendung dieses § 12 jede frühere Nachfolgeschuldnerin von ihren sämtlichen Verbindlichkeiten aus den Schuldverschreibungen frei.

(3) Notice and Effectiveness of Substitution.

Notice of any substitution of the Issuer will be given by publication in accordance with § 11. Upon such publication, the substitution will become effective, and the Issuer and in the event of a repeated application of this § 12, any previous Substitute Debtor will be discharged from any and all obligations under the Notes.

§ 13
(Änderung der Anleihebedingungen durch Beschluss der Anleihegläubiger; Gemeinsamer Vertreter)

(1) 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(2) genannten Mehrheit Änderungen zustimmen, durch welche der wesentliche Inhalt der Anleihebedingungen geändert wird, einschließlich der in § 5 Abs. 3 SchVG genannten Maßnahmen. Ein ordnungsgemäß gefasster

§ 13
(Amendments to the Terms and Conditions by resolution of the Noteholders; Joint Representative)

(1) Majority Resolutions pursuant to the German Act on Issues of Debt Securities.

The Issuer may agree with the Noteholders on amendments to the Terms and Conditions by virtue of a majority resolution of the Noteholders pursuant to § 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 Noteholders may consent to amendments which materially change the substance of the Terms and Conditions, including such measures as provided for under § 5 para. 3 of the SchVG by resolutions passed by such majority of the votes of the Noteholders as stated under § 13(2) below. A duly passed majority

Mehrheitsbeschluss ist für alle Anleihegläubiger gleichermaßen verbindlich.

resolution shall be binding equally upon all Noteholders.

(2) 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, oder sonstige wesentliche Maßnahmen beschlossen werden, dürfen nur mit einer Mehrheit von mindestens 75 % der an der Abstimmung teilnehmenden Stimmrechte (eine "**Qualifizierte Mehrheit**") gefasst werden.

(2) Qualified Majority.

Except as provided by the following sentence and provided that the quorum requirements are being met, the Noteholders 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 § 5 para. 3 numbers 1 through 9 of the SchVG, or relating to material other matters may only be passed by a majority of at least 75% of the voting rights participating in the vote (a "**Qualified Majority**").

(3) 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.

(3) Voting.

The Noteholders may pass resolutions in a meeting (*Gläubigerversammlung*) in accordance with § 5 et seqq. of the SchVG or by means of a vote without a meeting (*Abstimmung ohne Versammlung*) in accordance with § 18 and § 5 et seqq. of the SchVG.

(4) 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

(4) Noteholders' Meetings.

If resolutions of the Noteholders 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 Noteholders together with the convening notice. Attendance at the meeting and exercise of voting rights is subject to the Noteholders' 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, Noteholders must demonstrate their

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 § 14(4) 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 Gläubigerversammlung (einschließlich) nicht übertragbar sind, nachweisen.

eligibility to participate in the vote by means of a special confirmation of a Custodian in accordance with § 14(4) hereof in text form and by submission of a blocking instruction by the Custodian 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.

(5) 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 § 14(4) 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.

(5) Passing Resolutions without Noteholders' Meeting.

If resolutions of the Noteholders 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 Noteholders together with the request for voting. The exercise of voting rights is subject to the Noteholders' 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, Noteholders must demonstrate their eligibility to participate in the vote by means of a special confirmation of a Custodian in accordance with § 14(4) and (y) hereof in text form and by submission of a blocking instruction by the Custodian 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.

(6) Mangelnde Beschlussfähigkeit, zweite Versammlung.

Wird für die Gläubigerversammlung gemäß § 13(4) oder die Abstimmung ohne Versammlung gemäß § 13(5) 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 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 § 14(4) 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.

(6) Failed Quorum, Second Noteholders' Meeting.

If it is ascertained that no quorum exists for the meeting pursuant to § 13(4) or the vote without a meeting pursuant to § 13(5), in case of a meeting the chairman (*Vorsitzender*) may convene a second meeting in accordance with § 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 § 15 para. 3 sentence 3 of the SchVG. Attendance at the second meeting and exercise of voting rights is subject to the Noteholders' registration. The registration must be received at the address stated in the convening notice no later than the third day preceding the second meeting. As part of the registration, Noteholders must demonstrate their eligibility to participate in the vote by means of a special confirmation of a Custodian in accordance with § 14(4) hereof in text form and by submission of a blocking instruction by the Custodian 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.

(7) Gemeinsamer Vertreter.

Die Anleihegläubiger können durch Mehrheitsbeschluss einen gemeinsamen Vertreter der Gläubiger (der "**Gemeinsame Vertreter**") bestellen oder abberufen, 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. § 13(2) bis (6) gelten auch für

(7) Noteholders' Representative.

The Noteholders may by majority resolution provide for the appointment or dismissal of a joint representative (the "**Noteholders' Representative**"), the duties and responsibilities and the powers of such Noteholders' Representative, the transfer of the rights of the Noteholders to the Noteholders' Representative and a limitation of liability of the Noteholders' Representative. § 13(2) to (6) do also apply to the resolution regarding the

die Beschlussfassung über die Bestellung eines Gemeinsamen Vertreters. Der Beschluss zur Bestellung eines Gemeinsamen Vertreters bedarf einer Qualifizierten Mehrheit, wenn der Gemeinsame Vertreter befugt ist, Änderungen des wesentlichen Inhalts der Anleihebedingungen oder sonstigen wesentlichen Maßnahmen gemäß § 13(2) zuzustimmen.

appointment of a Noteholders' Representative. Appointment of a Noteholders' Representative may only be passed by a Qualified Majority if such Noteholders' Representative is to be authorized to consent, in accordance with § 13(2) hereof, to a material change in the substance of the Terms and Conditions or other material matters.

(8) Bekanntmachung.

Bekanntmachungen betreffend diesen § 13 erfolgen ausschließlich gemäß den Bestimmungen des SchVG.

(8) Publication.

Any notices concerning this § 13 shall be made exclusively pursuant to the provisions of the SchVG.

(9) Garantie

Die oben aufgeführten auf die Schuldverschreibungen anwendbaren Bestimmungen gelten entsprechend für die Bestimmungen einer etwaigen Garantie gemäß § 12(1)(iv).

(9) Guarantee

The provisions set out above applicable to the Notes will apply mutatis mutandis to any guarantee granted pursuant to § 12(1)(iv).

§ 14
(Schlussbestimmungen)

§ 14
(Final Provisions)

(1) Anzuwendendes Recht.

Form und Inhalt der Schuldverschreibungen bestimmen sich nach dem Recht der Bundesrepublik Deutschland.

(1) Applicable Law.

The Notes are governed by, and construed in accordance with, the laws of the Federal Republic of Germany.

(2) Gerichtsstand.

Vorbehaltlich eines zwingend vorgeschriebenen Gerichtsstands für bestimmte Verfahren nach dem SchVG ist Frankfurt am Main nicht ausschließlicher Gerichtsstand für alle Rechtsstreitigkeiten aus den in diesen Anleihebedingungen geregelten Angelegenheiten. Die Emittentin verzichtet unwiderruflich darauf, gegenwärtig oder zukünftig gegen die Gerichte in Frankfurt am Main als Forum für Rechtsstreitigkeiten Einwände zu erheben, und verpflichtet sich, keines der Gerichte in Frankfurt am Main als ungelegenes oder unangemessenes Forum

(2) Place of Jurisdiction.

Subject to any mandatory jurisdiction for specific proceedings under the SchVG, the non-exclusive place of jurisdiction for all proceedings arising from matters provided for in these Terms and Conditions will be Frankfurt am Main. The Issuer irrevocably waives any objection which it might now or hereafter have to the courts of Frankfurt am Main being nominated as the forum to hear and determine any proceedings and to settle any disputes and agrees not to claim that any of those courts is not a convenient or appropriate forum.

zu bezeichnen.

(3) Erfüllungsort.

Erfüllungsort ist Frankfurt am Main, Bundesrepublik Deutschland.

(4) Geltendmachung von Rechten.

Jeder Anleihegläubiger ist berechtigt, in jedem Rechtsstreit gegen die Emittentin oder in jedem Rechtsstreit, in dem der Anleihegläubiger und die Emittentin Partei sind, seine Rechte aus den Schuldverschreibungen im eigenen Namen geltend zu machen gegen Vorlage:

(i) einer Bescheinigung der Depotbank, die (A) den vollen Namen und die volle Anschrift des Anleihegläubigers bezeichnet, (B) den Gesamtnennbetrag von Schuldverschreibungen angibt, die am Ausstellungstag dieser Bescheinigung den bei dieser Depotbank bestehenden Depots dieses Anleihegläubigers gutgeschrieben sind und (C) bestätigt, dass die Depotbank dem Clearingsystem und der Hauptzahlstelle eine schriftliche Mitteilung gemacht hat, die die Angaben gemäß (A) und (B) enthält und Bestätigungsvermerke des Clearingsystems sowie des betroffenen Kontoinhabers bei dem Clearingsystem trägt sowie

(ii) einer von einem Vertretungsberechtigten des Clearingsystems oder der Hauptzahlstelle bestätigten Ablichtung der Globalurkunde; oder

(iii) eines anderen, in Rechtsstreitigkeiten in dem Land der Geltendmachung zulässigen Beweismittels.

"**Depotbank**" bezeichnet ein Bank- oder sonstiges Finanzinstitut, bei dem der Anleihegläubiger Schuldverschreibungen

(3) Place of Performance.

Place of performance will be Frankfurt am Main, Federal Republic of Germany.

(4) Enforcement of Rights.

Any Noteholder may in any proceedings against the Issuer or to which the Noteholder and the Issuer are parties protect and enforce in his own name his rights arising under the Notes on the basis of:

(i) a certificate issued by his Custodian (A) stating the full name and address of the Noteholder, (B) specifying an aggregate principal amount of Notes credited on the date of such statement to such Noteholder's securities account(s) maintained with his Custodian and (C) confirming that his Custodian has given a written notice to the Clearing System and the Principal Paying Agent containing the information specified in (A) and (B) and bearing acknowledgements of the Clearing System and the relevant account holder in the Clearing System and

(ii) a copy of the Global Note relating to the Notes, certified as being a true copy by a duly authorised officer of the Clearing System or the Principal Paying Agent; or

(iii) any other means of evidence permitted in legal proceedings in the country of enforcement.

"**Custodian**" means any bank or other financial institution with which the Noteholder maintains a securities account

im Depot verwahren lässt und das ein Konto bei dem Clearingsystem hat, einschließlich des Clearingsystems.

in respect of any Notes and having an account maintained with the Clearing System, including the Clearing System.

§ 15
(Sprache)

Diese Anleihebedingungen sind in deutscher Sprache abgefasst und mit einer Übersetzung in die englische Sprache versehen. Der deutsche Wortlaut ist allein rechtsverbindlich. Die englische Übersetzung dient nur zur Information.

§ 15
(Language)

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

Intention regarding the Redemption and Repurchase of the Notes

The following paragraphs in italics do not form part of the Terms and Conditions.

Intention regarding Redemption and Repurchase of the Notes

The Issuer intends (without thereby assuming a legal or contractual obligation) that it will redeem or repurchase the Notes (or any part thereof) only to the extent that such part of the aggregate principal amount of the Notes (or any part thereof) to be redeemed or repurchased which was assigned "equity credit" (or such similar nomenclature used by S&P from time to time) on the date on which the Initial Category of Equity Credit was attributed to the Notes does not exceed such part of the net proceeds received by the Issuer or any Subsidiary of the Issuer from the sale or issuance by the Issuer or any Subsidiary of the Issuer to third party purchasers of securities which are assigned by S&P, as the case may be, an aggregate "equity credit" (or such similar nomenclature used by S&P from time to time) that is equal to or greater than the "equity credit" assigned to the relevant Notes (or any part thereof) to be redeemed or repurchased on the date on which the Initial Category of Equity Credit was attributed to the Notes (but taking into account any changes in hybrid capital methodology or another relevant methodology or the interpretation thereof since the issue date of the Notes).

The following exceptions apply as to the Issuer's replacement intention. The Notes are not intended to be replaced:

(a) *if the rating (or such similar nomenclature then used by S&P) assigned by S&P to the Issuer is at least equal to the rating assigned to the Issuer after S&P has resolved its credit watch following the closing of the acquisition of Cypress Semiconductor Corp. or, if later, on the date of the last additional hybrid issuance (excluding refinancing) of the hybrid securities which were assigned a similar "equity credit" by S&P and the Issuer is of the view that such rating would not fall below this level as a result of such redemption or repurchase; or*

(b) *in the case of repurchase of less than (x) 10 per cent. of the aggregate principal amount of hybrid capital outstanding, in any period of 12 consecutive months or (y) 25 per cent. of the aggregate principal amount of hybrid capital outstanding, in any period of 10 consecutive years; or*

(c) *if the Notes are redeemed by the Issuer in accordance with § 5(4) (Gross-up Event, Tax Event, Accounting Event, Rating Agency Event, Acquisition Event or in case of minimal outstanding aggregate principal amount) or § 5(5) (Change of Control Event); or*

(d) *if the Notes are not assigned any category of "equity credit" (or such similar nomenclature then used by S&P at the time of such redemption or repurchase); or*

(e) *in the case of any repurchase, up to the maximum amount of Notes repurchased that would allow the Issuer's aggregate principal amount of hybrid capital remaining outstanding after such repurchase to be equal to or greater than the maximum aggregate principal amount of hybrid capital to which S&P would assign any category of "equity credit" (or such similar nomenclature then used by S&P at the time of such repurchase); or*

(f) *if such redemption or repurchase occurs on or after Second Step-up Date.*

Terms used but not defined in the preceding sentence shall have the meaning set out in the Terms and Conditions.

Terms and Conditions of the NC8.5 Notes

Anleihebedingungen

Diese Anleihebedingungen sind in deutscher Sprache abgefasst und mit einer Übersetzung in die englische Sprache versehen. Der deutsche Wortlaut ist allein rechtsverbindlich. Die englische Übersetzung dient nur zur Information.

§ 1
(Verbriefung und Nennbetrag)

(1) Währung, Nennbetrag und Form.

Die Infineon Technologies AG (die "**Emittentin**") begibt auf den Inhaber lautende, nachrangige, resettable, festverzinsliche Schuldverschreibungen (die "**Schuldverschreibungen**") im Nennbetrag von je EUR 100.000 (der "**Nennbetrag**") und im Gesamtnennbetrag von EUR 600.000.000.

(2) Globalurkunden und Austausch.

Die Schuldverschreibungen werden zunächst in einer vorläufigen Globalinhaberschuldverschreibung (die "**Vorläufige Globalurkunde**") ohne Zinsscheine verbrieft und bei einer gemeinsamen Verwahrstelle für Clearstream Banking S.A., Luxemburg und Euroclear Bank SA/NV (beide gemeinsam nachstehend als "**Clearingsystem**" bezeichnet) hinterlegt. Die Vorläufige Globalurkunde wird nicht vor Ablauf von 40 und spätestens nach Ablauf von 180 Tagen nach dem Begebungstag der Schuldverschreibungen gegen Vorlage einer Bestätigung über das Nichtbestehen U.S.-amerikanischen wirtschaftlichen Eigentums (*beneficial ownership*) (ausgenommen bei bestimmten Finanzinstituten oder bestimmten Personen, die Schuldverschreibungen über solche Finanzinstitute halten) an den Schuldverschreibungen gemäß den Regeln und Betriebsabläufen des Clearingsystems

Terms and Conditions

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

§ 1
(Form and Denomination)

(1) Currency, Denomination and Form.

Infineon Technologies AG (the "**Issuer**") issues subordinated, resettable, fixed rate bearer notes (the "**Notes**") in a denomination of EUR 100,000 each (the "**Principal Amount**") in the aggregate principal amount of EUR 600,000,000.

(2) Global Notes and Exchange.

The Notes will initially be represented by a temporary global bearer note (the "**Temporary Global Note**") without coupons which will be deposited with a common depositary for Clearstream Banking S.A., Luxembourg and Euroclear Bank SA/NV (together hereinafter referred to as the "**Clearing System**"). The Temporary Global Note will be exchangeable for a permanent global bearer Note (the "**Permanent Global Note**" and, together with the Temporary Global Note, each a "**Global Note**") without coupons not earlier than 40 and not later than 180 days after the issue date of the Notes upon certification as to non-U.S. beneficial ownership (other than in case of certain financial institutions or certain persons holding Notes through such financial institutions) in accordance with the rules and operating procedures of the Clearing System. Payments on the Temporary Global Note will only be made

gegen eine endgültige Global-inhaberschuldverschreibung (die "**Dauer-Globalurkunde**" und, gemeinsam mit der Vorläufigen Globalurkunde, jeweils eine "**Globalurkunde**") ohne Zinsscheine ausgetauscht. Zahlungen auf die Vorläufige Globalurkunde erfolgen nur gegen Vorlage einer solchen Bestätigung. Einzelurkunden oder Zinsscheine werden nicht ausgegeben.

against presentation of such certification. No definitive Notes or interest coupons will be issued.

(3) Den Inhabern der Schuldverschreibungen (die "**Anleihegläubiger**") stehen Miteigentumsanteile bzw. Rechte an der Globalurkunde zu, die nach Maßgabe des anwendbaren Rechts und der Regeln und Bestimmungen des Clearingsystems übertragen werden können.

(3) The holders of the Notes (the "**Noteholders**") are entitled to proportional co-ownership interests or rights in the Global Note, which are transferable in accordance with applicable law and the rules and regulations of the Clearing System.

§ 2
(Status)

§ 2
(Status)

(1) Die Verbindlichkeiten der Emittentin aus den Schuldverschreibungen begründen direkte, nicht besicherte und nachrangige Verbindlichkeiten der Emittentin, die

(1) The obligations of the Issuer under the Notes constitute direct, unsecured and subordinated obligations of the Issuer ranking

(a) nachrangig gegenüber allen gegenwärtigen und zukünftigen nicht nachrangigen und nachrangigen Verbindlichkeiten der Emittentin, die nicht unter § 2(1)(b) oder (c) fallen, sind,

(a) subordinated to all present and future unsubordinated and subordinated obligations of the Issuer which do not fall under § 2(1)(b) or (c),

(b) untereinander und mit allen anderen gegenwärtigen und zukünftigen nicht besicherten Verbindlichkeiten, die nachrangig gegenüber allen nicht nachrangigen und nachrangigen Verbindlichkeiten der Emittentin sind (einschließlich Gleichrangiger Wertpapiere der Emittentin), gleichrangig sind, soweit nicht zwingende gesetzliche Bestimmungen solche anderen nachrangigen Verbindlichkeiten im Rang besserstellen; und

(b) *pari passu* among themselves and with all other present and future unsecured obligations of the Issuer ranking subordinated to all unsubordinated and subordinated obligations of the Issuer (including any Parity Security of the Issuer), except for any subordinated obligations required to be preferred by mandatory provisions of law; and

(c) im Rang nur den Ansprüchen und Rechten von Inhabern von

(c) senior only to the rights and claims

Nachrangigen Wertpapieren vorgehen.

of holders of Junior Securities.

Im Fall der Auflösung, der Liquidation, der Insolvenz oder eines der Abwendung der Insolvenz der Emittentin dienenden Verfahrens stehen die Verbindlichkeiten der Emittentin aus den Schuldverschreibungen allen nicht nachrangigen und allen nachrangigen Verbindlichkeiten der Emittentin, die nicht unter § 2(1)(b) oder (c) fallen, im Rang nach, so dass Zahlungen auf die Schuldverschreibungen erst erfolgen, wenn alle Ansprüche gegen die Emittentin aus Verbindlichkeiten, die den Verbindlichkeiten der Emittentin aus den Schuldverschreibungen nach Maßgabe dieses § 2 oder kraft Gesetzes im Rang vorgehen, vollständig befriedigt sind; erst nach Befriedigung aller der vorgenannten Ansprüche und der Verbindlichkeiten aus den Schuldverschreibungen können die verbleibenden Vermögenswerte an die Inhaber der Nachrangigen Wertpapiere der Emittentin verteilt werden.

In the event of the dissolution, liquidation, insolvency or any proceeding to avoid insolvency of the Issuer, the obligations of the Issuer under the Notes will be subordinated to all unsubordinated and all subordinated obligations of the Issuer which do not fall under § 2(1)(b) or (c) above so that in any such event payments will not be made under the Notes until all claims against the Issuer which pursuant to this § 2 are expressed to, or by operation of law, rank senior to the obligations of the Issuer under the Notes have been satisfied in full; only after all of the aforementioned claims and obligations under the Notes have been satisfied any remaining assets may be distributed to the holders of the Junior Securities of the Issuer.

"**Gleichrangiges Wertpapier**" bezeichnet jedes gegenwärtige oder zukünftige Wertpapier, Namenswertpapier oder jedes andere Instrument, das (i) von der Emittentin begeben ist und gleichrangig mit den Schuldverschreibungen ist oder als im Verhältnis zu den Schuldverschreibungen gleichrangig vereinbart ist, oder (ii) von einer Tochtergesellschaft begeben und von der Emittentin dergestalt garantiert ist oder für das die Emittentin dergestalt die Haftung übernommen hat, dass die Verpflichtungen der Emittentin aus der maßgeblichen Garantie oder Haftungsübernahme im Verhältnis zu den Verpflichtungen der Emittentin aus den Schuldverschreibungen gleichrangig sind.

"**Parity Security**" means any present or future security, registered security or other instrument which (i) is issued by the Issuer and ranks or is expressed to rank *pari passu* with the Notes, or (ii) is issued by a Subsidiary and guaranteed by the Issuer or for which the Issuer has otherwise assumed liability where the Issuer's obligations under the relevant guarantee or other assumption of liability rank *pari passu* with the Issuer's obligations under the Notes.

"**Nachrangiges Wertpapier**" bezeichnet (i) die Stammaktien der Emittentin, (ii) jede Aktie einer anderen Gattung von Aktien der Emittentin, die mit den Stammaktien der Emittentin gleichrangig ist, (iii) jedes andere Wertpapier,

"**Junior Security**" means (i) the ordinary shares of the Issuer, (ii) any share of any other class of shares of the Issuer ranking *pari passu* with the ordinary shares of the Issuer, (iii) any other security, registered security or other instrument of the Issuer

Namenswertpapier oder jedes andere Instrument, das von der Emittentin begeben ist und bei dem die daraus folgenden Verbindlichkeiten der Emittentin mit den unter (i) und (ii) beschriebenen Instrumenten der Emittentin gleichrangig oder als gleichrangig vereinbart sind und (iv) jedes gegenwärtige oder zukünftige Wertpapier, Namenswertpapier oder jedes andere Instrument, das von einer Tochtergesellschaft begeben ist, und das von der Emittentin dergestalt garantiert ist oder für das die Emittentin dergestalt die Haftung übernommen hat, dass die betreffenden Verbindlichkeiten der Emittentin aus der maßgeblichen Garantie oder Haftungsübernahme mit den unter (i), (ii) und (iii) beschriebenen Instrumenten der Emittentin gleichrangig oder als gleichrangig vereinbart sind.

the Issuer's obligations under which rank or are expressed to rank *pari passu* with the instruments of the Issuer described under (i) and (ii), and (iv) any present or future security, registered security or other instrument which is issued by a Subsidiary and guaranteed by the Issuer or for which the Issuer has otherwise assumed liability where the Issuer's obligations under such guarantee or other assumption of liability rank or are expressed to rank *pari passu* with the instruments of the Issuer described under (i), (ii) and (iii).

"**Tochtergesellschaft**" bezeichnet jede Gesellschaft, an der die Emittentin direkt oder indirekt mehrheitlich beteiligt ist und die von der Emittentin im Sinne von IFRS beherrscht wird.

"**Subsidiary**" means an entity in which the Issuer holds directly or indirectly a majority interest and which is controlled by the Issuer within the meaning of IFRS.

(2) Die Anleihegläubiger sind nicht berechtigt, Forderungen aus den Schuldverschreibungen gegen etwaige Forderungen der Emittentin gegen sie aufzurechnen, und die Emittentin ist nicht berechtigt, etwaige Forderungen, welche sie gegen einen Anleihegläubiger hat, gegen Forderungen dieses Anleihegläubigers aus den Schuldverschreibungen aufzurechnen.

(2) The Noteholders may not set off any claim arising under the Notes against any claim that the Issuer may have against any of them. The Issuer may not set off any claims it may have against any Noteholder against any claims of such Noteholder under the Notes.

(3) Unter Beachtung von § 2(1) bleibt es der Emittentin unbenommen, ihre Verbindlichkeiten aus den Schuldverschreibungen auch aus dem sonstigen freien Vermögen zu bedienen.

(3) Subject to § 2(1), the Issuer may satisfy its obligations under the Notes also from other distributable assets (*sonstiges freies Vermögen*) of the Issuer.

(4) Für die Rechte der Anleihegläubiger aus den Schuldverschreibungen ist diesen keine Sicherheit durch die Emittentin oder durch Dritte gestellt; eine solche Sicherheit wird auch zu keinem Zeitpunkt

(4) No security is, or shall at any time be, granted by the Issuer or any other person securing rights of the Noteholders under the Notes.

gestellt werden.

§ 3
(Zinsen)

(1) Zinslauf.

In dem Zeitraum ab dem 1. Oktober 2019 (der "**Zinslaufbeginn**") (einschließlich) bis zum Zinslaufende gemäß § 3(3) werden die Schuldverschreibungen bezogen auf den Gesamtnennbetrag in Höhe des gemäß § 3(2) anwendbaren Zinssatzes (der "**Zinssatz**") verzinst. Während dieses Zeitraums sind Zinsen jährlich nachträglich am 1. April eines jeden Jahres vorbehaltlich einer Rückzahlung oder eines Rückkaufs und anschließender Entwertung zur Zahlung vorgesehen, erstmals am 1. April 2020 (kurze erste Zinsperiode) (jeweils ein "**Zinszahlungstag**"), und werden nach Maßgabe der in § 4(1) dargelegten Bedingungen fällig.

(2) Zinssatz.

(a) Für jeden Zinszeitraum, der in den Zeitraum ab dem Zinslaufbeginn (einschließlich) bis zum 1. April 2028 (der "**Erste Reset-Termin**") (ausschließlich) fällt, entspricht der Zinssatz 3,625% per annum.

(b) Für jeden Zinszeitraum, der in den Reset-Zeitraum ab dem Ersten Reset-Termin (einschließlich) bis zum 1. April 2033 (dem "**Ersten Step-Up-Termin**") (ausschließlich) fällt, entspricht der Zinssatz dem Referenzsatz für diesen Reset-Zeitraum zuzüglich 399,6 Basispunkten per annum (die "**Anfängliche Marge**").

(c) Für jeden Zinszeitraum, der in einen Reset-Zeitraum ab dem Ersten Step-Up-Termin (einschließlich) bis zum 1. April 2048 (dem "**Zweiten Step-Up-Termin**") (ausschließlich) fällt, entspricht der Zinssatz dem Referenzsatz für diesen

§ 3
(Interest)

(1) Interest accrual.

In the period from and including 1 October 2019 (the "**Interest Commencement Date**") to the cessation of interest accrual in accordance with § 3(3) the Notes bear interest on their aggregate principal amount at the prevailing rate of interest according to § 3(2) (the "**Rate of Interest**"). During such period, interest is scheduled to be paid annually in arrear on 1 April of each year, commencing on 1 April 2020 (short first coupon) (each an "**Interest Payment Date**") (subject to redemption or repurchase and cancellation), and will be due and payable (*fällig*) in accordance with the conditions set out in § 4(1).

(2) Rate of Interest.

(a) For any Interest Period falling in the period from and including the Interest Commencement Date to but excluding 1 April 2028 (the "**First Reset Date**"), the Rate of Interest shall be equal to 3.625 per cent. per annum.

(b) For any Interest Period falling in the Reset Period from and including the First Reset Date to but excluding 1 April 2033 (the "**First Step-Up Date**"), the Rate of Interest shall be equal to the Reference Rate for such Reset Period plus 399.6 basis points per annum (the "**Initial Margin**").

(c) For any Interest Period falling in a Reset Period from and including the First Step-Up Date to but excluding 1 April 2048 (the "**Second Step-Up Date**"), the Rate of Interest shall be equal to the Reference Rate for such Reset Period plus the First

Reset-Zeitraum zuzüglich der Ersten Step-Up-Marge (wie nachfolgend definiert).

"**Erste Step-Up-Marge**" bezeichnet die Anfängliche Marge zuzüglich 25 Basispunkten per annum.

Step-Up Margin (as defined below).

"**First Step-Up Margin**" means the Initial Margin plus 25 basis points per annum.

(d) Für jeden Zinszeitraum, der in einen Reset-Zeitraum fällt, der an oder nach dem Zweiten Step-Up-Termin beginnt, entspricht der Zinssatz dem Referenzsatz für den betreffenden Reset-Zeitraum zuzüglich der Zweiten Step-Up-Marge (wie nachstehend definiert).

"**Zweite Step-Up-Marge**" bezeichnet die Anfängliche Marge zuzüglich 100 Basispunkten per annum.

(d) For any Interest Period falling in any Reset Period commencing on or after the Second Step-Up Date, the Rate of Interest shall be equal to the Reference Rate for the relevant Reset Period plus the Second Step-Up Margin (as defined below).

"**Second Step-Up Margin**" means the Initial Margin plus 100 basis points per annum.

(e) Die Berechnungsstelle wird den anwendbaren Zinssatz für die Schuldverschreibungen an dem betreffenden Zinsfeststellungstag bestimmen und veranlassen, dass dieser der Emittentin, der Hauptzahlstelle und jeder Börse, an der die Schuldverschreibungen zu diesem Zeitpunkt notiert sind und deren Regeln eine Mitteilung an die Börse verlangen, sowie den Anleihegläubigern gemäß § 11(2) unverzüglich, aber keinesfalls später als am achten auf dessen Bestimmung folgenden Geschäftstag mitgeteilt wird.

"**Geschäftstag**" bezeichnet jeden Tag (außer einem Samstag oder Sonntag), an dem das Trans-European Automated Real-time Gross settlement Express Transfer system 2 (TARGET2) geöffnet ist und Geschäftsbanken und Devisenmärkte in Frankfurt am Main und das Clearing-System Zahlungen in Euro abwickeln.

(e) The Calculation Agent will, on the relevant Interest Determination Date, determine the applicable Rate of Interest and cause the same to be notified to the Issuer, the Principal Paying Agent and, if required by the rules of any stock exchange on which the Notes are then listed, to such stock exchange, and to the Noteholders in accordance with § 11(2) without undue delay, but, in any case, not later than on the eighth Business Day after its determination.

"**Business Day**" means any day (other than Saturday or Sunday) on which the Trans-European Automated Real-time Gross settlement Express Transfer system 2 (TARGET2) is open and commercial banks and foreign exchange markets in Frankfurt am Main and the Clearing System settle payments in Euro.

(f) Wenn ein Kontrollwechsel-Ereignis (wie in § 5(5) definiert) eintritt und die Emittentin die Schuldverschreibungen nicht insgesamt gemäß § 5(5) an dem Kontrollwechsel-Stichtag (wie in § 5(5) definiert) zurückzahlt, erhöht sich der für die Berechnung der Zinsen ansonsten

(f) If a Change of Control Event (as defined in § 5(5)) occurs and the Issuer does not redeem the Notes in whole in accordance with § 5(5) on the Change of Control Effective Date (as defined in § 5(5)), the applicable Rate of Interest will be subject to an additional 500 basis points per

anwendbare Zinssatz ab dem Kontrollwechsel-Stichtag um zusätzliche 500 Basispunkte per annum. Für den Fall, dass in dem Zeitraum zwischen dem Eintritt des ersten Kontrollwechsel-Ereignisses und dem Tag, an dem die Kontrollwechsel-Mitteilung (wie in § 5(5) definiert) in Bezug auf diesen ersten Kontrollwechsel veröffentlicht wird, mehr als ein Kontrollwechsel-Ereignis eintritt, erhöht sich der für die Berechnung der Zinsen ansonsten anzuwendende Zinssatz jedoch nur einmal.

annum above the otherwise applicable prevailing Rate of Interest from the Change of Control Effective Date, provided however that, in case more than one Change of Control Event has occurred in the period from the occurrence of the first Change of Control Event to and including the day on which the Change of Control Notice (as defined in § 5(5)) with regard to such first Change of Control Event is published, the otherwise applicable Rate of Interest will only be increased once.

(g) Die Zinsen für einen beliebigen Zeitraum werden auf der Grundlage des Zinstagequotienten berechnet.

(g) Interest for any period of time will be calculated on the basis of the Day Count Fraction.

"**Zinstagequotient**" bezeichnet bei der Berechnung des Zinsbetrages für eine Schuldverschreibung für einen beliebigen Zeitraum (ab dem ersten Tag dieses Zeitraums (einschließlich) bis zum letzten Tag dieses Zeitraums (ausschließlich)) (der "**Zinsberechnungszeitraum**"):

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last day of such period) (the "**Calculation Period**"):

(i) wenn der Zinsberechnungszeitraum der Feststellungsperiode entspricht, in die er fällt, oder kürzer als diese ist, die Anzahl von Tagen in dem Zinsberechnungszeitraum dividiert durch die Anzahl von Tagen in der betreffenden Feststellungsperiode; und

(i) if the Calculation Period is equal to or shorter than the Determination Period in which it falls, the number of days in the Calculation Period divided by the number of days in such Determination Period; and

(ii) wenn der Zinsberechnungszeitraum länger als eine Feststellungsperiode ist, die Summe aus

(ii) if the Calculation Period is longer than one Determination Period, the sum of:

(A) der Anzahl der Tage in dem betreffenden Zinsberechnungszeitraum, die in die Feststellungsperiode fallen, in der der Zinsberechnungszeitraum beginnt, dividiert durch die Anzahl der Tage in der betreffenden Feststellungsperiode; und

(A) the number of days in such Calculation Period falling in the Determination Period in which the Calculation Period begins divided by the number of days in such Determination Period; and

(B) die Anzahl der Tage in dem

(B) the number of days in such

betreffenden Zinsberechnungszeitraum, die in die nachfolgende Feststellungsperiode fallen, dividiert durch die Anzahl der Tage in der betreffenden Feststellungsperiode.

Calculation Period falling in the next Determination Period divided by the number of days in such Determination Period.

Dabei gilt Folgendes:

Where:

"**Feststellungsperiode**" bezeichnet jede Periode ab einem Feststellungstermin (einschließlich), der in ein beliebiges Jahr fällt, bis zum nächsten Feststellungstermin (ausschließlich).

"**Determination Period**" means each period from and including a Determination Date in any year to but excluding the next Determination Date.

"**Feststellungstermin**" bezeichnet jeden 1. April.

"**Determination Date**" means each 1 April.

(3) Zinslaufende.

Die Verzinsung der Schuldverschreibungen endet mit Beginn des Tages, an dem ihr Nennbetrag zur Rückzahlung fällig wird. Sollte die Emittentin eine Zahlung von Kapital auf die Schuldverschreibungen bei Fälligkeit nicht leisten, endet die Verzinsung der Schuldverschreibungen mit Beginn des Tages der tatsächlichen Zahlung. Der in einem solchen Fall jeweils anzuwendende Zinssatz wird gemäß diesem § 3 bestimmt.

(3) Cessation of interest accrual.

The Notes will cease to bear interest from the beginning of the day their principal amount is due for repayment. If the Issuer fails to make any payment of principal under the Notes when due, the Notes will cease to bear interest from the beginning of the day on which such payment is made. In such case the applicable rate of interest will be determined pursuant to this § 3.

(4) Feststellung des Referenzsatzes.

Die Berechnungsstelle bestimmt an jedem Zinsfeststellungstag den betreffenden Referenzsatz nach Maßgabe dieses § 3(4).

(4) Determination of the Reference Rate.

The Calculation Agent will determine the relevant Reference Rate in accordance with this § 3(4) on each Interest Determination Date.

Der "**Referenzsatz**" für einen Reset-Zeitraum wird von der Berechnungsstelle an dem betreffenden Zinsfeststellungstag (wie nachstehend definiert) vor dem Reset-Termin, an dem der betreffende Reset-Zeitraum beginnt (der "**Referenz-Reset-Termin**"), festgelegt und ist,

The "**Reference Rate**" for a Reset Period will be determined by the Calculation Agent on the relevant Interest Determination Date (as defined below) prior to the Reset Date on which the relevant Reset Period commences (the "**Reference Reset Date**") and will be,

(a) solange kein Benchmark-Ereignis eingetreten ist,

(a) as long as no Benchmark Event has occurred,

(i) der Ursprüngliche

(i) the Original Benchmark Rate;

Benchmarksatz; oder

(ii) falls eine für die Festlegung des Ursprünglichen Benchmarksatzes benötigte Information am betreffenden Zinsfeststellungstag nicht auf der Bildschirmseite erscheint, der Referenzbankensatz an diesem Zinsfeststellungstag.

Kann der Referenzbankensatz nicht gemäß der Definition dieses Begriffs bestimmt werden, aber ist kein Benchmark-Ereignis eingetreten, entspricht der jeweilige "Referenzsatz" dem durch die Berechnungsstelle festgelegten Ursprünglichen Benchmarksatz, welcher zuletzt auf der Bildschirmseite verfügbar war; und

(b) wenn ein Benchmark-Ereignis eingetreten ist, wird der "Referenzsatz" für jeden Reset-Zeitraum, der an oder nach dem Stichtag (wie in § 3(5)(i) definiert) beginnt, gemäß § 3(5) bestimmt.

"**Ursprünglicher Benchmarksatz**" bezeichnet den um 11:00 Uhr (Frankfurter Zeit) gefixten, als Prozentsatz ausgedrückten Swapsatz per annum für in Euro denominierter Swap-Transaktionen mit einer Laufzeit von 5 Jahren, der auf der Bildschirmseite am betreffenden Zinsfeststellungstag gegen 11:00 Uhr (Frankfurter Zeit) angezeigt wird.

Der "**Referenzbankensatz**" ist der Prozentsatz, der auf Basis der 5-Jahres-Mid-Swapsatz-Quotierungen, die der Berechnungsstelle auf Bitten der Emittentin ungefähr um 11:00 Uhr (Frankfurter Zeit) von bis zu fünf führenden von der Emittentin ausgewählten Swap-Händlern im Interbankenhandel (die "**Reset-Referenzbanken**") gestellt werden, am Zinsfeststel-

or

(ii) in the event that any of the information required for the purposes of the determination of the Original Benchmark Rate does not appear on the Screen Page on the relevant Interest Determination Date, the Reference Bank Rate on that Interest Determination Date.

If the Reference Bank Rate cannot be determined pursuant to the definition of this term, but no Benchmark Event has occurred, the relevant "Reference Rate" shall be equal to the last Original Benchmark Rate available on the Screen Page as determined by the Calculation Agent; and

(b) if a Benchmark Event has occurred, the "Reference Rate" for each Reset Period commencing on or after the Effective Date (as defined in § 3(5)(i)) will be determined in accordance with § 3(5).

"**Original Benchmark Rate**" means the annual swap rate which is fixed at 11:00 a.m. (Frankfurt time) and is expressed as a percentage per annum for Euro denominated swap transactions with a maturity of 5 years which appears on the Screen Page on the relevant Interest Determination Date at or around 11:00 a.m. (Frankfurt time).

"**Reference Bank Rate**" means the percentage rate determined by the Calculation Agent on the basis of the 5-year Mid Swap Rate Quotations provided by up to five leading swap dealers in the interbank market selected by the Issuer (the "**Reset Reference Banks**") to the Calculation Agent at the request of the Issuer at approximately 11.00 a.m. (Frankfurt time) on the Interest

lungstag von der Berechnungsstelle festgelegt wird. Wenn mindestens drei 5-Jahres-Mid-Swapsatz-Quotierungen genannt werden, wird der Referenzbankensatz das arithmetische Mittel der 5-Jahres-Mid-Swapsatz-Quotierungen unter Ausschluss der höchsten Quotierung (bzw., für den Fall von gleich hohen Quotierungen, einer der höchsten Quotierungen) und der niedrigsten Quotierung (bzw., für den Fall von gleich hohen Quotierungen, einer der niedrigsten Quotierungen) sein. Falls nur zwei 5-Jahres-Mid-Swapsatz-Quotierungen zur Verfügung gestellt werden, ist der Referenzbankensatz das rechnerische Mittel der zur Verfügung gestellten Quotierungen. Falls nur eine 5-Jahres-Mid-Swapsatz-Quotierung zur Verfügung gestellt wird, ist der Referenzbankensatz gleich der zur Verfügung gestellten Quotierung. Dabei bezeichnet "**5-Jahres-Mid-Swapsatz-Quotierung**" das arithmetische Mittel der nachgefragten (*bid*) und angebotenen (*offered*) Prozentsätze für den jährlichen Festzinszahlungsstrom (berechnet auf einer 30/360 Tage-Berechnungsbasis) einer fixed-for-floating Euro Zinsswap-Transaktion, (x) die eine 5-jährige Laufzeit hat und am betreffenden Reset-Termin beginnt, (y) die auf einen Betrag lautet, der dem einer repräsentativen einzelnen Transaktion in dem relevanten Markt zur relevanten Zeit eines anerkannten Händlers mit guter Bonität im Swap-Markt entspricht, und (z) deren variabler Zahlungsstrom auf dem 6-Monats EURIBOR Satz beruht (berechnet auf einer Actual/360 Tage-Berechnungsbasis).

Dabei gilt Folgendes:

"**Bildschirmseite**" bezeichnet die Reuters Bildschirmseite "ICESWAP2 / EURFIXA" unter der Überschrift "EURIBOR BASIS" und dem Untertitel "11:00 AM Frankfurt time" (auf dem solche Überschriften und Untertitel von Zeit zu Zeit erscheinen). Hat die

Determination Date. If at least three 5-year Mid Swap Rate Quotations are provided, the Reference Bank Rate will be the arithmetic mean of the quotations, eliminating the highest quotation (or, in the event of equality one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest). If only two 5-year Mid Swap Rate Quotations are provided, the Reference Bank Rate will be the arithmetic mean of the quotations provided. If only one 5-year Mid Swap Rate Quotation is provided, the Reference Bank Rate will be the quotation provided. For this purpose, "**5-year Mid Swap Rate Quotation**" means the arithmetic mean of the bid and offered rates for the annual fixed rate leg (calculated on a 30/360 day count basis) of a fixed-for-floating Euro interest rate swap transaction which transaction (x) has a term of 5 years and commencing on the relevant Reset Date, (y) is in an amount that is representative of a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market, and (z) has a floating leg based on the 6-months EURIBOR rate (calculated on an Actual/360 day count basis).

Where:

"**Screen Page**" means Reuters Screen Page "ICESWAP2 / EURFIXA" under the heading "EURIBOR BASIS" and the caption "11:00 AM Frankfurt time" (as such headings and captions may appear from time to time). If the Screen Page permanently ceases to quote the Original

Bildschirmseite dauerhaft aufgehört, den Ursprünglichen Benchmarksatz anzugeben, ist diese Quotierung jedoch auf einer anderen, von der Berechnungsstelle nach billigem Ermessen ausgewählten Bildschirmseite verfügbar (die "**Ersatzbildschirmseite**"), wird die Ersatzbildschirmseite zum Zweck der Festlegung des Ursprünglichen Benchmarksatzes eingesetzt.

Benchmark Rate but such quotation is available from another page selected by the Calculation Agent in its reasonable discretion (the "**Replacement Screen Page**"), the Replacement Screen Page must be used for the purpose of the determination of the Original Benchmark Rate.

"**Reset-Termin**" bezeichnet den Ersten Reset-Termin und danach jeden fünften Jahrestag des vorausgegangenen Reset-Termins.

"**Reset Date**" means the First Reset Date and thereafter each fifth anniversary of the immediately preceding Reset Date.

"**Reset-Zeitraum**" bezeichnet jeden Zeitraum ab dem Ersten Reset-Termin (einschließlich) bis zum nächstfolgenden Reset-Termin (ausschließlich) und nachfolgend ab jedem Reset-Termin (einschließlich) bis zu dem jeweils nächstfolgenden Reset-Termin (ausschließlich).

"**Reset Period**" means each period from and including the First Reset Date to but excluding the next following Reset Date and thereafter from and including each Reset Date to but excluding the next following Reset Date.

"**TARGET-Geschäftstag**" bezeichnet einen Tag, an dem das Trans-European Automated Real-time Gross settlement Express Transfer system 2 (TARGET2) betriebsbereit ist.

"**TARGET Business Day**" means a day on which the Trans-European Automated Real-time Gross settlement Express Transfer system 2 (TARGET2) is operational.

"**Zinsfeststellungstag**" bezeichnet den zweiten TARGET-Geschäftstag vor dem betreffenden Referenz-Reset-Termin.

"**Interest Determination Date**" means the second TARGET Business Day prior to the relevant Reference Reset Date.

(5) Benchmark-Ereignis.

(5) Benchmark Event.

Wenn ein Benchmark-Ereignis in Bezug auf den Ursprünglichen Benchmarksatz (oder eine Teilkomponente davon) eintritt, gilt für die Bestimmung des betreffenden Referenzsatzes und den Reset des Zinssatzes gemäß diesem § 3(5) Folgendes:

If a Benchmark Event has occurred in relation to the Original Benchmark Rate (or any component part thereof), the relevant Reference Rate and the reset of the Rate of Interest in accordance with this § 3(5) will be determined as follows:

(a) Die Emittentin wird sich bemühen, sobald dies (nach billigem Ermessen der Emittentin) praktikabel ist, einen Unabhängigen Berater zu benennen, der einen Neuen Benchmarksatz, die Anpassungsmarge (gemäß § 3(5)(d)) und etwaige Benchmark-

(a) The Issuer shall endeavour to appoint an Independent Adviser as soon as it is (in the Issuer's reasonable discretion) practicable, who will determine a New Benchmark Rate, the Adjustment Spread (in accordance with

Änderungen (gemäß § 3(5)(e)) festlegt.

§ 3(5)(d)) and any Benchmark Amendments (in accordance with § 3(5)(e)).

(b) Wenn vor dem betreffenden Zinsfeststellungstag

(b) If prior to the relevant Interest Determination Date,

(i) es der Emittentin nicht gelingt, einen Unabhängigen Berater zu ernennen; oder

(i) the Issuer fails to appoint an Independent Adviser; or

(ii) der ernannte Unabhängige Berater keinen Neuen Benchmarksatz gemäß diesem § 3(5) festlegt,

(ii) the Independent Adviser appointed by it fails to determine a New Benchmark Rate in accordance with this § 3(5),

dann entspricht der "Referenzsatz" für den unmittelbar nachfolgenden Reset-Zeitraum dem an dem letzten zurückliegenden Zinsfeststellungstag festgestellten Ursprünglichen Benchmarksatz.

then the "Reference Rate" applicable to the immediately following Reset Period shall be the Original Benchmark Rate determined on the last preceding Interest Determination Date.

Falls dieser § 3(5)(b) bereits im Hinblick auf den Ersten Reset-Termin angewendet werden muss, entspricht der "Referenzsatz" für den ersten Reset-Zeitraum dem Ursprünglichen Benchmarksatz auf der Bildschirmseite an dem letzten Tag vor dem Zinsfeststellungstag, an dem dieser Ursprüngliche Benchmarksatz angezeigt wurde.

If this § 3(5)(b) is to be applied in respect of the First Reset Date, the "Reference Rate" applicable to the first Reset Period shall be the Original Benchmark Rate on the Screen Page on the last day preceding the Interest Determination Date on which such Original Benchmark Rate was displayed.

Falls der gemäß diesem § 3(5)(b) bestimmte Ausweichsatz zur Anwendung kommt, wird § 3(5) erneut angewendet, um den Referenzsatz für den nächsten nachfolgenden Reset-Zeitraum zu bestimmen.

If the fallback rate determined in accordance with this § 3(5)(b) is to be applied, § 3(5) will be operated again to determine the Reference Rate applicable to the next subsequent Reset Period.

(c) *Nachfolge-Benchmarksatz oder Alternativ-Benchmarksatz*. Falls der Unabhängige Berater nach billigem Ermessen feststellt,

(c) *Successor Benchmark Rate or Alternative Benchmark Rate*. If the Independent Adviser determines in its reasonable discretion that:

(i) dass es einen Nachfolge-Benchmarksatz gibt, dann ist dieser Nachfolge-

(i) there is a Successor Benchmark Rate, then such Successor Benchmark Rate

Benchmarksatz anstelle des Ursprünglichen Benchmarksatzes maßgeblich; oder

shall subsequently be used in place of the Original Benchmark Rate; or

(ii) dass es keinen Nachfolge-Benchmarksatz aber einen Alternativ-Benchmarksatz gibt, dann ist dieser Alternativ-Benchmarksatz an Stelle des Ursprünglichen Benchmarksatzes maßgeblich,

(ii) there is no Successor Benchmark Rate but that there is an Alternative Benchmark Rate, then such Alternative Benchmark Rate shall subsequently be used in place of the Original Benchmark Rate,

und dann entspricht der "Referenzsatz" für den unmittelbar nachfolgenden Reset-Zeitraum und alle folgenden Reset-Zeiträume vorbehaltlich § 3(5)(h) dem betreffenden Neuen Benchmarksatz an dem betreffenden Zinsfeststellungstag zuzüglich der Anpassungsmarge gemäß § 3(5)(d).

and then the "Reference Rate" for the immediately following Reset Period and all following Reset Periods, subject to § 3(5)(h), will be the relevant New Benchmark Rate on the relevant Interest Determination Date plus the Adjustment Spread as provided in § 3(5)(d).

(d) *Anpassungsmarge.* Die Anpassungsmarge (oder die Formel oder die Methode zur Bestimmung der Anpassungsmarge) wird auf den Neuen Benchmarksatz angewendet, um den betreffenden Referenzsatz zu bestimmen.

(d) *Adjustment Spread*. The Adjustment Spread (or the formula or methodology for determining the Adjustment Spread) shall be applied to the New Benchmark Rate to determine the relevant Reference Rate.

(e) *Benchmark-Änderungen*. Wenn ein Neuer Benchmarksatz und die entsprechende Anpassungsmarge gemäß diesem § 3(5) festgelegt werden, und wenn der Unabhängige Berater feststellt, dass Folgeänderungen, resultierend aus den vorgenannten Festlegungen, hinsichtlich der Feststellungen bezüglich des Zinssatzes notwendig sind, um die ordnungsgemäße Anwendung des Neuen Benchmarksatzes und der entsprechenden Anpassungsmarge zu gewährleisten (diese Änderungen, die "**Benchmark-Änderungen**"), dann wird der Unabhängige Berater die

(e) *Benchmark Amendments*. If any New Benchmark Rate and the applicable Adjustment Spread are determined in accordance with this § 3(5), and if the Independent Adviser determines that, resulting from the aforementioned determinations, amendments to the determinations in respect of the Rate of Interest are necessary to ensure the proper operation of such New Benchmark Rate and the applicable Adjustment Spread (such amendments, the "**Benchmark Amendments**"), then the Independent Adviser will determine the Benchmark Amendments and the Issuer will give notice thereof in

Benchmark-Änderungen feststellen und die Emittentin wird diese durch eine Mitteilung gemäß § 3(5)(f) bekanntmachen.

Diese Benchmark-Änderungen können insbesondere folgende Regelungen in diesen Anleihebedingungen erfassen:

(A) den Referenzsatz einschließlich der "Bildschirmseite" und/oder die Methode zur Bestimmung des Ausweichsatzes (sog. *fallback*) für den Referenzsatz einschließlich des Referenzbankensatzes; und/oder

(B) die Definitionen der Begriffe "Geschäftstag", "Zinszahlungstag", "Reset-Termin", "Zinsfeststellungstag", "Zinstagequotient" und/oder "Zinsperiode" (einschließlich der Festlegung ob der Referenzsatz vorausschauend vor oder zu Beginn der betreffenden Zinsperiode oder zurückblickend vor oder zum Ablauf der betreffenden Zinsperiode bestimmt wird); und/oder

(C) die Geschäftstagekonvention gemäß § 6(2).

(f) *Mitteilungen, etc.* Die Emittentin hat einen Neuen Benchmarksatz, die Anpassungsmarge und etwaige Benchmark-Änderungen gemäß diesem § 3(5) der Hauptzahlstelle und der Berechnungsstelle sowie gemäß § 11 den Anleihegläubigern mitzuteilen, und zwar sobald eine solche Mitteilung (nach billigem Ermessen der Emittentin) nach deren Feststellung praktikabel ist.

accordance with § 3(5)(f).

The Benchmark Amendments may comprise in particular the following conditions of these Terms and Conditions:

(A) the Reference Rate including the "Screen Page" and/or the method for determining the fallback rate in relation to the Reference Rate, including the Reference Bank Rate; and/or

(B) the definitions of the terms "Business Day", "Interest Payment Date", "Reset Date", "Interest Determination Date", "Day Count Fraction" and/or "Interest Period" (including the determination whether the Reference Rate will be determined in advance on or prior to the relevant Interest Period or in arrear on or prior to the end of the relevant Interest Period); and/or

(C) the business day convention in § 6(2).

(f) *Notices, etc.* The Issuer will notify any New Benchmark Rate, the Adjustment Spread and the Benchmark Amendments (if any) determined under this § 3(5) to the Principal Paying Agent und the Calculation Agent and, in accordance with § 11, the Noteholders as soon as such notification is (in the Issuer's reasonable discretion) practicable

Eine solche Mitteilung ist unwiderruflich und hat den Stichtag zu benennen.

Der Neue Benchmarksatz, die Anpassungsmarge und etwaige Benchmark-Änderungen, die jeweils in der Mitteilung benannt werden, sind für die Emittentin, die Berechnungsstelle, die Hauptzahlstelle, eventuelle weitere Zahlstellen und die Anleihegläubiger bindend. Der Neue Benchmarksatz, die Anpassungsmarge und die etwaigen Benchmark-Änderungen gelten ab dem Stichtag.

Am Tag dieser Mitteilung hat die Emittentin der Hauptzahlstelle und der Berechnungsstelle eine durch zwei Unterschriftsberechtigte der Emittentin unterzeichnete Bescheinigung zu übergeben, die

(i)

(A) bestätigt, dass ein Benchmark-Ereignis eingetreten ist;

(B) den nach Maßgabe der Bestimmungen dieses § 3(5) festgestellten Neuen Benchmarksatz benennt;

(C) die entsprechende Anpassungsmarge und etwaige Benchmark-Änderungen benennt, die jeweils nach Maßgabe der Bestimmungen dieses § 3(5) festgestellt wurden; und

(D) den Stichtag benennt;

following the determination thereof. Such notice shall be irrevocable and shall specify the Effective Date.

The New Benchmark Rate, the Adjustment Spread and the Benchmark Amendments (if any), each as specified in such notice, will be binding on the Issuer, the Calculation Agent, the Principal Paying Agent, any additional paying agents and the Noteholders. The New Benchmark Rate, the Adjustment Spread and the Benchmark Amendments, if any, will be in effect from the Effective Date.

On the date of such notice, the Issuer shall deliver to the Principal Paying Agent and the Calculation Agent a certificate signed by two authorized signatories of the Issuer

(i)

(A) confirming that a Benchmark Event has occurred;

(B) specifying the relevant New Benchmark Rate determined in accordance with the provisions of this § 3(5);

(C) specifying the applicable Adjustment Spread and the Benchmark Amendments (if any), each as determined in accordance with the provisions of this § 3(5); and

(D) specifying the

und

(ii) bestätigt, dass die etwaigen Benchmark-Änderungen notwendig sind, um die ordnungsgemäße Anwendung des Neuen Benchmarksatzes und der entsprechenden Anpassungsmarge zu gewährleisten.

(g) *Definitionen.* Zur Verwendung in diesem § 3(5):

Die "**Anpassungsmarge**", die positiv, negativ oder gleich Null sein kann, wird in Basispunkten ausgedrückt und bezeichnet entweder (a) die Spanne oder (b) das Ergebnis der Anwendung der Formel oder Methode zur Berechnung der Spanne,

(A) die im Fall eines Nachfolge-Benchmarksatzes formell im Zusammenhang mit der Ersetzung des Ursprünglichen Benchmarksatzes durch den Nachfolge-Benchmarksatz von dem Nominierungsgremium empfohlen wird; oder

(B) die (sofern keine Empfehlung abgegeben wurde oder im Fall eines Alternativ-Benchmarksatzes) an den internationalen Anleihekapitalmärkten (oder, hilfsweise, an den internationalen Swapmärkten) auf den Neuen Benchmarksatz (oder eine Teilkomponente davon) angewendet wird, um einen industrieweit akzeptierten Ersatz-Benchmarksatz für den Ursprünglichen Benchmarksatz zu erzeugen, wobei sämtliche

Effective Date; and

(ii) confirming that the Benchmark Amendments, if any, are necessary to ensure the proper operation of such relevant New Benchmark Rate and the applicable Adjustment Spread.

(g) *Definitions.* As used in this § 3(5):

The "**Adjustment Spread**", which may be positive, negative or zero, will be expressed in basis points and means either (a) the spread or (b) the result of the operation of the formula or methodology for calculating the spread,

(A) which in the case of a Successor Benchmark Rate, is formally recommended in relation to the replacement of the Original Benchmark Rate with the Successor Benchmark Rate by any Relevant Nominating Body; or

(B) which (if no such recommendation has been made, or in the case of an Alternative Benchmark Rate) is applied to the New Benchmark Rate (or any component part thereof) in the international debt capital markets (or, alternatively, the international swap markets) to produce an industry-accepted replacement benchmark rate for the Original Benchmark Rate, provided that all determinations will be made by the Independent Adviser in

Feststellungen durch den Unabhängigen Berater nach billigem Ermessen vorgenommen werden.

its reasonable discretion.

"**Alternativ-Benchmarksatz**" bezeichnet eine alternative Benchmark oder einen alternativen Bildschirmsatz, die bzw. der üblicherweise an den internationalen Anleihekapitalmärkten (oder, hilfsweise, an den internationalen Swapmärkten) zur Bestimmung von Zinssätzen bzw. Mid-Swap-Sätzen in Euro angewendet wird, wobei sämtliche Feststellungen durch den Unabhängigen Berater vorgenommen werden.

"**Alternative Benchmark Rate**" means an alternative benchmark or an alternative screen rate which is customarily applied in the international debt capital markets (or, alternatively, the international swap markets) for the purpose of determining rates of interest or mid swap rates, respectively in EUR, provided that all determinations will be made by the Independent Adviser.

Ein "**Benchmark-Ereignis**" tritt ein, wenn:

A "**Benchmark Event**" occurs if:

(A) der Ursprüngliche Benchmarksatz (oder eine Teilkomponente davon) nicht mehr regelmäßig veröffentlicht oder nicht mehr erstellt wird; oder

(A) the Original Benchmark Rate (or any component part thereof) ceasing to be published on a regular basis or ceasing to exist; or

(B) eine öffentliche Bekanntmachung des Administrators des Ursprünglichen Benchmarksatzes (oder einer Teilkomponente davon) dahingehend vorliegt, dass dieser die Veröffentlichung des Ursprünglichen Benchmarksatzes (oder einer Teilkomponente davon) dauerhaft oder auf unbestimmte Zeit eingestellt hat oder einstellen wird (in Fällen in denen kein Nachfolgeadministrator ernannt worden ist, der die Veröffentlichung des Ursprünglichen Benchmarksatzes (oder einer Teilkomponente davon) vornehmen wird); oder

(B) a public statement by the administrator of the Original Benchmark Rate (or any component part thereof) is made that it has ceased or that it will cease publishing the Original Benchmark Rate (or any component part thereof) permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue the publication of the Original Benchmark Rate (or any component part thereof)); or

(C) eine öffentliche Bekanntmachung der Aufsichtsbehörde des Administrators des Ursprünglichen Benchmarksatzes (oder einer Teilkomponente davon) vorliegt, dass der Ursprüngliche Benchmarksatz (oder einer Teilkomponente davon) dauerhaft oder auf unbestimmte Zeit nicht mehr fortgeführt wird oder fortgeführt werden wird; oder

(C) a public statement by the supervisor of the administrator of the Original Benchmark Rate (or any component part thereof) is made, that the Original Benchmark Rate (or any component part thereof) has been or will permanently or indefinitely discontinued; or

(D) eine öffentliche Bekanntmachung der Aufsichtsbehörde des Administrators des Ursprünglichen Benchmarksatzes (oder einer Teilkomponente davon) vorliegt, wonach der Ursprüngliche Benchmarksatz (oder eine Teilkomponente davon) allgemein oder in Bezug auf die Schuldverschreibungen nicht mehr verwendet wird oder verwendet werden darf, oder nach welcher der Ursprüngliche Benchmarksatz (oder eine Teilkomponente davon) nicht länger als repräsentativ für einen industrieweit akzeptierten Benchmarksatz angesehen wird; oder

(D) a public statement by the supervisor of the administrator of the Original Benchmark Rate (or any component part thereof) is made as a consequence of which the Original Benchmark Rate (or any component part thereof) has been or will be prohibited from being used either generally, or in respect of the Notes, or pursuant to which the Original Benchmark Rate (or any component part thereof) has ceased or will cease to be representative as an industry accepted benchmark rate; or

(E) die Verwendung des Ursprünglichen Benchmarksatzes (oder einer Teilkomponente davon) zur Berechnung oder Bestimmung des Referenzsatzes für die Zahlstellen, die Berechnungsstelle, die

(E) it has become unlawful for any Paying Agent, the Calculation Agent, the Issuer or any other party to calculate or determine any Reference Rate using the Original Benchmark Rate (or any component part thereof); or

Emittentin oder jeden Dritten rechtswidrig geworden ist; oder

(F) die Methode für die Feststellung des Ursprünglichen Benchmarksatzes (oder einer Teilkomponente davon) ändert sich wesentlich gegenüber der Methode, die der Administrator des Ursprünglichen Benchmarksatzes bei Verzinsungsbeginn anwendet.

"**Nachfolge-Benchmarksatz**" bezeichnet einen Nachfolger oder Ersatz des Ursprünglichen Benchmarksatzes, der formell durch das Nominierungsgremium empfohlen wurde.

"**Neuer Benchmarksatz**" bezeichnet den jeweils gemäß diesem § 3(5) bestimmten Nachfolge-Benchmarksatz bzw. Alternativ-Benchmarksatz.

"**Nominierungsgremium**" bezeichnet in Bezug auf die Ersetzung des Ursprünglichen Benchmarksatzes (oder einer Teilkomponente davon):

(A) die Zentralbank für die Währung in der die Benchmark oder der Bildschirmsatz dargestellt wird oder eine Zentralbank oder andere Aufsichtsbehörde, die für die Aufsicht des Administrators der Benchmark oder des Bildschirmsatzes zuständig ist; oder

(B) jede Arbeitsgruppe oder jeden Ausschuss gefördert durch, geführt oder mitgeführt von oder gebildet von (a) der

(F) the methodology for the determination of the Original Benchmark Rate (or any component part thereof) is materially altered compared to the methodology as used by the administrator of the Original Benchmark Rate at the Interest Commencement Date.

"**Successor Benchmark Rate**" means a successor to or replacement of the Original Benchmark Rate which is formally recommended by any Relevant Nominating Body.

"**New Benchmark Rate**" means the Successor Benchmark Rate or, as the case may be, the Alternative Benchmark Rate determined in accordance with this § 3(5).

"**Relevant Nominating Body**" means, in respect of the replacement of the Original Benchmark Rate (or any component part thereof):

(A) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or

(B) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of

Zentralbank für die Währung in der die Benchmark oder der Bildschirmsatz dargestellt wird, (b) einer Zentralbank oder anderen Aufsichtsbehörde, die für die Aufsicht des Administrators der Benchmark oder des Bildschirmsatzes zuständig ist, (c) einer Gruppe der zuvor genannten Zentralbanken oder anderer Aufsichtsbehörden oder (d) dem Finanzstabilitätsrat (*Financial Stability Board*) oder Teilen davon.

(a) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (c) a group of the aforementioned central banks or other supervisory authorities or (d) the Financial Stability Board or any part thereof.

"**Unabhängiger Berater**" bezeichnet ein von der Emittentin ernanntes unabhängiges Finanzinstitut mit internationalem Ansehen oder einen anderen unabhängigen Finanzberater mit Erfahrung in internationalen Kapitalmärkten.

"**Independent Adviser**" means an independent financial institution of international repute or other independent financial adviser experienced in the international capital markets, in each case appointed by the Issuer.

(h) Eine Anpassung des Ursprünglichen Benchmarksatzes im Falle eines Benchmark-Ereignisses darf nur insoweit durchgeführt werden, als durch diese Anpassung kein Ratingagenturereignis eintritt.

(h) Any adjustment to the Original Benchmark Rate in case of a Benchmark Event will be made only to the extent that no Rating Agency Event would occur as a result of such adjustment.

(i) Der Stichtag für die Anwendung des Neuen Benchmarksatzes, der Anpassungsmarge und der etwaigen Benchmark-Änderungen gemäß diesem § 3(5) (der "**Stichtag**") ist der Zinsfeststellungstag, der auf den frühesten der folgenden Tage fällt oder diesem nachfolgt:

(i) The effective date for the application of the New Benchmark Rate, the Adjustment Spread and the Benchmark Amendments (if any) determined under this § 3(5) (the "**Effective Date**") will be the Interest Determination Date falling on or after the earliest of the following dates:

(A) den Tag des Eintritts des Benchmark-Ereignisses, wenn das Benchmark-Ereignis aufgrund des Absatzes (A) oder (F) der Definition des Begriffs "Benchmark-Ereignis" einge-

(A) if the Benchmark Event has occurred as a result of clause (A) or (F) of the definition of the term "Benchmark Event", the date of the occurrence of the Benchmark Event; or

treten ist; oder

(B) den Tag, ab dem die Veröffentlichung des Ursprünglichen Benchmarksatzes (oder einer Teilkomponente davon) eingestellt wird, oder ab dem der Ursprüngliche Benchmarksatz (oder eine Teilkomponente davon) eingestellt wird oder nicht länger als repräsentativ angesehen wird, wenn das Benchmark-Ereignis aufgrund der Absätze (B), (C) oder (D) der Definition des Begriffs "Benchmark-Ereignis" eingetreten ist; oder

(B) if the Benchmark Event has occurred as a result of clause (B), (C) or (D) of the definition of the term "Benchmark Event", the date from which the Original Benchmark Rate (or any component part thereof) ceases to be published, is discontinued or ceases to be representative, as the case may be; or

(C) den Tag, ab dem der Ursprüngliche Benchmarksatz nicht mehr verwendet werden darf, wenn das Benchmark-Ereignis aufgrund des Absatzes (E) der Definition des Begriffs "Benchmark-Ereignis" eingetreten ist.

(C) if the Benchmark Event has occurred as a result of clause (E) of the definition of the term "Benchmark Event", the date from which the prohibition applies.

(j) Wenn ein Benchmark-Ereignis in Bezug auf einen Neuen Benchmarksatz eintritt, gilt dieser § 3(5) entsprechend für die Ersetzung des Neuen Benchmarksatzes durch einen neuen Nachfolge-Benchmarksatz bzw. Alternativ-Benchmarksatz. In diesem Fall gilt jede Bezugnahme in diesem § 3(5) auf den Begriff Ursprünglicher Benchmarksatz als Bezugnahme auf den vorherigen Neuen Benchmarksatz.

(j) If a Benchmark Event occurs in relation to any New Benchmark Rate, this § 3(5) shall apply mutatis mutandis to the replacement of such New Benchmark Rate by any new Successor Benchmark Rate or Alternative Benchmark Rate, as the case may be. In this case, any reference in this §3(5) to the term Original Benchmark Rate shall be deemed to be a reference to the prior New Benchmark Rate.

§ 4
(Fälligkeit von Zinszahlungen; Aufschub von Zinszahlungen; Zahlung Aufgeschobener Zinszahlungen)

(1) Fälligkeit von Zinszahlungen; wahlweiser

§ 4
(Due date for interest payments; Deferral of interest payments; Payment of Deferred Interest Payments)

(1) Due date for interest payments; optional

Zinsaufschub.

(a) Zinsen werden für jede Zinsperiode an dem unmittelbar auf diese Zinsperiode folgenden Zinszahlungstag fällig, sofern sich die Emittentin nicht durch eine Bekanntmachung an die Anleihegläubiger gemäß § 11 innerhalb einer Frist von nicht weniger als 10 Geschäftstagen vor dem betreffenden Zinszahlungstag dazu entscheidet, die betreffende Zinszahlung insgesamt oder teilweise auszusetzen.

Wenn sich die Emittentin an einem Zinszahlungstag zur Nichtzahlung aufgelaufener Zinsen (insgesamt oder teilweise) entscheidet, dann ist sie nicht verpflichtet, diese Zinsen an dem betreffenden Zinszahlungstag zu zahlen. Eine Nichtzahlung aus diesem Grunde begründet keinen Verzug der Emittentin und keine anderweitige Verletzung ihrer Verpflichtungen aufgrund dieser Schuldverschreibungen oder für sonstige Zwecke.

Nach Maßgabe dieses § 4(1)(a) nicht fällig gewordene Zinsen sind aufgeschobene Zinszahlungen ("**Aufgeschobene Zinszahlungen**").

"**Zinsperiode**" bezeichnet jeden Zeitraum ab dem Zinslaufbeginn (einschließlich) bis zum ersten Zinszahlungstag (ausschließlich) und nachfolgend ab jedem Zinszahlungstag (einschließlich) bis zu dem jeweils nächstfolgenden Zinszahlungstag (ausschließlich).

(b) Aufgeschobene Zinszahlungen werden nicht verzinst.

(2) Freiwillige Zahlung von Aufgeschobenen Zinszahlungen.

Die Emittentin ist berechtigt, ausstehende Aufgeschobene Zinszahlungen jederzeit insgesamt oder teilweise nach Bekanntmachung an die Anleihegläubiger gemäß § 11 unter Einhaltung einer Frist von nicht weniger als 10 und nicht mehr als 15 Geschäftstagen nachzuzahlen,

interest deferral.

(a) Interest for each Interest Period will be due and payable (*fällig*) on the Interest Payment Date immediately following such Interest Period, unless the Issuer elects, by giving not less than 10 Business Days' notice to the Noteholders prior to the relevant Interest Payment Date in accordance with § 11, to defer the relevant payment of interest in whole or in part.

If the Issuer elects not to pay accrued interest on an Interest Payment Date (in whole or in part), then it will not have any obligation to pay such interest on such Interest Payment Date. Any such failure to pay interest will not constitute a default of the Issuer or any other breach of its obligations under the Notes or for any other purpose.

Interest not due and payable in accordance with this § 4(1)(a) will constitute deferred interest payments ("**Deferred Interest Payments**").

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

(b) Deferred Interest Payments will not bear interest.

(2) Optional Settlement of Deferred Interest Payments.

The Issuer will be entitled to pay outstanding Deferred Interest Payments (in whole or in part) at any time on giving not less than 10 and not more than 15 Business Days' notice to the Noteholders in accordance with § 11 which notice will specify (i) the amount of Deferred Interest

wobei eine solche Bekanntmachung (i) den Betrag an Aufgeschobenen Zinszahlungen, der je Schuldverschreibung gezahlt werden soll, und (ii) den für diese Zahlung festgelegten Termin (der "**Freiwillige Nachzahlungstermin**") enthalten muss.

Payments to be paid per Note and (ii) the date fixed for such payment (the "**Optional Settlement Date**").

(3) Pflicht zur Zahlung von Aufgeschobenen Zinszahlungen.

Die Emittentin ist verpflichtet, ausstehende Aufgeschobene Zinszahlungen insgesamt und nicht nur teilweise am nächsten Pflichtnachzahlungstag zu zahlen.

"**Pflichtnachzahlungstag**" bezeichnet den frühesten der folgenden Tage:

(i) den Tag, der zehn Geschäftstage nach dem Tag liegt, an dem ein Obligatorisches Nachzahlungsereignis eingetreten ist;

(ii) den Tag, an dem die Emittentin aufgelaufene Zinsen, die keine Aufgeschobenen Zinszahlungen sind, auf die Schuldverschreibungen zahlt;

(iii) den Tag, der zehn Geschäftstage nach dem Tag liegt, an dem die Emittentin oder eine Tochtergesellschaft eine Dividende, sonstige Ausschüttung oder sonstige Zahlung auf ein Gleichrangiges Wertpapier zahlt;

(iv) den Tag, der zehn Geschäftstage nach dem Tag liegt, an dem die Emittentin oder eine Tochtergesellschaft ein Gleichrangiges Wertpapier zurückzahlt, oder den Tag, der zehn Geschäftstage nach dem Tag liegt, an dem die Emittentin oder eine Tochtergesellschaft ein Gleichrangiges Wertpapier zurückkauft oder anderweitig

(3) Mandatory payment of Deferred Interest Payments.

The Issuer must pay outstanding Deferred Interest Payments (in whole but not in part) on the next Mandatory Settlement Date.

"**Mandatory Settlement Date**" means the earliest of:

(i) the date falling ten Business Days after the date on which a Compulsory Settlement Event has occurred;

(ii) the date on which the Issuer pays scheduled interest on the Notes which does not constitute a Deferred Interest Payment;

(iii) the date falling ten Business Days after the date on which the Issuer or any Subsidiary pays any dividend, other distribution or other payment in respect of any Parity Security;

(iv) the date falling ten Business Days after the date on which the Issuer or any Subsidiary redeems any Parity Security, or the date falling ten Business Days after the date on which the Issuer or any Subsidiary repurchases or otherwise acquires (in each case directly or indirectly) any Parity Security;

erwirbt (jeweils direkt oder indirekt);

(v) den Tag an dem die Emittentin Schuldverschreibungen gemäß diesen Anleihebedingungen zurückzahlt oder den Tag, der zehn Geschäftstage nach dem Tag liegt, an dem die Emittentin oder eine Tochtergesellschaft (jeweils direkt oder indirekt) Schuldverschreibungen zurückkauft oder anderweitig erwirbt; und

(vi) den Tag, an dem eine Entscheidung hinsichtlich der Auseinandersetzung, Liquidation oder Auflösung der Emittentin ergeht (sofern dies nicht für die Zwecke oder als Folge einer Verschmelzung, Umstrukturierung, eines Insolvenzplanverfahrens oder einer Sanierung geschieht, bei der die Emittentin noch zahlungsfähig ist und bei der die fortführende Gesellschaft im Wesentlichen alle Vermögenswerte und Verpflichtungen der Emittentin übernimmt),

mit der Maßgabe, dass

(x) in den vorgenannten Fällen (iii) und (iv) kein Pflichtnachzahlungstag vorliegt, wenn die Emittentin oder die betreffende Tochtergesellschaft nach Maßgabe der Bedingungen des betreffenden Gleichrangigen Wertpapiers zu der Zahlung, zu der Rückzahlung, zu dem Rückkauf oder zu dem anderweitigen Erwerb verpflichtet ist;

(y) in den vorgenannten Fällen (iv) und (v) kein Pflichtnachzahlungstag vorliegt, wenn die Emittentin oder die betreffende Tochtergesellschaft (jeweils direkt oder indirekt) ein Gleichrangiges Wertpapier oder Schuldverschreibungen (insgesamt

(v) the date on which the Issuer redeems Notes in accordance with these Terms and Conditions, or the date falling ten Business Days after the date on which the Issuer or any Subsidiary repurchases or otherwise acquires (in each case directly or indirectly) Notes; and

(vi) the date on which an order is made for the winding up, liquidation or dissolution of the Issuer (other than for the purposes of or pursuant to a merger, reorganisation, or an insolvency plan procedure (*Insolvenzplanverfahren*) or restructuring whilst solvent, where the continuing entity assumes substantially all of the assets and obligations of the Issuer),

provided that

(x) in the cases (iii) and (iv) above no Mandatory Settlement Date occurs if the Issuer or the relevant Subsidiary is obliged under the terms and conditions of such Parity Security to make such payment, such redemption, such repurchase or such other acquisition;

(y) in the cases (iv) and (v) above no Mandatory Settlement Date occurs if the Issuer or the relevant Subsidiary repurchases or otherwise acquires (in each case directly or indirectly) any Parity Security or any Notes (in whole or in part) in a

oder teilweise) nach einem öffentlichen Rückkaufangebot oder öffentlichen Umtauschangebot mit einer unter dem Nennwert liegenden Gegenleistung je Gleichrangigem Wertpapier bzw. je Schuldverschreibung zurückkauft oder anderweitig erwirbt; und

public tender offer or public exchange offer at a consideration per Parity Security or, as applicable, per Note below its par value; and

(z) in den vorgenannten Fällen (iii) und (iv) kein Pflichtnachzahlungstag vorliegt, wenn die betreffenden Zahlungen auf oder in Bezug auf ein Gleichrangiges Wertpapier Konzerninterne Zahlungen sind.

(z) in the cases (iii) and (iv) above no Mandatory Settlement Date occurs if the relevant payments on, or in respect of, any Parity Security are Intra-Group Payments.

(4) Definitionen.

In diesen Anleihebedingungen gilt Folgendes:

"**Konzerninterne Zahlungen**" sind Zahlungen, die ausschließlich an die Emittentin und/oder an eine oder mehrere ihrer Tochtergesellschaften erfolgen.

Ein "**Obligatorisches Nachzahlungsereignis**" bezeichnet vorbehaltlich des nachstehenden Satzes 2 jedes der folgenden Ereignisse:

(i) die ordentliche Hauptversammlung der Emittentin beschließt, eine Dividende, sonstige Ausschüttung oder sonstige Zahlung auf eine Aktie einer beliebigen Gattung der Emittentin zu leisten;

(ii) die Emittentin oder eine Tochtergesellschaft zahlt eine Dividende, sonstige Ausschüttung oder sonstige Zahlung auf ein Nachrangiges Wertpapier; oder

(iii) die Emittentin oder eine Tochtergesellschaft (jeweils direkt oder indirekt) zahlt oder kauft ein Nachrangiges Wertpapier zurück oder erwirbt es auf andere Weise (außer als Ergebnis eines

(4) Definitions.

For the purposes of these Terms and Conditions:

"**Intra-Group Payments**" means payments made exclusively to the Issuer and/or one or more of its Subsidiaries.

"**Compulsory Settlement Event**" means any of the following events, subject to the proviso in sentence 2 below:

(i) the ordinary general meeting of shareholders (*ordentliche Hauptversammlung*) of the Issuer resolves on the payment of any dividend, other distribution or other payment on any share of any class of the Issuer;

(ii) the Issuer or any Subsidiary pays any dividend, other distribution or other payment in respect of any Junior Security; or

(iii) the Issuer or any Subsidiary redeems, repurchases or otherwise acquires (in each case directly or indirectly) any Junior Security (other than as a result of the exchange or conversion of one class

Umtauschs oder einer Wandlung einer Aktiengattung in eine andere).

In den vorgenannten Fällen (ii) und (iii) tritt jedoch kein Obligatorisches Nachzahlungsereignis ein, wenn

(w) die Emittentin oder die betreffende Tochtergesellschaft nach Maßgabe der Bedingungen des betreffenden Nachrangigen Wertpapiers zu der Zahlung, zu der Rückzahlung, zu dem Rückkauf oder zu dem anderweitigen Erwerb verpflichtet ist;

(x) die Emittentin oder die betreffende Tochtergesellschaft eine Aktie einer beliebigen Gattung der Emittentin oder ein Nachrangiges Wertpapier nach Maßgabe eines bestehenden oder zukünftigen Aktienoptions- oder Aktienbeteiligungsprogramms oder ähnlichen Programms für Mitglieder des Vorstands oder des Aufsichtsrats (oder, im Falle verbundener Unternehmen, ähnlicher Gremien) oder Mitarbeiter der Emittentin oder mit ihr verbundener Unternehmen (jeweils direkt oder indirekt) zurückkauft oder anderweitig erwirbt; oder

(y) die betreffenden Zahlungen auf oder in Bezug auf ein Nachrangiges Wertpapier Konzerninterne Zahlungen sind; oder

(z) die Emittentin oder die betreffende Tochtergesellschaft eine Aktie einer beliebigen Gattung der Emittentin zurückkauft oder anderweitig erwirbt, um von ihr begebene Wandelschuldverschreibungen zu beliefern.

§ 5
(Rückzahlung und Rückkauf)

(1) Rückzahlung.

of shares for another class).

The cases (ii) and (iii) above are subject to the proviso that no Compulsory Settlement Event occurs if

(w) the Issuer or the relevant Subsidiary is obliged under the terms and conditions of such Junior Security to make such payment, such redemption, such repurchase or such other acquisition;

(x) the Issuer or the relevant Subsidiary repurchases or otherwise acquires (in each case directly or indirectly) any share of any class of the Issuer or any Junior Security pursuant to the obligations of the Issuer under any existing or future stock option or stock ownership programme or similar programme for any members of the executive board or supervisory board (or, in the case of affiliates, comparable boards) or employees of the Issuer or any of its affiliates; or

(y) the relevant payments on, or in respect of, any Junior Securities are Intra-Group Payments; or

(z) the Issuer or the relevant Subsidiary repurchases or otherwise acquires (in each case directly or indirectly) any share of any class of the Issuer to deliver shares under any convertible securities issued by it.

§ 5
(Redemption and Repurchase)

(1) Redemption.

Die Schuldverschreibungen haben keine festgelegte Fälligkeit. Sofern die Emittentin ihre Rechte in Übereinstimmung mit den Bestimmungen in § 5(3), (4) oder (5) ausübt, wird die Emittentin die Schuldverschreibungen zum relevanten Betrag unter den Bedingungen, die in den Bestimmungen in § 5(3), (4) oder (5) dargelegt sind, zurückzahlen.

The Notes have no scheduled maturity date. If the Issuer exercises its rights in accordance with the provisions set out in this § 5(3), (4) or (5), the Issuer will redeem the Notes at the relevant amount subject to the provisions set out in § 5(3), (4) or (5).

(2) Rückkauf.

Die Emittentin oder eine Tochtergesellschaft können, soweit gesetzlich zulässig, jederzeit Schuldverschreibungen auf dem freien Markt oder anderweitig sowie zu jedem beliebigen Preis kaufen. Derartig erworbene Schuldverschreibungen können entwertet, gehalten oder wieder veräußert werden.

(2) Repurchase.

Subject to applicable laws, the Issuer or any Subsidiary may at any time purchase Notes in the open market or otherwise and at any price. Such acquired Notes may be cancelled, held or resold.

(3) Rückzahlung nach Wahl der Emittentin.

Die Emittentin kann die Schuldverschreibungen (insgesamt und nicht nur teilweise) mit Wirkung zu jedem Tag während des Zeitraums ab dem 1. Januar 2028 (der "**Erste Rückzahlungstag**") (einschließlich) bis zum Ersten Reset-Termin (einschließlich) oder mit Wirkung zu jedem nachfolgenden Zinszahlungstag durch Erklärung gemäß § 5(6) kündigen. Im Falle einer solchen Kündigung hat die Emittentin die Schuldverschreibungen am festgelegten Rückzahlungstermin zum Nennbetrag zuzüglich der bis zum Tag der Rückzahlung in Bezug auf die Schuldverschreibungen aufgelaufenen, aber noch nicht bezahlten Zinsen sowie, zur Klarstellung, sämtlicher gemäß § 4(3) fälligen Aufgeschobenen Zinszahlungen zurückzuzahlen.

(3) Redemption at the Option of the Issuer.

The Issuer may, upon giving notice in accordance with § 5(6), call the Notes for redemption (in whole but not in part) with effect as of any date during the period from and including 1 January 2028 (the "**First Call Date**") to and including the First Reset Date or with effect as of any Interest Payment Date thereafter. In the case such call notice is given, the Issuer will redeem the remaining Notes at the Principal Amount plus any accrued and unpaid interest on the Notes to but excluding the date of redemption and, for the avoidance of doubt, any Deferred Interest Payments payable pursuant to § 4(3) on the specified redemption date.

(4) Rückzahlung nach Eintritt eines Gross-up-Ereignisses, eines Steuerereignisses, eines Rechnungslegungsereignisses, eines Ratingagenturereignisses oder eines Akquisitionsereignisses oder bei geringem

(4) Redemption following a Gross-up Event, a Tax Event, an Accounting Event, a Rating Agency Event or an Acquisition Event or in case of minimal outstanding aggregate principal amount.

ausstehenden Gesamtnennbetrag

(a) *Gross-up-Ereignis, geringer ausstehender Gesamtnennbetrag.*

Wenn

(i) ein Gross-up-Ereignis eintritt; oder

(ii) die Emittentin und/oder eine Tochtergesellschaft allein oder gemeinsam Schuldverschreibungen im Volumen von 75 % oder mehr des ursprünglich begebenen Gesamtnennbetrages der Schuldverschreibungen erworben oder zurückgezahlt hat,

dann ist die Emittentin berechtigt, durch Erklärung gemäß § 5(6) die Schuldverschreibungen (insgesamt und nicht nur teilweise) jederzeit mit Wirkung zu dem in der Erklärung gemäß § 5(6) für die Rückzahlung festgelegten Tag zu kündigen. Im Falle einer solchen Kündigung hat die Emittentin die Schuldverschreibungen am festgelegten Rückzahlungstermin zum Nennbetrag zuzüglich der bis zum Tag der Rückzahlung in Bezug auf die Schuldverschreibungen aufgelaufenen, aber noch nicht bezahlten Zinsen sowie, zur Klarstellung, sämtlicher gemäß § 4(3) fälligen Aufgeschobenen Zinszahlungen zurückzuzahlen.

Ein "**Gross-up-Ereignis**" tritt ein, wenn der Emittentin am oder nach dem Begebungstag der Schuldverschreibungen ein Gutachten einer anerkannten Anwaltskanzlei vorliegt (und die Emittentin der Zahlstelle eine Kopie davon gibt), aus dem hervorgeht, dass die Emittentin aufgrund einer an oder nach dem Begebungstag der Schuldverschreibungen in Kraft tretenden Gesetzesänderung (oder einer Änderung von darunter erlassenen Bestimmungen und Vorschriften) der Bundesrepublik Deutschland oder einer ihrer Gebietskörperschaften oder Behörden oder

(a) *Gross-up Event, minimal outstanding aggregate principal amount.*

If

(i) a Gross-up Event occurs; or

(ii) the Issuer and/or any Subsidiary has, severally or jointly, purchased or redeemed Notes equal to or in excess of 75 per cent. of the aggregate principal amount of the Notes initially issued,

the Issuer may, upon giving notice in accordance with § 5(6), call the Notes for redemption (in whole but not in part) at any time with effect as of the date fixed for redemption in the notice pursuant to § 5(6). In the case such call notice is given, the Issuer will redeem the remaining Notes on the specified redemption date at the Principal Amount plus any accrued and unpaid interest on the Notes to but excluding the date of redemption and, for the avoidance of doubt, any Deferred Interest Payments payable pursuant to § 4(3).

A "**Gross-up Event**" will occur if on or after the issue date of the Notes an opinion of a recognised law firm has been delivered to the Issuer (and the Issuer has provided the Paying Agent with a copy thereof) stating that the Issuer has or will become obliged by a legislative body, a court or any authority to pay Additional Amounts pursuant to § 7 as a result of any change in or amendment to the laws (or any rules or regulations thereunder) of the Federal Republic of Germany or any political subdivision or any authority of or in the Federal Republic of Germany, or as a result of any change in or amendment to

als Folge einer Änderung der offiziellen Auslegung oder Anwendung dieser Gesetze, Bestimmungen oder Vorschriften durch eine gesetzgebende Körperschaft, ein Gericht oder eine Behörde (einschließlich des Erlasses von Gesetzen sowie Bekanntmachung gerichtlicher oder aufsichtsrechtlicher Entscheidungen) verpflichtet ist oder verpflichtet sein wird, Zusätzliche Beträge gemäß § 7 zu zahlen und die Emittentin diese Verpflichtung nicht abwenden kann, indem sie zumutbare Maßnahmen ergreift, die sie nach Treu und Glauben für angemessen hält.

any official interpretation or application of those laws or rules or regulations (including the enactment of any legislation and the publication of any judicial decision or regulatory determination), and that obligation cannot be avoided by the Issuer taking such reasonable measures it (acting in good faith) deems appropriate.

Die Bekanntmachung der Rückzahlung nach Eintritt eines Gross-up-Ereignisses darf nicht früher als 90 Tage vor dem Tag erfolgen, an dem die Emittentin erstmals verpflichtet wäre, Zusätzliche Beträge gemäß § 7 zu zahlen.

No such notice of redemption following the occurrence of a Gross-up Event may be given earlier than 90 days prior to the earliest date on which the Issuer would be for the first time obliged to pay the Additional Amounts pursuant to § 7.

(b) *Steuerereignis, Rechnungslegungsereignis, Ratingagenturereignis, Akquisitionsereignis*.

(b) *Tax Event, Accounting Event, Rating Agency Event, Acquisition Event.*

Wenn

If

(i) ein Ratingagenturereignis eintritt; oder

(i) a Rating Agency Event occurs; or

(ii) ein Rechnungslegungsereignis eintritt; oder

(ii) an Accounting Event occurs; or

(iii) ein Steuerereignis eintritt, oder

(iii) a Tax Event occurs, or

(iv) ein Akquisitionsereignis eintritt,

(iv) an Acquisition Event occurs,

dann ist die Emittentin berechtigt, durch Erklärung gemäß § 5(6) die Schuldverschreibungen (insgesamt und nicht nur teilweise) jederzeit mit Wirkung zu dem in der Erklärung gemäß § 5(6) für die Rückzahlung festgelegten Tag zu kündigen. Im Falle einer solchen Kündigung hat die Emittentin die Schuldverschreibungen am festgelegten Rückzahlungstermin (i) zu 101 % des Nennbetrages, falls die Rückzahlung vor dem Ersten Rückzahlungstag erfolgt, und

the Issuer may, upon giving notice in accordance with § 5(6), call the Notes for redemption (in whole but not in part) at any time with effect as of the date fixed for redemption in the notice pursuant to § 5(6). In the case such call notice is given, the Issuer will redeem the remaining Notes on the specified redemption date (i) at 101.00 per cent. of the Principal Amount if the redemption occurs prior to the First Call Date and (ii) at the Principal Amount if the

(ii) zum Nennbetrag, falls die Rückzahlung an oder nach dem Ersten Rückzahlungstag erfolgt, jeweils zuzüglich der bis zum Tag der Rückzahlung in Bezug auf die Schuldverschreibungen aufgelaufenen, aber noch nicht bezahlten Zinsen sowie, zur Klarstellung, sämtlicher gemäß § 4(3) fälligen Aufgeschobenen Zinszahlungen, zurückzuzahlen.

redemption occurs on or after the First Call Date, in each case plus any accrued and unpaid interest on the Notes to but excluding the date of redemption and, for the avoidance of doubt, any Deferred Interest Payments payable pursuant to § 4(3).

Ein "**Ratingagenturereignis**" tritt ein, wenn:

A "**Rating Agency Event**" will occur if:

(i) entweder

(i) either

(x) eine Ratingagentur eine Veränderung ihrer Methodologie für Hybridkapital oder der Interpretation dieser Methodologie veröffentlicht, durch die ein Verlust der Eigenkapitalanrechnung (wie nachstehend definiert) eintritt; oder

(x) any Rating Agency publishes a change in its hybrid capital methodology or the interpretation thereof, as a result of which a Loss in Equity Credit (as defined below) occurs; or

(y) die Emittentin eine schriftliche Bestätigung von einer Ratingagentur erhalten und diese an die Hauptzahlstelle in Kopie weitergegeben hat, welche besagt, dass aufgrund einer Veränderung ihrer Methodologie für Hybridkapital oder der Interpretation dieser Methodologie ein Verlust der Eigenkapitalanrechnung eingetreten ist; oder

(y) the Issuer has received, and has provided the Principal Paying Agent with a copy of, a written confirmation from any Rating Agency that, as a result of a change in its hybrid capital methodology or the interpretation thereof, a Loss in Equity Credit occurred; or

(ii) in einer Situation, in der die Schuldverschreibungen seit ihrem Begebungstag insgesamt oder teilweise refinanziert worden sind und sie aus diesem Grund insgesamt oder teilweise nicht mehr in einer Kategorie der Eigenkapitalanrechnung einzuordnen sind, die Schuldverschreibungen aufgrund

(ii) in a situation where the Notes have been fully or partially re-financed since their issue date and are no longer eligible for any category of "equity credit" in full or in part as a result, the Notes would no longer have been eligible for any category of "equity credit" as a result of a change in its hybrid capital

einer Veränderung ihrer Methodologie für Hybridkapital oder der Interpretation dieser Methodologie auch dann nicht mehr in einer Kategorie der Eigenkapitalanrechnung einzuordnen gewesen wären, wenn sie nicht refinanziert worden wären.

methodology or the interpretation thereof had they not been refinanced.

Dabei gilt Folgendes:

Where:

"**Anfängliche Eigenkapitalanrechnungskategorie**" bezeichnet die folgende Kategorie der Eigenkapitalanrechnung ("*equity credit*" oder eine vergleichbare Beschreibung, die von der betreffenden Ratingagentur jeweils genutzt wird, um zu beschreiben, inwieweit die Bedingungen eines Instruments die vorrangigen Verbindlichkeiten der Emittentin unterstützen), der die Schuldverschreibungen von der betreffenden Ratingagentur anfänglich mit Wirkung ab dem folgenden Tag zugeordnet sind oder zugeordnet sein werden:

"**Initial Category of Equity Credit**" means the following category of "equity credit" (or such similar nomenclature as may be used by the relevant Rating Agency from time to time to describe the degree to which the terms of an instrument are supportive of the Issuer's senior obligations) initially attributed, or to be attributed, by the relevant Rating Agency to the Notes with effect from the following date:

(x) im Fall von S&P, die Kategorie der Eigenkapitalanrechnung an dem Tag, ab dem in Bezug auf die Schuldverschreibungen kein Akquisitionsereignis mehr eintreten kann, wie anfänglich am oder um den Tag ihrer Begebung durch S&P gegenüber der Emittentin bestätigt; und

(x) in the case of S&P, the category of "equity credit" on the date on which the Notes will no longer be subject to an Acquisition Event, as first confirmed by S&P to the Issuer at or around the date of issuance; and

(y) im Fall einer anderen Ratingagentur als S&P, die Kategorie der Eigenkapitalanrechnung an dem Tag, an dem diese erstmals von der betreffenden Ratingagentur zugeordnet wird.

(y) in the case of any Rating Agency other than S&P, the category of "equity credit" on the date when it is assigned for the first time by such Rating Agency.

"**Ratingagentur**" bezeichnet S&P, wobei "**S&P**" die S&P Global

"**Rating Agency**" means S&P, where "**S&P**" means S&P Global

Ratings Europe Limited oder eine ihrer Nachfolgegesellschaften bezeichnet, und jede andere, international anerkannte Ratingagentur, von der die Emittentin jeweils ein beauftragtes Rating erhält, sowie jeweils ihre Tochter- oder Nachfolgegesellschaften.

Ratings Europe Limited or any of its successors, and any other rating agency of international standing from which the Issuer receives, from time to time, a solicited rating, and, in each case, their respective subsidiaries or successors.

Ein "**Verlust der Eigenkapitalanrechnung**" tritt ein, wenn die Schuldverschreibungen nicht mehr in einer Kategorie der Eigenkapitalanrechnung der betreffenden Ratingagentur einzuordnen sind, die mindestens der Anfänglichen Eigenkapitalanrechnungskategorie entspricht.

A "**Loss in Equity Credit**" occurs if the Notes are no longer eligible to be assigned by the relevant Rating Agency a category of "equity credit" that is at least equal to the Initial Category of Equity Credit.

Ein "**Rechnungslegungsereignis**" liegt vor, wenn eine anerkannte Wirtschaftsprüfungsgesellschaft, die im Auftrag der Emittentin handelt, der Emittentin ein Gutachten übermittelt, wonach die durch die Ausgabe der Schuldverschreibungen beschafften Gelder nicht oder ab dem Tag der Implementierung der betreffenden neuen International Financial Reporting Standards ("**IFRS**") bzw. anderen Rechnungslegungsstandards, die die IFRS für Zwecke der Erstellung der konsolidierten Jahresabschlüsse der Emittentin ersetzen, nicht mehr als "Eigenkapital" gemäß IFRS bzw. der anwendbaren anderen Rechnungslegungsstandards ausgewiesen werden dürfen.

An "**Accounting Event**" will occur if a recognised accountancy firm, acting upon instructions of the Issuer, has delivered an opinion to the Issuer, stating that the funds raised through the issuance of the Notes as a result of a change in accounting principles may not or will no longer from the implementation date of the relevant new International Financial Reporting Standards ("**IFRS**") or any other accounting standards that may replace IFRS for the purposes of drawing up the annual consolidated financial statements of the Issuer, be recorded as "equity" pursuant to IFRS or such other applicable accounting standards.

Der Zeitraum, in dem die Emittentin die Rückzahlung der Schuldverschreibungen infolge des Eintretens eines Rechnungslegungsereignisses mitteilen kann, beginnt an dem Tag, an dem die Änderung der relevanten neuen IFRS (die "**Änderung**") offiziell verabschiedet wird. Zur Klarstellung, diese Frist umfasst

The period during which the Issuer may notify the redemption of the Notes as a result of the occurrence of an Accounting Event shall start on the date on which the change in the relevant new IFRS (the "**Change**") is officially adopted. For the avoidance of doubt, such period shall include any transitional period between the date on which the

jede Übergangszeit zwischen dem Tag, an dem die Änderung offiziell veröffentlicht wird, und dem Tag, an dem sie in Kraft tritt.

Change is officially published and the date on which it comes into effect.

Ein "**Steuerereignis**" liegt vor, wenn am oder nach dem Begebungstag der Schuldverschreibungen der Emittentin ein Gutachten einer anerkannten Anwaltskanzlei vorliegt (und die Emittentin der Zahlstelle eine Kopie davon gibt), aus dem hervorgeht, dass aufgrund einer Gesetzesänderung (oder einer Änderung von darunter erlassenen Bestimmungen und Vorschriften) der Bundesrepublik Deutschland oder einer ihrer Gebietskörperschaften oder einer ihrer Steuerbehörden, oder als Folge einer Änderung der offiziellen Auslegung oder Anwendung solcher Gesetze, Bestimmungen oder Vorschriften durch eine gesetzgebende Körperschaft, ein Gericht, eine Regierungsstelle oder eine Aufsichtsbehörde (einschließlich des Erlasses von Gesetzen sowie der Bekanntmachung gerichtlicher oder aufsichtsrechtlicher Entscheidungen), Zinsen, die von der Emittentin auf die Schuldverschreibungen zu zahlen sind, von der Emittentin nicht mehr für die Zwecke der deutschen Ertragsteuer voll abzugsfähig sind und die Emittentin dieses Risiko nicht abwenden kann, indem sie zumutbare Maßnahmen ergreift, die sie nach Treu und Glauben für angemessen hält.

A "**Tax Event**" will occur if on or after the issue date of the Notes an opinion of a recognised law firm has been delivered to the Issuer (and the Issuer has provided the Paying Agent with a copy thereof) stating that, as a result of any amendment to, or change in, the laws (or any rules or regulations thereunder) of the Federal Republic of Germany or any political subdivision or any taxing authority thereof or therein, or as a result of any amendment to, or change in, an official interpretation or application of any such laws, rules or regulations by any legislative body, court, governmental agency or regulatory authority (including the enactment of any legislation and the publication of any judicial decision or regulatory determination), interest payable by the Issuer in respect of the Notes is no longer fully deductible by the Issuer for German income tax purposes, and that risk cannot be avoided by the Issuer taking such reasonable measures as it (acting in good faith) deems appropriate.

Ein "**Akquisitionsereignis**" liegt vor, wenn die Emittentin oder eine Tochtergesellschaft (x) den Erwerb der Cypress Semiconductor Corporation nicht abgeschlossen und vollzogen hat und (y) öffentlich

An "**Acquisition Event**" will occur if the Issuer or any Subsidiary (x) has not completed and closed the acquisition of Cypress Semiconductor Corporation, and (y) has publicly stated that it no longer

erklärt hat, dass sie nicht länger beabsichtigt, den Erwerb zu verfolgen und die Emittentin gemäß § 11 den Anleihegläubigern dieses Akquisitionsereignis am oder vor dem 5. Oktober 2020 bekanntgemacht hat, bevor sie die Erklärung nach § 5(6) abgegeben hat. Die Emittentin kann auf ihr Recht zur Rückzahlung wegen eines Akquisitionsereignisses verzichten, indem sie den Verzicht nach § 11 bekannt macht.

intends to pursue such acquisition, and the Issuer has given notice to the Noteholders in accordance with § 11 on or prior to 5 October 2020 of such Acquisition Event prior to giving the notice in accordance with § 5(6). The Issuer may waive its right to call the Notes for redemption based on an Acquisition Event by giving notice of the waiver pursuant to § 11.

(5) *Kündigungsrecht der Emittentin nach Eintritt eines Kontrollwechselereignisses.*

(a) Wenn ein Kontrollwechsel-Ereignis (wie in § 5(5)(c) definiert) eintritt, hat die Emittentin sobald wie möglich, nachdem sie Kenntnis davon erhalten hat, den Kontrollwechsel-Stichtag (wie in § 5(5)(c) definiert) zu bestimmen und das Kontrollwechsel-Ereignis und den Kontrollwechsel-Stichtag gemäß § 11 anzuzeigen (die "**Kontrollwechsel-Mitteilung**").

(b) Wenn ein Kontrollwechsel-Ereignis eintritt, ist die Emittentin berechtigt, die Schuldverschreibungen (insgesamt, jedoch nicht teilweise) durch Erklärung gemäß dem nachstehenden Absatz mit Wirkung zu dem Kontrollwechsel-Stichtag zu kündigen.

Die Emittentin kann ihr Recht zur Rückzahlung gemäß diesem § 5(5) durch eine Bekanntmachung an die Anleihegläubiger gemäß § 11 innerhalb einer Frist von nicht mehr als 5 Geschäftstagen nach Bekanntmachung der Kontrollwechsel-Mitteilung ausüben. Diese Bekanntmachung kann auch zeitgleich mit der Kontrollwechsel-Mitteilung erfolgen.

(5) *Issuer Call Right following a Change of Control Event.*

(a) If a Change of Control Event (as defined in § 5(5)(c)) occurs, the Issuer will, as soon as practicable, after becoming aware thereof fix the Change of Control Effective Date (as defined in § 5(5)(c)) and give notice in accordance with § 11 of the Change of Control Event and the Change of Control Effective Date (the "**Change of Control Notice**").

(b) If a Change of Control Event occurs, the Issuer may call the Notes for redemption (in whole but not in part) with effect as of the Change of Control Effective Date upon giving notice in accordance with the following paragraph.

The Issuer may give notice to the Noteholders within not more than 5 Business Days after publication of the Change of Control Notice in accordance with § 11 of a redemption pursuant to this § 5(5). Such notice may be given simultaneously with the Change of Control Notice.

Im Falle einer solchen Erklärung ist die Emittentin verpflichtet, die Schuldverschreibungen am Kontrollwechsel-Stichtag zum Nennbetrag zuzüglich der bis zum Kontrollwechsel-Stichtag in Bezug auf die Schuldverschreibungen aufgelaufenen, aber noch nicht bezahlten Zinsen sowie, zur Klarstellung, sämtlicher gemäß § 4(3) fälligen Aufgeschobenen Zinszahlungen zurückzuzahlen.

In this case the Issuer shall redeem on the Change of Control Effective Date each Note at its Principal Amount plus any accrued and unpaid interest on the Notes to but excluding the Change of Control Effective Date and, for the avoidance of doubt, any Deferred Interest Payments payable pursuant to § 4(3).

(c) In diesem § 5(5) gilt Folgendes:

(c) In this § 5(5):

Ein "**Kontrollwechsel-Ereignis**" gilt jedes Mal als eingetreten, wenn nach dem Begebungstag der Schuldverschreibungen ein Kontrollwechsel eintritt und es innerhalb des Kontrollwechselzeitraums zu einer Absenkung des Ratings auf Grund des eingetretenen Kontrollwechsels kommt.

A "**Change of Control Event**" shall be deemed to have occurred at each time if a Change of Control occurs after the issue date of the Notes and within the Change of Control Period a Rating Downgrade in respect of that Change of Control occurs.

Dabei gilt Folgendes:

Where:

Eine "**Absenkung des Ratings**" gilt in Bezug auf einen Kontrollwechsel als eingetreten, wenn (a) innerhalb des Kontrollwechselzeitraums ein zuvor von einer Rating Agentur vergebenes beauftragtes Rating für die langfristigen Verbindlichkeiten der Emittentin (i) zurückgezogen und nicht durch ein gleichwertiges, beauftragtes Rating einer anderen Rating Agentur ersetzt wurde oder (ii) von einem Investment Grade Rating (BBB- von S&P oder jeweils gleichwertig, oder besser) in ein non-Investment Grade Rating (BB+ von S&P oder jeweils gleichwertig, oder schlechter) geändert oder (iii) (falls das von einer Rating Agentur für die langfristigen Verbindlichkeiten der Emittentin vergebene Rating unterhalb des Investment Grade Ratings liegt) um

A "**Rating Downgrade**" shall be deemed to have occurred in respect of a Change of Control (a) if within the Change of Control Period any solicited long-term credit rating previously assigned to the Issuer by any Rating Agency is (i) withdrawn and not subsequently replaced by an equivalent solicited rating by another Rating Agency or (ii) changed from an investment grade rating (BBB- by S&P, or its equivalent for the time being, or better) to a non-investment grade rating (BB+ by S&P, or its equivalent for the time being, or worse) or (iii) (if the long-term credit rating of the Issuer assigned by any Rating Agency shall be below an investment grade rating) lowered one full rating notch (from BB+ to BB by S&P or such similar

einen ganzen Punkt (von BB+ nach BB von S&P oder eine ähnliche Absenkung eines gleichwertigen Ratings) abgesenkt wird; oder (b) zur Zeit des Kontrollwechsels kein Rating für die langfristigen Verbindlichkeiten der Emittentin vergeben ist und keine Rating Agentur während des Kontrollwechselzeitraums ein Investment Grade Rating für die langfristigen Verbindlichkeiten der Emittentin vergibt (es sei denn, die Emittentin ist trotz zumutbarer Anstrengungen innerhalb dieses Zeitraums nicht in der Lage, ein solches Rating für die langfristigen Verbindlichkeiten der Emittentin zu erhalten, ohne dass dies seine Ursache im Kontrollwechsel hat). Wenn zum Zeitpunkt des Eintritts des Kontrollwechsels von mehr als einer Ratingagentur ein Rating für die langfristigen Verbindlichkeiten der Emittentin vergeben worden ist, dann ist das niedrigere, von einer der Ratingagenturen vergebene Rating für die langfristigen Verbindlichkeiten der Emittentin maßgeblich für die Feststellung, ob eine Absenkung des Ratings eingetreten ist.

lower of equivalent rating); or (b) if at the time of the Change of Control, there is no long-term credit rating assigned to the Issuer and no Rating Agency assigns during the Change of Control Period an investment grade credit long-term credit rating to the Issuer (unless the Issuer is unable to obtain such a long-term credit rating within such period having used all reasonable endeavours to do so and such failure is unconnected with the occurrence of the Change of Control). If at the time of the occurrence of the Change of Control the long-term credit rating of the Issuer is assigned by more than one Rating Agency, the lower long-term credit rating assigned by any such Rating Agency shall be taken into account to determine whether a Rating Downgrade has occurred.

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

"**Persons acting in concert**" has the meaning given to it in § 2 para. 5 WpÜG.

"**Kontrolle**" bezeichnet das unmittelbare oder mittelbare Eigentum oder die unmittelbare oder mittelbare Verfügungsbefugnis in jedweder Form (wie in § 34 WpHG beschrieben) an insgesamt mehr als 50 % der stimmberechtigten Aktien der Emittentin.

"**Control**" means any direct or indirect legal ownership or any legal entitlement (as defined in § 34 of WpHG of, in the aggregate, more than 50 per cent. of the voting shares of the Issuer.

Ein "**Kontrollwechsel**" liegt vor, wenn eine Person oder Personen, die gemeinsam handeln, nach dem Begebungstag der

A "**Change of Control**" occurs if any Person or Persons acting in concert acquire Control of the Issuer

Schuldverschreibungen Kontrolle über die Emittentin erwirbt bzw. erwerben.

after the issue date of the Notes.

Der "**Kontrollwechselzeitraum**" ist der Zeitraum, der 120 Tage nach dem Eintritt eines Kontrollwechsels endet.

"**Change of Control Period**" means the period ending 120 days after the occurrence of the Change of Control.

"**Kontrollwechsel-Stichtag**" bezeichnet folgenden von der Emittentin in der Kontrollwechsel-Mitteilung festgelegten Tag: (i) falls zum betreffenden Zeitpunkt nicht-nachrangige Fremdkapitalwertpapiere der Emittentin oder einer anderen Gesellschaft unter einer Garantie der Emittentin ausstehen, ist "Kontrollwechsel-Stichtag": (x) frühestens der fünfte Geschäftstag nach dem Tag, an dem solche Wertpapiere aufgrund einer Kündigung der Inhaber dieser Wertpapiere wegen des gleichen Kontrollwechsel-Ereignisses (oder eines vergleichbaren Konzepts) fällig werden können, aber in jedem Fall (y) spätestens der 60. Tag nach Veröffentlichung der Kontrollwechsel-Mitteilung.
(ii) Falls zum betreffenden Zeitpunkt keine nicht-nachrangigen Fremdkapitalwertpapiere der Emittentin oder einer anderen Gesellschaft unter einer Garantie der Emittentin ausstehen, ist "Kontrollwechsel-Stichtag" ein Geschäftstag, der nicht weniger als 20 und nicht mehr als 60 Tage nach Bekanntmachung der Kontrollwechsel-Mitteilung liegen darf.

"**Change of Control Effective Date**" means the following date fixed by the Issuer in the Change of Control Notice: (i) If at the relevant time any senior debt securities of the Issuer or another entity benefitting from a guarantee of the Issuer are outstanding, "Change of Control Effective Date" means (x) the fifth Business Day following the date on which such securities may become payable due to put notices of the holders of such securities in respect of the same Change of Control Event (or a similar concept) at the earliest but in any event (y) the 60th day following the publication of the Change of Control Notice at the latest. (ii) If at the relevant time no senior debt securities of the Issuer or another entity benefitting from a guarantee of the Issuer are outstanding, "Change of Control Effective Date" means a Business Day which falls not less than 20 nor more than 60 days after publication of the Change of Control Notice.

"**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

"**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

selbstständige juristische Person handelt oder nicht.

"**WpHG**" bezeichnet das Wertpapierhandelsgesetz in seiner jeweils gültigen Fassung.

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

not being a separate legal entity.

"**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.

(6) Bekanntmachung der Rückzahlung.

Die Emittentin kann ein Recht zur Rückzahlung gemäß § 5(3), (4) oder (5) durch eine Bekanntmachung an die Anleihegläubiger gemäß § 11 unter Einhaltung einer Frist von nicht weniger als 10 und nicht mehr als 60 Tagen ausüben. Die Bekanntmachung soll in den Fällen des § 5(4) diejenigen Tatsachen enthalten, auf welche die Emittentin ihr Recht zur Rückzahlung stützt, und den für die Rückzahlung festgelegten Tag bezeichnen.

(6) Notification of Redemption.

The Issuer will give not less than 10 nor more than 60 days' notice to the Noteholders in accordance with § 11 of any redemption pursuant to § 5(3), (4) or (5). In the case of § 5(4) such notices will set forth the underlying facts of the Issuer's right to redemption and specify the date fixed for redemption.

§ 6
(Zahlungen)

(1) Die Emittentin verpflichtet sich, Kapital und Zinsen auf die Schuldverschreibungen bei Fälligkeit in Euro zu zahlen. Die Zahlung von Kapital und Zinsen auf die Schuldverschreibungen erfolgt, vorbehaltlich geltender steuerrechtlicher und sonstiger gesetzlicher Regelungen und Vorschriften, über die Hauptzahlstelle zur Weiterleitung an das Clearingsystem oder nach dessen Weisung zur Gutschrift für die jeweiligen Kontoinhaber. Die Zahlung an das Clearingsystem oder nach dessen Weisung 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

§ 6
(Payments)

(1) The Issuer undertakes to pay, as and when due, principal and interest on the Notes in euro. Payment of principal and interest on the Notes will be made, subject to applicable fiscal and other laws and regulations, through the Principal Paying Agent for on-payment to the Clearing System or to its order for credit to the respective account holders. Payments to the Clearing System or to its order will 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 as set forth in § 7.

gemäß § 7 ein.

(2) Falls ein Fälligkeitstag für die Zahlung von Kapital und/oder Zinsen kein Geschäftstag ist, erfolgt die Zahlung erst am nächstfolgenden Geschäftstag; die Anleihegläubiger sind nicht berechtigt, Zinsen oder eine andere Entschädigung wegen eines solchen Zahlungsaufschubs zu verlangen.

(2) If the due date for any payment of principal and/or interest is not a Business Day, payment will be effected only on the next Business Day. The Noteholders will have no right to claim payment of any interest or other indemnity in respect of such delay in payment.

§ 7
(Besteuerung)

Sämtliche Zahlungen von Kapital und Zinsen in Bezug auf die Schuldverschreibungen sind ohne Einbehalt oder Abzug von oder aufgrund von gegenwärtigen oder zukünftigen Steuern oder sonstigen Abgaben gleich welcher Art zu leisten, die von oder in der Bundesrepublik Deutschland oder für deren Rechnung oder von oder für Rechnung einer dort zur Steuererhebung ermächtigten Gebietskörperschaft oder Behörde in der Bundesrepublik Deutschland auferlegt oder erhoben werden, es sei denn, ein solcher Einbehalt oder Abzug ist gesetzlich vorgeschrieben. Falls die Emittentin gesetzlich zu einem solchen Einbehalt oder Abzug verpflichtet ist, wird die Emittentin diejenigen zusätzlichen Beträge ("**Zusätzlichen Beträge**") zahlen, die erforderlich sind, damit die den Anleihegläubigern zufließenden Nettobeträge nach diesem Einbehalt oder Abzug jeweils den Beträgen entsprechen, die ohne einen solchen Einbehalt oder Abzug von den Anleihegläubiger empfangen worden wären; die Verpflichtung zur Zahlung solcher zusätzlicher Beträge besteht jedoch nicht im Hinblick auf Steuern und Abgaben, die:

§ 7
(Taxation)

All payments of principal and interest in respect of the Notes will be made free and clear of, and without withholding or deduction for, or on account of, any present or future taxes or duties of whatever nature imposed or levied by way of withholding or deduction by or in or for the account of the Federal Republic of Germany or any political subdivision or any authority thereof or therein having power to tax unless such withholding or deduction is required to be made by law. If the Issuer is required by law to make such withholding or deduction, the Issuer will pay such additional amounts ("**Additional Amounts**") as will be necessary in order that the net amounts received by the Noteholders, after such withholding or deduction will be equal to the respective amounts which would otherwise have been receivable in the absence of such withholding or deduction; except that no such Additional Amounts will be payable on account of any taxes or duties which:

(i) auf andere Weise als durch Einbehalt oder Abzug von zahlbaren Beträgen zu entrichten sind; oder

(i) are payable otherwise than by withholding or deduction from amounts payable; or

(ii) von einer als Depotbank oder Inkassobeauftragter des Anleihegläubigers handelnden Person oder sonst auf andere Weise zu entrichten sind als dadurch, dass die Emittentin aus den von ihr zu leistenden Zahlungen einen Abzug oder

(ii) are payable by any person acting as custodian bank or collecting agent on behalf of a Holder, or otherwise in any manner which does not constitute a deduction or withholding by the Issuer from payments made by it; or

Einbehalt vornimmt; oder

(iii) wegen einer gegenwärtigen oder früheren persönlichen oder geschäftlichen Beziehung des Anleihegläubigers (oder eines Treuhänders, Treugebers, Begünstigten, Gesellschafters oder Anteilseigner eines solchen Anleihegläubigers, falls es sich bei diesem um ein Nachlassvermögen, ein Treuhandvermögen, eine Personengesellschaft oder eine Kapitalgesellschaft handelt) zu der Bundesrepublik Deutschland zu zahlen sind, und nicht allein deshalb, weil Zahlungen auf die Schuldverschreibungen aus Quellen in der Bundesrepublik Deutschland stammen (oder für Zwecke der Besteuerung so behandelt werden) oder dort besichert sind; oder

(iii) are payable by reason of the Noteholder (or a fiduciary, settlor, beneficiary, member or shareholder of such Noteholder, if such Noteholder is an estate, a trust, a partnership or a corporation) having, or having had, some personal or business connection with the Federal Republic of Germany and not merely by reason of the fact that payments in respect of the Notes are, or for purposes of taxation are deemed to be, derived from sources in, or are secured in, the Federal Republic of Germany; or

(iv) aufgrund (x) einer Richtlinie oder Verordnung der Europäischen Union betreffend die Besteuerung von Zinserträgen oder (y) einer zwischenstaatlichen Vereinbarung, eines zwischenstaatlichen Abkommens oder einer zwischenstaatlichen Verständigung über deren Besteuerung, an der der Staat, in dem die Emittentin steuerlich ansässig ist oder die Europäische Union beteiligt ist, oder (z) einer gesetzlichen Vorschrift, die diese Richtlinie, Verordnung, Vereinbarung, Verständigung oder dieses Abkommen umsetzt oder befolgt, abzuziehen oder einzubehalten sind; oder

(iv) are to be withheld or deducted pursuant to (x) any European Union Directive or Regulation concerning the taxation of interest income, or (y) any international treaty, agreement or understanding relating to such taxation and to which the Issuer's country of domicile for tax purposes or the European Union is a party, or (z) any provision of law implementing, or complying with, or introduced to conform with, such Directive, Regulation, treaty, agreement or understanding; or

(v) durch die Erfüllung von gesetzlichen Anforderungen oder durch die Vorlage einer Nichtansässigkeitserklärung oder durch die sonstige Geltendmachung eines Anspruchs auf Befreiung gegenüber der betreffenden Steuerbehörde vermeidbar sind oder gewesen wären; oder

(v) are avoidable or would have been avoidable through fulfilment of statutory requirements or through the submission of a declaration of non-residence or by otherwise enforcing a claim for exemption vis à vis the relevant tax authority; or

(vi) abgezogen oder einbehalten werden, weil der wirtschaftliche Eigentümer der Schuldverschreibungen nicht selbst rechtlicher Eigentümer (Anleihegläubiger) der Schuldverschreibungen ist und der

(vi) are deducted or withheld because the beneficial owner of the Notes is not himself the legal owner (Noteholder) of the Notes and the deduction or withholding in respect of payments to the

Abzug oder Einbehalt bei Zahlungen an den wirtschaftlichen Eigentümer nicht erfolgt wäre oder eine Zahlung zusätzlicher Beträge bei einer Zahlung an den wirtschaftlichen Eigentümer nach Maßgabe der vorstehenden Regelungen hätte vermieden werden können, wenn dieser zugleich rechtlicher Eigentümer (Anleihegläubiger) der Schuldverschreibungen gewesen wäre; oder

beneficial owner would not have been made or the payment of Additional Amounts in respect of a payment to the beneficial owner in accordance with the above provisions could have been avoided if the latter had also been the legal owner (Noteholder) of the Notes; or

(vii) jegliche Kombination der Absätze (i)-(vi).

(vii) any combination of items (i)-(vi).

Die Emittentin ist keinesfalls verpflichtet, zusätzliche Beträge in Bezug auf einen Einbehalt oder Abzug von Beträgen zu zahlen, die gemäß Sections 1471 bis 1474 des U.S. Internal Revenue Code (in der jeweils geltenden Fassung oder gemäß Nachfolgebestimmungen), gemäß zwischenstaatlicher Abkommen, gemäß den in einer anderen Rechtsordnung in Zusammenhang mit diesen Bestimmungen erlassenen Durchführungsvorschriften oder gemäß mit dem Internal Revenue Service geschlossenen Verträgen von der Emittentin, der jeweiligen Zahlstelle oder einem anderen Beteiligten abgezogen oder einbehalten wurden ("**FATCA-Steuerabzug**") oder Anleger in Bezug auf einen FATCA-Steuerabzug schadlos zu halten.

In any event, the Issuer will have no obligation to pay additional amounts deducted or withheld by the Issuer, the relevant Paying Agent or any other party ("**FATCA Withholding**") in relation to any withholding or deduction of any amounts required by the rules of U.S. Internal Revenue Code Sections 1471 through 1474 (or any amended or successor provisions), pursuant to any inter-governmental agreement, or implementing legislation adopted by another jurisdiction in connection with these provisions, or pursuant to any agreement with the U.S. Internal Revenue Service or indemnify any investor in relation to any FATCA Withholding.

§ 8
(Vorlegungsfrist, Verjährung)

Die Vorlegungsfrist der Schuldverschreibungen wird auf zehn Jahre reduziert. Die Verjährungsfrist für Ansprüche aus den Schuldverschreibungen, die innerhalb der Vorlegungsfrist zur Zahlung vorgelegt wurden, beträgt zwei Jahre von dem Ende der betreffenden Vorlegungsfrist an.

§ 8
(Presentation Period, Prescription)

The period for presentation of the Notes will be reduced to 10 years. 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.

§ 9
(Zahlstellen und Berechnungsstelle)

(1) Bestellung.

Die Emittentin hat Citibank Europe plc als Hauptzahlstelle in Bezug auf die Schuldverschreibungen (die "**Hauptzahlstelle**" und gemeinsam mit

§ 9
(Paying and Calculation Agent)

(1) Appointment.

The Issuer has appointed Citibank Europe plc as principal paying agent with respect to the Notes (the "**Principal Paying Agent**" and, together with any additional

jeder etwaigen von der Emittentin nach § 9(2) bestellten zusätzlichen Zahlstelle, die "**Zahlstellen**") bestellt.

Die Emittentin hat Citibank Europe plc als Berechnungsstelle in Bezug auf die Schuldverschreibungen (die "**Berechnungsstelle**" und, gemeinsam mit den Zahlstellen, die "**Verwaltungsstellen**") bestellt.

Die Geschäftsräume der Verwaltungsstellen befinden sich unter den folgenden Adressen:

Hauptzahlstelle:
1 North Wall Quay
Dublin 1
Irland

Berechnungsstelle:
1 North Wall Quay
Dublin 1
Irland

(2) Änderung oder Beendigung der Bestellung.

Die Emittentin behält sich das Recht vor, jederzeit die Benennung einer Zahlstelle oder Berechnungsstelle zu verändern oder zu beenden und Nachfolger bzw. zusätzliche Zahlstellen bzw. Berechnungsstellen zu ernennen. Den Anleihegläubigern werden Änderungen in Bezug auf die Zahlstellen bzw. Berechnungsstelle oder deren angegebenen Geschäftsstellen umgehend gemäß § 11 bekannt gemacht.

(3) Status der beauftragten Stellen.

Die Zahlstellen und die Berechnungsstelle handeln ausschließlich als Vertreter der Emittentin und übernehmen keine Verpflichtungen gegenüber den Anleihegläubigern; es wird kein Vertrags-, Auftrags- oder Treuhandverhältnis zwischen ihnen und den Anleihegläubigern begründet. Die Zahlstellen sind von den Beschränkungen des § 181 des Bürgerlichen Gesetzbuchs

paying agent appointed by the Issuer in accordance with § 9(2), the "**Paying Agents**").

The Issuer has appointed Citibank Europe plc as calculation agent with respect to the Notes (the "**Calculation Agent**" and, together with the Paying Agents, the "**Agents**").

The addresses of the specified offices of the Agents are:

Principal Paying Agent:
1 North Wall Quay
Dublin 1
Ireland

Calculation Agent:
1 North Wall Quay
Dublin 1
Ireland

(2) Variation or Termination of Appointment.

The Issuer reserves the right at any time to vary or terminate the appointment of any Paying Agent or Calculation Agent and to appoint successor or additional Paying Agents or Calculation Agent, as the case may be. Notice of any change in the Paying Agents or Calculation Agent, as the case may be, or in the specified office of any Paying Agent or Calculation Agent, as the case may be, will promptly be given to the Noteholders pursuant to § 11.

(3) Status of the Agents.

The Paying Agents and Calculation Agent act solely as agents of the Issuer and do not assume any obligations towards or relationship of contract, agency or trust for or with any of the Noteholders. The Paying Agents are exempt from the restrictions of § 181 of the German Civil Code (*Bürgerliches Gesetzbuch*).

befreit.

(4) Wenn die Emittentin gemäß § 3(5) einen Unabhängigen Berater bestellt, dann ist § 9(3) auf den Unabhängigen Berater entsprechend anzuwenden.

(4) If the Issuer appoints an Independent Advisor in accordance with § 3(5), § 9(3) shall apply mutatis mutandis to the Independent Advisor.

§ 10
(Weitere Emissionen)

Die Emittentin kann ohne Zustimmung der Anleihegläubiger weitere Schuldverschreibungen begeben, die in jeder Hinsicht (gegebenenfalls mit Ausnahme des Tags der Begebung, des Zinslaufbeginns und/oder des Ausgabepreises) die gleichen Bedingungen wie die Schuldverschreibungen dieser Anleihe haben und die zusammen mit den Schuldverschreibungen dieser Anleihe eine einheitliche Gesamtemission bilden.

§ 10
(Further Issues)

The Issuer may from time to time, without the consent of the Noteholders, create and issue further Notes having the same terms and conditions as the Notes of this series in all respects (or in all respects except for the issue date, interest commencement date and/or the issue price) so as to form a single series with the Notes of this series.

§ 11
(Bekanntmachungen)

(1) Alle Bekanntmachungen, die die Schuldverschreibungen betreffen, außer den in § 13 vorgesehenen Bekanntmachungen, die ausschließlich gemäß den Bestimmungen des Gesetzes über Schuldverschreibungen aus Gesamtemissionen ("**SchVG**") erfolgen, sind von der Emittentin im Bundesanzeiger zu veröffentlichen. Jede derartige Mitteilung gilt am dritten Kalendertag nach dem Tag der Veröffentlichung (oder bei mehreren Veröffentlichungen am dritten Kalendertag nach dem Tag der ersten solchen Veröffentlichung) als wirksam erfolgt.

(2) Alle Bekanntmachungen, die die Schuldverschreibungen betreffen, werden (solange die Schuldverschreibungen an der Luxemburger Wertpapierbörse notiert sind) auf der Internet-Seite der Luxemburger Börse unter www.bourse.lu veröffentlicht. Für das Datum und die Rechtswirksamkeit sämtlicher Bekanntmachungen ist die erste

§ 11
(Notices)

(1) All notices regarding the Notes, other than any notices stipulated in § 13 which will be made exclusively pursuant to the provisions of the German Act on Issues of Debt Securities (*Gesetz über Schuldverschreibungen aus Gesamtemissionen*, "**SchVG**"), will be published in the Federal Gazette (*Bundesanzeiger*) by the Issuer. Any notice will be deemed to have been validly given on the third calendar day following the date of such publication (or, if published more than once, on the third calendar day following the date of the first such publication).

(2) All notices regarding the Notes will be published (so long as the Notes are listed on the Luxembourg Stock Exchange) on the website of the Luxembourg Stock Exchange on www.bourse.lu. Any notice will become effective for all purposes on the date of the first such publication.

Veröffentlichung maßgeblich.

(3) Die Emittentin ist berechtigt, alle die Schuldverschreibungen betreffenden Mitteilungen an das Clearingsystem zur Weiterleitung an die Anleihegläubiger zu übermitteln.

(3) The Issuer will be entitled to deliver all notices concerning the Notes to the Clearing System for communication by the Clearing System to the Noteholders.

§ 12
(Ersetzung)

(1) Ersetzung.

Die Emittentin (oder die Nachfolgeschuldnerin) ist jederzeit berechtigt, sofern sie sich nicht mit einer Zahlung von Kapital oder Zinsen oder einer anderen Zahlung aus den Schuldverschreibungen in Verzug befindet, ohne Zustimmung der Anleihegläubiger jede Gesellschaft, deren stimmberechtigte Gesellschaftsanteile zu mehr als 90 % direkt oder indirekt von der Emittentin gehalten werden, an Stelle der Emittentin als Hauptschuldnerin (die "**Nachfolgeschuldnerin**") für alle Verpflichtungen aus und im Zusammenhang mit dieser Emission einzusetzen, vorausgesetzt, dass:

(i) die Nachfolgeschuldnerin alle Verpflichtungen der Emittentin in Bezug auf die Schuldverschreibungen übernimmt;

(ii) die Nachfolgeschuldnerin alle erforderlichen behördlichen Genehmigungen erhalten hat und berechtigt ist, an die Hauptzahlstelle die zur Erfüllung der Zahlungsverpflichtungen auf die Schuldverschreibungen zu zahlenden Beträge in Euro zu zahlen, ohne verpflichtet zu sein, jeweils in dem Land, in dem die Nachfolgeschuldnerin oder die Emittentin ihren Sitz oder Steuersitz haben, erhobene Steuern oder andere Abgaben jeder Art abzuziehen oder einzubehalten;

§ 12
(Substitution)

(1) Substitution.

The Issuer (or the Substitute Debtor) may, without the consent of the Noteholders, if no payment of principal or of interest or any other amount in respect of the Notes is in default, at any time substitute for the Issuer any company of which more than 90 per cent of the voting shares or other equity interests are directly or indirectly owned by the Issuer as principal debtor in respect of all obligations arising from or in connection with the Notes (the "**Substitute Debtor**") provided that:

(i) the Substitute Debtor assumes all obligations of the Issuer in respect of the Notes;

(ii) the Substitute Debtor has obtained all necessary governmental authorisations and may transfer to the Principal Paying Agent in Euro and without being obligated to deduct or withhold any taxes or other duties of whatever nature levied by the country in which the Substitute Debtor or the Issuer has its domicile or tax residence, all amounts required for the fulfilment of the payment obligations arising under the Notes;

(iii) die Nachfolgeschuldnerin sich verpflichtet hat, jeden Anleihegläubiger hinsichtlich solcher Steuern, Abgaben oder behördlichen Lasten freizustellen, die einem Gläubiger infolge der Ersetzung auferlegt werden;

(iv) die Emittentin unwiderruflich und unbedingt gegenüber den Anleihegläubiger die Zahlung aller von der Nachfolgeschuldnerin auf die Schuldverschreibungen zu zahlenden Beträge auf nachrangiger Basis garantiert;

(v) aufgrund der Ersetzung kein Ereignis eintreten würde, welches die Nachfolgeschuldnerin dazu berechtigen würde, die Schuldverschreibung gemäß § 5(4) zu kündigen und zurückzuzahlen; und

(vi) der Hauptzahlstelle jeweils ein oder mehrere Rechtsgutachten bezüglich der betroffenen Rechtsordnungen von anerkannten Rechtsanwälten vorgelegt werden, das bestätigt bzw. die bestätigen, dass die Bestimmungen in diesem § 12(1) erfüllt wurden.

(2) Bezugnahmen.

Im Fall einer Schuldnerersetzung gemäß § 12(1) gilt jede Bezugnahme in diesen Anleihebedingungen auf die Emittentin als eine solche auf die Nachfolgeschuldnerin und jede Bezugnahme auf die Bundesrepublik Deutschland als eine solche auf den Staat (die Staaten), in welchem die Nachfolgeschuldnerin steuerlich ansässig ist. Klarstellend sei erwähnt, dass dies nur gilt, soweit sich nicht aus Sinn und Zweck der jeweiligen Bedingung ergibt, dass die Bezugnahme entweder weiterhin nur auf die Infineon Technologies AG erfolgen soll (also insbesondere im Hinblick auf Abschnitt (i)

(iii) the Substitute Debtor has agreed to indemnify and hold harmless each Noteholder against any tax, duty, assessment or governmental charge imposed on such Noteholder as a result of such substitution;

(iv) the Issuer irrevocably and unconditionally guarantees on a subordinated basis in favour of each Noteholder the payment of all sums payable by the Substitute Debtor in respect of the Notes;

(v) no event would occur as a result of the substitution that would give rise to the right of the Substitute Debtor to call the Notes for redemption pursuant to § 5(4); and

(vi) there will have been delivered to the Principal Paying Agent an opinion or opinions with respect to the relevant jurisdictions of lawyers of recognised standing to the effect that the provisions of this § 12(1) above have been satisfied.

(2) References.

In the event of a substitution pursuant to § 12(1), any reference in these Terms and Conditions to the Issuer will be a reference to the Substitute Debtor and any reference to the Federal Republic of Germany will be a reference to the Substitute Debtor's country (countries) of domicile for tax purposes. For the avoidance of doubt this will apply only to the extent that the meaning and purpose of the relevant condition requires that the relevant reference will continue to be a reference only to Infineon Technologies AG (i.e. in particular in relation to limb (i) of the definition of the term Compulsory

der Definition des Begriffs Obligatorisches Nachzahlungsereignis, das Ratingagenturereignis, Akquisitionsereignis und § 5(5) (Kontrollwechsel-Ereignis), oder dass die Bezugnahme auf die Nachfolgeschuldnerin und gleichzeitig auch auf die Infineon Technologies AG, im Hinblick auf deren Verpflichtungen aus der Garantie gemäß § 12(1)(iv), erfolgen soll (Gross-up-Ereignis, Steuerereignis und § 7).

Settlement Event, the Rating Agency Event, Acquisition Event and § 5(5) (Change of Control Event), or that the reference will be to the Substitute Debtor and Infineon Technologies AG, in relation to Infineon Technologies AG's obligations under the guarantee pursuant to § 12(1)(iv), at the same time (Gross-up Event, Tax Event and § 7)).

(3) Bekanntmachung und Wirksamwerden der Ersetzung.

Die Ersetzung der Emittentin ist gemäß § 11 bekannt zu machen. Mit der Bekanntmachung der Ersetzung wird die Ersetzung wirksam und die Emittentin und im Falle einer wiederholten Anwendung dieses § 12 jede frühere Nachfolgeschuldnerin von ihren sämtlichen Verbindlichkeiten aus den Schuldverschreibungen frei.

(3) Notice and Effectiveness of Substitution.

Notice of any substitution of the Issuer will be given by publication in accordance with § 11. Upon such publication, the substitution will become effective, and the Issuer and in the event of a repeated application of this § 12, any previous Substitute Debtor will be discharged from any and all obligations under the Notes.

§ 13
(Änderung der Anleihebedingungen durch Beschluss der Anleihegläubiger; Gemeinsamer Vertreter)

(1) 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(2) genannten Mehrheit Änderungen zustimmen, durch welche der wesentliche Inhalt der Anleihebedingungen geändert wird, einschließlich der in § 5 Abs. 3 SchVG genannten Maßnahmen. Ein ordnungsgemäß gefasster

§ 13
(Amendments to the Terms and Conditions by resolution of the Noteholders; Joint Representative)

(1) Majority Resolutions pursuant to the German Act on Issues of Debt Securities.

The Issuer may agree with the Noteholders on amendments to the Terms and Conditions by virtue of a majority resolution of the Noteholders pursuant to § 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 Noteholders may consent to amendments which materially change the substance of the Terms and Conditions, including such measures as provided for under § 5 para. 3 of the SchVG by resolutions passed by such majority of the votes of the Noteholders as stated under § 13(2) below. A duly passed majority

Mehrheitsbeschluss ist für alle Anleihegläubiger gleichermaßen verbindlich.

resolution shall be binding equally upon all Noteholders.

(2) 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, oder sonstige wesentliche Maßnahmen beschlossen werden, dürfen nur mit einer Mehrheit von mindestens 75 % der an der Abstimmung teilnehmenden Stimmrechte (eine "**Qualifizierte Mehrheit**") gefasst werden.

(2) Qualified Majority.

Except as provided by the following sentence and provided that the quorum requirements are being met, the Noteholders 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 § 5 para. 3 numbers 1 through 9 of the SchVG, or relating to material other matters may only be passed by a majority of at least 75% of the voting rights participating in the vote (a "**Qualified Majority**").

(3) 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.

(3) Voting.

The Noteholders may pass resolutions in a meeting (*Gläubigerversammlung*) in accordance with § 5 et seqq. of the SchVG or by means of a vote without a meeting (*Abstimmung ohne Versammlung*) in accordance with § 18 and § 5 et seqq. of the SchVG.

(4) 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

(4) Noteholders' Meetings.

If resolutions of the Noteholders 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 Noteholders together with the convening notice. Attendance at the meeting and exercise of voting rights is subject to the Noteholders' 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, Noteholders must demonstrate their

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 § 14(4) 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 Gläubigerversammlung (einschließlich) nicht übertragbar sind, nachweisen.

eligibility to participate in the vote by means of a special confirmation of a Custodian in accordance with § 14(4) hereof in text form and by submission of a blocking instruction by the Custodian 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.

(5) 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 § 14(4) 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.

(5) Passing Resolutions without Noteholders' Meeting.

If resolutions of the Noteholders 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 Noteholders together with the request for voting. The exercise of voting rights is subject to the Noteholders' 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, Noteholders must demonstrate their eligibility to participate in the vote by means of a special confirmation of a Custodian in accordance with § 14(4) and (y) hereof in text form and by submission of a blocking instruction by the Custodian 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.

(6) Mangelnde Beschlussfähigkeit, zweite Versammlung.

Wird für die Gläubigerversammlung gemäß § 13(4) oder die Abstimmung ohne Versammlung gemäß § 13(5) 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 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 § 14(4) 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.

(6) Failed Quorum, Second Noteholders' Meeting.

If it is ascertained that no quorum exists for the meeting pursuant to § 13(4) or the vote without a meeting pursuant to § 13(5), in case of a meeting the chairman (*Vorsitzender*) may convene a second meeting in accordance with § 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 § 15 para. 3 sentence 3 of the SchVG. Attendance at the second meeting and exercise of voting rights is subject to the Noteholders' registration. The registration must be received at the address stated in the convening notice no later than the third day preceding the second meeting. As part of the registration, Noteholders must demonstrate their eligibility to participate in the vote by means of a special confirmation of a Custodian in accordance with § 14(4) hereof in text form and by submission of a blocking instruction by the Custodian 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.

(7) Gemeinsamer Vertreter.

Die Anleihegläubiger können durch Mehrheitsbeschluss einen gemeinsamen Vertreter der Gläubiger (der "**Gemeinsame Vertreter**") bestellen oder abberufen, 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. § 13(2) bis (6) gelten auch für

(7) Noteholders' Representative.

The Noteholders may by majority resolution provide for the appointment or dismissal of a joint representative (the "**Noteholders' Representative**"), the duties and responsibilities and the powers of such Noteholders' Representative, the transfer of the rights of the Noteholders to the Noteholders' Representative and a limitation of liability of the Noteholders' Representative. § 13(2) to (6) do also apply to the resolution regarding the

die Beschlussfassung über die Bestellung eines Gemeinsamen Vertreters. Der Beschluss zur Bestellung eines Gemeinsamen Vertreters bedarf einer Qualifizierten Mehrheit, wenn der Gemeinsame Vertreter befugt ist, Änderungen des wesentlichen Inhalts der Anleihebedingungen oder sonstigen wesentlichen Maßnahmen gemäß § 13(2) zuzustimmen.

appointment of a Noteholders' Representative. Appointment of a Noteholders' Representative may only be passed by a Qualified Majority if such Noteholders' Representative is to be authorized to consent, in accordance with § 13(2) hereof, to a material change in the substance of the Terms and Conditions or other material matters.

(8) Bekanntmachung.

Bekanntmachungen betreffend diesen § 13 erfolgen ausschließlich gemäß den Bestimmungen des SchVG.

(8) Publication.

Any notices concerning this § 13 shall be made exclusively pursuant to the provisions of the SchVG.

(9) Garantie

Die oben aufgeführten auf die Schuldverschreibungen anwendbaren Bestimmungen gelten entsprechend für die Bestimmungen einer etwaigen Garantie gemäß § 12(1)(iv).

(9) Guarantee

The provisions set out above applicable to the Notes will apply mutatis mutandis to any guarantee granted pursuant to § 12(1)(iv).

§ 14
(Schlussbestimmungen)

§ 14
(Final Provisions)

(1) Anzuwendendes Recht.

Form und Inhalt der Schuldverschreibungen bestimmen sich nach dem Recht der Bundesrepublik Deutschland.

(1) Applicable Law.

The Notes are governed by, and construed in accordance with, the laws of the Federal Republic of Germany.

(2) Gerichtsstand.

Vorbehaltlich eines zwingend vorgeschriebenen Gerichtsstands für bestimmte Verfahren nach dem SchVG ist Frankfurt am Main nicht ausschließlicher Gerichtsstand für alle Rechtsstreitigkeiten aus den in diesen Anleihebedingungen geregelten Angelegenheiten. Die Emittentin verzichtet unwiderruflich darauf, gegenwärtig oder zukünftig gegen die Gerichte in Frankfurt am Main als Forum für Rechtsstreitigkeiten Einwände zu erheben, und verpflichtet sich, keines der Gerichte in Frankfurt am Main als ungelegenes oder unangemessenes Forum

(2) Place of Jurisdiction.

Subject to any mandatory jurisdiction for specific proceedings under the SchVG, the non-exclusive place of jurisdiction for all proceedings arising from matters provided for in these Terms and Conditions will be Frankfurt am Main. The Issuer irrevocably waives any objection which it might now or hereafter have to the courts of Frankfurt am Main being nominated as the forum to hear and determine any proceedings and to settle any disputes and agrees not to claim that any of those courts is not a convenient or appropriate forum.

zu bezeichnen.

(3) Erfüllungsort.

Erfüllungsort ist Frankfurt am Main, Bundesrepublik Deutschland.

(4) Geltendmachung von Rechten.

Jeder Anleihegläubiger ist berechtigt, in jedem Rechtsstreit gegen die Emittentin oder in jedem Rechtsstreit, in dem der Anleihegläubiger und die Emittentin Partei sind, seine Rechte aus den Schuldverschreibungen im eigenen Namen geltend zu machen gegen Vorlage:

(i) einer Bescheinigung der Depotbank, die (A) den vollen Namen und die volle Anschrift des Anleihegläubigers bezeichnet, (B) den Gesamtnennbetrag von Schuldverschreibungen angibt, die am Ausstellungstag dieser Bescheinigung den bei dieser Depotbank bestehenden Depots dieses Anleihegläubigers gutgeschrieben sind und (C) bestätigt, dass die Depotbank dem Clearingsystem und der Hauptzahlstelle eine schriftliche Mitteilung gemacht hat, die die Angaben gemäß (A) und (B) enthält und Bestätigungsvermerke des Clearingsystems sowie des betroffenen Kontoinhabers bei dem Clearingsystem trägt sowie

(ii) einer von einem Vertretungsberechtigten des Clearingsystems oder der Hauptzahlstelle bestätigten Ablichtung der Globalurkunde; oder

(iii) eines anderen, in Rechtsstreitigkeiten in dem Land der Geltendmachung zulässigen Beweismittels.

"**Depotbank**" bezeichnet ein Bank- oder sonstiges Finanzinstitut, bei dem der Anleihegläubiger Schuldverschreibungen

(3) Place of Performance.

Place of performance will be Frankfurt am Main, Federal Republic of Germany.

(4) Enforcement of Rights.

Any Noteholder may in any proceedings against the Issuer or to which the Noteholder and the Issuer are parties protect and enforce in his own name his rights arising under the Notes on the basis of:

(i) a certificate issued by his Custodian (A) stating the full name and address of the Noteholder, (B) specifying an aggregate principal amount of Notes credited on the date of such statement to such Noteholder's securities account(s) maintained with his Custodian and (C) confirming that his Custodian has given a written notice to the Clearing System and the Principal Paying Agent containing the information specified in (A) and (B) and bearing acknowledgements of the Clearing System and the relevant account holder in the Clearing System and

(ii) a copy of the Global Note relating to the Notes, certified as being a true copy by a duly authorised officer of the Clearing System or the Principal Paying Agent; or

(iii) any other means of evidence permitted in legal proceedings in the country of enforcement.

"**Custodian**" means any bank or other financial institution with which the Noteholder maintains a securities account

im Depot verwahren lässt und das ein Konto bei dem Clearingsystem hat, einschließlich des Clearingsystems.

in respect of any Notes and having an account maintained with the Clearing System, including the Clearing System.

§ 15
(Sprache)

Diese Anleihebedingungen sind in deutscher Sprache abgefasst und mit einer Übersetzung in die englische Sprache versehen. Der deutsche Wortlaut ist allein rechtsverbindlich. Die englische Übersetzung dient nur zur Information.

§ 15
(Language)

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

Intention regarding the Redemption and Repurchase of the Notes

The following paragraphs in italics do not form part of the Terms and Conditions.

Intention regarding Redemption and Repurchase of the Notes

The Issuer intends (without thereby assuming a legal or contractual obligation) that it will redeem or repurchase the Notes (or any part thereof) only to the extent that such part of the aggregate principal amount of the Notes (or any part thereof) to be redeemed or repurchased which was assigned "equity credit" (or such similar nomenclature used by S&P from time to time) on the date on which the Initial Category of Equity Credit was attributed to the Notes does not exceed such part of the net proceeds received by the Issuer or any Subsidiary of the Issuer from the sale or issuance by the Issuer or any Subsidiary of the Issuer to third party purchasers of securities which are assigned by S&P, as the case may be, an aggregate "equity credit" (or such similar nomenclature used by S&P from time to time) that is equal to or greater than the "equity credit" assigned to the relevant Notes (or any part thereof) to be redeemed or repurchased on the date on which the Initial Category of Equity Credit was attributed to the Notes (but taking into account any changes in hybrid capital methodology or another relevant methodology or the interpretation thereof since the issue date of the Notes).

The following exceptions apply as to the Issuer's replacement intention. The Notes are not intended to be replaced:

(a) *if the rating (or such similar nomenclature then used by S&P) assigned by S&P to the Issuer is at least equal to the rating assigned to the Issuer after S&P has resolved its credit watch following the closing of the acquisition of Cypress Semiconductor Corp. or, if later, on the date of the last additional hybrid issuance (excluding refinancing) of the hybrid securities which were assigned a similar "equity credit" by S&P and the Issuer is of the view that such rating would not fall below this level as a result of such redemption or repurchase; or*

(b) *in the case of repurchase of less than (x) 10 per cent. of the aggregate principal amount of hybrid capital outstanding, in any period of 12 consecutive months or (y) 25 per cent. of the aggregate principal amount of hybrid capital outstanding, in any period of 10 consecutive years; or*

(c) *if the Notes are redeemed by the Issuer in accordance with § 5(4) (Gross-up Event, Tax Event, Accounting Event, Rating Agency Event, Acquisition Event or in case of minimal outstanding aggregate principal amount) or § 5(5) (Change of Control Event); or*

(d) *if the Notes are not assigned any category of "equity credit" (or such similar nomenclature then used by S&P at the time of such redemption or repurchase); or*

(e) *in the case of any repurchase, up to the maximum amount of Notes repurchased that would allow the Issuer's aggregate principal amount of hybrid capital remaining outstanding after such repurchase to be equal to or greater than the maximum aggregate principal amount of hybrid capital to which S&P would assign any category of "equity credit" (or such similar nomenclature then used by S&P at the time of such repurchase); or*

(f) *if such redemption or repurchase occurs on or after Second Step-up Date.*

Terms used but not defined in the preceding sentence shall have the meaning set out in the Terms and Conditions.

WARNING ON TAX CONSEQUENCES

Income received from the Notes is subject to taxation. In particular, the tax laws of any jurisdiction with authority to impose taxes on the investor and the tax laws of the Issuer's state of incorporation, statutory seat and place of effective management, i.e. Germany, might have an impact on the income received from the Notes.

Persons interested in purchasing any of the Notes should seek advice from their own tax counsel regarding the tax implications of purchasing, holding, disposing, donating and bequeathing Notes, and the regulations on reclaiming previously withheld withholding tax. Due consideration to a shareholder's specific tax-related circumstances can only be given within the scope of an individual tax consultation.

The following sections describe a number of key German taxation principles for German tax residents (either an individual with a domicile or habitual abode in Germany or a legal entity with its corporate seat or place of management in Germany) that may be relevant to purchasing, holding or transferring the Notes. The information provided does not constitute a comprehensive or exhaustive explanation of all possible aspects of taxation in this area. This overview is based on applicable German tax law as of the date hereof, including the double taxation treaties that are currently in force between Germany and other countries. It should be noted that the legal situation may change, including, in certain cases, with retroactive effect.

Taxation in the Federal Republic of Germany

The following is a general discussion of certain German tax consequences of the acquisition, holding and disposal of the Notes. It does not purport to be a comprehensive description of all German tax considerations that may be relevant to a decision to purchase Notes, and, in particular, does not consider any specific facts or circumstances that may apply to a particular purchaser. This discussion of the tax consequences of an investment in the Notes is based on the tax laws of Germany currently in force and as applied on the date of this Prospectus, which are subject to change, possibly with retroactive or retrospective effect.

Tax resident Holders of the Notes

The section "*Tax resident Holders of the Notes*" refers to persons who are tax residents of Germany (i.e. persons whose residence, habitual abode, statutory seat, or place of effective management is located in Germany).

Withholding tax on interest payments and capital gains

Interest payments received by an individual Holder of the Notes will be subject to German withholding tax if the Notes are kept or administrated in a custodial account with a German branch of a German or non-German credit institution (*Kreditinstitut*) or financial services institution (*Finanzdientleistungsinstitut*), a German securities trading company (*Wertpapierhandelsunternehmen*) or a German securities trading bank (*Wertpapierhandelsbank*) (each a "**Disbursing Agent**", *auszahlende Stelle*). The flat income tax rate is 25% (plus 5.5% solidarity surcharge thereon, the total withholding being 26.375%). An electronic information system for withholding of church tax will apply to individuals subject to church tax in relation to investment income, 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 same treatment applies to capital gains (i.e. the difference between the proceeds from the disposal, redemption, repayment or assignment after deduction of expenses directly related to the disposal, redemption, repayment or assignment and the cost of acquisition) derived by an individual

Holder provided the Notes have been held in a custodial account with a Disbursing Agent since the time of their acquisition. If Notes held or administrated in the same custodial account have been acquired at different points in time, the Notes first acquired will be deemed to have been sold first for the purposes of determining the capital gains. Where Notes are acquired and/or sold or redeemed in a currency other than Euro, the sales/redemption price and the acquisition costs have to be converted into Euro on the basis of the foreign exchange rates prevailing on the sale or redemption date and the acquisition date respectively. If interest coupons or interest claims are disposed of separately (i.e. without the Notes), the proceeds from the disposition are subject to withholding tax. The same applies to proceeds from the payment of interest coupons or interest claims if the Notes have been disposed of separately.

To the extent the Notes have not been kept in a custodial account with a Disbursing Agent since the time of their acquisition, upon the disposal, redemption, repayment or assignment withholding tax applies at a rate of 26.375% (including solidarity surcharge, plus church tax, if applicable) on 30% of the disposal or redemption proceeds (plus interest accrued on the Notes ("**Accrued Interest**", *Stückzinsen*), if any), unless the investor or the previous depository bank was able and allowed to prove evidence for the investor's actual acquisition costs to the Disbursing Agent.

In computing any German tax to be withheld, the Disbursing Agent may generally deduct from the basis of the withholding tax negative investment income realized by the individual Holder of the Notes via the Disbursing Agent (e.g. losses from the sale of other securities with the exception of shares). The Disbursing Agent may also deduct Accrued Interest on the Notes or other securities paid separately upon the acquisition of the respective security via the Disbursing Agent. In addition, subject to certain requirements and restrictions the Disbursing Agent may credit foreign withholding taxes levied on investment income in a given year regarding securities held by the individual Holder in the custodial account with the Disbursing Agent.

Individual Holders may be entitled to an annual allowance (*Sparer-Pauschbetrag*) of EUR 801 (EUR 1,602 for jointly assessed individual Holders) for all investment income received in a given year. Upon the individual Holder filing an exemption certificate (*Freistellungsauftrag*) with the Disbursing Agent, the Disbursing Agent will take the allowance into account when computing the amount of tax to be withheld. No withholding tax will be deducted if the Holder of the Notes has submitted to the Disbursing Agent a certificate of non-assessment (*Nichtveranlagungsbescheinigung*) issued by the competent local tax office.

If Notes are kept or administrated in a custodial account with a Disbursing Agent, German withholding tax will not apply to gains from the disposal, redemption, repayment or assignment of Notes held by a corporation as Holder while ongoing payments, such as interest payments, are subject to withholding tax (irrespective of any deductions of foreign tax and capital losses incurred). With regard to gains from the disposal, repayment or assignment of Notes held by an individual Holder, a business partnership or through the permanent establishment of a non-resident taxpayer, the same may apply upon application where the Notes form part of a trade or business, subject to further requirements being met.

The Issuer is not obliged under German law to withhold any withholding tax (*Kapitalertragsteuer*) on interest payments and upon the sale or redemption of the Notes.

Taxation of current income and capital gains

The personal income tax liability of an individual Holder deriving income from capital investments under the Notes is, in principle, settled by the tax withheld. To the extent withholding tax has not been levied, such as in the case of Notes kept in custody abroad or if no Disbursing Agent is involved in the payment process, the individual Holder must report his or her income and capital gains derived from

the Notes on his or her tax return and then will also be taxed at a rate of 25% (plus solidarity surcharge and church tax thereon, if applicable). If the withholding tax on a disposal, redemption, repayment or assignment has been calculated from 30% of the disposal proceeds (rather than from the actual gain), an individual Holder may and in case the actual gain is higher than 30% of the disposal proceeds must also apply for an assessment on the basis of his or her actual acquisition costs. Further, an individual Holder may request that all investment income of a given year is taxed at his or her lower individual tax rate based upon an assessment to tax with any amounts over withheld being refunded. In each case, the deduction of expenses (other than transaction costs) on an itemized basis is not permitted.

Capital losses from the disposal, redemption, repayment or assignment of the Notes held as private assets should generally be tax-recognized irrespective of the holding period of the Notes. The losses may, however, not be used to offset other income like employment or business income but may only be offset against investment income subject to certain limitations. Losses not utilised in one year may be carried forward into subsequent years but may not be carried back into preceding years.

According to the view of German tax authorities, losses suffered upon a bad debt loss (*Forderungsausfall*) and a waiver of a receivable (*Forderungsverzicht*) (to the extent the waiver does not qualify as a hidden contribution) shall, in general, not be deductible for tax purposes. With respect to a bad debt loss the German Federal Tax Court has recently rejected the view of German tax authorities; the question of whether this also applies to a waiver of a receivable has been left open by the court. However, the federal ministry of finance has not yet changed their view in this respect.

The tax authorities have confirmed in 2019 that deviating from their former view, losses from a sale or a redemption qualify, subject to the aforementioned loss ring-fencing rules, as tax deductible even where transaction costs exceed the sales or redemption proceeds. However, Disbursing Agents may apply the former view of the tax authorities until the end of 2019 with respect to German withholding tax.

According to the recently published draft bill of the German Federal Government for an annual Tax Act 2019 (*Jahressteuergesetz 2019*) dated 31 July 2019 the view of the federal ministry of finance on the non-deductibility of capital losses for tax purposes in the scenarios described above shall largely be codified in the German Income Tax Act.

The coalition agreement between the German Christian Democratic Party, the German Christian Social Union and the German Social Democratic Party for the formation of the current German federal government provides that the flat tax regime shall be partially abolished for certain capital investment income, including interest income. That means that income received by Holders holding the Notes as private assets may be taxed at individual progressive income tax rates of up to 45% in the future (plus a 5.5% solidarity surcharge thereon, unless abolished or reduced in the future, and church tax, if applicable to the individual Holder). According to a recently published draft bill of the German federal ministry of finance for the amendment of the solidarity surcharge act dated 6 August 2019, the solidarity surcharge shall only be levied for wage tax and income tax purposes from the assessment period 2021 onwards if the individual income tax of the holder exceeds the threshold of EUR 16,956 (EUR 33,912 for jointly assessed investors). Pursuant to the draft bill, the solidarity surcharge shall remain in place for purposes of the withholding tax, the flat tax regime and the corporate income tax.

Where Notes form part of a trade or business the withholding tax, if any, will not settle the personal or corporate income tax liability. Where Notes form part of a trade or business, interest (accrued) must be taken into account as income. The respective Holder will have to report income and related (business) expenses on the tax return and the balance will be taxed at the Holder's applicable tax rate. Withholding tax levied, if any, will be credited against the personal or corporate income tax of the Holder. Where Notes form part of a German trade or business the current income and gains from the disposal, redemption, repayment or assignment of the Notes may also be subject to German trade tax.

Non-resident Holders of the Notes

Interest, including Accrued Interest, and capital gains are not subject to German taxation, unless (i) the Notes form part of the business property of a permanent establishment, including a permanent representative, or a fixed base maintained in Germany by the Holder or (ii) the income otherwise constitutes German-source income. In cases (i) and (ii) a tax regime similar to that explained above under "Tax resident Holders of the Notes" applies.

Non-residents of Germany are, in general, exempt from German withholding tax on interest and the solidarity surcharge thereon. However, where the interest is subject to German taxation as set forth in the preceding paragraph and the Notes are held in a custodial account with a Disbursing Agent, withholding tax may be levied under certain circumstances. The withholding tax may be refunded based on an assessment to tax or under an applicable tax treaty.

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 could result in the recognition of a taxable gain or loss for any Holder of a Note.

Inheritance and gift tax

The transfer of the Notes to another person by way of gift or inheritance may be subject to German gift or inheritance tax, respectively, if inter alia

(i) the testator, the donor, the heir, the donee or any other acquirer had his residence, habitual abode or, in case of a corporation, association (*Personenvereinigung*) or estate (*Vermögensmasse*), has its seat or place of management in Germany at the time of the transfer of property,

(ii) except as provided under (i), the testator's or donor's Notes belong to business assets attributable to a permanent establishment or a permanent representative in Germany.

Special regulations may apply to certain German expatriates.

Other taxes

No stamp, issue, value added, capital transfer or registration taxes or such duties will be payable in Germany in connection with the issuance, delivery or execution as well as the purchase, sale or other disposal of the Notes. However, under certain circumstances entrepreneurs may choose liability to German value added tax with regard to the sale of the Notes to other entrepreneurs which would otherwise be tax exempt. Currently, net assets tax is not levied in Germany.

Taxation in the Grand Duchy of Luxembourg

The following information is of a general nature only and is based on the laws presently in force in Luxembourg, though it is not intended to be, nor should it be construed to be, legal or tax advice. This summary does not allow any conclusion to be drawn with respect to issues not specifically addressed. The information contained within this section is limited to Luxembourg to certain withholding tax issues and prospective investors in the Notes should therefore consult their own professional advisers as to the effects of state, local or foreign laws, including Luxembourg tax law, to which they may be subject.

Please be aware that the residence concept used under the respective headings below applies for Luxembourg income tax assessment purposes only. Any reference in the present section to a withholding tax or a tax of a similar nature, or to any other concepts, refers to Luxembourg tax law and/or concepts only. Also, please note that a reference to Luxembourg income tax generally encompasses corporate income tax (*impôt sur le revenu des collectivités*), municipal business tax (*impôt commercial communal*), a solidarity surcharge (*contribution au fonds pour l'emploi*) as well as personal income tax (*impôt sur le revenu des personnes physiques*). Corporate taxpayers may further be subject to net wealth tax (*impôt sur la fortune*), as well as other duties, levies and taxes. Corporate income tax, municipal business tax and the solidarity surcharge invariably apply to most corporate taxpayers resident in Luxembourg for tax purposes. Individual taxpayers are generally subject to personal income tax and a solidarity surcharge. Under certain circumstances, where individual taxpayers act in the course of the management of a professional or business undertaking, municipal business tax may apply as well.

Withholding Tax

Under Luxembourg tax law currently in effect and subject to the exception below, there is no Luxembourg withholding tax on payments of interest (including accrued but unpaid interest) or repayments of principal. There is also subject to the exception below no Luxembourg withholding tax upon repayment of the principal, sale, refund or redemption of the Notes.

In accordance with the law of 23 December 2005, as amended, interest payments made by Luxembourg paying agents to individual beneficial owners, which are residents of Luxembourg, are subject to a 20 per cent. withholding tax. This withholding tax applies also on accrued interest received upon disposal, redemption or repurchase of the Notes. Responsibility for withholding such tax will be assumed by the Luxembourg paying agent. 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, Luxembourg resident individuals acting in the course of the management of their private wealth, 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 may opt for a final 20% levy. In such case, the 20% levy is calculated on interest payments, as well as accrued interest received upon disposal, redemption or repurchase of the Notes. The option of the 20% final levy must cover all interest payments made by paying agents to the beneficial owner over the full civil year.

Income Taxation

Non-resident Holder

A non-resident Holder, not having a permanent establishment or permanent representative in Luxembourg to which or to whom such Notes are attributable, is not subject to Luxembourg income tax on interest accrued or received, redemption premiums or issue discounts, or any other income under the Notes. A gain realised by such non-resident Holder on the sale or disposal, in any form whatsoever, of the Notes is further not subject to Luxembourg income tax.

A non-resident Holder acting in the course of the management of professional or business undertaking, who has a permanent establishment or permanent representative in Luxembourg to which or to whom such Notes are attributable, is subject to Luxembourg income tax on interest accrued or received, redemption premiums or issue discounts, or other income under the Notes, and on any gains realised upon the sale or disposal, in any form whatsoever of the Notes.

Resident Holder
Holder who/which are resident of Luxembourg will not be liable for any Luxembourg income tax on repayment of principal.

Luxembourg resident corporate Holder
A corporate Holder must include any interest accrued or received, any redemption premium or issue discount, as well as any gain realized on the sale or disposal, in any form whatsoever, of the Notes, in its taxable income for Luxembourg income tax assessment purposes.

Corporate Holder that are governed by the law of 11 May 2007 on family estate management companies, as amended, or by the law of 17 December 2010 on undertakings for collective investment, as amended, or by the law of 13 February 2007 on specialized investment funds as amended, or by the law of 23 July 2016 on reserved alternative investment funds (provided it is not foreseen in the incorporation documents that (i) the exclusive object is the investment in risk capital and that (ii) Article 48 of the aforementioned law of 23 July 2016 apply), as amended, are tax exempt entities in Luxembourg, and are thus not subject to any Luxembourg tax (i.e., corporate income tax, municipal business tax and net wealth tax) other than the annual subscription tax calculated on their (paid up) share capital (and share premium) or net asset value.

Luxembourg resident individual Holder
An individual Holder, who acts in the course of the management of his private wealth and who is a resident of Luxembourg for tax purposes, has further to include the portion of the gain corresponding to accrued but unpaid interest in respect of the Holder in his taxable income, except if (i) withholding tax has been levied on such payments in accordance with the law of 23 December 2005, or (ii) the individual Holder has opted for the application of a 20% withholding tax in full discharge of income tax in accordance with the law of 23 December 2005, which applies if a payment of interest has been made or ascribed by a paying agent established outside Luxembourg in an EU Member State, or in a State of the European Economic Area other than an EU Member state.

The above 20% withholding tax represents the final tax liability on interest received for the Luxembourg resident individuals receiving the interest payments in the course of their private wealth and can be refunded in consideration of foreign withholding tax, based on double tax treaties concluded by Luxembourg.

Under Luxembourg domestic tax law, gains realised by an individual Holder, who acts in the course of the management of his private wealth and who is a resident of Luxembourg for tax purposes, on the sale or disposal, in any form whatsoever, of Notes are not subject to Luxembourg income tax, provided this sale or disposal took place six months after the acquisition of the Notes, or that the sale or disposal does not precedes the acquisition of the Notes.

An individual Holder acting in the course of the management of professional or business undertaking must include any income under the Notes in its taxable basis. In that event, such 20% withholding tax levied will be credited against its final income tax liability.

Net Wealth Taxation

A corporate Holder, whether it is a resident of Luxembourg for tax purposes or, if not, it maintains a permanent establishment or a permanent representative in Luxembourg to which such Notes are attributable, is subject to Luxembourg net wealth tax on such Notes, except if the Holder is governed by the law of 11 May 2007 on family estate management companies, as amended, or by the law of 17 December 2010 on undertakings for collective investment, as amended, or by the law of 13 February 2007 on specialized investment funds, or is a securitization company governed by the law of 22 March 2004 on securitization, as amended, or is a capital company governed by the law of 15 June

2004 on venture capital vehicles, as amended or is a reserved alternative investment fund governed by the law of 23 July 2016, as amended. However, a securitization company subject to the amended law of 22 March 2004 and a company subject to the amended law of 15 June 2004 on venture capital vehicles are, as from 1 January 2016, subject to a minimum net wealth tax, as well as reserved alternative investment funds subject to the law of 23 July 2016, as amended, provided it is foreseen in the incorporation documents that (i) the exclusive object is the investment in risk capital and that (ii) Article 48 of the aforementioned law of 23 July 2016, as amended, applies.

An individual Holder, whether he/she is resident of Luxembourg or not, is not subject to Luxembourg net wealth tax on the Notes.

Inheritance and Gift Tax

Where a Holder is a resident of Luxembourg for tax purposes at the time of his/her death, the Notes are included in his/her taxable estate for inheritance tax assessment purposes.

Gift tax may be due on a gift or donation of Notes if embodied in a Luxembourg deed passed in front of a Luxembourg notary or recorded in Luxembourg.

Other Taxes

In principle, neither the issuance nor the transfer, repurchase or redemption of Notes will give rise to any Luxembourg registration tax or similar taxes.

However, a fixed or ad valorem registration duty may be due in case the Notes must be produced before an official Luxembourg authority, or in the case of a registration of the Notes on a voluntary basis, or if the Notes are appended to a document that requires mandatory registration.

The proposed financial transaction tax (FTT)

On 14 February 2013, the European Commission published a proposal (the "**Commission's Proposal**") for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**Participating Member States**"). However, Estonia has since stated that it will not participate.

The Commission's Proposal has a very broad scope and could, if introduced, apply to certain dealings in securities (including secondary market transactions) in certain circumstances. The Commission Proposal focused on levying a FTT on financial transactions (as defined in the Commission Proposal), including the purchase, sale and exchange of financial instruments. Under the Commission Proposal, the rate of the FTT would not be lower than 0.1% (0.01% for derivatives), generally based on the amount of the paid or owed consideration or in case of derivatives, the notional amount referred to in the derivatives contract at the time of the financial transaction. The issuance and subscription of financial instruments should, however, be exempt.

Since the date of the publication of the Commission Proposal, discussions have taken place between the Participating Member States. According to a note dated 7 June 2019 by the German delegation for a meeting of the Economic and Financial Affairs Council (ECOFIN) of the European Union on 14 June 2019, the finance ministers of the Participating Member States (excluding Estonia) agreed on 11 March 2019 to continue the negotiations based on a new approach. Such new approach is based on a proposal by France and Germany which is based on the financial transaction tax currently imposed in France. According to such note, the FTT would be limited to shares of listed companies whose head office is located in a Member State of the European Union and whose market capitalization exceeds EUR 1 billion on 1 December of the preceding year. The FTT would be levied on the transfer of ownership when shares of listed public limited companies are acquired. According to such note,

initial public offerings, market making and intraday trading should not be taxable. The tax rate should be no less than 0.2%.

Since the scope of the FTT is not final and subject to the further negotiations between the Participating Member States (excluding Estonia), the scope and timing of the FTT is uncertain. Additional European Union member states may decide to participate and/or certain of the Participating Member States may decide to withdraw. The FTT may therefore also apply to certain dealings in the shares (including secondary market transactions) in certain circumstances.

Prospective investors are urged to consult their own tax advisors regarding the possible implications of the FTT on an investment in the Notes.

SUBSCRIPTION, SALE AND OFFER OF THE NOTES

General

Pursuant to a subscription agreement to be signed on or about 27 September 2019 (the "**Subscription Agreement**") among the Issuer and the Joint Bookrunners, the Issuer has agreed to sell to the Joint Bookrunners, and the Joint Bookrunners have agreed, subject to certain customary closing conditions, to purchase, the Notes on 1 October 2019. The Issuer has furthermore agreed to pay certain fees to the Joint Bookrunners and to reimburse the Joint Bookrunners for certain expenses incurred in connection with the issue of the Notes.

The Subscription Agreement provides that the Joint Bookrunners under certain circumstances will be entitled to terminate the Subscription Agreement. In such event, no Notes will be delivered to investors. Furthermore, the Issuer has agreed to indemnify the Joint Bookrunners against certain liabilities in connection with the offer and sale of the Notes.

The Joint Bookrunners or their respective affiliates have provided from time to time, and expect to provide in the future, investment services to the Issuer and its affiliates, for which the Joint Bookrunners or their respective affiliates have received or will receive customary fees and commissions. In addition, certain Joint Bookrunners or their respective affiliates are involved in financing initiatives relating to the Issuer including in connection with the proposed Acquisition and the yet undrawn Facilities Agreement. Furthermore, in the ordinary course of their business activities, the Joint Bookrunners and their respective 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 its affiliates. Certain of the Joint Bookrunners or their respective affiliates 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 Bookrunners and their respective affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in the Issuer's securities, including potentially the Notes offered hereby. Any such short positions could adversely affect future trading prices of the Notes offered hereby. The Joint Bookrunners and their respective 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.

Selling Restrictions

General

Each Joint Bookrunner has agreed to observe all applicable laws and regulations in each jurisdiction in or from which it may acquire, offer, sell or deliver Notes or have in its possession or distribute this Prospectus or any other offering material relating to the Notes. No action has been, or will be, taken in any country or jurisdiction that would permit a public offering of the Notes, or the possession or distribution of this Prospectus or any other offering material relating to the Notes, in any country or jurisdiction where action for that purpose is required. Accordingly, the Notes may not be offered or sold, directly or indirectly, and neither this Prospectus nor any circular, prospectus, form of application, advertisement or other offering material relating to the Notes may be distributed in or from, or published in, any country or jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations and all offers and sales of Notes by it will be made on the same terms.

European Economic Area

In relation to each Member State of the European Economic Area (each, a "**Relevant Member State**"), each Joint Bookrunner has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the European Economic Area. For the purposes of this provision the expression retail investor means a person who is one (or more) of the following:

(i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or

(ii) a customer within the meaning of Directive 2016/97/EU (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

United States

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 or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Each Joint Bookrunner has represented that it has not offered, sold or delivered, and agreed that it will not offer, sell or deliver any Notes (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering and the issue date, within the United States or to, for the account of or benefit of, U.S. persons, and will have sent to each dealer to which it sells the Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Each Joint Bookrunner has represented that 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, 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

Each Joint Bookrunner has represented and agreed that,

(i) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an 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

(ii) 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.

Singapore

Each Joint Bookrunner has acknowledged that this Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Joint Bookrunner has represented, warranted and agreed that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the

Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(i) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(ii) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

(i) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(ii) where no consideration is or will be given for the transfer;

(iii) where the transfer is by operation of law;

(iv) as specified in Section 276(7) of the SFA; or

(v) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

GENERAL INFORMATION

Interest of Natural and Legal Persons involved in the Issue/Offer

The Joint Bookrunners or their affiliates have provided from time to time, and expect to provide in the future, investment services to the Issuer and its affiliates, for which the Joint Bookrunners or their affiliates have received or will receive customary fees and commissions. In addition, certain Joint Bookrunners or their affiliates are involved in financing initiatives relating to the Issuer including in connection with the proposed Acquisition.

Authorization

The creation and issue of the Notes has been authorized by resolutions of the Supervisory Board of the Issuer dated 11 September 2019 and its Audit Committee dated 25 September 2019 and by resolution of the Board of Management of the Issuer dated 24 September 2019.

Clearing and Settlement; Security Codes

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 S.A., 42 Avenue JF Kennedy L-1855 Luxembourg ("**Clearstream Luxembourg**", Euroclear and Clearstream Luxemburg each being an "**ICSD**"). The Notes have been accepted for clearing through the ICSDs.

The NC5.5 Notes have been assigned securities codes as follows:

ISIN:	XS2056730323;
Common Code:	205673032; and
WKN:	A2YN1H

The NC8.5 Notes have been assigned securities codes as follows:

ISIN:	XS2056730679;
Common Code:	205673067; and
WKN:	A2YN1J

Notices to Holders

All notices to the Holders regarding such Series of Notes shall be published on the website of the Luxembourg Stock Exchange (www.bourse.lu) (for so long as a Series 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) as well as in the German Federal Gazette (*Bundesanzeiger*).

Indication of Yield

The yield in respect of the NC5.5 Notes from the Issue Date to the NC5.5 First Reset Date is 3.000% per annum, calculated on the basis of the NC5.5 Issue Price. Such yield is calculated in accordance with the ICMA (International Capital Markets Association) Method.

The yield in respect of the NC8.5 Notes from the Issue Date to the NC8.5 First Reset Date is 3.750% per annum, calculated on the basis of the NC8.5 Issue Price. Such yield is calculated in accordance with the ICMA (International Capital Markets Association) Method.

Expenses relating to the Admission to Trading

The total expenses related to the admission to trading of the Notes are expected to amount to EUR 24,600.

Listing and Admission to Trading

Application has been 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 on or around the Issue Date.

Rating[71]

The Notes are expected to be rated "BB+" by S&P.

This rating agency has a registered domicile in the European Union and has been declared to be registered in accordance with CRA Regulation by ESMA.

A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

Third Party Information

With respect to any information included herein and specified to be sourced from a third party (i) the Issuer confirms that any such information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from information available to it from such third party, no facts have been omitted the omission of which would render the reproduced information inaccurate or misleading and (ii) neither the Issuer nor any Joint Bookrunner has independently verified any such information and neither the Issuer nor any Joint Bookrunner accepts any responsibility for the accuracy thereof.

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[71] Rating information is merely an aid for investors for the purposes of decision-making and cannot replace an individual judgment to be made by the investor and may not be taken as a recommendation to purchase or sell certain Notes. Ratings are merely intended as a support when making an investment decision and are only one of the factors relevant to an evaluation, which factor must be seen and weighted in the context of other factors. As ratings often are amended only after the creditworthiness of an issuer (or guarantor) has changed, investors have to make their own judgments although a rating may exist.

Documents on Display

For the term of this Prospectus, the following documents and, where appropriate, English translations thereof may be found on the website of the Luxembourg Stock Exchange or on the Issuer's website:

(i) Constitutional documents of the Issuer:

www.infineon.com/dgdl/Satzung_Stand+Juni+2019_englisch.PDF?fileId=5546d4616b2d8fb5016b6b08a3d8000d or on www.infineon.com section: "About Infineon" – "Corporate Governance" – "Articles of Association"

(ii) Prospectus and supplements thereto, if any:
www.bourse.lu
www.infineon.com section: "About Infineon" – "Bonds and Rating".

INCORPORATION BY REFERENCE

The following documents which have been published and filed with the CSSF are incorporated by reference into this Prospectus:

The audited consolidated financial statements as of and for the fiscal year ended 30 September 2018 of the Infineon Group prepared in accordance with IFRS as contained in the Annual Report for the fiscal year 2018 to which the page numbers refer:

Consolidated statement of operations	p. 108
Consolidated statement of comprehensive income	p. 109
Consolidated statement of financial position	p. 110
Consolidated statement of cash flows	p. 111
Consolidated statement of changes in equity	p. 112 – p. 113
Notes to the consolidated financial statements	p. 114 – p. 170
Independent auditor's report[1]	p. 172 – p. 177

The audited consolidated financial statements as of and for the fiscal year ended 30 September 2017 of the Infineon Group prepared in accordance with IFRS as contained in the Annual Report for the fiscal year 2017 to which the page numbers refer:

Consolidated statement of operations	p. 114
Consolidated statement of comprehensive income	p. 115
Consolidated statement of financial position	p. 116
Consolidated statement of cash flows	p. 117
Consolidated statement of changes in equity	p. 118 – p. 119
Notes to the consolidated financial statements	p. 120 – p. 176
Independent auditor's report[2]	p. 178 – p. 183

The unaudited interim consolidated financial information as of and for the nine-month period ended 30 June 2019 of the Infineon Group prepared in accordance with IAS 34 taken from its quarterly results statement as contained in the press release for nine-month period ended 30 June 2019 to which the page numbers refer:

Consolidated statement of operations	p. 10
Consolidated statement of comprehensive income	p. 11
Consolidated statement of financial position	p. 16
Consolidated statement of cash flows	p. 19
Consolidated statement of changes in equity	p. 20 – 21

[1] 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.

[2] See footnote above.

Explanatory information to the unaudited interim consolidated financial information	p. 11 – 15 p. 17 – 18 p. 22

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 Delegated Regulation (EU) 2019/980.

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 require so the documents incorporated by reference are available on the website of the Luxembourg Stock Exchange (www.bourse.lu) and on the Issuer's website:

(i) Unaudited interim consolidated financial information as of and for the nine-month period ended 30 June 2019:

https://www.infineon.com/dgdl/INFXX201908-091e.pdf?fileId=5546d4616bfb6a13016c4ba91f1d0030 or on www.infineon.com section: "About Infineon" – "Investor" – "Reporting"

(ii) Annual Report for the fiscal year 2018

https://www.infineon.com/dgdl/Infineon+Annual+Report+2018.pdf?fileId=5546d461673c11be01673d9d98e40014 or on www.infineon.com section: "About Infineon" – "Investor" – "Reporting"

(iii) Annual Report for the fiscal year 2017

https://www.infineon.com/dgdl/Infineon+Annual+Report+2017.pdf?fileId=5546d4615fe36363015fea7bc7620023 or on www.infineon.com section: "About Infineon" – "Investor" – "Reporting"

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