

Annual General Meeting Infineon Technologies AG

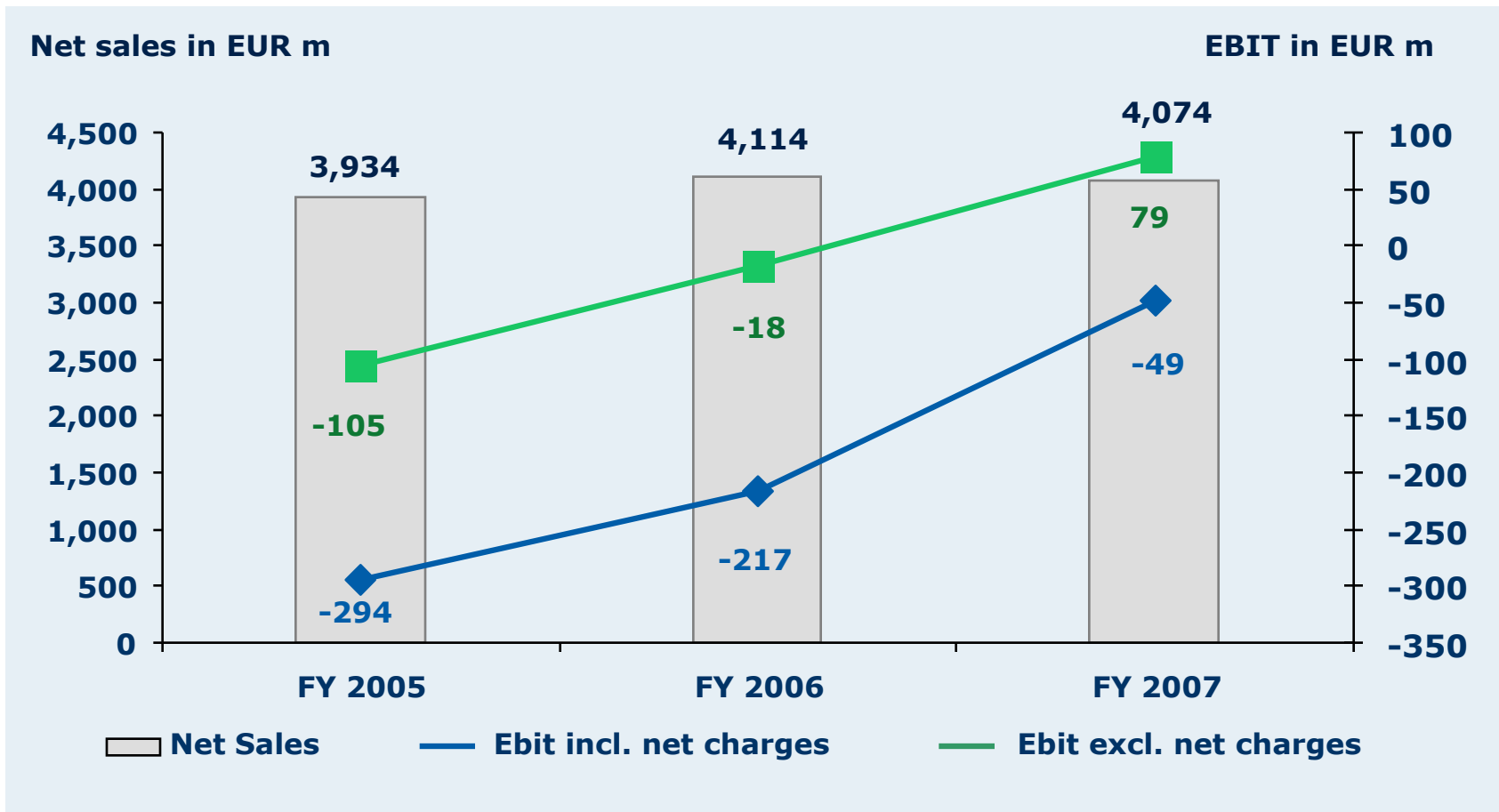
Dr. Wolfgang Ziebart
President & CEO
Infineon Technologies AG

Munich, February 14, 2008



Never stop thinking

Infineon excluding Qimonda Results for fiscal years 2005, 2006, 2007



AIM and COM

Results for fiscal years 2006 and 2007



Automotive, Industrial & Multimarket

[EUR m]	FY 2006	FY 2007	Change in %
Net sales	2,839	3,017	6
EBIT	246	300	22

Communication Solutions

[EUR m]	FY 2006	FY 2007	Change in %
Net sales	1,205	1,051	(13)
EBIT	(231)	(160)	31

Qimonda and Infineon group

Results for fiscal years 2006 and 2007



Qimonda*

[EUR m]	FY 2006	FY 2007	Change in %
Net sales	3,815	3,608	(5)
EBIT	202	(207)	--

* Reported net of minority interest results

Infineon group

[EUR m]	FY 2006	FY 2007	Change in %
Net sales	7,929	7,682	(3)
EBIT	(15)	(256)	--

Infineon excluding Qimonda

Results for first quarter of fiscal year 2008



[EUR m]	Q4 FY 2007	Q1 FY 2008	Change
Net sales Growth (%)	1,127	1,090	(37) (3)
EBIT in % of sales	(25) (2)	65 6	90
therein net charges	(94)	11	--

AIM and COM

Results for first quarter of fiscal year 2008



Automotive, Industrial & Multimarket

[EUR m]	Q4 FY 2007	Q1 FY 2008	Change in %
Net sales	814	743	(9)
EBIT	102	93	(9)

Communication Solutions

[EUR m]	Q4 FY 2007	Q1 FY 2008	Change in %
Net sales	318	356	12
EBIT	(14)	(11)	21

Outlook second quarter and fiscal year 2008

Infineon excluding Qimonda



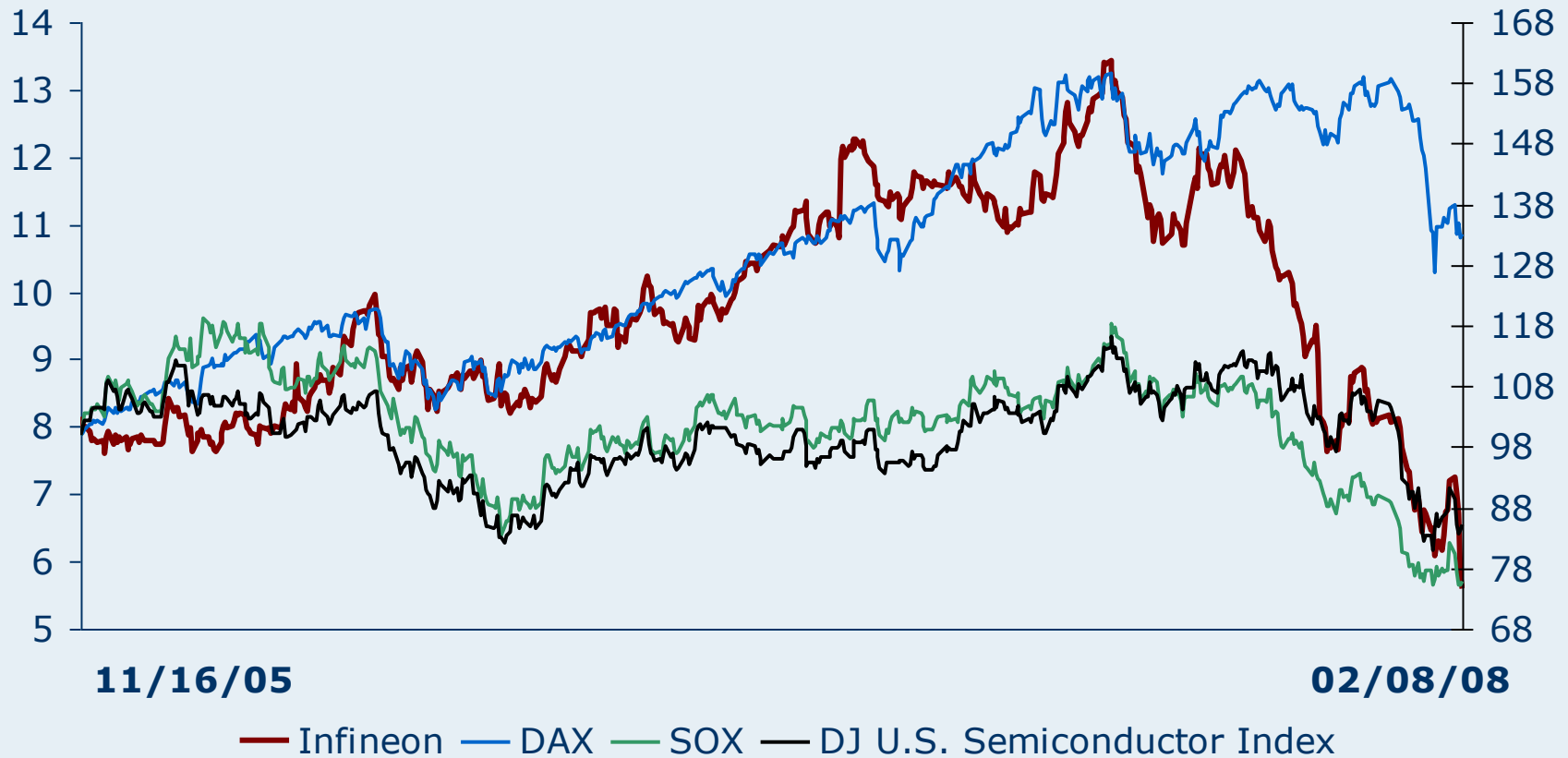
- Second quarter fiscal year 2008:
 - Revenues to decrease by a mid single-digit percentage
 - EBIT excluding net gains or charges to decline, but clearly positive
 - Low single-digit EBIT margin

- Fiscal year 2008:
 - Revenues to increase by a high single-digit percentage
 - Low to mid single-digit positive EBIT margin

Development of Infineon share

**Infineon share
in EUR**

**Indexed
in %**



Focus on

- Areas with market leadership
- Growth markets

- Optical networks
- Optical fiber communications
- Polymer Optical Fiber
- Controller for wireless infrastructure
- SciWorx

Focus on logic business

- Carve-out and IPO Qimonda
- Time frame and measures defined to divest Qimonda stake
- Stake reduced to 77,5 %
- Minority interest <50 % until 2009

Restructuring of unprofitable businesses

- Discrete semiconductors
- Wireline Access
- Chip Card

Main topics for medium-term objectives

- Focus on three major growth areas
- Selective acquisitions
- Reduction of capital intensity

Focus on major growth areas

- Energy Efficiency
- Communications
- Security

Reduction of energy consumption of electric motors in home appliances



The electrical control of the motor in air conditioners helps to cut electricity costs up to 30%.

Less fuel consumption and CO2 emission



The demand-driven regulation of electric auto parts offers enormous potential.

Focus on major growth areas

- Energy Efficiency
- **Communications**
- Security

Integrating the complete phone on a single chip



One-chip solutions will increasingly enter also into higher class mobile phones – thanks to the integration of more and more functions.

Focus on major growth areas

- Energy Efficiency
- Communications
- **Security**

Chips help to protect data in electronical ID systems



Almost 35% of all chips for electronic passports
distributed in 2007 are from Infineon.

Electronic health card – Consultation with chip



Our security
chips protect
personal data
in patient,
healthcare
and social
security cards.



Selective acquisitions

- Strengthen position in specific businesses
- Improved access to customers
- Active role in consolidation

Reduction of capital intensity

- Consistent realization of fab-light model
- Reduction of capital intensity by at least 1-2% to $\sim 10\%$ in 2009

Conclusion – What have we achieved?

- Positive operating results for the IFX core business (AIM, COM)
- At least break-even results before interest and taxes in nearly all major businesses
- Extension of market position and customer base
- Reduction of stake in Qimonda



We commit.
We innovate.
We partner.
We create value.



Never stop thinking