

Infineon

2006 Financial Year Roadshow

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Never stop thinking



Disclaimer

Please note that while you are reviewing this information, this presentation was created as of the date listed, and reflected management views as of that date.

This presentation contains certain forward-looking statements that are subject to known and unknown risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements.

Such risks and uncertainties include, but are not limited to the Risk Factors noted in the Company's Earnings Releases and the Company's filings with the Securities and Exchange Commission.

Financials and Outlook

Infineon: Competencies & Drivers

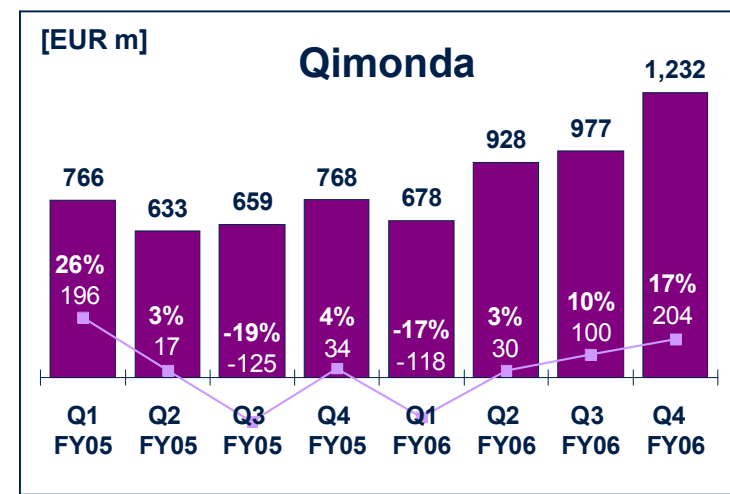
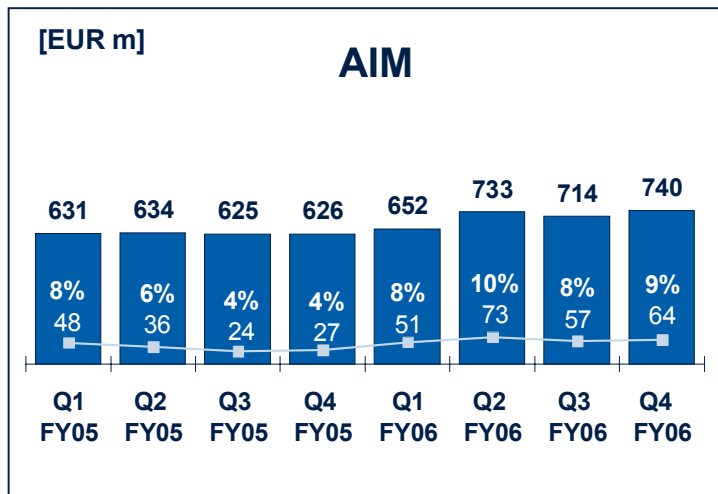
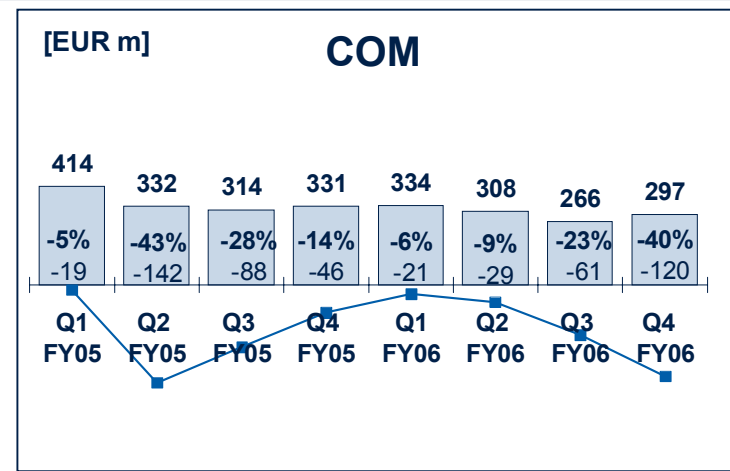
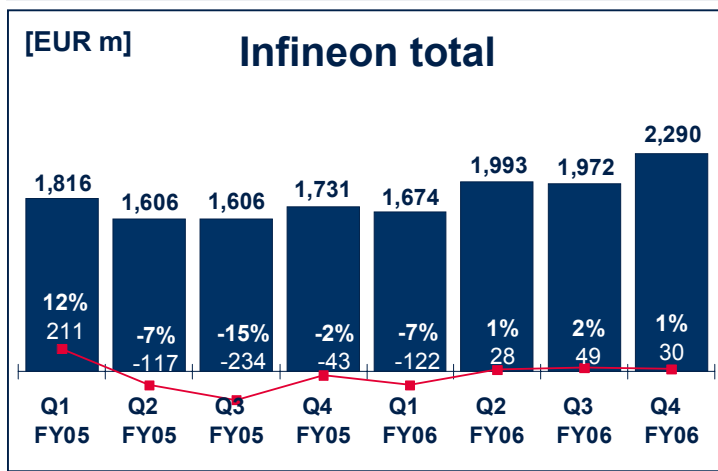
Communication Solutions

Automotive, Industrial & Multimarket

Appendix (Key Financials, Ratios, Financial Calendar)

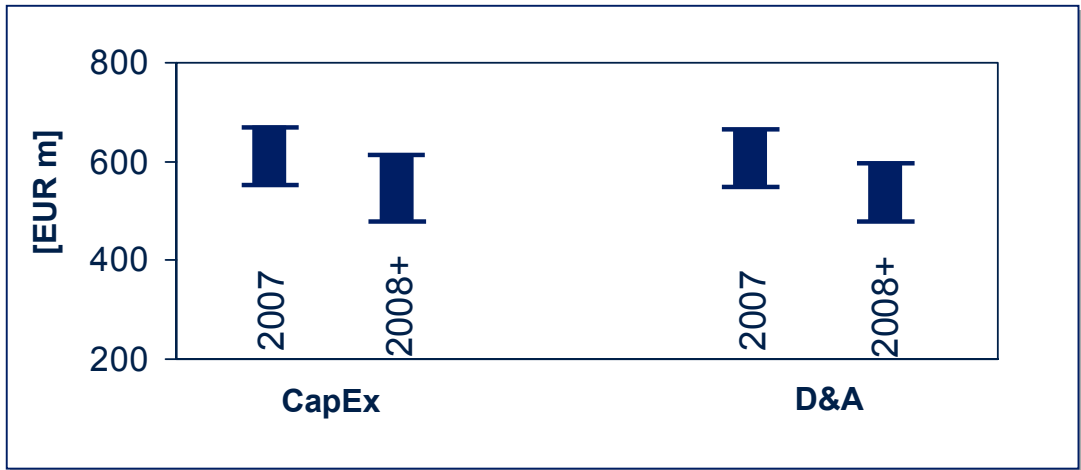
Q4 FY 06 Results:

Revenues of EUR 2.29 bn and EBIT of EUR 30 m

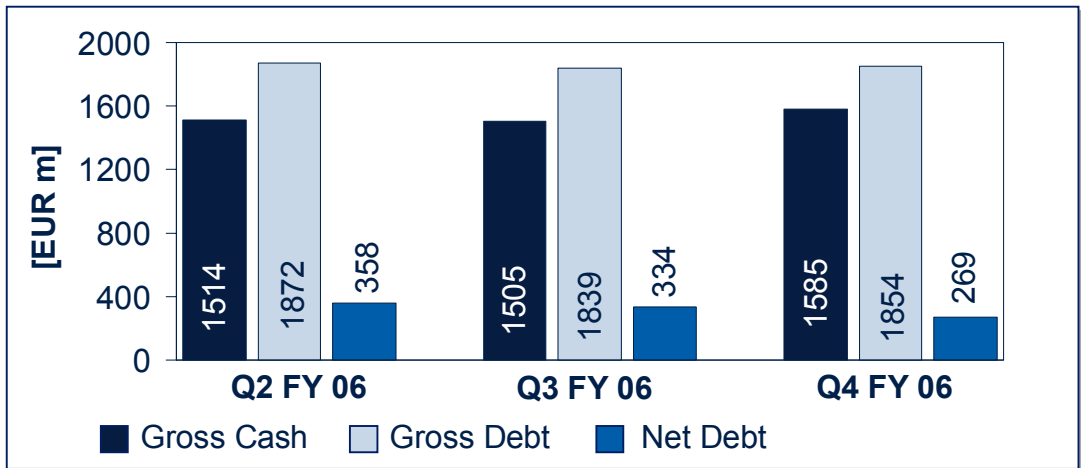


Capital Intensity and Financing of IFX Logic

Outlook for CapEx and D&A



Financial structure Logic-business for the past quarters



Business Groups' Q1 FY07 Outlook

Revenues and EBIT, excluding Qimonda and before charges, to decrease, driven mainly by the impact of the insolvency of BenQ Mobile's German subsidiary on COM.

COM

- COM revenues and EBIT are expected to decline significantly qoq, mainly due to loss of business as a result of the insolvency of the German subsidiary of BenQ Mobile.

AIM

- Revenues flat or down slightly from high Q4 level; EBIT to decrease qoq driven by seasonality and temporary effects.
- Revenues and EBIT in auto to decrease slightly qoq given seasonality and volume reductions at U.S. car manufacturers.
- Industrial revenue to grow slightly; EBIT to decline given lack of scale economies in Kulim fab.
- ASIC and chipcard seasonally weak.

C & E

- Anticipated EBIT improvement before restructuring charges qoq.
- Potential charges of approximately Euro 30 million expected, resulting from planned restructuring in baseband.

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Key Growth Drivers / Focus Areas

Energy Efficiency (fuel / electricity)

- Improve fuel efficiency in cars
- Efficient power generation, transport, consumption
- Higher efficiency in electrical drives



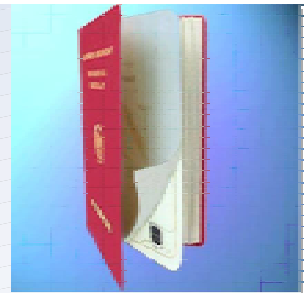
Mobility & Connectivity

- Mobile phones
- Broadband access
- Wireless connectivity



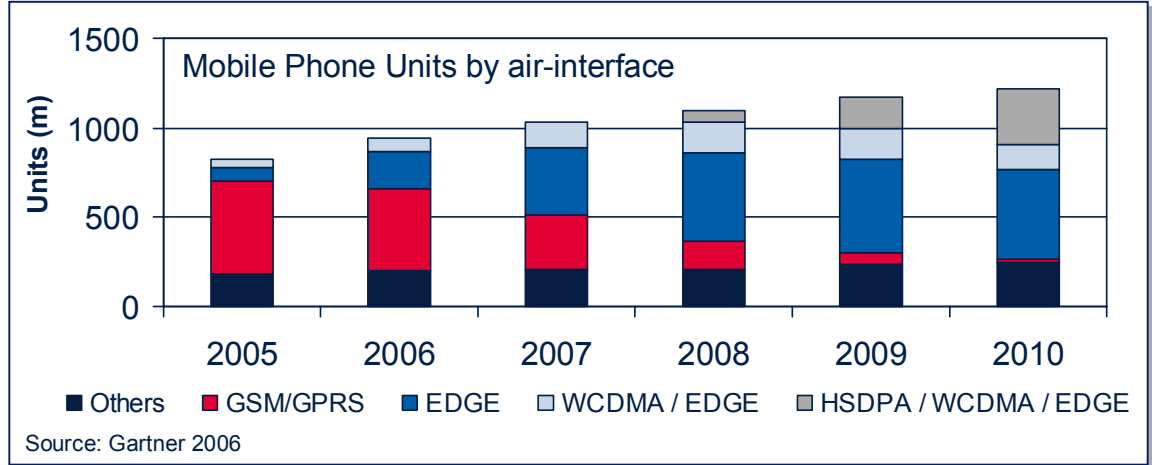
Security & Safety

- Protection and privacy of personal and company data
- Secure e-commerce and identification
- Automotive safety

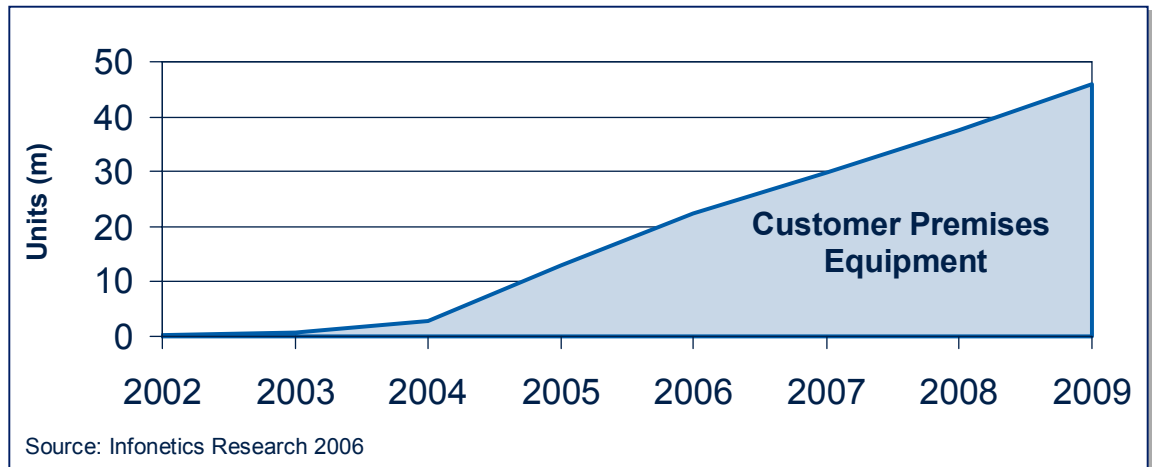


COM Growth Drivers

Mobility



Connectivity



AIM Growth Drivers

Energy Efficiency

Different governmental requirements:

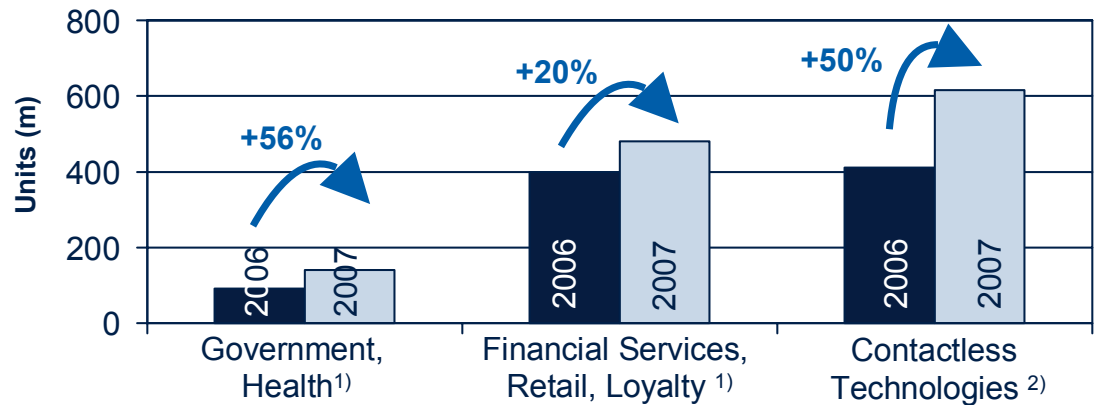
Europe: Euro 5 norm coming 2009

USA: Energy Star, July 2007, will require PC's to be 65% more power efficient than current models.

Japan: already highest regulatory standards



Security & Safety



Source: ¹⁾ EuroSmart 2006 ²⁾ Frost&Sullivan 2006

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Broadband Access Design-Win Momentum Continues

VDSL2 „VINAX“

- Design-Win at major Korean customers
- Top European customer



ADSL2+ „Geminax-MAX“

- Design-Win at two customers based in APAC
- Major European customer



ADSL & VoIP „Amazon, Danube“

- 4 Design-Wins for ADSL & VoIP
- 2 of the top 5 world wide ADSL-CPE Manufacturer



VoIP „Vinetic“

- Design-Wins at two Japanese customers
- Major global customer



SHDSL.bis „Socrates-4e“

- Leading Chinese DSLAM customer
- Major global customer, based in EU



RF Transceiver: CMOS Leadership Turns Into Design-Wins

**2 / 2.5 G
GSM / GPRS**

SMARTi SD
SMARTi SD2

Technology: 130nm CMOS

**2.75 G
EDGE**

SMARTi PM
SMARTi PM2

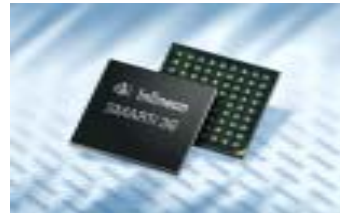
130nm CMOS

**3 G
WCDMA**

SMARTi 3G
SMARTi 3GE

130nm CMOS

Customer	Air Interface
Samsung	EDGE
Customer	EDGE
Customer	WCDMA
Customer	WCDMA / EDGE
LG (on platform)	EDGE
Panasonic (on platform)	WCDMA / EDGE



Nr.1 worldwide in RF-Transceivers ✓

World's first EDGE CMOS RF-Transceiver in volume ✓

World's first WCDMA CMOS RF-Transceiver in volume ✓

Selection of major design-wins

RF/Baseband Integration, HSDPA and More

	2G / 2.5G GSM / GPRS		2.75G EDGE	3G UMTS	3.5G HSDPA
Platform	ULC1	ULC2	MP-E	MP-EU	MP-EH
Baseband	E-GOLDradio	E-GOLDvoice (incl. SRAM)	S-GOLDradio	S-GOLD2 + co-processor	S-GOLD3H
RF Transceiver				SMARTi PM	SMARTi 3GE
Power Management	E-Powerlite			SM-Power	SM-Power3
Protocol Stack	✓	✓	✓	✓	✓
Ramp up	✓	1H CY07	✓	✓	CY 2007+

 integrated in one chip

Financials and Outlook

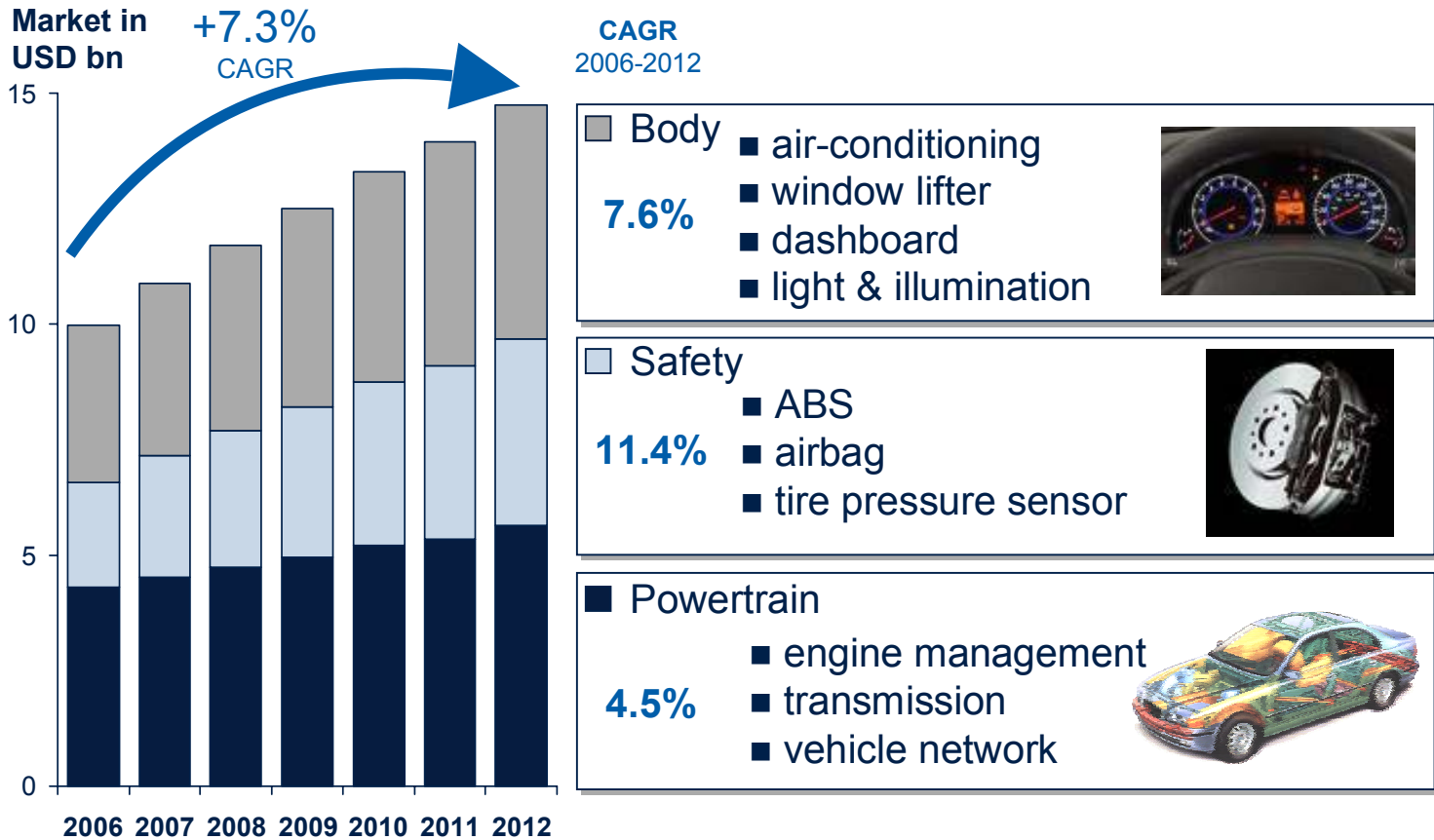
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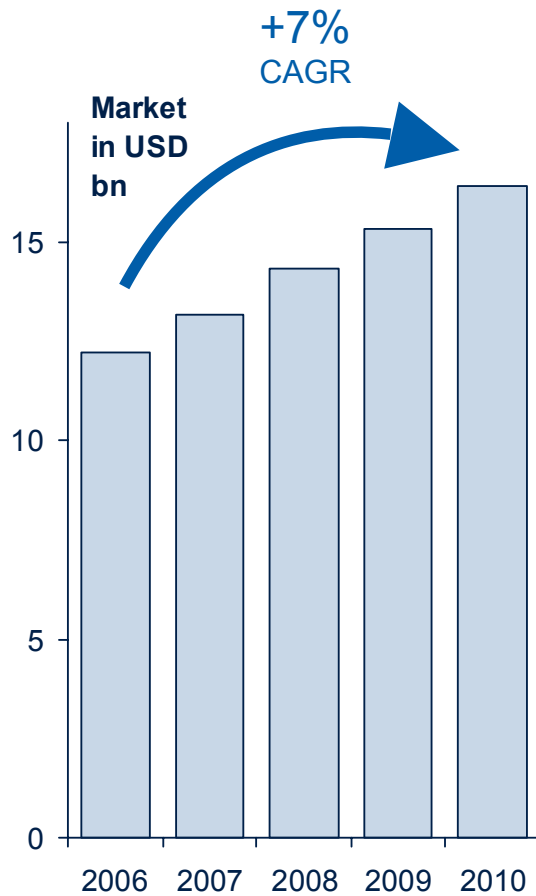
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Worldwide Automotive Semiconductor Market Continues to Grow; Safety is the Fastest Growing Segment



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Worldwide Power Semiconductor Market Growth Forecast

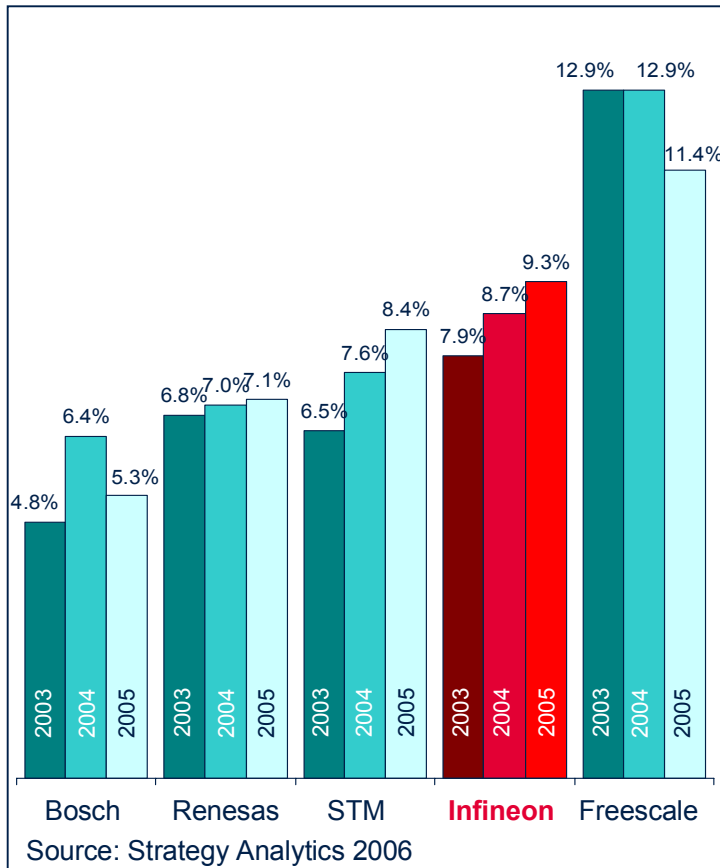


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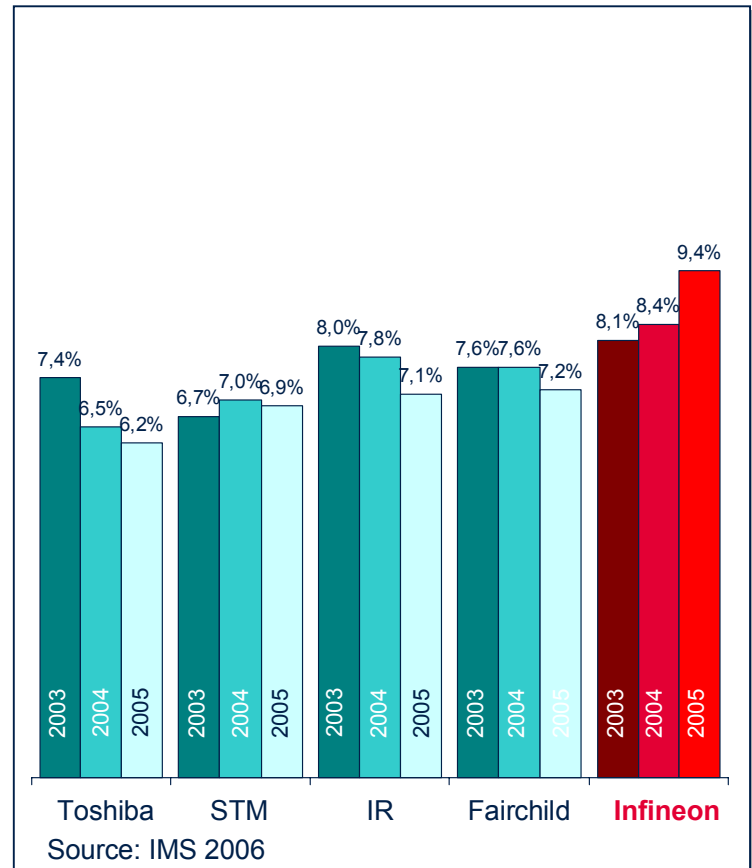


Infineon's Track Record in Automotive and Power Semiconductor Market Shares

Worldwide Automotive Semiconductor



Worldwide Power Semiconductor



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