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# Notice of

## **Annual General Meeting of Infineon Technologies AG on January 25, 2005**

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Infineon Technologies AG  
Munich

Munich,  
December 2004

Dear Shareholders:

Notice is hereby given that the

**Annual General Meeting of Infineon Technologies AG**

will be held on Tuesday, January 25, 2005 at 10:00 a.m. CET at the Olympiahalle in the Olympiapark, Coubertinplatz, 80809 Munich, Germany.

**Agenda**

**1. Submission of the approved annual financial statements of Infineon Technologies AG and the approved consolidated financial statements as of September 30, 2004, of the combined management report for Infineon Technologies AG and the Infineon group, and of the report of the Supervisory Board for the fiscal year 2003/2004**

The above-mentioned documents are available for inspection at the business premises of the registered seat of Infineon Technologies AG, St.-Martin-Str. 53, 81669 Munich, Germany, and on the Internet at [www.infineon.com](http://www.infineon.com).

**2. Approval of the acts of the members of the Managing Board**

The Supervisory Board and the Managing Board propose that the acts of the members of the Managing Board during the fiscal year 2003/2004 be approved in relation to this period.

**3. Approval of the acts of the members of the Supervisory Board**

The Supervisory Board and the Managing Board propose that the acts of the members of the Supervisory Board during the fiscal year 2003/2004 be approved in relation to this period.

**4. Appointment of auditors for the fiscal year 2004/2005**

The Supervisory Board proposes that KPMG Deutsche Treuhand-Gesellschaft Aktiengesellschaft Wirtschaftsprüfungsgesellschaft, Berlin and Frankfurt/Main, be appointed as auditors for the fiscal year 2004/2005.

## 5. Elections to the Supervisory Board

The terms of office of the members of the Supervisory Board appointed by the shareholders expire at the end of the Annual General Meeting 2005.

The Supervisory Board proposes that

1. Dr. Joachim Faber, Member of the Managing Board of Allianz AG, resident in Munich,
2. Johannes Feldmayer, Member of the Managing Board of Siemens AG, resident in Pullach,
3. Dr. Stefan Jentzsch, Member of the Managing Board of Bayerische Hypo- und Vereinsbank AG, resident in Munich,
4. Max Dietrich Kley, Member of the Supervisory Board of BASF AG, resident in Heidelberg,
5. Prof. Dr. Renate Köcher, Managing Director of the Institut für Demoskopie Allensbach, resident in Constance,
6. Prof. Dr. Doris Schmitt-Landsiedel, Professor of Electrical Engineering at the Technical University of Munich, resident in Ottobrunn,
7. Prof. Dr. rer. nat. Martin Winterkorn, Chairman of the Managing Board of AUDI AG and Member of the Managing Board of Volkswagen AG, resident in Lenting,
8. Prof. Dr.-Ing. Dr.-Ing. E. h. Klaus Wucherer, Member of the Managing Board of Siemens AG, resident in Winkelhaid,

be elected to the Supervisory Board as representatives of the shareholders until the end of the Annual General Meeting that approves the acts of the Supervisory Board during the fiscal year 2008/2009.

The Supervisory Board also proposes that

Dr. Eckhart Sünner, General Counsel at BASF AG, resident in Neustadt,

be elected substitute member of the Supervisory Board subject to the following provisos: (i) that Dr. Sünner serves as a member of the Supervisory Board if a member of the Supervisory Board elected by the shareholders leaves the Supervisory Board before the end of his or her term of office without the Shareholders' Meeting having already elected a successor; and (ii) that Dr. Sünner resumes his position as substitute member if a new election is held by the Shareholders' Meeting to replace a member of the Supervisory Board who left prematurely and was initially replaced by a substitute member.

The composition of the Supervisory Board is in accordance with Section 96 Paragraph 1 and Section 101 Paragraph 1 of the German Stock Corporation Act (AktG) in combination with Section 7 Paragraph 1 (2) of the German Law on Co-Determination (MitbestG). The Annual General Meeting is not bound to elect the candidates proposed.

## **6. Approval of a domination and profit-and-loss transfer agreement**

The Supervisory Board and the Managing Board propose that the domination and profit-and-loss transfer agreement of November 2, 2004 between Infineon Technologies AG (the controlling company) and Infineon Technologies Finance GmbH, formerly acting as Infineon Technologies Mantel 13 GmbH, Munich (the controlled company, "IFTF"), which is wholly owned by Infineon Technologies AG and Infineon Technologies AG's wholly-owned subsidiary Infineon Technologies Holding B.V., Rotterdam, be approved.

The principal terms of the agreement are as follows:

- IFTF puts its management under the control of Infineon Technologies AG, which is authorized to issue instructions to IFTF.
- Infineon Technologies AG shall absorb the annual net profit of IFTF that would be achieved without any profit transfer, minus the allocation to other retained earnings, from October 1, 2004. The other retained earnings are to be released at the request of Infineon Technologies AG; retained earnings created prior to the domination and profit-and-loss transfer agreement may not be transferred.
- IFTF may retain earnings only insofar as financially justified from the perspective of reasonable business administration principles.
- Infineon Technologies AG will reimburse any annual net loss incurred by IFTF from October 1, 2004; Section 302 of the German Stock Corporation Act (AktG) applies as appropriate to this provision.
- The agreement comes into force under civil law with the passing of the approval resolutions by the Shareholders' Meeting of IFTF and by the Shareholders' Meeting of Infineon Technologies AG and entry in the commercial register of IFTF and applies – with the exception of the right to issue instructions – with retrospective effect from October 1, 2004. The agreement may not be terminated before September 30, 2009; thereafter it may be terminated to the end of each business year of IFTF subject in each case to a period of notice of one year.

The Shareholders' Meeting of IFTF approved the domination and profit-and-loss transfer agreement on November 2, 2004 in notarized form.

The shares of IFTF are held exclusively by Infineon Technologies AG and Infineon Technologies AG's wholly-owned subsidiary Infineon Technologies Holding B.V., Rotterdam. The absence of any external shareholders means that Infineon Technologies AG does not have to pay any compensation (Section 304 AktG) or guarantee any settlement payments (Section 305 AktG).

The agreement has been reviewed by PricewaterhouseCoopers GmbH, Berlin, which was appointed for this purpose by LG Munich at the request of the two contracting parties.

The following are held available for inspection by shareholders at Infineon Technologies AG, St.-Martin-Str. 53, 81669 Munich, and at the business premises of IFTF, St.-Martin-Str. 53, 81669 Munich: the domination and profit-and-loss transfer agreement; the annual financial statements and the management reports of the companies entering into the agreement – insofar as these documents have to be prepared pursuant to the applicable statutory provisions – for each company’s last three fiscal years; the report on the domination and profit-and-loss transfer agreement prepared jointly by the Managing Board of Infineon Technologies AG and the senior management of IFTF; and the report on the review prepared by PricewaterhouseCoopers GmbH. These documents will also be displayed at the Annual General Meeting of Infineon Technologies AG.

## **7. Amendments of the articles of association**

The German federal government is currently implementing its 10-point program to improve corporate governance and investor protection (“Maßnahmenkatalog zur Stärkung der Unternehmensintegrität und des Anlegerschutzes”). We welcome the objectives of the program wholeheartedly: shareholders must be able to rely on the accuracy and completeness of the information they receive about companies. Management must act in the interests of the owners of the company and may never mislead the owners with false information.

The public discussion, the laws already passed and the drafts of the legislation still in planning, however, address just this one aspect and even here focus only on the information originating from the company concerned. The debate often fails to acknowledge that potential investors also receive a wealth of information about each particular company that originates not from the company itself but from other participants in the capital market.

The fact that a shareholder is first and foremost a partner and a co-owner of the company is also frequently overlooked: through his or her investment the shareholder acts together with his or her fellow shareholders to raise the value of the company in their common interest and thereby also to raise the value of his or her individual holding. This collaborative association gives shareholders rights, but also provides the foundation for their duty of fidelity, which equates essentially to the unwritten but universally acknowledged obligation of each shareholder to act with consideration for the company and his or her fellow shareholders.

We would like to substantiate this duty of fidelity for shareholders with two new additions, Section 3 Paragraphs 1 and 2, to our articles of association in order to give all shareholders a better understanding of their rights and obligations. We also intend for these measures to protect our shareholders, to the extent permitted by law, against the possibility of an individual shareholder disregarding fellow shareholders and the company and instead seeking to obtain special benefits to the disadvantage of the company's assets. It should, in particular, be impossible for a shareholder to misuse a legal dispute with the company above and beyond his or her legitimate concerns in order personally to enrich himself or herself or third parties. If a shareholder infringes the duty of fidelity and if the company sustains a loss as a result, the shareholder acting in breach of the duty of fidelity must make good the loss incurred and must do so primarily by means of a contribution to the company such that this contribution benefits all shareholders indirectly. The proposed amendment of the articles of association does not restrict the legal rights of shareholders in any way and in particular has no bearing whatsoever on their legal right to full and accurate information and to compensation in the event of any contravention of the company's duty to provide full and accurate information.

It is our belief, moreover, that it is in the interests of all shareholders, as co-owners of the company, if any legal disputes between shareholders and the company that might arise in connection with the partnership or the investment in the company could be resolved in the company's ordinary place of jurisdiction. The provision proposed in the new Section 3 Paragraph 3 of our articles of association promotes, to the extent permitted by law, the greatest possible concordance of verdicts in situations where multiple similar cases are proceeding in parallel. The regulation is also intended, where possible, to exclude the possibility of a claim being filed against the company with a court that is remote from the facts or legal circumstances involved and therefore cannot ensure efficient proceedings.

We propose, in addition, to make it clear in the articles of association that company announcements are made in the electronic version of the German Federal Gazette unless other provisions mandate the use of other modes of publication.

The Supervisory Board and the Managing Board therefore propose that the following resolutions be approved:

a. The existing Section 3 (“Announcements”) is annulled and replaced with the following text:

“Section 3

Duty of fidelity; place of jurisdiction

- (1) Every shareholder, by virtue of his or her involvement in the corporation, has a duty to the company and fellow shareholders to have due regard for the interests of the company and to refrain from any arbitrary or disproportionate exercise of his or her rights. He or she must in particular take care in the event of any legal dispute with the company to give due consideration to the concerns of the company.
- (2) If a shareholder infringes against the duty of fidelity either through negligence or, in the case of exercising voting rights, with intent, he or she shall be liable for compensation. If an infringement of the duty of fidelity causes a fellow shareholder to suffer a loss such that the value of his or her investment is reduced as a result of a loss imposed on the company, he or she may only demand compensation in the form of the making good of the loss imposed on the company in the company’s assets. He or she may only demand compensation for the loss in value of the investment in the form of a contribution to his or her private assets if the company is insolvent or in liquidation and the compensatory payment is not required for other measures to satisfy creditors of the company.
- (3) The act of subscribing for or purchasing shares or temporary certificates makes the shareholder subject exclusively to the ordinary place of jurisdiction of the company for all disputes with the company or its bodies that arise in connection with the involvement in the corporation unless prohibited by mandatory statutory provisions, especially provisions governing jurisdictions, applying at the place of the company domicile from time to time. Clause 1 also applies in respect of disputes resulting from the shareholder’s investment and the acquisition, holding or surrender thereof.”



- b. A new Paragraph 4 is to be added to Section 1 of the articles of association. The title of Section 1 has also to be changed as a result. Section 1 remains unchanged in all other respects. The amended parts of Section 1 are as follows:

“Section 1

Company, domicile, business year, announcements”

....

“(4) Company announcements are made in the electronic version of the German Federal Gazette (elektronischer Bundesanzeiger) unless mandatory statutory provisions require them to be made in the printed version of the German Federal Gazette or in other media.”

### **Attendance at the Annual General Meeting**

All shareholders who are registered in the Company’s stock register as shareholders of the Company and have given notice of their attendance at the Annual General Meeting by no later than Tuesday, January 18, 2005, in writing, by fax or using the electronic method described below are entitled to attend the Annual General Meeting and to exercise their voting rights pursuant to Section 14 of the articles of association.

Shareholders registered in the Company’s stock register may give notice of their attendance to Infineon Technologies AG in writing at the following address

Infineon Hauptversammlung 2005  
81048 München  
Germany

or electronically at

<http://www.infineon.com/agm>

or by sending a fax to the fax number given below.

In order to use the electronic registration option you need an individual access code, which is sent to you with the shareholders’ documents; shareholders, which are already registered for the electronic delivery of Shareholders’ Meetings documents, have to use the personally selected individual access code. If you wish to attend the Annual General Meeting, please give notice of your attendance as early as possible so as to facilitate the organization of the meeting.

Shareholders who are registered in the Company's stock register may exercise their voting rights themselves or appoint another person in writing or a bank or a shareholders' association to exercise their voting rights at the Annual General Meeting. If a proxy is used, the holders of the proxy should be notified to the Company in due time by the shareholder or by the holders of the proxy themselves. This can also be done electronically at the Internet address specified above.

We are once again offering a special service through which you may also appoint employees of the Company to represent you at the Annual General Meeting in accordance with your voting instructions. Further details are provided in the documents sent to each shareholder. You may also appoint such voting proxies to exercise your voting rights via the aforementioned Internet address. Please note that the voting proxies will not accept instructions to speak, ask questions or introduce proposals and that they will not support proposals on the procedure at the Annual General Meeting or any other proposal not brought forth prior to the Annual General Meeting.

If a bank is registered in the Company's stock register, this bank may exercise the voting right in relation to shares not owned by it only by virtue of an authorization granted to it by the relevant shareholder.

Shareholders or holders of a proxy entitled to attend the Annual General Meeting will be issued admission tickets and voting cards.

Copies of the documents referred to in Items 1 and 6 of the Agenda will be sent to our shareholders upon request.

Shareholders who have any queries regarding the Annual General Meeting are requested to address these to:

Infineon Technologies AG  
IMV IR (Investor Relations)  
St.-Martin-Str. 53  
81669 München  
Germany  
(fax no.: +49 (0)89 234-955 0153).

Any shareholders with proposals pursuant to Section 126 of the German Stock Corporation Act (AktG) should also contact this address.

Queries can also be sent by e-mail to:

[hv2005@infineon.com](mailto:hv2005@infineon.com)

The speeches of the Chairman of the Annual General Meeting and the Chairman of the Managing Board and the debate may be followed live on the Internet (<http://www.infineon.com/agm>).

The notice of the Annual General Meeting has been published in the German Federal Gazette, no. 234 of December 9, 2004 and under the date of publication December 9, 2004.

**Item 5 of the Agenda** provides for the holding of elections to the Supervisory Board. We provide the following information concerning the persons proposed for these posts pursuant to Section 125 Paragraph 1 Clause 3 of the German Stock Corporation Act (AktG):

1. Dr. Joachim Faber is a member of the Managing Board of Allianz AG, Munich. He holds the following additional mandates:

a. Memberships in Supervisory Boards to be formed pursuant to law

*External mandates:*

Member of the Supervisory Board

– Bayerische Börse AG, Munich

– Societa Metallurgica Italiana S.p.A., Florence, Italy

*Company mandates:*

Chairman of the Supervisory Board

– DBI Dresdner Bank Investment Management Kapitalanlagegesellschaft mbH,  
Frankfurt/Main

– DEGI Deutsche Gesellschaft für Immobilienfonds mbH, Frankfurt/Main

– Deutsche Investment Trust Gesellschaft für Wertpapieranlagen mbH,  
Frankfurt/Main

b. Memberships in similar governing bodies of business enterprises

*Company mandates:*

Member of the Supervisory Board

– AGF Asset Management S.A., Paris, France

2. Johannes Feldmayer is a member of the Managing Board of Siemens AG, Berlin and Munich. He holds the following additional mandates:

a. Memberships in Supervisory Boards to be formed pursuant to law

*Company mandates:*

Chairman of the Supervisory Board

– Siemens Rt., Budapest, Hungary

- Member of the Supervisory Board
  - Siemens Holdings plc, Bracknell, UK
  - Siemens AB, Stockholm, Sweden

b. Memberships in similar governing bodies of business enterprises

*Company mandates:*

- Chairman of the Advisory Board
  - Siemens A.E., Athens, Greece

- Deputy chairman of the Advisory Board

- Siemens S.A., Madrid, Spain
  - Siemens S.p.A., Milan, Italy

- Member of the Advisory Board

- Siemens A.S., Istanbul, Turkey
  - Siemens A/S, Copenhagen, Denmark
  - Siemens S.A., Brussels, Belgium
  - Siemens Schweiz AG, Zurich, Switzerland

- Chairman of the Shareholders' Delegation

- Siemens s.r.o., Prague, Czech Republic

3. Dr. Stefan Jentzsch is a member of the Managing Board of Bayerische Hypo- und Vereinsbank AG, Munich. He holds the following additional mandates:

a. Memberships in Supervisory Boards to be formed pursuant to law

*External mandates:*

- Member of the Supervisory Board

- Deutsche Börse AG, Frankfurt/Main

*Company mandates:*

- Chairman of the Supervisory Board

- HVB Alternative Financial Products AG, Vienna, Austria
  - HVB Alternative Investment AG, Vienna, Austria
  - DAB Bank AG, Munich

- Deputy chairman of the Supervisory Board

- Vereins- und Westbank AG, Hamburg
  - HVB Info AG, Munich

Member of the Supervisory Board

– HVB Systems AG, Munich

– Bank Austria Creditanstalt AG, Vienna, Austria

b. Memberships in similar governing bodies of business enterprises

*Company mandates:*

Member of the Advisory Board

– HVB Wealth Management Holding GmbH, Munich

4. Max Dietrich Kley is a member of the Supervisory Board of BASF AG, Ludwigshafen. He holds the following additional mandates:

Memberships in Supervisory Boards to be formed pursuant to law

*External mandates:*

Chairman of the Supervisory Board

– SGL Carbon AG, Wiesbaden

Member of the Supervisory Board

– Schott AG, Mainz

– HeidelbergCement AG, Heidelberg

– Bayerische Hypo- und Vereinsbank AG, Munich

5. Prof. Dr. Renate Köcher is Managing Director of the Institut für Demoskopie Allensbach, Allensbach. She holds the following additional mandates:

Memberships in Supervisory Boards to be formed pursuant to law

*External mandates:*

Member of the Supervisory Board

– MAN AG, Munich

– Allianz AG, Munich

– BASF AG, Ludwigshafen

6. Prof. Dr. Doris Schmitt-Landsiedel is Professor of Electrical Engineering at the Technical University of Munich. She has no additional mandates.

7. Dr. Eckhart Süner is General Counsel at BASF AG, Ludwigshafen. He holds the following additional mandates:

a. Memberships in Supervisory Boards to be formed pursuant to law

*External mandates:*

Member of the Supervisory Board

– Kali + Salz AG, Kassel

– Lucura Rückversicherungs GmbH, Ludwigshafen

*Company mandates:*

Member of the Supervisory Board

– BASF Schwarzheide GmbH, Schwarzheide

b. Memberships in similar governing bodies of business enterprises

*Company mandates:*

Member of the Board of Directors

– BASF Corporation, Florhampark, New Jersey, USA

8. Prof. Dr. rer. nat. Martin Winterkorn is Chairman of the Managing Board of AUDI AG, Ingolstadt, and a member of the Managing Board of Volkswagen AG, Wolfsburg. He holds the following additional mandates:

a. Memberships in Supervisory Boards to be formed pursuant to law

*External mandates:*

Member of the Supervisory Board

– Salzgitter AG, Salzgitter

– FC Bayern München AG, Munich

– TÜV Süddeutsche Holding AG, Munich

b. Memberships in similar governing bodies of business enterprises

*Company mandates:*

Member of the Supervisory Board

– SEAT S.A., Barcelona, Spain

– Lamborghini Holding S.p.A., Sant' Agata, Italy

9. Prof. Dr.-Ing. Dr.-Ing. E. h. Klaus Wucherer is a member of the Managing Board of Siemens AG, Berlin and Munich. He holds the following additional mandates:
- a. Memberships in Supervisory Boards to be formed pursuant to law
- External mandates:*  
Member of the Supervisory Board  
– Deutsche Messe AG, Hannover
- Company mandates:*  
Member of the Supervisory Board  
– BSH Bosch und Siemens Hausgeräte GmbH, Munich
- b. Memberships in similar governing bodies of business enterprises
- Company mandates:*  
Chairman of the Advisory Board  
– Siemens Ltd., Beijing, China  
– Siemens E&A, Atlanta, Georgia, USA  
– Siemens K.K., Tokyo, Japan  
– Siemens S.A., Lisbon, Portugal
- Member of the Supervisory Board  
– EviopTempo AG, Athens, Greece  
– Siemens Ltd., Mumbai, India

Pursuant to Section 128 of the German Stock Corporation Act (AktG), we give the following information:

One member of the Supervisory Board of Infineon Technologies AG is a member of the Managing Board of Bayerische Hypo- und Vereinsbank AG, Munich.

Credit Suisse First Boston International, London, which is a part of the Credit Suisse Group, was involved in the most recent issue of the company's securities within the last five years.

A shareholding of a bank required to be notified according to Section 21 of the Act on the Trading of Securities (Wertpapierhandelsgesetz) has not been reported to us.

Sincerely,

Infineon Technologies AG  
The Managing Board

Infineon Technologies AG

**Vorsitzender des Aufsichtsrats:** Max Dietrich Kley  
**Vorstand:** Dr. Wolfgang Ziebart (Vorsitzender),  
Peter Bauer, Peter J. Fischl, Kin Wah Loh, Dr. Andreas von Zitzewitz  
**Sitz der Gesellschaft:** München  
**Registergericht:** München HRB 126492

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