



News Release / Presseinformation

Infineon Announces Fiscal Year 2001 and Fourth Quarter Results

- **Fiscal Year 2001 revenues were Euro 5.67 billion, down 22 percent year-on-year reflecting strong decline of the semiconductor market; revenues in non-memory businesses increased by 10 percent year-on-year**
- **Annual net loss of Euro 591 million mainly due to significant price erosion especially for memory products and exceptional effects including inventory write downs, restructuring charges and acquisition related expenses**
- **Fourth quarter revenues were Euro 1.09 billion, down 54 percent year-on-year and 15 percent sequentially due to continued decline in demand and further deterioration of prices; quarterly net loss was Euro 523 million**
- **Solid net cash position; implementation of cost savings measures expected to save Euro 1 billion through the end of fiscal year 2002**

Munich, Germany – November 13, 2001 -- Infineon Technologies AG (FSE/NYSE: IFX), one of the world's leading semiconductor manufacturers, today announced results for its fiscal year 2001 ended September 30, 2001, with revenues of Euro 5.67 billion, a decrease of 22 percent from the previous fiscal year. Revenue decrease resulted from a sharp decline in the overall semiconductor market, which market analysts forecast will experience negative growth of more than 30 percent in this calendar year. Revenue decline was driven by weaker demand and deteriorating market conditions particularly for memory and mobile communication products. Annual revenues increased by 10 percent in Infineon's non-memory businesses with significant growth in Wireline Communications, Security & Chip Card ICs and Automotive & Industrial segments, although revenues in most of these segments declined in the fourth quarter of this fiscal year.

For the financial and business press: INFXX200111.009e

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EBIT (earnings before interest and taxes) decreased to a loss of Euro 1.02 billion down from a positive EBIT of Euro 1.67 billion in fiscal year 2000. Earnings were negatively affected by strong price erosion, especially for memory products, and costs of carrying currently unused capacity in most non-memory segments. The loss includes charges of Euro 358 million in connection with inventory write-downs, acquisition related expenses of Euro 111 million, restructuring charges of Euro 117 million, impairment charges of Euro 25 million and gains from the sale of non-core businesses of Euro 235 million. Excluding these write-downs, expenses, charges and gains EBIT amounted to a loss of Euro 648 million.

Net loss amounted to Euro 591 million, down from earnings of Euro 1.13 billion last fiscal year. The net loss reflects an income tax benefit of Euro 428 million. Loss per share for fiscal year 2001 was Euro 0.92 compared with earnings per share of Euro 1.83 in fiscal year 2000.

“Infineon has delivered a strong performance in its businesses based on our technology leadership and expanded system solutions expertise in a very difficult market environment. However, market conditions significantly deteriorated, especially for memory products and wireless communications, which clearly impacted Infineon’s overall business development”, commented Dr. Ulrich Schumacher, President and CEO of Infineon Technologies AG. “We are making significant progress in the implementation of our comprehensive “Impact” cost saving program aimed at reducing operating costs by more than Euro 1 billion until the end of the 2002 fiscal year.”

In addition, Infineon scaled back capital expenditure during the 2001 fiscal year to Euro 2.3 billion from the previously planned Euro 2.8 billion. Capital expenditures for the 2002 fiscal year (started October 1, 2001) will be reduced to approximately Euro 900 million. The cuts will not affect Infineon’s strong technology leadership and the company’s plans to continue investments in its strategic projects.

From its capital increase in July, Infineon received net proceeds of Euro 1.48 billion. Also in the fourth quarter the company received Euro 653 million from the sale of its infrared components business and its share of the joint venture with Osram. With the addition of these resources, Infineon had a net cash position of Euro 568 million at the end of the fiscal year 2001.

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Infineon had a gross margin of 14 percent, a decline from 44 percent in the previous fiscal year due to significantly reduced prices and under-utilization of certain production facilities. Excluding the effect of inventory write-downs, Infineon achieved a gross margin of 20 percent.

SG&A expenses of Euro 786 million were 14 percent of total revenues, up from 9 percent in fiscal year 2000. Higher SG&A expenses as a percentage of revenues primarily reflect the decline in sales volume. The increase was also partially due to the expansion of sales activities in Infineon's growth markets, particularly in Asia and Japan, to support the anticipated increase in sales volumes in those regions originally forecasted for fiscal year 2001.

R&D expenditures totaled Euro 1.19 billion and were 21 percent of total revenues, an increase from 14 percent in fiscal year 2000. This includes in-process R&D charges of Euro 69 million compared to Euro 26 million in fiscal year 2000. R&D expenditures were focused mainly on the development of next generation products in Infineon's target markets including next generation mobile communications, 10/40 Gigabit optical networking, DSL products, advanced security solutions and process technologies to increase productivity.

Revenues outside Europe constituted 47 percent of total revenues, compared to 55 percent in fiscal year 2000. As of September 30, 2001, Infineon had more than 33,800 employees worldwide, with research and development staff accounting for more than 5,500 of this total.

Fourth Quarter Results

Fourth quarter revenues were Euro 1.09 billion, a decrease of 54 percent year-on-year and 15 percent from the previous quarter of this fiscal year. The revenue decrease was principally due to continued deterioration of market conditions which had a negative impact on all of Infineon's business groups and by further price erosion for memory products.

EBIT decreased to a loss of Euro 882 million, down from a positive EBIT of Euro 807 million in the same quarter last year and down from a loss of Euro 598 million in the third quarter of this year. Infineon's loss was due to increasing pricing pressure in all segments, further order cancellations and costs of carrying currently unused capacity. The loss also reflects restructuring charges of Euro 117 million, inventory-write-downs of Euro 142 million, acquisition-related expenses of Euro 67 million, impairment charges of Euro 14 million

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and gains from the sale of non-core businesses of Euro 33 million. Without these items, EBIT amounted to a loss of Euro 575 million.

Net income in the fourth quarter decreased to a loss of Euro 523 million, down from net income of Euro 581 million during the same quarter of the last fiscal year and down from a loss of Euro 371 million in the previous quarter of this year. Loss per share was Euro 0.76 as compared with earnings per share of Euro 0.93 in the fourth quarter of the last fiscal year and loss per share of Euro 0.59 in the third quarter of this year.

Infineon had a negative gross margin of 32 percent, down from a positive gross margin of 53 percent in the fourth quarter of last year and a negative gross margin (including the effect of inventory write-downs) of 1 percent in the third quarter of fiscal year 2001. SG&A expenses were 16 percent of total revenues, up from 9 percent in the fourth quarter of fiscal year 2000 but down from 17 percent in the previous quarter of this year.

R&D expenditures in the fourth quarter totaled Euro 344 million. R&D expenditures were 32 percent of total revenues, an increase from 25 percent in the previous quarter and from 15 percent year-on-year, primarily due to a further decline in revenues. In absolute terms, R&D expenditures were down 1 percent year-on-year and up 8 percent from the previous quarter of this year and also reflect Euro 56 million in-process research and development related to the acquisition of Catamaran Communications.

Business Group Performance

Infineon reorganized certain business units during the 2001 fiscal year to better reflect target customer and market profiles. Effective October 1, 2000, the Other Operating segment includes the results of certain activities previously reported under Corporate and Reconciliation, the image and video and the infrared components businesses (previously reported under Wireline Communications) as well as the gains on these divestments. The prior period segment results have been reclassified to be consistent with the reporting structure and presentation of the 2001 fiscal year, and to facilitate analysis of the current and future operating segment information.

Infineon's Wireline Communications group's revenues increased to Euro 768 million in fiscal year 2001, up 15 percent from last year primarily due to the strong demand for traditional access products and fiber optic solutions, particularly in the first half of the fiscal

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year. EBIT amounted to a loss of Euro 95 million, including the effect of acquisition-related expenses, compared to a positive EBIT of Euro 47 million in fiscal year 2000. Excluding the effect of these expenses, EBIT would have been Euro 16 million in fiscal year 2001, down from Euro 106 million in fiscal year 2000.

During the 2001 fiscal year Infineon strengthened its wireline communications business with the acquisition of Catamaran Communications, an emerging leader for the fast growing 10 Gbps segment and next generation 40 Gbps optical networking markets and Ardent Technologies, a supplier of LAN switching technologies. Portfolio streamlining was completed with the divestment of non-core business activities including its infrared components and image and video businesses.

Major developments in fiscal year 2001 include:

- growing market penetration of access broadband communication market with VDSL/10BaseS Ethernet to the home solution primarily in Asia and significant design-in for Infineon's 64 channel DSLAM (ADSL linecard) at a major European OEM
- strengthened leadership position in optical networking market including Gigabit Ethernet modules, one of the industry's first suppliers of 10 Gigabit Ethernet modules, and advanced parallel fiber optical solutions (Paroli™) product line
- leading 10Gbps SONET/SDH PMD and PHY devices, including the industry's first 40GBps PHY solution, based on Infineon's SiGe process; devices designed into industry leading optical players, including a strategic supplier relationship with Lucent's optical networking division
- maintaining strong position in the traditional telecom infrastructure business with analog linecards and ISDN access technologies

In the fourth quarter the group's revenues were Euro 142 million, down 29 percent from the same quarter last year and down 24 percent from the previous quarter of this year. The group's EBIT decreased to a loss of Euro 138 million, down Euro 125 million from last year's fourth quarter and down Euro 112 million from the previous quarter of this year. The sequential EBIT decline was primarily due to acquisition-related expenses of Euro 67 million, impairment of technology assets acquired from Ardent of Euro 14 million, lower revenues from high margin products and the costs of carrying currently unused capacity.

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Infineon's Wireless Communications group's annual revenues were Euro 997 million, down 18 percent compared with last year mainly reflecting the significant deterioration of the mobile handset market. EBIT decreased to a loss of Euro 178 million down from a positive EBIT of Euro 261 million year-on-year due to strong pricing pressure, lower sales volumes and inventory write-downs.

Major developments for fiscal year 2001 include:

- advances in wireless system solution expertise for GSM/GPRS/UMTS
- important contract win with leading mobile handset manufacturer in China
- expansion of leadership in short-range wireless applications with market introduction and certification of advanced Infineon Bluemoon™ Bluetooth solutions; start of Bluetooth volume business with key market players in the wireless and consumer market arenas

Fourth quarter revenues were Euro 188 million, down 46 percent compared with the fourth quarter of the last fiscal year but up 7 percent from the previous quarter of this year. EBIT in the fourth quarter amounted to a loss of Euro 79 million, down from a positive EBIT of Euro 72 million year-on-year and up from a loss of Euro 176 million in the previous quarter.

In the Security & Chip Card ICs group annual revenues reached Euro 588 million, an increase of 57 percent from last year's Euro 375 million. The revenue increase was driven by a shift towards high-end products during the first half of fiscal year 2001. However, sales volume in the second half was negatively affected by the continued downturn in the mobile phone market leading to cancellations of significant orders for security controllers used in SIM-cards. EBIT was Euro 27 million, down from Euro 49 million in the previous fiscal year. The EBIT decline is mainly due to increasing pricing pressure, decreased sales volume and write-down of inventory in the second half of the 2001 fiscal year.

Major developments in the year include:

- maintaining world leadership in the competitive chip card IC market
- successful market introduction of the world's first 16-bit/64Kbyte SIM card controller for high-end GSM platforms with industry leaders and strengthened leadership in secure chip card controllers, with the 66plus series achieving highest security certification on the ITSEC scheme

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- expanded technology leadership for MultiMediaCard™ through strategic contracts with Palm for PDAs, Siemens mobile for MP3-accessory and establishment of the Ingentix joint venture with Saifun Semiconductors Ltd.; initially focusing on MultiMediaCard™ storage products and NROM technology

Fourth quarter revenues were Euro 100 million, a decrease of 16 percent from the fourth quarter of the last fiscal year and a decline of 31 percent from the previous quarter of this fiscal year. EBIT amounted to a loss of Euro 2 million, down from a positive EBIT of Euro 18 million in the fourth quarter of fiscal year 2000, but improved from a loss of Euro 35 million in the previous quarter of this year.

The Automotive and Industrial group's annual revenues rose to Euro 1.1 billion, up 25 percent from last year principally due to the strong performance of the group's automotive and industrial power business as well as increased sales of power management and supply solutions. EBIT improved to Euro 145 million, up from Euro 69 million in the previous fiscal year.

Major developments in the year include:

- successful introduction of the new AUDDO 32-bit TriCore™ micro-controller generation with design wins at all major automotive suppliers
- strong growth with automotive and industrial power solutions and successful penetration of Japanese automotive market with power ASSP's
- further market penetration with power management and supply solutions for PCs/motherboards and strengthened technology leadership with CoolMOS and SiC based products

Quarterly revenues were Euro 270 million, up 7 percent from the fourth quarter of last year and a decrease of 6 percent from the record level of Euro 288 million in the previous quarter of this year. EBIT was Euro 32 million compared to Euro 33 million in the fourth quarter of last year and Euro 38 million in the third quarter of this year.

The Memory Products group's revenues in fiscal year 2001 were Euro 1.59 billion, a decrease of 54 percent from Euro 3.47 billion in fiscal year 2000. EBIT decreased to a loss of Euro 931 million down from the positive EBIT of Euro 1.34 billion last year. The sharp decline in revenues and negative EBIT development resulted primarily from a significant

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weakening of demand in the PC market, which led to a rapid decline in DRAM prices and further inventory write-downs. Spot market average selling prices for 128Mbit DRAMs fell from US \$15 in September 2000 to slightly above US \$1 in September 2001. Price erosion was also fueled by fierce price competition among leading DRAM manufacturers.

Major developments for fiscal year 2001 include:

- maintaining top ranking as strategic supplier at all market leading customers
- maintaining cost leadership position by following an aggressive shrink roadmap with full conversion to 0.17 micron technology at all memory production sites worldwide and beginning the rapid transition to the next generation 0.14 micron technology for mainstream products (256Mbit SDRAM) on 200mm as well as on 300mm wafers
- strengthened market position for new specialty memory products such as RLDRAM, Mobile-RAM and SGRAM for high-performance applications, and for Double-Data-Rate (DDR) products in Internet server target markets

Quarterly revenues amounted to Euro 243 million, a decrease of 81 percent from the fourth quarter of last year and a decrease of 27 percent from the previous quarter of this year. EBIT decreased to a loss of Euro 522 million, down from a positive EBIT of Euro 727 million in the fourth quarter of fiscal year 2000 and down from a loss of Euro 340 million in the previous quarter of this year.

In the Other Operating Segments, which include the sales of opto products from OSRAM, revenues were Euro 575 million compared to Euro 579 million in the last year. The sale of Infineon's share in the opto joint venture to Osram does not affect the company's continued sales of these products. EBIT improved to Euro 188 million, up from Euro 27 million in fiscal year 2000 due to the sale of Infineon's image and video as well as infrared components businesses.

Fourth quarter revenues were Euro 131 million, down 18 percent year-on-year and down 2 percent compared with the previous quarter. EBIT was Euro 3 million, up from a loss of Euro 2 million year-on-year and a loss of Euro 33 million in the previous quarter.

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Strategic Highlights Fiscal Year 2001

Infineon continued its strategy to strengthen the company's system expertise based on its broad technology portfolio and to offer system solutions for future applications such as complete turn-key solutions for GSM/GPRS mobile phones. In addition, Infineon is combining expertise in business groups across the company to provide advanced system solutions; for example combining its wireless and automotive technologies for automotive information and navigation systems solutions.

Infineon has successfully implemented its aggressive shrink roadmap for memory products. The company has also completed the conversion of logic products from 6 to 8 inch wafer production. In addition, Infineon strengthened its world leadership in 300mm production, with the ramp-up of its 300mm module in Dresden according to plan. The company believes that these technological advances will enable it to maintain its position as one of the lowest cost producers of memory ICs.

Outlook for 2002

In fiscal year 2001 market conditions in the semiconductor industry deteriorated significantly. Leading market analysts have again lowered their expectations for the semiconductor market as a whole and currently predict a decline of more than 30 percent for calendar year 2001 as well as a moderate single-digit growth rate for 2002. The market development in the next six months remains uncertain and will be impacted by the slowdown of the world economy and the uncertainty of the current global political environment. These factors will impact the overall product demand, the intensity of competition in an already very competitive market environment, continued pricing pressure and excess manufacturing capacity.

After the sharp drop in demand for mobile handsets in the beginning of 2001, market conditions further deteriorated and growth estimates from market analysts have been significantly reduced. Infineon anticipates that the introduction of the next GSM/GPRS generation for mobile phones in the first half of 2002 will generate a moderate recovery in mobile phone demand. The ongoing slowdown of the global economy, especially in the United States, has led to a significant investment decline in telecom infrastructure development which will impact Infineon's Wireline Communications business. Macroeconomic conditions may also lead to a weaker demand in the automobile market, particularly in Europe and Germany. Following the terrorist attacks in September in the United States, the

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Security & Chip Card IC business has seen increased interest in its security expertise and advanced biometric solutions. Last month Infineon announced that it will supply secure micro-controller chips for the U.S. Department of Defense smart card program. Infineon believes that these markets will have significant long term growth potential as demand grows for heightened security solutions.

Market conditions for memory products remain difficult, primarily due to aggressive pricing by leading DRAM manufacturers. Although inventory levels declined towards the end of the fourth quarter, Infineon expects price pressure for memory products to continue during the next quarter.

The current macroeconomic uncertainties and current market conditions make it difficult to forecast results for the entire 2002 fiscal year. In light of the difficult semiconductor market environment, Infineon expects to incur operating losses during such time as selling prices for memory products persist at their current low levels and adverse market conditions continue to affect other parts of our business. Infineon believes the company has sufficient liquidity and fiscal flexibility to mitigate the effects of the current market conditions through the successful implementation of our Impact cost savings and restructuring program, the reductions in planned capital expenditures, available funds and financing opportunities, as well as the potential for strategic sales of non-core assets.

“Despite the currently difficult semiconductor market environment and macroeconomic uncertainties, we are well positioned in our target segments. We are successfully focusing on our core competencies, system expertise and cost leadership. Only through continued investment throughout all market cycles can we capitalize on the opportunities of any future upturn”, concluded Dr. Schumacher.

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FINANCIAL INFORMATION
According to US GAAP – Unaudited
Consolidated statements of operations

in Euro million	3 months ended		12 months ended	
	09/30/2000	09/30/2001	09/30/2000	09/30/2001
Net sales	2,380	1,085	7,283	5,671
Cost of goods sold	(1,122)	(1,427)	(4,111)	(4,904)
Gross profit (loss)	1,258	(342)	3,172	767
Research and development expenses	(348)	(344)	(1,025)	(1,189)
Selling, general and administrative expenses	(204)	(175)	(670)	(786)
Restructuring charge	-	(117)	-	(117)
Other operating income, net	-	21	2	200
Operating income (loss)	706	(957)	1,479	(1,125)
Interest income (expense), net	44	1	75	(1)
Equity in earnings (losses) of associated companies	13	(12)	101	25
Gain on associated company share issuance	53	11	53	11
Other income, net	35	76	36	65
Minority interests	-	5	(6)	6
Income (loss) before income taxes	851	(876)	1,738	(1,019)
Income tax (expense) benefit	(270)	353	(612)	428
Net income (loss)	581	(523)	1,126	(591)
Weighted average of outstanding shares - basic and diluted	626	684	614	641
Earnings (loss) per share - basic and diluted	0.93	(0.76)	1.83	(0.92)

Regional Sales Development

Regional sales in %	12 months ended	
	09/30/2000	09/30/2001
Germany	22%	31%
Other Europe	23%	22%
USA	25%	22%
Asia / Pacific	29%	23%
Other	1%	2%
Total	100%	100%
Europe	45%	53%
Non-Europe	55%	47%

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Segment results

Net sales in Euro million	3 months ended			12 months ended		
	09/30/2000 *	09/30/2001	+/- in %	09/30/2000 *	09/30/2001	+/- in %
Wireline Communications	199	142	(29)	665	768	15
Wireless Communications	351	188	(46)	1,221	997	(18)
Automotive and Industrial	253	270	7	880	1,099	25
Memory Products	1,273	243	(81)	3,473	1,588	(54)
Security and Chip Card Ics	119	100	(16)	375	588	57
Other	160	131	(18)	579	575	(1)
Corporate and reconciliation	25	11	(56)	90	56	(38)
Infineon consolidated	2,380	1,085	(54)	7,283	5,671	(22)

EBIT in Euro million	3 months ended			12 months ended		
	09/30/2000 *	09/30/2001	+/- in %	09/30/2000 *	09/30/2001	+/- in %
Wireline Communications **	(13)	(138)	---	47	(95)	---
Wireless Communications	72	(79)	---	261	(178)	---
Automotive and Industrial	33	32	(3)	69	145	110
Memory Products	727	(522)	---	1,337	(931)	---
Security and Chip Card Ics	18	(2)	---	49	27	(45)
Other	(2)	3	+++	27	188	596
Corporate and reconciliation	(28)	(176)	---	(120)	(180)	---
Infineon consolidated	807	(882)	---	1,670	(1,024)	---

* Prior period segment results have been reclassified to be constant with the current period presentation and organizational structure.

** Includes acquisition related expenses (amortization of acquired intangible assets, goodwill and deferred compensation as well as in-process R&D) of Euro 53 million and Euro 67 million for the three months ended 09/30/2000 and 09/30/2001, respectively as well as of Euro 60 million and Euro 111 million for the financial years ended 09/30/2000 and 09/30/2001, respectively.

Net sales in Euro million	3 months ended		
	06/30/2001	09/30/2001	+/- in %
Wireline Communications	188	142	(24)
Wireless Communications	176	188	7
Automotive and Industrial	288	270	(6)
Memory Products	332	243	(27)
Security and Chip Card Ics	144	100	(31)
Other	133	131	(2)
Corporate and reconciliation	16	11	(31)
Infineon consolidated	1,277	1,085	(15)

EBIT in Euro million	3 months ended		
	06/30/2001	09/30/2001	+/- in %
Wireline Communications *	(26)	(138)	---
Wireless Communications	(176)	(79)	+++
Automotive and Industrial	38	32	(16)
Memory Products	(340)	(522)	---
Security and Chip Card Ics	(35)	(2)	+++
Other	(33)	3	+++
Corporate and reconciliation	(26)	(176)	---
Infineon consolidated	(598)	(882)	---

* Includes acquisition related expenses of Euro 67 million for the 3 months ended 09/30/2001 and Euro 25 million for the three months ended 06/30/2001.

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Consolidated balance sheets

in Euro million	09/30/2000	09/30/2001
Assets		
Current assets:		
Cash and cash equivalents	511	757
Marketable securities	498	93
Accounts receivable, net	1,386	719
Related party receivables	439	208
Inventories	841	882
Deferred income taxes	100	39
Other current assets	60	178
Total current assets	3,835	2,876
Property, plant and equipment, net	4,034	5,233
Long-term investments, net	432	655
Restricted cash	132	86
Deferred income taxes	166	412
Other assets	254	481
Total assets	8,853	9,743
Liabilities and shareholders' equity		
Current liabilities:		
Short-term debt and current maturities	138	119
Accounts payable	849	1,050
Related party payables	373	239
Accrued liabilities	719	426
Deferred income taxes	75	19
Other current liabilities	300	351
Total current liabilities	2,454	2,204
Long-term debt	128	249
Deferred income taxes	178	53
Other liabilities	287	337
Total liabilities	3,047	2,843
Total shareholders' equity	5,806	6,900
Total liabilities and shareholders' equity	8,853	9,743

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Condensed consolidated cash flow information

in Euro million	3 months ended		12 months ended	
	09/30/2000	09/30/2001	09/30/2000	09/30/2001
Net cash provided by operating activities	929	97	2,080	211
Net cash used in investing activities	(1,076)	(501)	(2,327)	(1,813)
Net cash (used in) provided by financing activities	(127)	993	728	1,848
Net (decrease) increase in cash and cash equivalents	(274)	589	481	246
Purchase (sale) of marketable securities	151	(11)	452	(392)
Free cash flow	4	(415)	205	(1,994)
Depreciation and amortization	257	329	834	1,122
Purchases of property, plant and equipment	(904)	(569)	(1,571)	(2,282)

Telephone Conference Information

The Management Board of Infineon Technologies will conduct a telephone conference with analysts and institutional investors on November 13, 2001 at 10:00 a.m. Eastern Standard Time (U.S. EST), 4:00 p.m. Central Europe Time (CET), to discuss operating performance of the fourth quarter and fiscal year 2001. A broadcast of the telephone conference will be available live and for download on Infineon's web site at:

<http://www.infineon.com>

DISCLAIMER

This discussion includes forward-looking statements about our future business. These forward-looking statements include statements relating to future developments of the world semiconductor market, especially the market for memory products, Infineon's future growth, the benefits of research and development alliances and activities, our planned levels of future investment in the expansion and modernization of our production capacity, the introduction of new technology at our facilities, the transitioning of our production processes to smaller structures, cost savings related to such transitioning and other initiatives, our successful development of technology based on industry standards, our ability to offer commercially viable products based on our technology, our ability to achieve our cost savings and growth targets. These forward-looking statements are subject to a number of uncertainties, including trends in demand and prices for semiconductors generally and for our products in particular, the success of our development efforts, both alone and with our partners, the success of our efforts to introduce new production processes at our facilities and the actions of our competitors, the availability of funds for planned expansion efforts, as well as the other factors mentioned herein. As a result, our actual results could differ materially from those contained in the forward-looking statements.

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