News Release/Presseinformation

Solid start into the new Financial Year

- **Q1 FY 2015: Revenue of €1,128 million up 15 percent year-on-year; Segment Result of €169 million; Segment Result Margin of 15.0 percent; Segment Result Margin positively influenced by exchange rate and one-time effect of adjustment to rental payments for Group headquarters. Excluding these factors, Segment Result Margin at upper end of forecasted range**
- **Outlook Q2 FY 2015** (excluding International Rectifier)**: Revenue increase compared with the previous quarter of between 5 and 9 percent and Segment Result Margin of between 12 and 13 percent expected**
- **Outlook FY 2015** (excluding International Rectifier)**: Based on an assumed exchange rate of US$ 1.20 to the euro, revenue growth compared with the previous year of 12 percent, plus or minus 2 percentage points, and at the mid-point of that range Segment Result Margin of between 14 and 15 percent expected**
- **Acquisition of International Rectifier successfully completed on January 13, 2015. Infineon is strengthening position as largest supplier of power semiconductors, offering the broadest portfolio of products and technologies for use in energy-efficiency applications**

Neubiberg, Germany, January 29, 2015 – Infineon Technologies AG today reports its results for the first quarter of the 2015 fiscal year ended December 31, 2014.

"We had a good start into the new fiscal year. Revenue and margin have developed better than expected during the three-month period, in particular due to the strength of the dollar. Even adjusted for the tailwind from the dollar and one-time effects, reported figures would have been at the upper end of the forecasted range, reflecting Infineon's ability to perform well, even in times of uncertainty. Compared in each case to the equivalent quarter of the previous year, our business has now grown for seven quarters in succession", stated Dr. Reinhard Ploss, CEO of Infineon Technologies AG. "Market conditions remain challenging. We are nevertheless confident that Infineon will continue to grow. The successful acquisition of International Rectifier will provide an additional boost."

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Worldwide Headquarters:	Name:	Phone:	Email:
Media Relations	Bernd Hops	+49 89 234 24123	bernd.hops@infineon.com
Investor Relations	EU/APAC/USA/CAN	+49 89 234 26655	investor.relations@infineon.com

€ in million	3 months ended Dec 31, 14	sequential +/- in %	3 months ended Sep 30, 14	year-on-year +/- in %	3 months ended Dec 31, 13
Revenue	1,128	(4)	1,175	15	984
Segment Result	169	(10)	188	46	116
Segment Result Margin [in %]	15.0%		16.0%		11.8%
Income from continuing operations	130	(12)	148	53	85
Income from discontinued operations, net of income taxes	6	(82)	33	+++	2
Net income	**136**	**(25)**	**181**	**56**	**87**
Basic earnings per share (in euro) attributable to shareholders of Infineon Technologies AG[1]:					
Basic earnings per share (in euro) from continuing operations	0.12	(8)	0.13	50	0.08
Basic earnings (loss) per share (in euro) from discontinued operations	-	---	0.03	-	-
Basic earnings per share (in euro)	**0.12**	**(25)**	**0.16**	**50**	**0.08**
Diluted earnings per share (in euro) attributable to shareholders of Infineon Technologies AG[1]:					
Diluted earnings per share (in euro) from continuing operations	0.12	(8)	0.13	50	0.08
Diluted earnings (loss) per share (in euro) from discontinued operations	-	---	0.03	-	-
Diluted earnings per share (in euro)	**0.12**	**(25)**	**0.16**	**50**	**0.08**

[1] The calculation for earnings per share is based on unrounded figures.

Review of Group financials for the first quarter of the 2015 fiscal year

Revenue of the Infineon Group decreased by 4 percent quarter-on-quarter in the first quarter of the 2015 fiscal year to €1,128 million due to seasonality, compared with €1,175 million in the fourth quarter of the previous fiscal year. On a year-on-year basis it increased by 15 percent from €984 million in the first quarter of the 2014 fiscal year.

The lower-than-expected sequentially decrease in revenue partly reflected the fact that the US dollar was stronger than expected against the euro during the reporting period, adding some €20 million to Infineon's revenue compared to the the assumptions underlying our previous guidance. Excluding this effect, the quarter-on-quarter decrease in revenue would have been at the more favorable end of the originally forecasted range of between minus 5 and minus 9 percent.

Segment Result fell quarter-on-quarter by 10 percent from €188 million to €169 million. The Segment Result Margin for the three-month period came in at 15.0 percent, compared to 16.0 percent in the fourth quarter of the 2014 fiscal year. As with revenue, the strength of the US dollar against the euro also impacted Segment Result positively. The reduction in the rental liability for the Group's Campeon headquarters – recognized on a linear basis following a change in future expected rental payments – also had an additional positive one-time effect. Excluding these two factors, the Segment Result Margin would have amounted to approximately 13 percent and – similar to revenue –

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would therefore also have been at the upper end of the original forecast of a Segment Result Margin of between 10 and 13 percent.

Operating income for the first quarter of the current fiscal year totaled €153 million, compared with €118 million in the preceding quarter. The figure for the previous quarter included an exceptional expense of €83 million relating to a fine imposed by the European Commission in conjunction with antitrust proceedings against several manufacturers of semiconductors used in chip card applications.

Income from continuing operations decreased from €148 million in the preceding quarter to €130 million in the first quarter of the 2015 fiscal year. A tax expense of €24 million arose in the first quarter of the new fiscal year, corresponding to an effective tax rate of 16 percent. In comparison, Infineon reported a tax benefit of €29 million in the fourth quarter of the 2014 fiscal year, reflecting the fact that the current tax expense for that period was more than offset by the revaluation of deferred tax assets.

Income from discontinued operations decreased quarter-on-quarter to €6 million. The equivalent figure for the fourth quarter of the 2014 fiscal year was €33 million, reflecting the partial reversal of provisions in conjunction with the partial settlement reached with the Qimonda insolvency administrator.

Net income for the first quarter of the current fiscal year totaled €136 million, compared with €181 million in the preceding quarter. First-quarter earnings per share (basic and diluted) amounted to €0.12, compared with €0.16 one quarter earlier.

Investments – which Infineon defines as the sum of purchases of property, plant and equipment, purchases of intangible assets and capitalized development assets – amounted to €141 million in the first quarter of the 2015 fiscal year. This figure includes €21 million relating to patents acquired in conjunction with the settlement reached with the Qimonda insolvency administrator which are reported as "available for sale". Investments in the fourth quarter of the preceding fiscal year totaled €242 million. Depreciation and amortization increased from €137 million in the preceding quarter to €141 million in the first quarter of the new fiscal year.

Free cash flow[1] from continuing operations in the fourth quarter of the 2014 fiscal year was a positive amount of €158 million. In the first quarter, the equivalent figure was a

[1] For definitions and the calculation of free cash flow and of the gross and net cash position, please see page 12.

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negative amount of €171 million, with a lower net income and changes in working capital contributing to the deterioration. More significant, however, was the impact of the payments made during the period relating to a fine arising in conjunction with EU-antitrust proceedings against the Chip Card & Security segment (€83 million) and to the purchase of Qimonda patents and the settlement of disputes relating to patent usage rights following an extra-judicial agreement reached with the Qimonda insolvency administrator (€125 million). Excluding these two exceptional cash outflows, free cash flow from continuing operations would have been a positive amount of €37 million. The payment of a further €135 million for the portion of the settlement reached with the insolvency administrator that does not relate to the Qimonda patents contributed to a negative free cash flow of €140 million from discontinued operations.

As a result of the negative free cash flow, Infineon's gross cash position fell from €2,418 million at September 30, 2014 to €2,107 million at December 31, 2014. Correspondingly, the net cash position decreased from €2,232 million at September 30, 2014 to €1,917 million at the end of the first quarter.

Acquisition of International Rectifier

Infineon successfully completed the acquisition of International Rectifier on January 13, 2015. Due to the short period of time between the completion of the acquisition and the date of reporting the figures for the first quarter, Infineon has not yet reported on the acquisition in accordance with IFRS requirements and has not yet presented an outlook for the International Rectifier sub-group. Infineon is planning to report financials and an outlook for the entire Group (including the business acquired from International Rectifier) when reporting the figures for the six-month period on May 5, 2015.

For the quarter ended December 31, 2014, International Rectifier achieved revenue of US$275 million and an adjusted operating income-margin[2] of 7.0 percent in accordance with US GAAP (unaudited figures). Net cash stood at US$658 million as of December 31, 2014.

Outlook for the second quarter of the 2015 fiscal year (excluding International Rectifier)

Based on an assumed exchange rate of US$1.20 to the euro, Infineon expects quarter-on-quarter revenue growth of between 5 and 9 percent in the second quarter of the 2015

[2] Operating income was adjusted by: amortization on intangible assets, restructuring, merger-related costs.

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fiscal year. All segments are forecast to contribute to the expected revenue growth. A Segment Result Margin of between 12 and 13 percent is forecast.

Outlook for the 2015 fiscal year (excluding International Rectifier)
Based on an assumed exchange rate of US$1.20 (previously US$1.30) to the euro, Infineon forecasts a year-on-year growth in revenue of 12 percent, plus or minus 2 percentage points. So far, Infineon had expected sales growth of 8 percent, plus or minus 2 percentage points. At the mid-point of the planned range for revenue growth, the Segment Result Margin is expected to come in at between 14 and 15 percent. Previously, Infineon had predicted a Segment Result Margin of about 14 percent. The Power Management & Multimarket (PMM) and Chip Card & Security (CCS) segments are expected to record faster revenue growth than the average for the Group as a whole. The growth rate for the Automotive (ATV) segment should be roughly in line with the Group average. Revenue growth in the Industrial Power Control (IPC) segment is likely to be below the Group average.

Expected investments for the 2015 fiscal year are around €750 million containing an amount of about 13 to 14 percent of sales for investments for equipment within our operating facilities and for intangibles as one part. In addition between €60-70 million will be spent for readying the second shell in Kulim, Malaysia, for volume production and payments of €21 million are included for the purchase of Qimonda patents in conjunction with the settlement reached with the insolvency administrator of Qimonda AG. Depreciation and amortization is expected to amount to approximately €600 million.

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Segment earnings in the first quarter of the 2015 fiscal year

€ in million	in % of total revenue	3 months ended Dec 31, 14	sequential +/- in %	3 months ended Sep 30, 14	year-on-year +/- in %	3 months ended Dec 31, 13
Infineon						
Revenue	100	1,128	(4)	1,175	15	984
Segment Result		169	(10)	188	46	116
Segment Result Margin [in %]		15.0%		16.0%		11.8%
Automotive (ATV)						
Segment Revenues	46	518	-	518	15	452
Segment Result		72	4	69	31	55
Segment Result Margin [in %]		13.9%		13.3%		12.2%
Industrial Power Control (IPC)						
Segment Revenues	17	190	(13)	219	6	179
Segment Result		28	(36)	44	4	27
Segment Result Margin [in %]		14.7%		20.1%		15.1%
Power Management & Multimarket (PMM)						
Segment Revenues	25	280	(7)	300	18	238
Segment Result		48	(20)	60	66	29
Segment Result Margin [in %]		17.1%		20.0%		12.2%
Chip Card & Security (CCS)						
Segment Revenues	12	132	(7)	142	22	108
Segment Result		18	(10)	20	+++	6
Segment Result Margin [in %]		13.6%		14.1%		5.6%
Other Operating Segments (OOS)						
Segment Revenues	0	4	(20)	5	(33)	6
Segment Result		2	+++	-	+++	-
Corporate and Eliminations (C&E)						
Segment Revenues	0	4	+++	(9)	+++	1
Segment Result		1	+++	(5)	+++	(1)

Unlike the normal seasonal pattern, ATV segment revenue did not fall in the first quarter of the 2015 fiscal year but remained unchanged at the previous quarter's level of €518 million. Worldwide demand for vehicles continued to grow and was particularly dynamic in the USA. Demand for vehicles of German premium manufacturers also remained strong. Segment Result increased from €69 million in the fourth quarter of the 2014 fiscal year to €72 million in the first quarter of the new fiscal year. The Segment Result Margin improved to 13.9 percent, compared with 13.3 percent in the previous quarter.

The IPC segment recorded revenue totaling €190 million in the first quarter of the new fiscal year, 13 percent down on the €219 million recorded in the fourth quarter, reflecting mainly lower seasonal demand for products used in electrical industrial drives, traction, renewables and major home appliances. Due to the drop in revenue, Segment Result fell quarter-on-quarter from €44 million to €28 million. The Segment Result Margin amounted to 14.7 percent compared with 20.1 percent in the fourth quarter of the 2014 fiscal year.

PMM segment revenue decreased by 7 percent from €300 million in the fourth quarter of the 2014 fiscal year to €280 million in the first quarter of the 2015 fiscal year. Whereas

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the power business followed the usual seasonal trend, revenue from products for mobile devices was only slightly lower. Demand for products for cellular network infrastructure applications even recorded a further increase. Segment Result went down quarter-on-quarter from €60 million to €48 million, with the Segment Result Margin decreasing to 17.1 percent from the preceding quarter's 20.0 percent.

CCS segment revenue amounted to €132 million, 7 percent lower than the €142 million reported for the fourth quarter of the 2014 fiscal year. With 22 percent year on year growth the CCS segment significantly outperformed the Group average. Whereas demand for chips used in payment, mobile communication, authentication and pay TV applications decreased due to normal seasonal factors, revenue generated with products in government ID increased significantly, contrary to a usual seasonal decline. Segment Result decreased slightly to €18 million, compared to €20 million in the preceding quarter. The Segment Result Margin for the three-month period was 13.6 percent, compared to 14.1 percent in the fourth quarter.

Analyst and press telephone conference

Infineon will host a telephone conference call for analysts and investors (in English only) on January 29, 2015 at 9:30 am (CET), 3:30 am (EST). During the call, the Infineon Management Board will present the Company's results from the first quarter of the 2015 fiscal year. In addition, the Management Board will host a live telephone conference with the media at 11:00 am (CET), 5:00 am (EST). It can be followed over the Internet in both English and German. Both conferences will also be available live and for download on Infineon's website at www.infineon.com/investor.

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The **Q1 Investor Presentation** is available (in English only) at:
http://www.infineon.com/cms/en/corporate/investor/reporting/index.html

Infineon Financial Calendar (*preliminary)

➢ Feb 12, 2015	Annual General Meeting 2015, Munich
➢ May 5, 2015*	Earnings Release for the Second Quarter of the 2015 Fiscal Year
➢ Jun 2, 2015	DZ Bank Sustainability Conference, Zurich
➢ Jul 30, 2015*	Earnings Release for the Third Quarter of the 2015 Fiscal Year
➢ Sep 22, 2015	Baader Investment Conference, Munich
➢ Sep 23, 2015	Berenberg Bank and Goldman Sachs German Corporate Conference, Munich
➢ Nov 11-13, 2015	Morgan Stanley TMT Conference, Barcelona
➢ Nov 26, 2015*	Earnings Release for the Fourth Quarter and Full 2015 Fiscal Year
➢ Nov 30-Dec 3, 2015	Credit Suisse TMT Conference, Scottsdale/Arizona

About Infineon

Infineon Technologies AG is a world leader in semiconductors. Infineon offers products and system solutions addressing three central challenges to modern society: energy efficiency, mobility, and security. In the 2014 fiscal year (ending September 30), the company reported sales of euro 4.3 billion with about 29,800 employees worldwide. In January 2015, Infineon acquired US-based International Rectifier Corporation, a leading provider of power management technology, with revenues of US$1.1 billion (fiscal year 2014 ending June 29) and approximately 4,200 employees.

Infineon is listed on the Frankfurt Stock Exchange (ticker symbol: IFX) and in the USA on the over-the-counter market OTCQX International Premier (ticker symbol: IFNNY).

Further information is available at www.infineon.com
This press release is available online at www.infineon.com/press

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FINANCIAL INFORMATION

According to IFRS – Preliminary and Unaudited

Consolidated Statement of Operations

€ in million; except for the per share data	3 months ended Dec 31, 14	Sep 30, 14	Dec 31, 13
Revenue	1,128	1,175	984
Cost of goods sold	(701)	(716)	(623)
Gross profit	**427**	**459**	**361**
Research and development expenses	(139)	(140)	(133)
Selling, general and administrative expenses	(136)	(138)	(114)
Other operating income	6	8	5
Other operating expenses	(5)	(71)	(11)
Operating income	**153**	**118**	**108**
Financial income	6	3	2
Financial expenses	(5)	(4)	(9)
Gain (loss) from investments accounted for using the equity method	-	2	1
Income from continuing operations before income taxes	**154**	**119**	**102**
Income tax	(24)	29	(17)
Income from continuing operations	**130**	**148**	**85**
Income from discontinued operations, net of income taxes	6	33	2
Net income	**136**	**181**	**87**
Attributable to:			
Non-controlling interests	-	-	-
Shareholders of Infineon Technologies AG	136	181	87
Basic earnings per share (in euro) attributable to shareholders of Infineon Technologies AG[1]:			
Weighted average shares outstanding (in million) – basic	1,122	1,122	1,083
Basic earnings per share (in euro) from continuing operations	0.12	0.13	0.08
Basic earnings (loss) per share (in euro) from discontinued operations	-	0.03	-
Basic earnings per share (in euro)	**0.12**	**0.16**	**0.08**
Diluted earnings per share (in euro) attributable to shareholders of Infineon Technologies AG[1]:			
Weighted average shares outstanding (in million) – diluted	1,123	1,122	1,126
Diluted earnings per share (in euro) from continuing operations	0.12	0.13	0.08
Diluted earnings (loss) per share (in euro) from discontinued operations	-	0.03	-
Diluted earnings per share (in euro)	**0.12**	**0.16**	**0.08**

[1] The calculation for earnings per share is based on unrounded figures.

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Segment Revenue and Segment Results

Infineon defines Segment Result as the operating income (loss) excluding: asset impairments (net of reversals); the impact on earnings of restructuring and closures; share-based compensation expense; acquisition-related depreciation/amortization and other expenses; gains (losses) on sales of assets, businesses, or interests in subsidiaries as well as other income (expense), including litigation costs.

Reconciliation of Total Segment Result to Operating Income

€ in million	3 months ended Dec 31, 14	Sep 30, 14	Dec 31, 13
Segment Result	169	188	116
Plus/minus:			
Impairment on assets including asstes classified as held for sale, net of reversals	(2)	(1)	-
Impact on earnings of restructuring measures and closures, net	-	-	(4)
Share-based compensation expenses	(2)	(2)	(2)
Acquisition-related depreciation / amortization and other expenses	(8)	(8)	-
Other income and expenses, net[1]	(4)	(59)	(2)
Operating income	**153**	**118**	**108**

1The €83 million fine imposed upon Infineon by the EU-Commission in their antitrust investigations against chip card manufacturers is included in the 3 months to 30 September 2014.

Revenue and Segment Result
for the three months ended December 31, 2014 and 2013 and September 30, 2014

Revenue € in million	3 months ended Dec 31, 14	Dec 31, 13	+/- in %	3 months ended Dec 31, 14	Sep 30, 14	+/- in %
Automotive	518	452	15	518	518	-
Industrial Power Control	190	179	6	190	219	(13)
Power Management & Multimarket	280	238	18	280	300	(7)
Chip Card & Security	132	108	22	132	142	(7)
Other Operating Segments	4	6	(33)	4	5	(20)
Corporate and Eliminations	4	1	+++	4	(9)	+++
Total	**1,128**	**984**	**15**	**1,128**	**1,175**	**(4)**

Segment Result € in million	3 months ended Dec 31, 14	Dec 31, 13	+/- in %	3 months ended Dec 31, 14	Sep 30, 14	+/- in %
Automotive	72	55	31	72	69	4
Industrial Power Control	28	27	4	28	44	(36)
Power Management & Multimarket	48	29	66	48	60	(20)
Chip Card & Security	18	6	+++	18	20	(10)
Other Operating Segments	2	-	+++	2	-	+++
Corporate and Eliminations	1	(1)	+++	1	(5)	+++
Total	**169**	**116**	**46**	**169**	**188**	**(10)**

Employees

	Dec 31, 14	Sep 30, 14	Dec 31, 13
Infineon	30,493	29,807	27,583
Thereof: Research and development	4,978	4,822	4,543

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Consolidated Statement of Financial Position

€ in million	Dec 31, 14	Sep 30, 14
ASSETS:		
Cash and cash equivalents	1,393	1,058
Financial investments	714	1,360
Trade receivables	486	581
Inventories	755	707
Income tax receivable	9	7
Other current assets	337	221
Assets classified as held for sale	21	-
Total current assets	**3,715**	**3,934**
Property, plant and equipment	1,653	1,700
Goodwill and other intangible assets	277	250
Investments accounted for using the equity method	35	35
Deferred tax assets	378	378
Other non-current assets	136	141
Total non-current assets	**2,479**	**2,504**
Total assets	**6,194**	**6,438**
LIABILITIES AND EQUITY:		
Short-term debt and current maturities of long-term debt	35	35
Trade payables	572	648
Current provisions	259	590
Income tax payable	68	69
Other current liabilities	198	261
Total current liabilities	**1,132**	**1,603**
Long-term debt	155	151
Pension plans and similar commitments	383	379
Deferred tax liabilities	5	5
Long-term provisions	69	70
Other non-current liabilities	58	72
Total non-current liabilities	**670**	**677**
Total liabilities	**1,802**	**2,280**
Shareholders' equity:		
Ordinary share capital	2,255	2,255
Additional paid-in capital	5,415	5,414
Accumulated deficit	(3,366)	(3,502)
Other reserves	129	64
Own shares	(37)	(37)
Put options on own shares	(9)	(40)
Equity attributable to shareholders of Infineon Technologies AG	**4,387**	**4,154**
Non-controlling interests	5	4
Total equity	**4,392**	**4,158**
Total liabilities and equity	**6,194**	**6,438**

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Regional Sales Development

in %	3 months ended		
	Dec 31, 14	Sep 30, 14	Dec 31, 13
Revenue:			
Europe, Middle East, Africa	37%	39%	37%
Therein: Germany	18%	20%	19%
Asia-Pacific (w/o Japan)	46%	44%	44%
Therein: China	23%	21%	22%
Japan	6%	6%	7%
Americas	11%	11%	12%
Total	**100%**	**100%**	**100%**

Consolidated Statement of Cash Flows

Gross and Net Cash Position

The following table shows the gross cash position and net cash position as well as debt. Since some liquid funds are held in the form of financial investments, which for IFRS purposes are not considered to be "cash and cash equivalents", Infineon reports on its gross and net cash position in order to provide investors with a better understanding of its overall liquidity. The gross and net cash positions are deter-mined as follows from the Consolidated Statement of Financial Position:

€ in million	Dec 31, 14	Sep 30, 14	Dec 31, 13
Cash and cash equivalents	1,393	1,058	472
Financial investments	714	1,360	1,807
Gross cash position	**2,107**	**2,418**	**2,279**
Less:			
Short-term debt and current maturities of long-term debt	35	35	64
Long-term debt	155	151	167
Net cash position	**1,917**	**2,232**	**2,048**

Free Cash Flow

Infineon reports the free cash flow figure, defined as net cash provided by/used in operating activities and net cash provided by/used in investing activities, both from continuing operations, after adjusting for cash flows related to the purchase and sale of financial investments. Free cash flow serves as an additional performance indicator, since Infineon holds part of its liquidity in the form of financial investments. This does not mean that free cash flow calculated in this way is available to cover other disbursements since dividend, debt-servicing obligations and other fixed disbursements are not deducted. Free cash flow should not be seen as a replacement or superior performance indicator, but rather as an additional useful piece of information over and above the disclosure of the cash flow reported in the Consolidated Statement of Cash Flows, and as a supplementary disclosure to other liquidity performance indicators and other performance indicators derived from the IFRS figures. Free cash flow includes only amounts from continuing operations, and is derived as follows from the Consolidated Statement of Cash Flows:

€ in million	3 months ended		
	Dec 31, 14	Sep 30, 14	Dec 31, 13
Net cash provided by (used in) operating activities from continuing operations	(39)	399	158
Net cash provided by (used in) investing activities from continuing operations	513	370	(176)
Purchases of (proceeds from sales of) financial investments, net	(645)	(611)	48
Free Cash Flow from continuing operations	**(171)**	**158**	**30**

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€ in million	3 months ended Dec 31, 14	Sep 30, 14	Dec 31, 13
Net income	**136**	**181**	**87**
Minus: income from discontinued operations, net of income taxes	(6)	(33)	(2)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Depreciation and amortization	141	137	120
Income tax	24	(29)	18
Net interest result	3	1	6
Impairment charges	2	2	-
Other non-cash result	(3)	(1)	-
Change in trade receivables	92	(24)	64
Change in inventories	(46)	(22)	(45)
Change in trade payables	(74)	115	(54)
Change in provisions	(191)	(22)	(67)
Change in other assets and liabilities	(95)	108	47
Interest received	3	3	2
Interest paid	(1)	(1)	(5)
Income tax paid	(24)	(16)	(13)
Net cash provided by (used in) operating activities from continuing operations	**(39)**	**399**	**158**
Net cash provided by (used in) in operating activities from discontinued operations	**(140)**	**(2)**	**2**
Net cash provided by (used in) operating activities	**(179)**	**397**	**160**
Purchases of financial investments	(135)	(90)	(273)
Proceeds from sales of financial investments	780	701	225
Purchases of other equity investments	(7)	-	-
Purchases of intangible assets and other assets	(60)	(31)	(19)
Purchases of property, plant and equipment	(81)	(211)	(110)
Proceeds from sales of property, plant and equipment and other assets	16	1	1
Net cash provided by (used in) investing activities from continuing operations	**513**	**370**	**(176)**
Net cash used in investing activities from discontinued operations	**-**	**-**	**(1)**
Net cash provided by (used in) investing activities	**513**	**370**	**(177)**
Net change in short-term debt	(1)	-	-
Proceeds from issuance of long-term debt	9	1	1
Repayments of long-term debt	(5)	(6)	(3)
Repurchase of convertible subordinated bonds	-	-	(35)
Change in cash deposited as collateral	(1)	-	-
Proceeds from the issuance of put options on own shares	-	-	1
Net cash provided by (used in) financing activities from continuing operations	**2**	**(5)**	**(36)**
Net cash used in financing activities from discontinued operations	**-**	**-**	**-**
Net cash provided by (used in) financing activities	**2**	**(5)**	**(36)**
Net increase (decrease) in cash and cash equivalents	336	762	(53)
Effect of foreign exchange rate changes on cash and cash equivalents	(1)	5	(2)
Cash and cash equivalents at beginning of period	1,058	291	527
Cash and cash equivalents at end of period	**1,393**	**1,058**	**472**

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Worldwide Headquarters:	**Name:**	**Phone:**	**Email:**
Media Relations	**Bernd Hops**	+49 89 234 24123	bernd.hops@infineon.com
Investor Relations	**EU/APAC/USA/CAN**	+49 89 234 26655	investor.relations@infineon.com

D I S C L A I M E R

This press release contains forward-looking statements about the business, financial condition and earnings performance of the Infineon Group.

These statements are based on assumptions and projections resting upon currently available information and present estimates. They are subject to a multitude of uncertainties and risks. Actual business development may therefore differ materially from what has been expected.

Beyond disclosure requirements stipulated by law, Infineon does not undertake any obligation to update forward-looking statements.

Due to rounding, numbers presented throughout this press release and other reports may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

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Investor Relations	**EU/APAC/USA/CAN**	+49 89 234 26655	investor.relations@infineon.com