



Infineon Technologies Backgrounder

Infineon Technologies develops, manufactures and markets a uniquely broad range of semiconductor products for the communications, automotive and memory markets. With 16 manufacturing plants and 29 research and development locations in Europe, Asia, and the USA, Infineon is one of the world's top ten semiconductor companies. It supplies the leading electronics companies with components and systems that enable the functionality of mobile phones and notebooks as well as of advanced automotive electronics. Infineon's customer base includes world leaders such as Bosch, Cisco, Dell, Hewlett-Packard, IBM, Motorola, Nokia, and Siemens.

Infineon Technologies AG was founded on 1 April 1999 in Munich and has been listed at the stock exchanges in Frankfurt and New York since March 2000 under the symbol IFX. The company has emerged from the former semiconductor group of Siemens AG, founded 50 years ago. Infineon employs about 30,000 people worldwide. In the fiscal year 2001, the company had sales of 5.7 billion Euros.

Never stop thinking

The semiconductor market is still a very young industry. Over 30,000 patent applications to date underscore the efficiency and innovative strength of Infineon's worldwide network of research and development locations. Approximately one in every six employees, more than 5,000 in total, works in research and development around the world, true to the company's motto "Never stop thinking".

One of the central think tanks at Infineon, the Emerging Technologies group, focuses on improving existing concepts and on developing new approaches to cover future requirements. While these long-term ideas and solutions will not yet be part of tomorrow's products, they will certainly power the next generation after that. This is all about developing visions and answering the question what the market will most likely demand in 10 or 15 years. One of the most recent achievements of the scientists at Emerging Technologies is the development of the enabling technology for Wearable Electronics, i.e. for smart clothing and textiles. Another focus of their research activities is to make elec-

tronics even more affordable and to find ways of putting them into practical use in order to make our lives easier and more comfortable.

Infineon in detail

Infineon has a market-centric corporate structure, which comprises the Wired Communications, Mobile Communications, Security and Chip Card ICs, Automotive and Industrial Electronics as well as Memory Products groups. With these core competencies and the strengths in research and development, Infineon is uniquely positioned to make the vision of the networked world come true. The goal is to offer customers an integrated portfolio of products, solutions, and services that enable the convergence of security, telecommunications, Internet and automotive applications, thus driving the Internet society.

The business units

The **Wired Communications** group offers high-speed and cost-effective access to the data highway for millions of people around the world. Infineon delivers chips and chip sets with different process technologies so that people can make phone calls and surf the Web over copper cable. This includes DSL (Digital Subscriber Line) variants such as ADSL (Asymmetric DSL), SDSL (Symmetric DSL) or VDSL (Very High Bit Rate DSL) that are based on Infineon's enabling technology. This helps meet the demand for ever higher bandwidths in the consumer market. For global networking, fiber-optic technology and optical networking have become indispensable. In this segment, too, Infineon has built a successful profile and has already presented next-generation systems with data rates of 40 Gbps (gigabits per second).

The **Mobile Communications** group makes chips and systems for cordless phones, mobile phones and Bluetooth solutions for the wireless communication of terminal and peripheral devices such as personal computers, printer and video devices. Infineon is a leading provider of GSM chips, the current standard for mobile communications, and leads the market in chips for cordless phones. For the emerging UMTS (Universal Mobile Telecommunications System) mobile standard, Infineon was the first company to present a highly integrated solution (in October 2000).

The **Security and Chip Card ICs** group has been the market leader for smart card ICs for several years. Smart cards are becoming ubiquitous in everyday life. People use them to make calls from public pay phones or as SIM cards in their mobile phones, to make financial transactions or as credit or debit cards, for secure data transfers, to pay

tickets in public transportation or to access high-security areas. Using products like FingerTIP, a miniaturized fingerprint sensor that enables the reliable analysis of fingerprints, manufacturers of security systems can offer their end customers solutions that can only be used by authorized individuals and that can e.g. help make cashless payment systems even more secure.

The **Automotive and Industrial Electronics** group covers Infineon's activities in the areas of automotive electronics and industrial power supply and conversion applications. In this area, two power semiconductor product families from Infineon received the German business innovation award for the best technological innovation in 2001. Infineon supplies chips and systems for the electronic control of engine and gearbox, window lift and air conditioning as well as of vital components such as airbags or the electronic stability control system (ESP). Based on its product portfolio, Infineon is perfectly positioned for the future of automobiles, where Internet and infotainment applications will become integral elements of every vehicle. In the area of industrial electronics, Infineon serves manufacturers of machine tools, pumps and conveyor systems as well as manufacturers of domestic appliances and personal computers.

In the **Memory Products** group, Infineon makes memory components for PCs, notebooks, servers, and mainframes. The company's portfolio covers a broad range of products, from PDAs (Personal Digital Assistants) to highly complex network components. Renowned manufacturers of graphic cards also rely on the highly integrated and high-speed memory chips from Infineon.