

Infineon at a Glance

- Top 10 semiconductor company
- FY 1999 sales €4,237m, + 33% vs. FY 1998
- Earnings turn-around achieved in FY 1999
- Very strong 1st half FY: sales + 68%, EBIT +€543m
- One of the fastest growing major semiconductor companies
27,000 employees
- World class manufacturing sites on three continents
(four 8 inch fabs ramping 0.18µm)
- 21 R&D sites worldwide
- Rich IP-portfolio consisting of more than 25,000 patents
- World class customer base of around 40 global key accounts

Innovation Driver for Our Target Applications



Communication

- Mobile communication
- Internet infrastructure and terminals
- Telecom infrastructure and terminals

Automotive

- Airbags, ABS
- Engine management
- Navigation systems

Computers

- Faster and denser memories

Advanced Security Systems

- Banking and GSM cards
- Biometric sensors (e.g. FingerTIPTM)
- High performance encryption ICs

Leading Position in our Key Markets

Mobile Communication

- # 1 in Radio-Frequency-ICs
- # 2 in Baseband-ICs
- # 1 in Chipsets for digital cordless Applications like DECT, WDCT, Bluetooth

Communication & Multimedia

- #1 in ISDN
- Leading Position in traditional telecommunication
- rapid growth in data communication

Automotive & Industrial

- # 2 in automotive semiconductors (without car radio)
- Leading Market Position in Europe in
 - engine management with micro-controllers
 - Airbag and ABS with smart power ICs
- Leading Market Position in Industrial Drives

Security & Chipcard ICs

- World Market Leader for Chipcard ICs (more than 27 billion pieces shipped over the last 10 years)
- Leading Position in High Growth Applications such as GSM, telecoms and banking

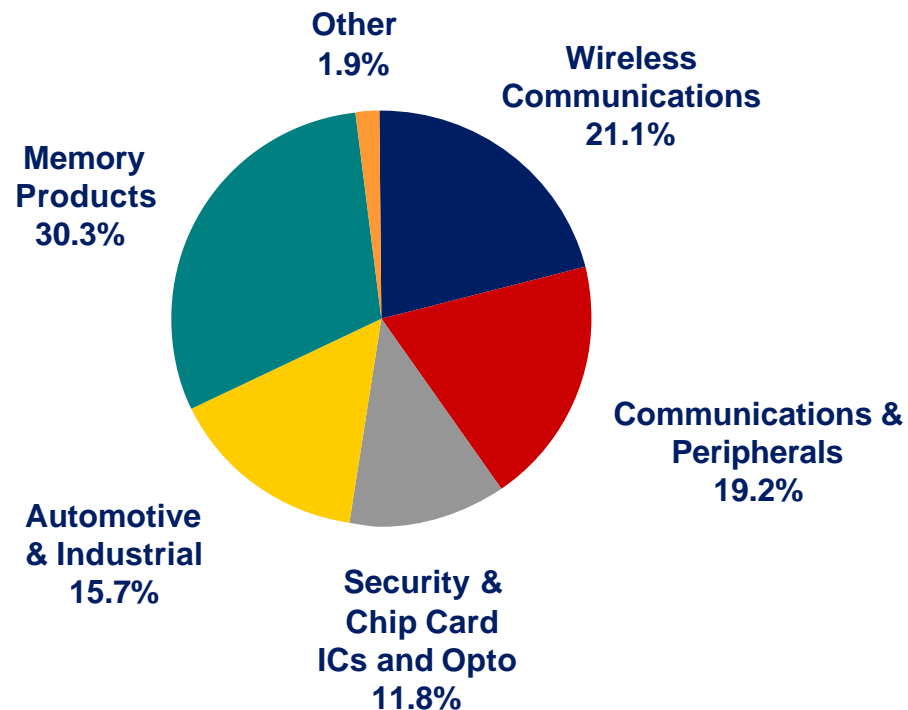
Memory Products

- # 5 in DRAMs
- # 1 in 256 M
- Leader in embedded DRAM and 300mm technology

Balanced Sales in High Growth Markets

Sales Split FY 1999

Total sales Euro 4,237m



More than 45% of revenues generated in communications



Wireless Systems Division

Wireless Systems Division

Organization

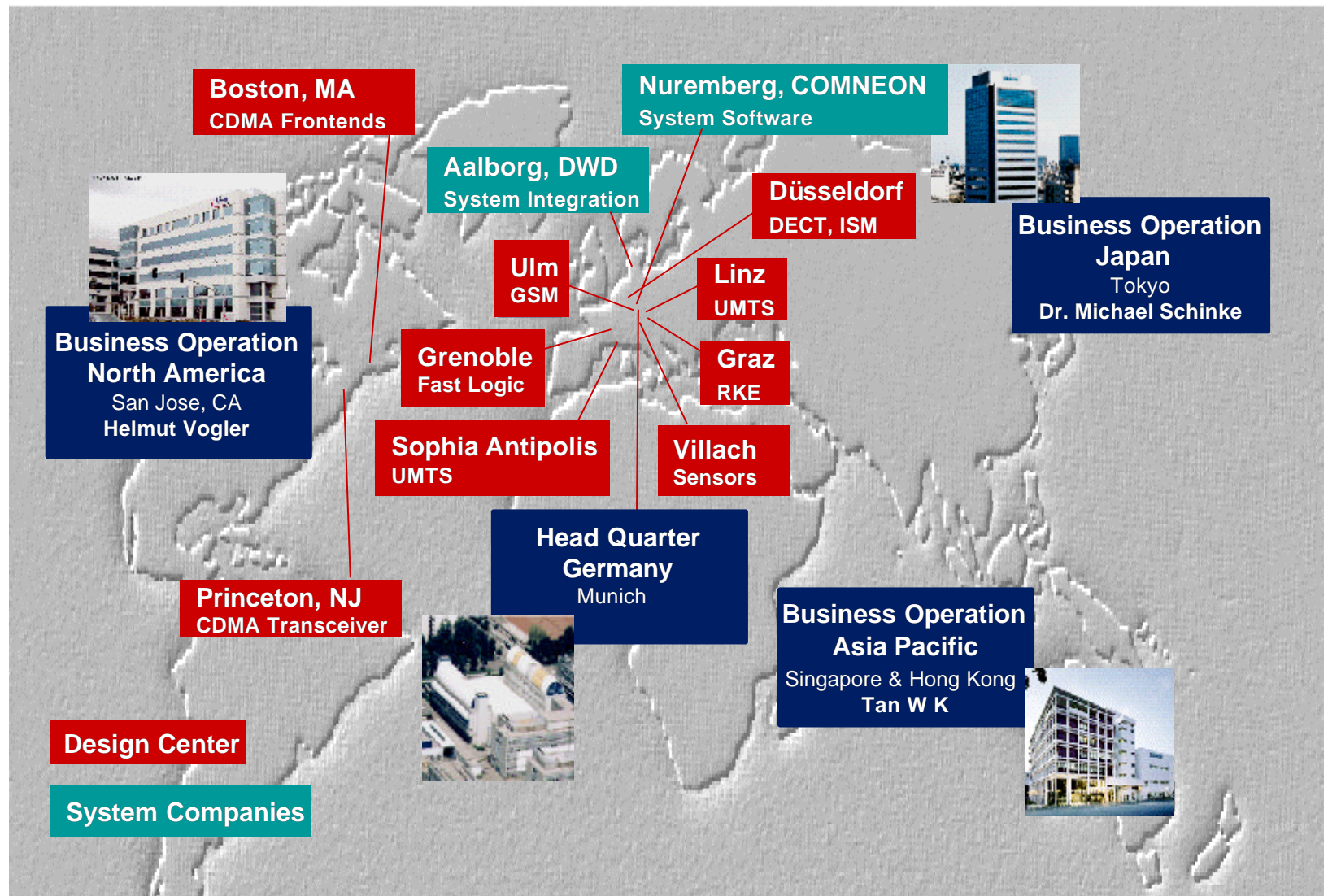
Guenter Weinberger

Sales & Marketing Dr. H.-J. Dittloff	Silicon Discretes Th. Pollakowski	GaAs & Sensors Dr. E. Pettenpaul	Linear ICs M. van Riek	Wireless Baseband ICs Dr. H.- J. Eul
<ul style="list-style-type: none"> • Account Teams • Sales Operations • Account Marketing • Processes & Info. • System Marketing • System Projects 	<ul style="list-style-type: none"> • RF-Transistors • RF-Diodes • RF-MMICs • AF-Trans. and Diodes 	<ul style="list-style-type: none"> • LNA • PA • MMICs • Sensors • Smart Sensors 	<ul style="list-style-type: none"> • Cellular ICs • Cordless ICs • Custom Products • Consumer ICs 	<ul style="list-style-type: none"> • Cellular ICs • Cordless ICs
Bus. Operations NA / AP / Japan				

Business Administration M. Ruth	Operations W. Heidenreich	Technology & Innovation S. Hein	Quality Management H. Broemmel	Frontend Locations	Backend Locations
<ul style="list-style-type: none"> • Controlling • Business Admin. Business Units • Information System and Services 	<ul style="list-style-type: none"> • Logistics • Order Processing • Production Management 	<ul style="list-style-type: none"> • 3G Systems • Technologies • Emerging Applications 	<ul style="list-style-type: none"> • Quality Management Business Units • Analytic Processes • Reliability and Test 	<ul style="list-style-type: none"> • Munich • Regensburg • Dresden • Essonnes • Villach 	<ul style="list-style-type: none"> • Regensburg • Malacca • Singapore • Batam

Wireless Systems

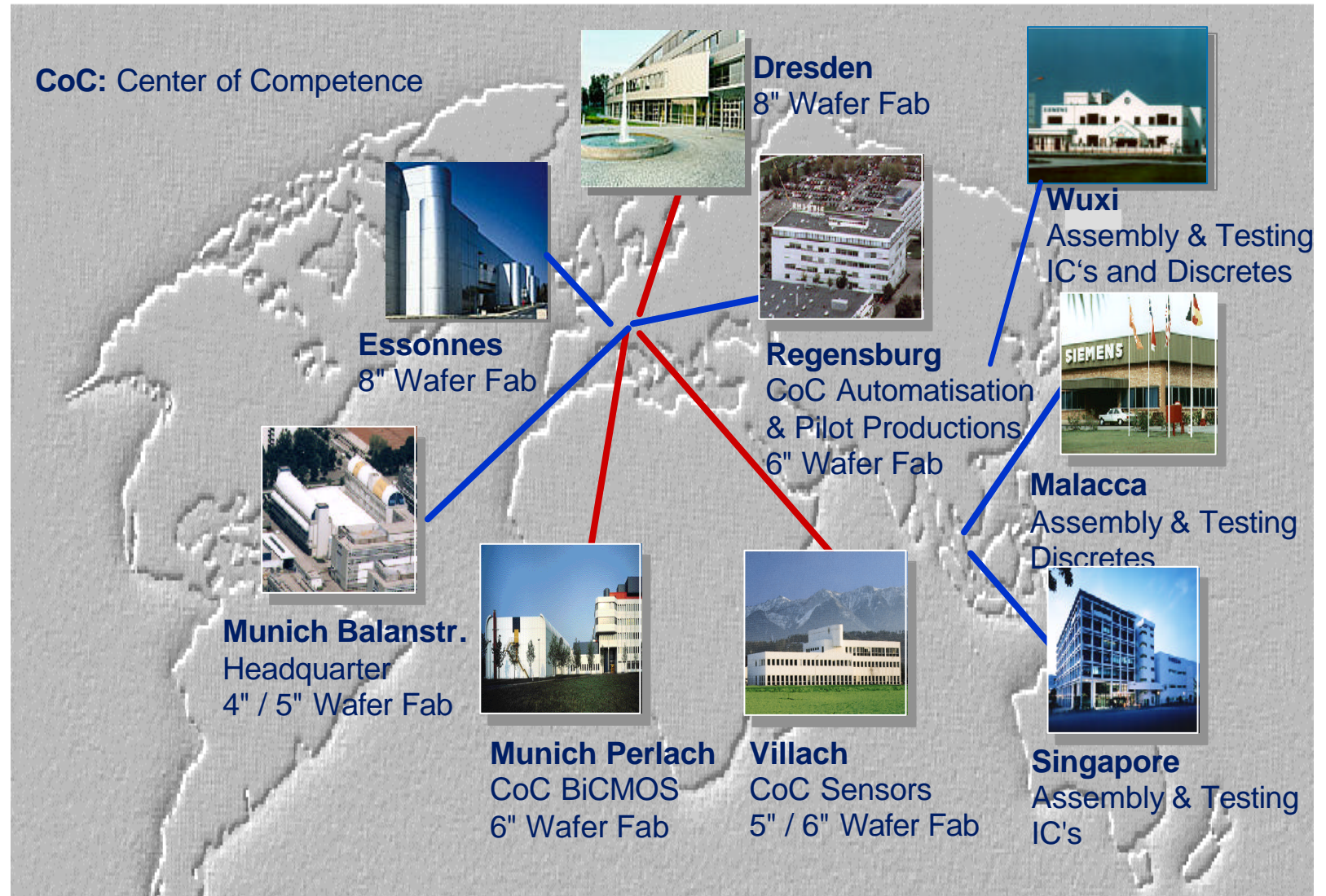
Capturing The Best Designers - Worldwide



Wireless Division

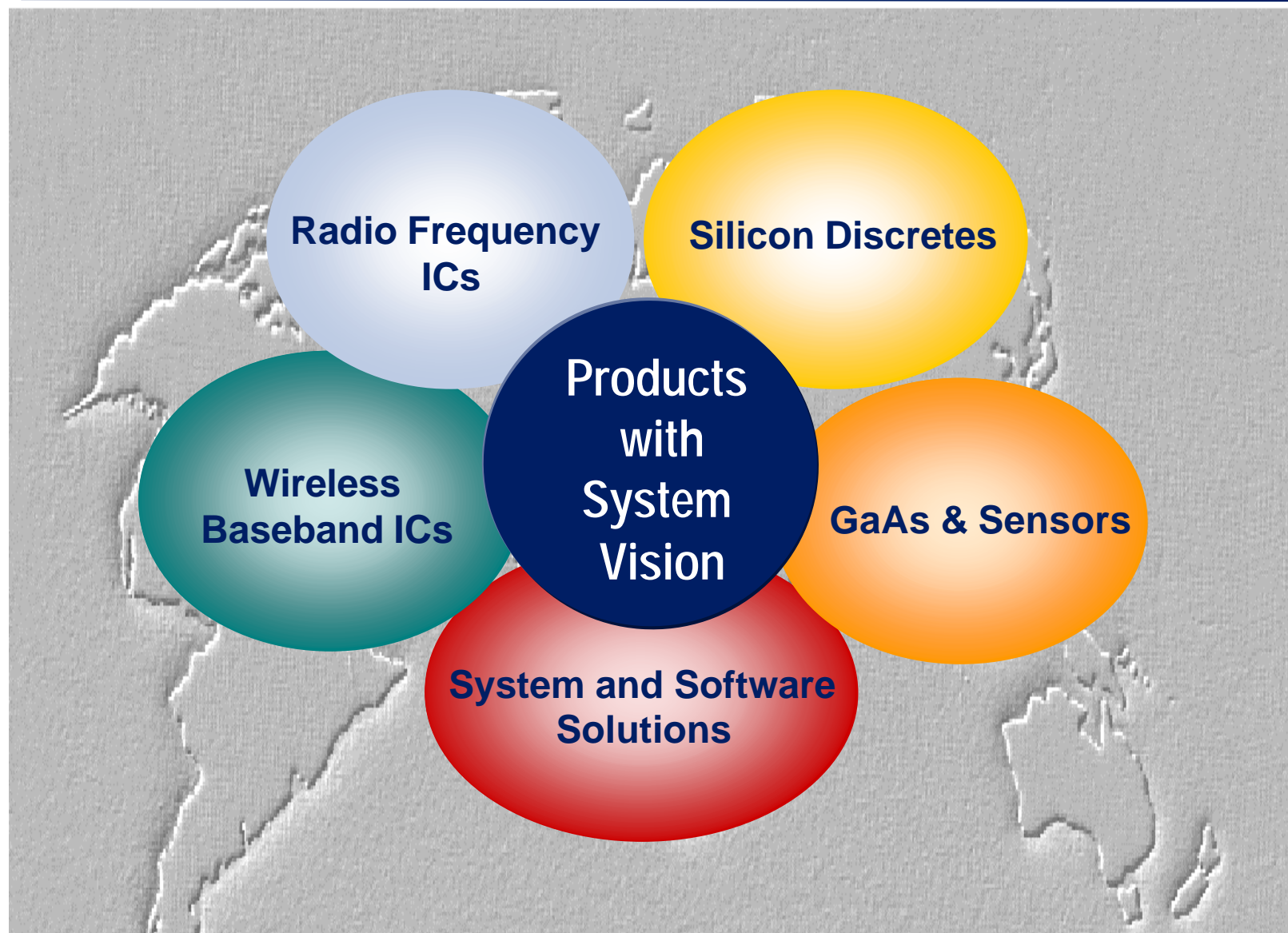
Production sites for world-wide partnership

CoC: Center of Competence



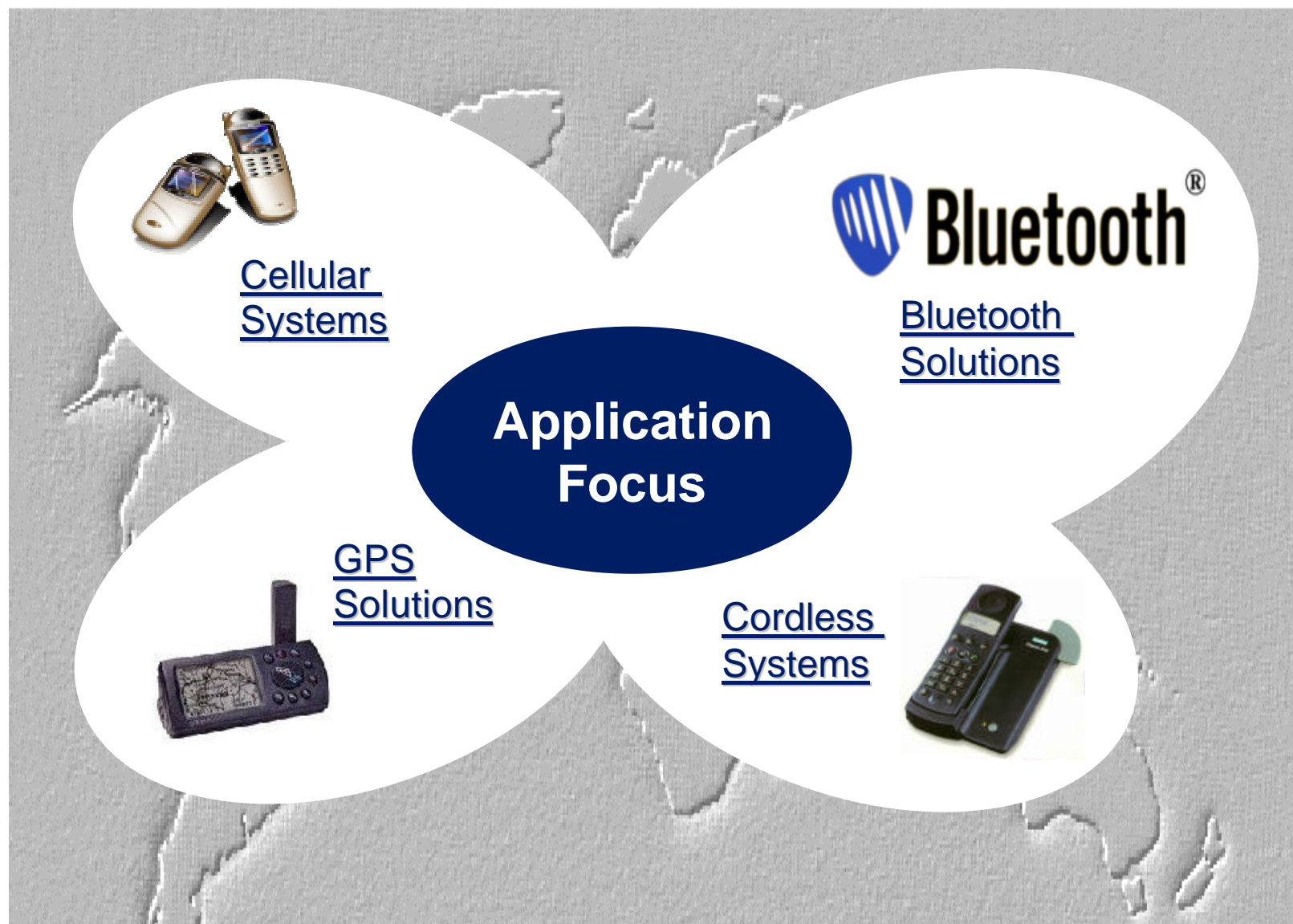
Wireless Systems

! Complete Product Scope with System Vision !



Wireless Systems

Application Focus

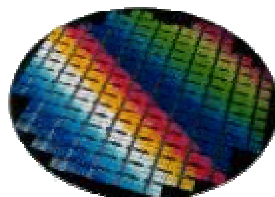


Wireless Systems

Customized Business Offers

Foundry Offer

- Leading Technologies
 - IP
 - ASIC Flow



System Support Solution Offer

- Customized support and solution



Business Offers

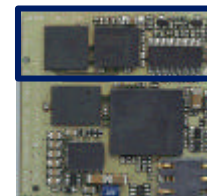
ICs and Discretes Offer

- Products with System Vision



System Modules Offer

- Application optimized solution

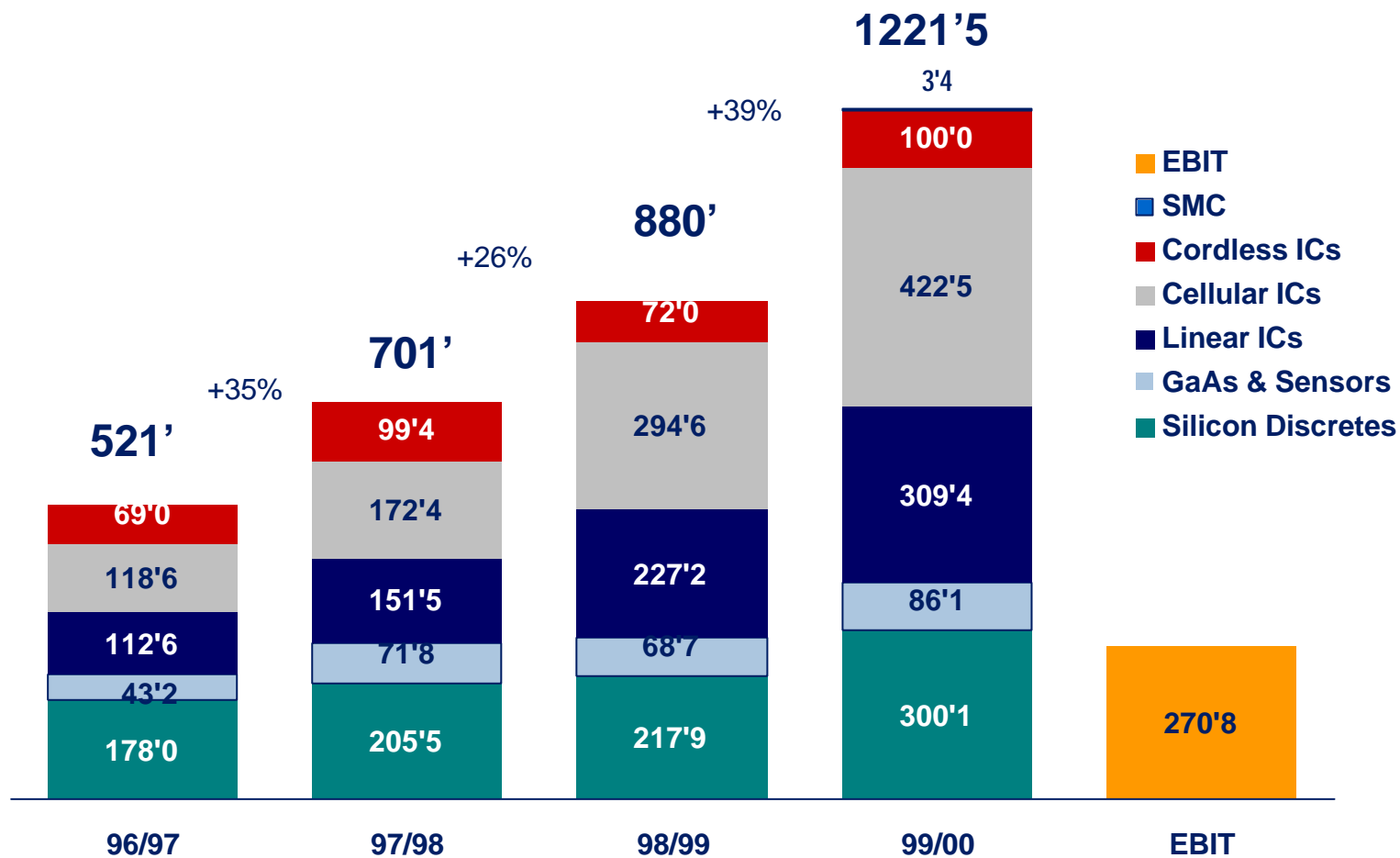


Bluetooth

GSM

Wireless Division

Sales Development



Values in Mio. Euro

Confidential

Wireless Systems

RF ICs Track Record - RF Business

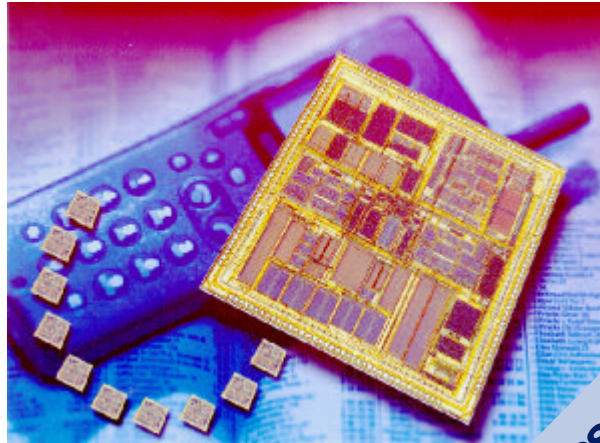


- 1st RF IC Bluetooth in mass production
- 1st single Chip DECT Transceiver
- 1st complete RF solution for WDCT
- 1st single chip GSM transmitter
- 1st single GSM chip receiver



Wireless Systems

BB ICs Product Track Record



Roadmap to Wireless Multimedia

E-Gold 100+: **1st** fully GPRS-capable integrated solution for GSM generation 2.5 (in 0,18 μm)

E-Gold+: single-chip adaptive multi-rate IC and power management IC

World's **1st** 0,25 μm single-chip GSM solution (E-Gold) - opens the era of new architecture

- World's **1st** 0,25 μm GSM chipset (Hi-Gold V4)



Cellular Business

System Aspects - Evolution of Handsets

