

PRESS RELEASE

Infineon Strengthens its Power Activities by Acquiring Primarion

Neubiberg, Germany – April 28, 2008 – Infineon Technologies (FSE/NYSE: IFX) today announced that the company has acquired one hundred percent of Primarion, Inc. to further strengthen its activities in the field of power management applications.



Primarion is among the leaders in designing, manufacturing and marketing digital power ICs for computing, graphics and communication applications. Primarion is a fabless company, headquartered in Torrance, California.

"Infineon will now be positioned to set the benchmark in system density, efficiency and control by combining the performance of Primarion's digitally controlled power-management devices with Infineon's leading power semiconductors portfolio," said Peter Bauer, Member of the Management Board and Head of Infineon's Automotive, Industrial and Multimarket Business Group. "The addition of Primarion helps accelerate our access to the potential growth in the digital power segment by providing advanced system solutions for our customers. This investment is also a great complement to our power management activities based out of Villach in Austria."

Digital power is a fast-growing emerging market for ICs in power supplies and is increasingly replacing today's traditional analog solutions. Advantages of digital power ICs include the ability to optimize the efficiency and performance of the power supply over all conditions on the fly by adjusting key system parameters with advanced diagnostics, telemetry and non-linear control. This leads to increased density and reduced system cost through the removal of bulky output capacitors and the integration of many passive components required for "tuning" analog solutions. According to a December 2007 report by market analyst firm iSuppli, an annual growth of approximately 50 per cent is expected from 2007 to 2011.

Following the carve-out of Qimonda in 2006, Infineon is focusing on three key areas of business: Energy Efficiency, Communications and Security.

The company announced its intention to address these areas both through acquisitions and investment in organic growth. Following the acquisition of Texas Instruments' DSL CPE business and LSI's Mobility Products Group last year, the acquisition of Primarion is another major step in strengthening Infineon's core business. Infineon already delivers innovative high-performance solutions with best-in-class technologies that help save energy and reduce pollution. The company's products are the basis for intelligent and optimal use of energy resources, be it along the entire power supply chain, in industrial applications, in household appliances or in hybrid cars.

About Infineon

Infineon Technologies AG, Neubiberg, Germany, offers semiconductor and system solutions addressing three central challenges to modern society: energy efficiency, communications, and security. In the 2007 fiscal year (ending September), the company re-reported sales of Euro 7.7 billion (including Qimonda sales of Euro 3.6 billion) with approximately 43,000 employees worldwide (including approximately 13,500 Qimonda employees). With a global presence, Infineon operates through its subsidiaries in the U.S. from Milpitas, CA, in the Asia-Pacific region from Singapore, and in Japan from Tokyo. Infineon is listed on the Frankfurt Stock Exchange and on the New York Stock Exchange (ticker symbol: IFX).

Further information is available at www.infineon.com.

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