News Release/Presseinformation

Infineon Enables Mass Deployment of Video Home Networking: Reliable Plastic Optical Fiber Solution Transmits High-Definition Content to the End-User's TV or Audio Set

Munich, May 16, 2006 - Infineon Technologies AG (FSE/NYSE: IFX), a leading provider of communication ICs, today announced a revolutionary plastic optical fiber (POF) to Ethernet transceiver solution that enables mass deployment of Video Home Networking driving IPTV and HDTV services. As opposed to other wired and wireless solutions for broadband connectivity POF makes for highly flexible, secure and stable solutions with virtually no bandwidth limitations. Infineon's POF transceiver provides better economics, high reliability due to dedicated high bandwidth for each connection and can be easily installed without any need for special equipment.

Already proven in safety and entertainment applications in the automotive industry, POF is now being adapted by Infineon for the innovative new application of delivering high-performance video home networking. The technology meets all the requirements for delivering stable high-definition (HD) video content. The transceiver fully supports Fast Ethernet transmission at 100MBit/s using standard, economic POF wire with 1 mm core, which can easily be cut to length and installed by end users. Designers of broadband gateways and IP set-top boxes can directly integrate Infineon's POF transceiver, which features full light-to-logic functionality, by connecting it to Fast Ethernet Physical Layer ICs. On the consumer side, POF adapters based on the Infineon transceiver will allow end users who already have broadband systems at home to simply connect their modems to their IP set-top Box or TV using POF and enjoy secure, ultra-fast video transmission with a minimum investment.

According to IMS Research, the home networking market will more than double by 2009, reaching an installed base of nearly 100 million units compared to 42.5 million units in 2005. On the services side, an iSuppli report forecasts the number of telephony-enabled (e.g., xDSL and FTTx) IPTV subscribers will grow from 2.4 million in 2005 to more than 60 million by 2010, for a CAGR of 92 percent.

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The Infineon POF to Ethernet transceiver takes advantage of an innovative, easy-to-use fiber coupling technology in which the fiber is cut with a simple tool and inserted into a receptacle without any connector. Because the POF transceiver employs standard Ethernet interfaces, it makes for a pure plug-and-play device requiring no configuration. Infineon's POF transceiver provides a dedicated medium for delivering IPTV/HDTV and triple-play services, unlike existing shared-media technologies. POF is also an ideal home infrastructure because its use does not create, and is not affected by any electromagnetic interference (EMI). Since video transmission is highly sensitive to EMI, this feature of POF ensures stable, jitter-free video services.

"Our POF solution takes home networking to the next performance level because it allows end users to better utilize their broadband connections and enjoy the full capacity of their high-speed VDSL2 and FTTH modems. Our customers, the CPE designers, can easily integrate the POF transceiver into new gateway designs and High Definition IP set-top boxes, while end users can cost-efficiently upgrade their equipment by simply deploying a set of POF adapters and installing POF," said Christian Wolff, Senior Vice President of the Communication Solutions Business Group and General Manager of the Wireline Access Business Unit at Infineon

The Infineon POF to Ethernet transceiver reference design includes Infineon's single-chip ADM6992SX Fiber-to-Fast Ethernet converter coupled with the company's leading-edge fiber optic transceiver (FOT). The combination of the ADM6993SX and FOT provides a system that converts from POF optical signal directly to standard fast Ethernet without any further glue logic. The ADM6992SX, which converts fiber transmission signals to Ethernet protocol and vice versa includes an Ethernet L2 switch controller. Infineon's FOT is an optical PHY device which provides the mechanical receptacle and integrates optical transmitter/receiver. Using FOT requires no connectors on the POF wire, making for simple, hassle free installation.

Availability and Prices

The Infineon POF reference design is available now. The set of POF transceiver and ADM6992SX chips is priced at US$12.0 for volume orders.

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About Infineon

Infineon Technologies AG, Munich, Germany, offers semiconductor and system solutions for automotive, industrial and multimarket sectors, for applications in communication, as well as memory products through its subsidiary Qimonda. With a global presence, Infineon operates through its subsidiaries in the US from San Jose, CA, in the Asia-Pacific region from Singapore and in Japan from Tokyo. In fiscal year 2005 (ending September), the company achieved sales of Euro 6.76 billion with about 36,400 employees worldwide. Infineon is listed on the DAX index of the Frankfurt Stock Exchange and on the New York Stock Exchange (ticker symbol: IFX). Further information is available at www.infineon.com. Further information on Qimonda is available at www.qimonda.com.

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

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