

Press Release

Infineon and Apax Launch a New Company for Circuit Verifications Infineon Spin-Off Receives a EURO 14 Million Investment from Apax

Munich, 24 May 2005: Apax and Infineon Technologies are pleased to announce the creation of a new company: OneSpin Solutions. This company will develop and license software for the verification of integrated circuits and it will take over the responsibilities formerly held by Infineon's Circuit Verification Environment (CVE) division. By launching this spin-off, Infineon has transferred the staff, the CVE software and the associated patent rights. Financing for the new company is being provided by Apax Partners through a EURO 14 million investment. Recently, all formalities were successfully concluded and the appropriate funding has been provided. German cartel authorities have also issued all the required authorizations.

"The CVE division has been a very successful part of Infineon's overall organization," says Albert Stritter, Director of Design Automation at Infineon "but it wasn't really a part of our core business. But now, thanks to this spin-off and with a strong partner like Apax, OneSpin Solutions can operate as an independent company and invest in its future growth. Naturally, Infineon intends to remain a customer and continue to license OneSpin Solutions' products."

For Apax, OneSpin Solutions is a proprietary investment opportunity and advances in circuit verification are playing a key role in the development of new innovative computer chips. Torsten Krumm, Partner at Apax believes "This new company will be at the forefront of innovations for the functional verification of complex chips, thanks largely to its outstanding team, many years of R & D work and the teams experience with industrial applications. Our goal is to support all these developments and to market OneSpin Solutions - worldwide." When compared to more conventional processes, OneSpin Solutions offers significant quality, time and cost advantages. And due to its advanced software, expensive "re-spins" due to unseen errors in the chip design can now be avoided - which explains why the company was named: OneSpin.

The OneSpin Solutions GmbH will begin operations with 25 employees. In the near future, its R & D team will be significantly expanded and a worldwide sales and marketing team will be hired.

About OneSpin Solutions

The OneSpin Solutions GmbH develops verification solutions for the early phases of chip design and provides related services. Primarily, chip design centers will benefit from the company's products which allow them to significantly increase design quality and productivity. OneSpin Solutions is headquartered in Munich, Germany with customers from a wide range of respected companies: Infineon, Siemens, Bosch, Lucent Germany and Rolls Royce. "Today, designs free of functional errors are becoming a realistic goal for chip manufacturers. In fact, we're proving that it's both technically as well as commercially possible to develop a modern microcontroller without functional errors," adds Wolfram Büttner, CTO at OneSpin Solutions.

The formal verification technology developed by the CVE team is one of the projects sponsored by Germany's Federal Education and Research Ministry. For many years, this team has been recognized as national center of competence in the field of formal verification and their research has also been supported by various programs of the European Union.

About Infineon

Infineon Technologies AG is headquartered in Munich, Germany and offers semiconductor, memory products and complete system solutions for automotive, industrial and communication electronics. Infineon is active worldwide with regional offices for the USA in San Jose, California, for the Asian-Pacific in Singapore and for Japan in Tokyo. With over 35,600 employees around the globe, Infineon had net revenues of 7.19 billion euros in 2004 and is listed on the stock exchanges in both Frankfurt (DAX) and New York (NYSE) under "IFX". For additional information see: www.infineon.com.

About Apax Partners

Apax Partners is one of the leading private equity investment companies worldwide - with offices in Europe, Israel and the USA. With over 30 years of direct investment experience, Apax Partners' managed funds provide entrepreneurs with the long-term financial resources needed to create and expand excellent companies. Apax funds follow a balanced portfolio strategy and participate in all phases of a company's growth, from venture capital to buy-outs.

Funds from Apax Partners are invested in specially selected companies from the following global sectors: Information technology, telecommunications, healthcare,

media, financial services, retail and consumer products. In the field of technology in Germany, Apax Partners invested in the following companies: Acol, Dialog Semiconductor, Elliptec, Q-Cells, Systemonic and SuSE. For additional information see: www.apax.com.

Additional Information

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