



Press Release

November 26, 2014

Joint press release of Infineon Technologies and Schweizer Electronic

Infineon Acquires a 9.4 Percent Stake in PCB Manufacturer Schweizer Electronic

Munich and Schramberg, Germany – November 26, 2014 – The semiconductor manufacturer Infineon Technologies AG (FSE: IFX / OTCQX: IFNNY) and the printed circuit board (PCB) manufacturer Schweizer Electronic AG (FSE: SCE) announced today that Infineon will acquire a 9.4 percent stake in Schweizer. The relevant contracts were concluded today. Both companies agreed on strict confidentiality on the terms.

By investing into Schweizer Infineon emphasizes its intention to jointly develop technologies for the integration of power semiconductors into PCBs and to tap the chip embedding market for high-power automotive and industrial applications. Schweizer's chip embedding technology will round out Infineon's proprietary chip embedding packaging technology BLADE, used for example for direct current supply (DC/DC conversion) that is necessary for processors in computer and telecommunications systems.

Chip embedding yields advantages

While PCBs have chips connected to their front and backside today, chip embedding will permit in the future that the semiconductors can be "embedded" in the inside of the PCB. The PCB will become smaller. This will benefit systems in vehicles, for which there is only little space available such as the electric power steering system, active suspension or electrical pumps. Moreover, the cooling of the chips will be improved. The heat created by the chips is dissipated directly via the PCB. This is particularly beneficial in applications that require high power and whose power semiconductors needed elaborate cooling until now. These are for example the compressors in a vehicle air-conditioning system, where electrical power may reach up to 2 kilowatts (kW). In addition, the automotive industry expects the 48-volt network to gain importance besides the already present 12-volt on-board network.

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Since higher electrical power can be used this way, it will be easier to expand hybrid functionality (“eTurbo” with 5kW up to 20kW) to vehicles of lower and medium price segments as well. This is where chip embedding can help.

Dr. Reinhard Ploss, CEO of Infineon Technologies AG, says: “We improve the performance and energy efficiency of vehicles and industrial applications with system competence and the use of highly innovative technologies. Our shareholding in Schweizer Electronic AG supports us on the road from product thinking to system understanding. Chip embedding yields a great added value for our customers, as their systems become more compact and even more efficient at the same time.”

Dr. Marc Schweizer, CEO of Schweizer Electronic AG, explains: “System boundaries between PCBs and semiconductors are going to change, and this requires new business models. We are expecting a high growth potential here in a few years. Infineon is the technology leader for power semiconductors and Schweizer is a leading manufacturer of high-performance printed circuit boards in the automotive and industrial segments. Owing to their excellent market positions and good customer relations, our two companies are a very good fit. We have already proven this to be the case by our jointly developed demonstrators for tailor-made customer solutions.”

And in view of the long company tradition, Dr. Schweizer adds: “In the course of its 165-year company history, Schweizer has proven time and again that it generates sustainable business development through its flexibility and capacity to quickly adjust to market trends. The agreement with Infineon is one next step to contribute to shaping the future in the electronics industry.”

Infineon is technologically leading in power semiconductors and Schweizer is leading in high-performance PCBs. As suppliers of the automotive industry, each of the companies is the number two in the global ranking of their product markets.

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For several years already, Infineon and Schweizer have collaborated in automotive electronics. In October 2013, for example, they presented a jointly developed battery switch, which enables the car battery to be safely disconnected in case of an accident or other critical situations.

About Schweizer

Schweizer Electronic AG is a global best-in-class technology company, manufacturing premium PCBs, innovative solutions and services for automotive, solar, industry and aviation electronics. Based on recognized technology and consultancy competencies, Schweizer's products and systems address key challenges in the areas of Power Electronics, Embedding and System Cost Reduction and are characterized by energy and environmentally friendly features. Together with its partners Elekonta Marek GmbH & Co. KG, Meiko Electronics Co. Ltd. and WUS Printed Circuit., Ltd. the company offers through its electronics division cost and production optimised solutions for small, medium and large series and within this network employs more than 20,000 people in Germany, Japan, China and Vietnam.

With about 700 employees Schweizer achieved sales of 101.2 million Euro in Fiscal Year 2013 (ending December). The company was founded in 1849, is managed by family members and listed at the Stuttgart and Frankfurt Stock Exchanges (ticker symbol „SCE“, „ISIN DE 000515623“). Further information is available at www.schweizer.ag

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About Infineon

[Infineon](#) Technologies AG, Neubiberg, Germany, offers semiconductor and system solutions addressing three central challenges to modern society: [energy efficiency](#), [mobility](#), and [security](#). In the 2013 fiscal year (ending September 30), the company reported sales of Euro 3.84 billion with close to 26,700 employees worldwide. Infineon is listed on the Frankfurt Stock Exchange (ticker symbol: IFX) and in the USA on the over-the-counter market OTCQX International Premier (ticker symbol: IFNNY). Further information is available at www.infineon.com

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

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