

SP Devices takes over part of Infineon business in Sweden

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Linköping, Sweden (July 24, 2007)

SP Devices and Infineon have signed a Purchase Agreement for the takeover of Infineon's facilities and equipment in Linköping. At the same time the Parties has signed a two year Frame Agreement under which SP Device will provide development and product support to Infineon.

Infineon's current personnel in Linköping have signed new employment contracts with SP Devices and will join SP Devices on September 1st. The work under the Frame Agreement initially aims to secure Infineon's present and future cordless and IP projects.

The commercial terms of the agreements are undisclosed.

Jonas Nilsson, CEO of SP Devices stated that "This is an important order that strengthens SP Devices position on the market. Furthermore, the high competence of our new employees will speed up our product development, especially in the area of analog and digital chip design. The takeover of Infineon's business in Linköping is a natural step of SP Devices' expansion plan. "

"We are very pleased to have reached a positive solution for our team in Linköping in a very short time. This co-operation will offer our employees an interesting environment in an ambitious company and both companies, SP Devices and Infineon, will benefit from it." commented Andreas Pötz, Managing Director of Infineon Nordic AB.

SP Devices (Signal Processing Devices Sweden AB) develops and markets signal processing electronics and algorithms with focus on digital post processing of analog-to-digital-converters. SP Devices technology enhances the ADCs' performance so that, otherwise unfeasible high speed and high resolution can be achieved. Customers are semiconductor companies and system manufacturers in the area of Wireless Infrastructure, Software Defined Radio, medical electronics, and more.

Infineon Technologies AG, Neubiberg, Germany, offers semiconductor and system solutions addressing three central challenges to modern society: energy efficiency, communication and security. In fiscal year 2006 (ending September), the company achieved sales of Euro 7.9 billion (including Qimonda sales of Euro 3.8 billion) with approximately 42,000 employees worldwide (including approximately 12,000 Qimonda employees). With a global presence, Infineon operates through its subsidiaries in the US 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)

For more information, contact:

SP Devices Sweden AB
Jonas Nilsson, CEO, SP Devices
+46 (0)13 465 06 01
Jonas.nilsson@spdevices.com

Infineon Technologies Nordic AB
Andreas Pötz
+46 0(8) 757 50 00
Andreas.Poetz@infineon.com