

News Release/Presseinformation

Infineon and Metalink Drive G.SHDSL Interoperability Momentum

San Jose, Calif. and Yakum, Israel, July 10, 2001 - Infineon Technologies (FSE/NYSE: IFX), a leading supplier of communication IC solutions, and Metalink Ltd (NASDAQ:MTLK), a leading broadband access chip-set provider, today announced that they have achieved full single-pair high-speed digital subscriber line (G.SHDSL) interoperability with each other's DSLAM and CPE/IAD G.SHDSL integrated circuit (IC) chipsets.

"The interoperability of different vendors' chipsets is a critical factor that will ensure the rapid deployment and success of G.SHDSL solutions in the marketplace," said Christian Wolf, vice president of Infineon's communications business group and general manager of the carrier access business unit. "Working with Metalink engineers, we have successfully achieved interoperability over every scenario that could be encountered and this makes G.SHDSL an even more attractive and cost-effective option for our customers."

"Metalink and Infineon have proven the full interoperability of their G.SHDSL chipsets in all DSLAM and CPE/IAD scenarios, a fact that will help to encourage telecom carriers in Europe, North America and Asia to quickly deploy competitive integrated voice and data services over DSL" said Hudi Zack, Chief Operating Officer, Metalink Ltd. "The ongoing collaboration of chipset vendors on G.SHDSL interoperability testing will give carriers more reason to mass-deploy G.SHDSL based solutions for residential and business users."

Infineon and Metalink have also conducted additional G.SHDSL interoperability testing at the University of New Hampshire InterOperability Laboratory (UNH-IOL) G.SHDSL Consortium testing facility, where both companies are members. The UNH-IOL is an independent testing arena designed to test the interoperability of chipset vendor and

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OEM products from a technical perspective with the goal of uncovering interoperability issues in the laboratory before they make it into the marketplace and become a potential roadblock in the customer's network.

In early June 2001, Infineon and Metalink successfully demonstrated the interoperability of their respective DSLAM and CPE/IAD G.SHDSL chipsets at the DSL Forum Interoperability Showcase at Supercomm in Atlanta.

G.SHDSL

In addition to offering excellent spectral compatibility with legacy and new services offered by worldwide telecom carriers across multiple data rates, G.SHDSL provides superb reach, lower power consumption and higher integration. G.SHDSL technology is a multi-rate evolution of HDSL2 that provides high-speed symmetric transmission at speeds up to 2.3 Mbps over existing twisted copper pairs. G.SHDSL enables data, voice and video to be transmitted over distances never before attained by other flavors of symmetric DSL technology. In February 2001, the International Telecommunications Union (ITU) ratified the "G 991.2 SHDSL" standard. As a result of its superior performance, G.SHDSL is quickly emerging as the most pragmatic and cutting-edge DSL solution for service providers.

About Infineon

Infineon Technologies AG, Munich, Germany, offers semiconductor and system solutions for applications in the wired and wireless communications markets, for security systems and smartcards, for the automotive and industrial sectors, as well as memory products. With a global presence, Infineon operates in the US from San Jose, CA, in the Asia-Pacific region from Singapore and in Japan from Tokyo. In the fiscal year 2000 (ending September 2000), the company achieved sales of Euro 7.28 billion with about 29,000 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.

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Any statements in this document that are not statements of historical fact are "forward-looking" and therefore involve risks and uncertainties; actual results may differ from such forward-looking statements.

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Important factors that could cause actual results to differ from those indicated by such forward-looking statements include uncertainties relating to the acceptance of our communications IC solutions, including our xDSL technology offerings, and other business factors and uncertainties that are discussed in our fillings with the U.S. Securities and Exchange Commission, including in the "Risk Factors" section of our Annual Report on Form 20-F for the year ended September 30, 2000. Infineon Technologies undertakes no obligation to publicly release the results of any revisions to these forward-looking statements that may be made to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

About Metalink Ltd.

Metalink Ltd., a fabless semiconductor company, develops and markets high performance broadband access chip sets used by telecommunications and networking equipment makers. Metalink's broadband silicon solutions enable cost effective, very high speed streaming video, voice and data transmission and delivery throughout worldwide communication networks. The Company's top-level algorithmic designers, along with its leadership in standards bodies worldwide, are establishing Metalink as a leader in the field of broadband access. Metalink continues to implement its strategic growth plan of focusing on high growth video deployment and voice over Digital Subscriber Line (DSL) applications and capitalizing on its industry leading G.SHDSL and VDSL technologies. Metalink's headquarters are located at Yakum Business Park, Yakum, 60972 Israel, Tel: 972-9-9605555, Fax: 972-9-9605544. Metalink's U.S. Subsidiary is located at 105 Lake Forest Way, Folsom, CA 95630 Tel: 916/355-1580, Fax: 916/355-1585. For more information please visit Metalink's Web site at http://www.metalinkdsl.com.

This press release contains forward-looking statements that are subject to risks and uncertainties. Factors that could cause actual results to differ materially from these forward-looking statements are set forth from time to time in Metalink's filings with the Securities and Exchange Commission, including Metalink's Form F-1.

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