

Chip maker Infineon trims loss, sees larger writedowns

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Flags with the logo of German chip maker Infineon fly in Munich, southern Germany. Troubled German semi-conductor maker Infineon said Wednesday that it had managed to limit its quarterly loss but warned that full-year asset writedowns would be larger than expected.

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Infineon said it suffered a loss of 23 million euros (33 million dollars) in its third quarter which runs from April through June but that was much better than the loss of 379 million euros in the same period a year earlier.

It said the results did not include its bankrupt memory [chip maker](#)

Qimonda.

Infineon said quarterly [operating profit](#) fell 18 percent from a year earlier to 845 million euros but was up 13 percent from the three months to March.

An improved economic outlook and cost-cutting programmes were responsible for the comparatively better result, the company said, and sales were expected to pick up in the group's final quarter through to September.

Infineon warned too that annual charges for depreciation and amortization would exceed its previous forecast of 500 million euros.

The company has suffered from the collapse of component sales to the [auto industry](#) and is being restructured by a new investor, the US investment fund Appolo Global Management.

Appolo it to help Infineon come up with 725 million euros in fresh capital.

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