

Intel to invest \$7.1B in Malaysia chipmaking expansion

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CEO of Intel Corporation Pat Gelsinger speaks during a press conference at a hotel in Kuala Lumpur, Malaysia, Thursday, Dec. 16, 2021. Intel Corp will invest more than US\$7 billion (RM29.6 billion) to build a new chip-packaging and testing factory expanding production in the Malaysia following a global shortage of semiconductors. Credit: AP Photo/Vincent Thian

Intel said it will invest 30 billion ringgit (\$7.1 billion) to expand its manufacturing operation in Malaysia as chipmakers work to diversify their global supply chains that were hit hard by the COVID-19 pandemic.

The U.S. semiconductor company is no stranger to Malaysia, where it built its first offshore assembly plant in Penang in 1972.

But the Santa Clara, California-based chipmaker said Thursday the new investment will expand the operations of its Malaysian subsidiary across Penang and Kulim, creating more than 4,000 new Intel jobs and more than 5,000 local construction jobs. That's on top of 13,000 people that Intel already employs in Malaysia, roughly 10% of the company's global workforce.

"This latest investment bolsters Malaysia's role as a prominent site in Intel's global manufacturing network," Mohamed Azmin Ali, the country's senior minister of international trade and industry, said in a statement.

He said it will expand Intel's assembly and test manufacturing, "while also building out die prep capability with the addition of advanced packaging capabilities," and help fulfill [global demand](#) driven by pandemic-fueled chip shortages.

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