

Microsoft to invest 2.2 bn euros in Spain data centers

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Microsoft's planned investment in Spain's Aragon region is now touching nearly 6.7 billion euros.

Microsoft is to invest 2.2 billion euros (\$2.4 billion) in a huge data center project in northeastern Spain, regional authorities said



Wednesday as the area seeks to establish itself as a cloud storage hotspot.

The announcement, which follows other plans unveiled by the US software giant, raises to nearly 6.7 billion euros Microsoft's planned investment in Aragon, regional leader Jorge Azcon told reporters.

It also follows a similar announcement by Amazon which in May said its cloud computing division would invest 15.7 billion euros to expand its data centers in Aragon, where it currently has three operating.

"This is great news for the Aragonese economy," said Azcon, highlighting the <u>economic benefits</u> expected from this investment which he believes will have "a knock-on effect" in attracting other companies.

Microsoft had in October announced its intention to build a data center campus in Aragon to provide "cloud services to European companies and public bodies" without saying how much investment that would entail.

Citing figures provided by the IDC consultancy, Microsoft said the project with its 88-hectare (217-acre) campus could "contribute to the creation of more than 2,100 technology jobs in Aragon between 2026 and 2030".

"Data centers will undoubtedly play a fundamental role as the first link in the chain... that will generate investment, innovation and a wider range of digital services in our community," Azcon said.

For months now, big tech has been increasing its investment in <u>data</u> <u>centers</u>, where servers are housed to store the huge amounts of information used by both companies and individuals.

This growth is in line with the needs driven by the demand to develop generative artificial intelligence which requires locations with a robust



electrical capacity because these data farms consume a vast amount of energy.

In that respect, Aragon is an ideal location given it is a sparsely populated region with ample sunshine and strong wind exposure that is home to both solar and wind farms, and well connected to Spain's communications networks.

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