



**SENIOR MINISTER  
MINISTER OF INTERNATIONAL TRADE AND INDUSTRY**

**PRESS RELEASE**

**FURTHER EXPANSION OF GERMANY'S INFINEON TECHNOLOGIES AG HUB  
IN KULIM, KEDAH IS A TESTAMENT TO OUR STRONG ELECTRICAL AND  
ELECTRONICS (E&E) ECOSYSTEM**

Infineon Technologies, Germany's global semiconductor producer recently announced its expansion-related investments of RM11.53 billion (€2.4 billion) worldwide in the fiscal year of 2022 and has chosen to transfer its silicon carbide and gallium nitride epitaxy production to Kulim Hi-Tech Park and expand its manufacturing base in Malaysia.

This was expressed during a meeting in conjunction with the Trade and Investment Mission (TIM) to Stuttgart, Germany on the 14<sup>th</sup> October 2021 where I met with Jochen Hanebeck, the Chief Operating Officer of Infineon Technologies and handed him an offer letter from the Government of Malaysia indicating the nation's interest to support and facilitate Infineon's further investment plans. Currently, Malaysia is one of Infineon's main regional hubs which has already invested RM20 billion, with its integrated semiconductor manufacturing operation in place. The value of this expansion will be announced in due course.

Infineon also expressed that it will continue to be a strategic partner to Malaysia in accelerating the growth of electrical and electronics (E&E) industry, particularly towards moving up the value chain in areas of packaging, testing integrated circuits, and wafer processing. The announcement is also in line with the company's long-term plan for an increment of 50 per cent investment in its 2022 fiscal year to address the increase in demand, resulting from growth drivers such as electrification and digitalisation of sectors globally. This will ultimately expand Infineon's revenue base, underscoring Malaysia's prominence as one of the biggest and key semiconductor hubs in the region.



Indeed, this is a true testament to our conducive ecosystem and the capability of our local talent to support their long-term growth. This expansion will certainly lead to the creation of high-quality jobs and niche technology capabilities, of which the Malaysian Government will continue to work closely with Infineon Technologies in introducing strategic measures to solidify our growth.

Going forward, the Government will ensure a conducive environment for global semiconductor leaders to move up the value chain through stronger adoption of advanced technologies and production of new sophisticated products. In this regard, the E&E industry has been identified as one of the strategic and high impact industries under the Twelfth Malaysian Plan (12MP) that will catalyse the nation's economic growth.

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**SENIOR MINISTER**  
**MINISTER OF INTERNATIONAL TRADE AND INDUSTRY**  
**21 OCTOBER 2021**