



## *Infineon to invest \$444m and hire 130 new staff here*

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GERMAN semiconductor company Infineon will pump €250 million (\$444 million) into Singapore over the next few years and will hire 130 new staff.

By the end of this year, it will have invested €50 million in Singapore, where it has nearly 2,000 workers at its computer chip testing site and a research and design centre in Kallang.

Infineon's chief executive Peter Bauer was in town to announce its plans yesterday at a media conference in the Pan Pacific Hotel. As part of this expansion, Infineon will hire another 130 staff for its R&D centre, he said. It currently has 260 engineers.

The centre, set up in 1991, was the firm's first non-European R&D centre. Infineon's engineers here work on some of

its most cutting-edge work, like embedding security chips into consumer devices to ensure products like cellphones will not work unless genuine parts are used.

Infineon, with 27,000 staff worldwide, has five other R&D sites in the region, in China, India, South Korea, Taiwan and Malaysia. Although Singapore "is not a cheap country by comparison to others in the region", Infineon has found the Republic to be "an ideal business and R&D springboard for Infineon", said Mr Bauer.

One reason is the widespread use of English here; another is Singapore's

proximity and good transport links to Asia, the world's biggest market for computer chips, he said. In Infineon's case, its regional customers contributed 42 per cent of Infineon's €3.3 billion in sales last year.

Asia, he added, is Infineon's fastest growing market and will continue to be so for years to come given there is "no

alternative to semiconductors".

Infineon, Mr Bauer said, is also looking at putting together a hub for testing chips here, although these plans are still in the preliminary stage.

Mr Bauer, though, has high hopes for the hub, which will be tasked with identifying ways to use automation so as to improve the productivity of its testing centres worldwide by 50 per cent.

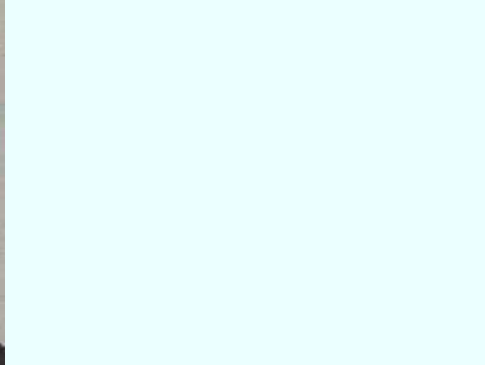
Economic Development Board chairman Leo Yip said he was "pleased Infineon has decided to make Singapore its strategic base in Asia to drive business, innovation and talent development". Singapore's semiconductor sector, boasting more than 70 companies involved in chip manufacturing, testing and design, employs 40,000 workers.

IM Flash Technologies, a joint-venture between Intel and Micron, opened a US\$3 billion (\$3.7 billion) wafer fab facility here in April. The month before that, Taiwan's MediaTek opened a facility for chip design and testing and customer support at the one-north park. In January, GlobalFoundries - formerly Chartered Semiconductor, Singapore's biggest chipmaker - said it planned to double global spending on plant and equipment this year to US\$5.4 billion.

  
back



Mr Peter Bauer said Infineon is also looking at putting together a hub for testing chips here, although these plans are still in the preliminary stage. ST PHOTO: SAM CHIN





# Infineon investing 50m euros in S'pore this year

It's part of a 250m euro investment over the next 3-5 years to boost output, R&D here, reports **AMIT ROY CHOUDHURY**

**G**ERMAN semiconductor giant Infineon Technologies AG has announced that it would be investing 50 million euros (\$88.8 million) in Singapore this year in production capacity expansion and research & development.

This is part of 250 million euros that the company plans to spend in Singapore over the next 3-5 years, according to Peter Bauer, Infineon CEO. Singapore is the company's Asia-Pacific headquarters. It is also the supply chain hub of the company in the region.

Mr Bauer added that during this period, the company plans to increase the number of R&D engineers in the existing development centre here from the current 260 to 390.

The expansion will reinforce Infineon's R&D activities in deep sub-micron system-on-chip integration

and multi-core architecture development based on Infineon's 32-bit TriCore; and power integrated circuits (IC) solutions, he added.

"We are making a home in Asia so that we become locally rooted and more effective in developing our markets. Singapore is an ideal business and R&D springboard for Infineon to serve the region, as well as the main hub for sourcing knowledge and talents."

Andrew Chong, Asia Pacific president and MD of Infineon, noted that even though a lot of assembly work has shifted from Singapore to Malaysia, the company was keen to maintain a manufacturing presence in Singapore.

Noting that the company has a lot of testing capabilities in Singapore, he told BizIT: "We are putting together a team of people who will formulate testing concepts which will be used globally by the company - Singapore will be the global centre of excellence for testing in Infineon."

He added that as products get more complex, the value of testing also becomes high and so by "innovating in this area we will get a lot of value out of this".

Mr Chong said that it would take a couple of years to get everything in place but ideally, Infineon would like to keep its 1,200 manufacturing staff in Singapore and re-train them for this higher value added testing operation.

Mr Bauer noted that apart from Singapore, Infineon would be making two significant investments in Malaysia in the current financial year. "We will be investing 156 million euro at our Kulim site for front-end chip production. This investment will allow us to upgrade manufacturing facilities and add 220 jobs which will grow the workforce to 1,700."

The second investment would be in Malacca for the company's assembly and testing site.

## Dynamic market



“We will invest 114 million euro this fiscal year and expand production capacity of power semiconductors for energy efficiency application. This will add 350 jobs, taking the total workforce to 7,000.”

Explaining the reason for all these investments, Mr Bauer noted that the Asia-Pacific was the most dynamic semiconductor growth market with about 58 per cent global share. Also, the region had the highest semiconductor growth by consumption in the past five years.

For Infineon, Asia-Pacific including Japan (APJ) accounted for 42 per cent of total global sales (for the latest financial year of 2010). Mi-

nus Japan, the region accounted for 36 per cent of global sales, up from just 14 per cent in 2000.

Every other geography has shown a decline in sales from 2000 to 2010.

Mr Bauer noted that a number of key trends are driving the company's growth in Asia. “These include the continued growth of China, Korea, Malaysia, Singapore and the emergence of India as a large market.”

Apart from this, infrastructure build-out and a growing middle class is leading to consumer spending on cars and white goods which have semiconductor parts.

All this is helping drive growth, he added.

Commenting on the Infineon investment decision, Leo Yip, chairman of the Singapore Economic Development Board (EDB), said that his organisation was pleased that Infineon had decided to make Singapore its strategic base in Asia to drive business, innovation and talent development.

“The project reflects Singapore's ability to attract and support leading edge semiconductor R&D activities. With this expansion, Infineon will build a pool of deep and comprehensive R&D capabilities that will further strengthen our electronics cluster.”



**‘The expansion will reinforce Infineon’s R&D activities in deep submicron system-on-chip integration and multi-core architecture development based on Infineon’s 32-bit TriCore; and power integrated circuits solutions.’**

*– Peter Bauer*



## 英飞凌科技将投四亿余元 扩展本地产能更新研发设施

欧洲最大的半导体制造商之一英飞凌科技 (Infineon Technologies) 宣布, 公司将在未来三五年内投资2亿5000万欧元 (约4亿4300万新元), 为其位于新加坡的工厂拓展产能及更新研发设施。

单在今年, 英飞凌科技便有意投资5000万欧元于新加坡。它在新加坡设有晶片封测厂以及研发及设计中心, 雇用约2000员工。英飞凌亚太区总部也座落于新加坡。

英飞凌首席执行官彼得·鲍尔 (Peter Bauer) 昨日在新加坡宣布以上消息时也透露, 这个扩充计划, 将包括为其设于新加坡的设计中心聘请另外130人。该中心目前聘用着250位工程师。

这些工程师将从事英飞凌的一些最先进的项目, 例如手机等消费电子设备的安全晶片, 确保有关产品将只有在使用正版零件时才可以使用, 这类零件包括电池。

彼得·鲍尔还表示, 公司正在探讨于新加坡设立一个测试电脑晶片的中枢, 负责确认改善它在全球各地的测试中心的生产力的方法, 要把各中心的生产力提高达50%。

英飞凌为全球半导体解决方案领导厂商, 成立于1970年, 原属于西门子集团 (Siemens) 的西门子半导体事业部, 1999年4月该部门独立成立英飞凌科技公司。

单在今年, 英飞凌科技便有意投资5000万欧元于新加坡。它在新加坡设有晶片封测厂以及研发及设计中心, 雇用约2000员工。



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#### ■ INFINEON TECH TO INVEST MORE THAN S\$4.92M IN ASIA

As Asia continues to drive growth for the semiconductor industry, Europe's second-largest semiconductor firm Infineon Technologies plans to invest more than US\$400 million (S\$492 million) in its Asian operations this year.

Analysts say growth in the semiconductor market has been fuelled by the demand for more handset and tablet devices. The semiconductor industry performed remarkably for last year and going forward it is expected to see growth of at least 6 to 7 per cent, according to analysts.

- Asia, which accounts for close to 60 per cent of the semiconductor market, will continue to drive growth for Infineon Technologies.

The company will likely focus on high power, power transmission and power gen-

eration for growth and intends to invest more than US\$70 million in Singapore alone for production capacity expansion and R & D activities.

Mr Peter Bauer, CEO, Infineon Technologies, said: "In Asia the strong growth comes from the industrial multi-market business and partly also the chip-card business. So our big plans are to materialise the spending of €850 million (S\$1.5 billion) of investment we have this year, which leads to half a billion worth of business."

Infineon says Singapore will be the research and development hub for the Asia region and it intends to pump in about a further US\$300 million within the next 5 years.

Infineon says it plans to increase the number of research and development engineers by 50 per cent in the republic. STELLA LEE



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the euro, calling it a stable currency that has brought many benefits to its member nations, especially Germany. She also threw her support behind French Finance Minister Christine Lagarde, saying she is the embodiment of political and economic experience. Air your views at [www.straitstimes.com](http://www.straitstimes.com)

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## 英飞凌科技居林建厂 斥资近7亿令吉

(吉隆坡讯) 欧洲半导体制造商英飞凌科技 (Infineon Technologies) 将斥资1亿5600万欧元 (约6亿7080万令吉) 在居林建厂房。

根据彭博社报道, 英飞凌科技在新加坡透露, 将在今年于居林建厂, 把原已在当地提供1480个工作机会, 额外增加220个。

英飞凌科技也刚宣布将在未来三五年内投资2亿5000万欧元 (约4亿4300万新元), 为其位于新加坡的工厂拓展产能及更新研发设施。

英飞凌科技也在今年4月中宣布, 将在2011年投资4亿8000万令吉, 以扩充与提升在马六甲厂房的产量、研发与生产设备。这项投资主要是提升有效率能源半导体的产量, 并将在马六甲增加350个就业机会。

该投资计划将增加英飞凌科技在亚洲的业务, 除了贡献营业额42%, 与本土的市场结构也将更紧密地结合。

英飞凌科技是欧洲第二大半导体制造商, 并且在全球排名前十位, 制造基地分布在欧洲、美国和亚太地区。

### 西门子檳城生产发光二极管

另一方面, 德国厂西门子 (Siemens) 将再注资数百万令吉, 明年于檳城巴六拜工厂生产发光二极管 (LED)。

西门子 (马) 有限公司总裁兼首席执行官阿托夫周四在欧司朗 (Osram) 光电半导体 (马) 私人有限公司首席财务总监 (亚太区) 陈国成等陪同下, 礼貌拜会檳州首长林冠英后, 在项记者会上宣布此事。

欧司朗也是西门子旗下公司。阿托夫表示, 该公司将再注资及增聘员工, 以设立发光二极管生产线, 届时将把现有的生产能力及面积提升一倍。

若一切顺利, 料可在明年四至五月投入生产, 同时将额外聘请300名员工, 除了数名来自德国工程师外, 余者将是本地员工。

阿托夫也表示, 西门子在1972年即在马国投资, 是最早踏足马国的外国投资商, 目前分别在檳城、马六甲及吉打州设厂, 其中由该公司旗下的另一家公司即英飞凌也在吉打州居林设厂, 且在进行扩建计划。