GlobalFoundries Plans Billion-Euro Investment to Expand Chip Manufacturing in Germany

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€1.1 billion planned investment to scale manufacturing and infrastructure in Dresden and boost Europe's semiconductor supply chain resilience

DRESDEN, Germany, Oct. 28, 2025 (GLOBE NEWSWIRE) -- GlobalFoundries (NASDAQ: GFS) (GF) today announced plans to invest €1.1 billion to expand its manufacturing capabilities at its Dresden, Germany site. The investment will enable a production capacity increase to more than one million wafers per year by the end of 2028, making it the largest site of its kind in Europe.

The expansion, known as project SPRINT, is expected to be supported by the German federal government and the State of Saxony under the framework of the European Chips Act, with EU approval for the full program expected later this year. This investment underscores Saxony's role as a critical hub for semiconductor manufacturing and innovation and reinforces Europe's strategic goal of supply chain resilience.

As a part of the project, the facility will be upgraded to offer end-to-end European processes and data flows for critical semiconductor security requirements.

Chancellor Friedrich Merz, as part of his visit to GF Dresden on 28 October, welcomed the planned investments in Germany: "The SPRINT project is a commitment to Germany as an industrial and innovation location – and above all to the sovereignty of our country and Europe. The investment in chip manufacturing in Dresden sends a signal that Germany wants to play an active role in shaping the development of the global semiconductor market. Germany already plays a leading role in microelectronics in Europe. With its national microelectronics strategy, the federal government is setting the course for further expanding this strength."

Saxony's Minister President Michael Kretschmer adds: "The further expansion of semiconductor manufacturing here at GlobalFoundries is a clear commitment to a unique location. The billion-euro investment is more good news for Silicon Saxony, Europe's most important microelectronics location, and demonstrates the attractiveness and dynamism of the cluster that has grown here. This will not only strengthen the Saxon economy—Germany and Europe will also benefit. After all, more chips manufactured here also means more German and European sovereignty and technological independence in this key industry. Germany's economic vulnerability due to excessive dependencies is currently being demonstrated by the example of chip manufacturer Nexperia."

The new manufacturing capacity will focus on GF's highly differentiated technologies – with critical performance features including low power, embedded secure memory, and wireless connectivity – all essential for meeting Europe's chip demand for automotive, internet of things (IoT), defense and critical infrastructure applications. These sectors are being rapidly transformed by the rise of physical AI technologies for which GF's semiconductors are essential. The investment will also support continued innovation in next-generation compute architectures and quantum technologies as they scale into the next decade.

"Recent disruptions in the automotive sector underscore just how vulnerable global chip supply chains truly are. Our planned expansion in Dresden is yet another step in GF's strategy to address these challenges head-on and deliver on our commitment to support Europe's need for secure supply chains and differentiated technologies," said Tim Breen, CEO of GlobalFoundries. "By scaling our manufacturing footprint in Europe, in the U.S. and around the world, GF is reinforcing its role as a resilient and trusted partner to customers in critical industries and building a foundation for the next wave of innovation as physical AI becomes reality."

Dr. Manfred Horstmann, senior vice president and general manager European fabs at GlobalFoundries, adds: "With this planned investment, we are deepening our commitment to Germany and Europe. Expanding cleanroom capacity is not just about meeting demand; it is about future-proofing Europe's industrial base and securing local access to essential chip technologies."

"As we move toward a future defined by connected and autonomous mobility, establishing a growth-oriented semiconductor manufacturing network is essential. We therefore sincerely congratulate our partner GlobalFoundries on the planned expansion of its production site in Dresden. This investment marks a significant milestone in strengthening the resilience of the European automotive industry. It aligns fully with our strategic vision of technology leadership and our commitment to operating in the market, for the market."
Philipp von Hirschheydt, CEO, AUMOVIO SE

"GlobalFoundries' expansion in Dresden strengthens the semiconductor ecosystem, paving the way for advanced solutions in the automotive sector. GF's technologies empower the performance, safety, and connectivity essential for next-generation mobility. This investment affirms leadership in automotive innovation and strengthens the Silicon Saxony region."
Michael Budde, President Mobility Electronics, Robert Bosch GmbH

"GlobalFoundries' expansion in Dresden strengthens the European semiconductor industry, boosting supply chain resilience for our customers right here in Europe and overall industrial resilience. It also bolsters the strong ecosystem in Saxony and strengthens our partnership."
Jochen Hanebeck, CEO, Infineon

"Meeting growing demand for secure, efficient semiconductor solutions requires trusted partnerships and resilient supply strategies. Our long-standing partnership with GF is rooted in shared innovation and execution, targeted at the automotive and industrial & IoT markets. GF's Dresden facility expansion is an important strategic step that enhances NXP's ability to deliver differentiated technologies while reinforcing Europe's role as vital hub for advanced semiconductor manufacturing and a resilient ecosystem."
Rafael Sotomayor, President and CEO, NXP Semiconductors

"Semiconductors are the gateway between the real and digital worlds. They form the backbone of modern industrial economies. GlobalFoundries' investment strengthens the European semiconductor ecosystem. Together we are building a robust foundation for sustained innovation and global competitiveness to accelerate our customers' digital transformation."
Cedrik Neike, Member of the Managing Board of Siemens AG and CEO Digital Industries

"As a Dresden-based deep-tech company, GlobalFoundries expansion and increased capacity enables us to accelerate the commercialization of our neuromorphic computing technologies, bringing brain-inspired AI solutions to market faster and more efficiently. In particular, the local proximity and advanced manufacturing capabilities are instrumental in supporting our ambitious growth plans and reinforcing Dresden's role as a global hub for next-generation AI hardware."
Hector Gonzalez, CEO, SpiNNcloud

GF recently joined the "Made for Germany" initiative, a coalition of companies demonstrating long-term commitment to Germany through major industrial investment. GF has invested more than €10 billion in its Dresden site since 2009, one of the largest industrial investments in the country.

About GF
GlobalFoundries (GF) is a leading manufacturer of essential semiconductors the world relies on to live, work and connect. We innovate and partner with customers to deliver more power-efficient, high-performance products for the automotive, smart mobile devices, internet of things, communications infrastructure and other high-growth markets. With our global manufacturing footprint spanning the U.S., Europe, and Asia, GF is a trusted and reliable source for customers around the world. Every day, our talented global team delivers results with an unyielding focus on security, longevity, and sustainability. For more information, visit www.gf.com.

Forward-looking information
This news release may contain forward-looking statements, which involve risks and uncertainties. Readers are cautioned not to place undue reliance on any of these forward-looking statements. These forward-looking statements speak only as of the date hereof. GF undertakes no obligation to update any of these forward-looking statements to reflect events or circumstances after the date of this news release or to reflect actual outcomes, unless required by law.

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