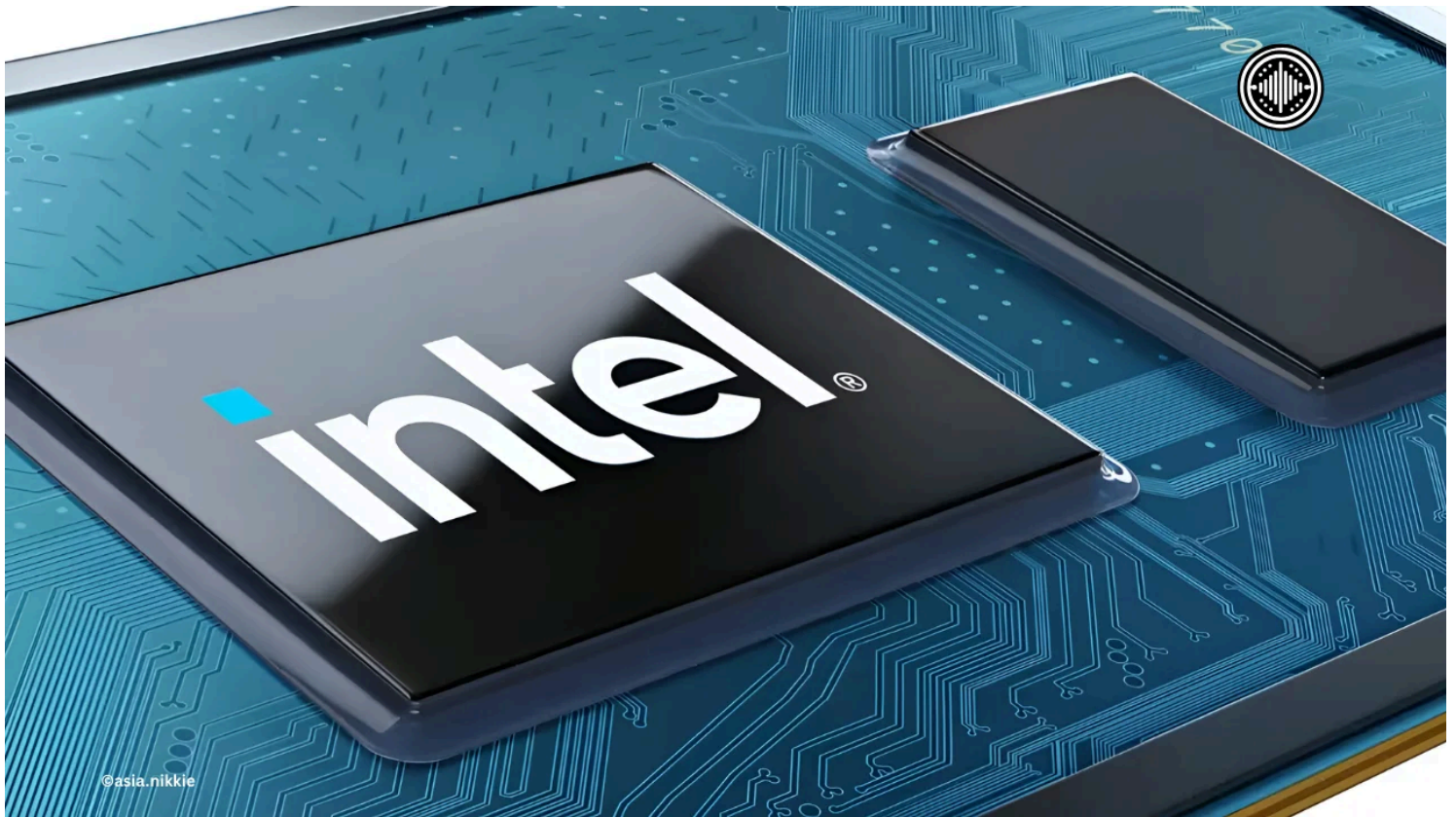


SoftBank Invests \$2B in Intel Amid U.S. Chip Plans

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Intel Corp. shares surged in premarket trading after Japanese technology group SoftBank announced a \$2 billion investment in the U.S. chipmaker. The stake, representing roughly 2% of Intel, comes amid reports that the U.S. government is considering an even larger holding in the company.

SoftBank Chief Executive and Chair Masayoshi Son called Intel “a trusted leader in innovation,” emphasizing that the investment reflects confidence in the company’s U.S. production expansion. Intel CEO Lip-Bu Tan, who has led the company for five months, said the move strengthens a long-standing relationship and supports Intel’s commitment to advancing U.S. technology and manufacturing leadership.

Tan inherited a company struggling with declining sales, repeated losses, and reduced market dominance. Under his leadership, Intel has announced plans to reduce its workforce by 20% to streamline operations and cut bureaucracy. Tan described the SoftBank investment as a sign of confidence in his turnaround strategy.

SoftBank’s investment aligns with broader U.S. goals to boost domestic chip production. Earlier this year, former President Donald Trump pledged \$100 billion in investment over four years, while the Japanese government has urged Washington to ease tariffs on related technology imports.

Reports indicate that the U.S. federal government may also invest in Intel, potentially becoming the company’s largest shareholder. One proposed approach would convert some or all of the \$10.9 billion in grants Intel received under the bipartisan Chips and Science Act into equity. These grants, approved under the 2022 law, were intended to support commercial and military chip manufacturing.

An investment from the U.S. government could provide Intel with approximately \$10 billion in additional capital, supporting Tan’s efforts to revitalize the company. The possible stake would be in addition to Intel’s existing grants and up to \$11 billion in available loans under the 2022 legislation. The exact size and timing of any federal investment remain uncertain, with officials declining to comment publicly.

SoftBank’s involvement also reflects its ambitions in artificial intelligence. Son already owns a majority stake in Arm Holdings Plc and plans to compete with Nvidia Corp. in AI chips. Intel’s chipmaking expertise could assist SoftBank in manufacturing chips to power AI models. The \$2 billion investment, at a slight discount to Intel’s recent share price, does not prevent SoftBank from pursuing further acquisitions, including Intel’s contract chipmaking business.

Analysts have described the combined investment prospects as a positive vote of confidence in Tan’s leadership. Intel faces significant competition from Taiwan

Semiconductor Manufacturing Co. in contract chipmaking and Nvidia in chip design. The company has delayed large-scale manufacturing expansions, including a major project in Ohio, citing the need for committed customers before scaling advanced production.

Intel shares climbed roughly 7% in pre-market trading following the announcements, marking one of the company's largest weekly gains in months. Investors are watching closely to see if these investments will help restore Intel's market position and accelerate domestic chip production efforts.