

# Microsoft will invest \$2.2 billion in cloud and AI services in Malaysia

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**Online Desk:** Microsoft is investing \$2.2 billion over the next four years in Malaysia's new cloud and artificial intelligence infrastructure as well as partnering with the government to establish a national AI center, its CEO Satya Nadella said Thursday.

It marks Microsoft's single largest investment in Malaysia, as the tech giant seeks to bolster support for AI development in the region and worldwide.

"We are committed to supporting Malaysia's AI transformation and ensure it benefits all Malaysians," he said. "Our investments in digital infrastructure and skilling will help Malaysian businesses, communities and developers apply the latest technology to drive inclusive economic growth and innovation across the country."

Nadella on Tuesday also announced a \$1.7 billion investment in cloud and AI services in Indonesia during his visit there as part of his Southeast Asia tour. On Wednesday, he said Microsoft will build its first regional data center in Thailand.

In April, the tech giant similarly unveiled a \$2.9 billion investment in Japan and \$1.5 billion in G42, an AI firm in Abu Dhabi.

Microsoft also pledged to provide AI training for 2.5 million people in Malaysia, Indonesia, the Philippines, Thailand and Vietnam by 2025.

Nadella earlier met Prime Minister Anwar Ibrahim, who said the investment will be the key support pillar for the government's goal to enhance AI capacity in Malaysia.

The new investment will include AI training for another 300,000 people, the establishment of a national AI center of excellence, enhancing the nation's cybersecurity capabilities and supporting the growth of Malaysia's developer community, Anwar said on Facebook.

Microsoft runs one of the world's largest cloud computing operations and has taken a leap into artificial intelligence through its partnership with OpenAI, developers of ChatGPT.

Since then, Microsoft has integrated an AI assistant into its Microsoft Edge browser, named Copilot, helping lift its profits by 20% in the first quarter.

Microsoft sees Southeast Asia, with its population of over 600 million people, as a growing market and potential location for more AI product development. A study held by global consulting firm Kearney said AI could contribute nearly \$1 trillion to Southeast Asia's GDP by 2030. Indonesia is expected to capture \$366 billion of the total and Malaysia \$115 billion.

Microsoft said in a statement that the investment in Malaysia will build on its 2021 program to support inclusive economic growth. It said the proposed national AI center will drive AI adoption across key industries and public sector, while ensuring AI governance and regulatory compliance.

"Together with Microsoft, we look forward to creating more opportunities for our (small and medium-sized enterprises) and better paying jobs for our people as we ride the AI revolution to fast-track Malaysia's digitally empowered growth journey," Trade Minister Zafrul Aziz said in the statement.

