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Intel moves to crack the quantum code with Classiq deal

The reported $2.3 billion acquisition would pair Intel's silicon expertise with Classiq's software to ease quantum application development.

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Article Content:

US semiconductor giant Intel has agreed to acquire Israeli quantum computing software start-up Classiq Technologies as it moves to build a full-stack quantum ecosystem. The deal, reportedly valued at $2.3 billion, is expected to close in the first half of 2027, subject to regulatory approvals. The acquisition signals a shift towards turning Intel's long-running quantum research into a commercially viable enterprise platform.

Intel's quantum bet:

Quantum computing is emerging as a new frontier in technology. Unlike conventional PCs and supercomputers, quantum computers use quantum bits, or qubits, and promise to tackle certain complex problems beyond the practical reach of classical machines. But the technology remains largely in the research and development phase, with global

technology leaders working to overcome hurdles in hardware scaling and software usability.

Intel has invested in quantum computing for more than a decade. Its hardware portfolio includes Tunnel Falls, a 12-qubit silicon chip, and Horse Ridge, a chip that controls quantum processors. The company also has cryoprober infrastructure to test quantum devices and the Intel Quantum SDK to help developers design, simulate and optimise quantum algorithms.

Pareekh Jain, CEO of EIIRTrend and Pareekh Consulting, told Business Today: "Intel make qubits or quantum bits using standard silicon chips, the exact same way they make computer processors in normal factories. Intel's strength is its semiconductor manufacturing expertise, which could help make quantum chips scalable and affordable. However, its quantum technologies are still largely in the research stage."

Solving the software bottleneck:

Hardware alone cannot drive commercial adoption. Without accessible software tools, programming quantum computers remains a specialised, labour-intensive task for enterprises. Intel's acquisition of Classiq aims to address this bottleneck.
Classiq lets developers describe the computation they want to perform. Its software then automatically generates and optimises the underlying quantum circuits. This lowers the technical barriers to building quantum applications and could make it easier for enterprises to explore potential use cases.

For Intel, the acquisition would bring an established software platform, intellectual property and an engineering team. According to Jain, Classiq's software works across multiple brands of quantum computers. The company has more than 60 patents and customers including BMW, Rolls-Royce, HSBC and Citi. It would also bring about 140 experts—twice the size of Intel's quantum team of about 70.

The race for a quantum edge:

The transaction highlights the growing importance of integrated hardware and software ecosystems in the race for quantum leadership.

Intel's traditional strength lies in silicon design and fabrication. Adding automated quantum software development would broaden its role beyond hardware research.

"For Intel, this creates a compelling strategic complement to its long-term bet on silicon spin qubits. The combination enables Intel to participate in the quantum value chain today through software and enterprise applications, while continuing to develop next-

generation hardware for the future," Devroop Dhar, co-founder and MD of Primus Partners, told Business Today.

Dhar added that the deal could also differentiate Intel from its competitors. "While players like IBM, Google, or Microsoft focus heavily on advancing their proprietary hardware or cloud access, Intel is seeking to combine scalable silicon manufacturing, design automation, and enterprise-ready software into a single unified platform. If executed successfully, this full-stack approach could become a powerful competitive advantage."

Still, the quantum industry remains in its formative years. Widespread commercial adoption will depend on advances in error correction, system stability and cost-effective performance—not just a stronger software offering.