



# Amkor Technology, Inc. Financial Information

May 2019

# Disclaimer

## Forward-Looking Statement Disclaimer

All information and other statements contained in this presentation, other than statements of historical fact, constitute forward-looking statements within the meaning of federal securities laws. These forward-looking statements involve a number of risks, uncertainties, assumptions and other factors that could affect our future results and cause actual results and events to differ materially from our historical and expected results and those expressed or implied in these forward-looking statements. Our historical financial information, and the risks and other important factors that could affect the outcome of the events set forth in these statements and that could affect our operating results and financial condition, are contained in our filings with the Securities and Exchange Commission, including our Form 10-K for the 2018 year and subsequent filings. We undertake no obligation to review or update any forward-looking statements to reflect events or circumstances occurring after this presentation.

## Policy Regarding Prior Guidance and Forward-Looking Statements

From time to time we may provide financial guidance in our earnings releases and make other forward-looking statements. Our financial guidance and other forward-looking statements are effective only on the date given. In accordance with our policy, we will not update, reaffirm or otherwise comment on any prior financial guidance or other forward-looking statements in connection with this presentation. No reference made to any prior financial guidance or other forward-looking statements in connection with this presentation should be construed to update, reaffirm or otherwise comment on such prior financial guidance or other forward-looking statements.

## Non-GAAP Measures

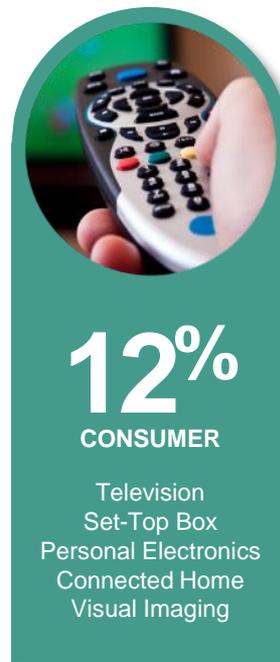
This presentation contains certain measures that are not defined terms under U.S. generally accepted accounting principles (“U.S. GAAP”). These non-GAAP measures should not be considered in isolation or as a substitute for, or superior to, measures of liquidity or performance prepared in accordance with U.S. GAAP, and may not be comparable to calculations of similarly titled measures by other companies. See “Financial Reconciliation Tables”, “Non-GAAP Measures” and “End Notes.”

# 1Q19 and 2Q19 Summary

<i>(In Millions, Except per Share Data)</i>	<b>2Q 2019 Guidance</b> As of May 2, 2019 <sup>(3)</sup>	<b>1Q 2019</b> <sup>(5)</sup>	<b>4Q 2018</b> <sup>(5)</sup>	<b>1Q 2018</b>
Net Sales	\$850 - \$930	\$895	\$1,081	\$1,025
Gross Margin	9% - 14%	13.5%	16.9%	15.4%
Net Income attributable to Amkor	(\$59) – (\$10)	(\$23)	\$28	\$10
Earnings per Diluted Share	(\$0.25) – (\$0.04)	(\$0.10)	\$0.12	\$0.04
EBITDA <sup>(1)</sup>	-	\$153	\$219	\$175
Net Cash Provided by Operating Activities	-	\$52	\$236	\$148
Free Cash Flow <sup>(2)</sup>	-	(\$149)	\$170	(\$83)

(1), (2), (3), and (5): See notes on page 13.

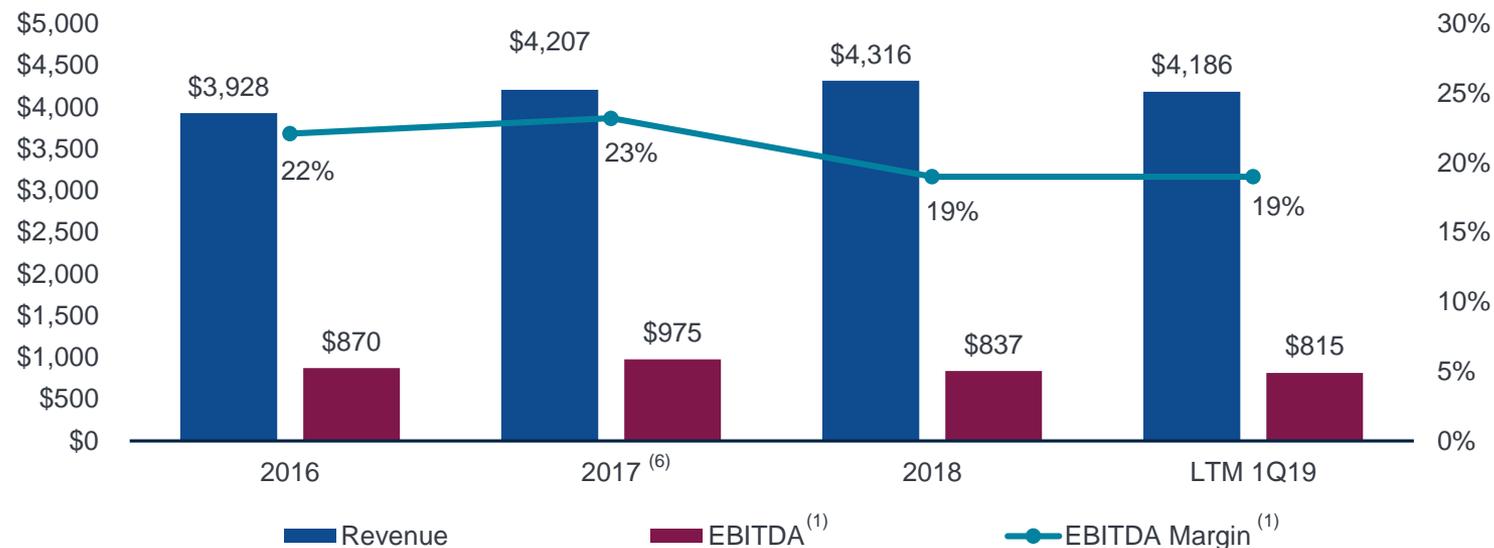
# LTM 1Q19 End Markets



# Profitability Trends

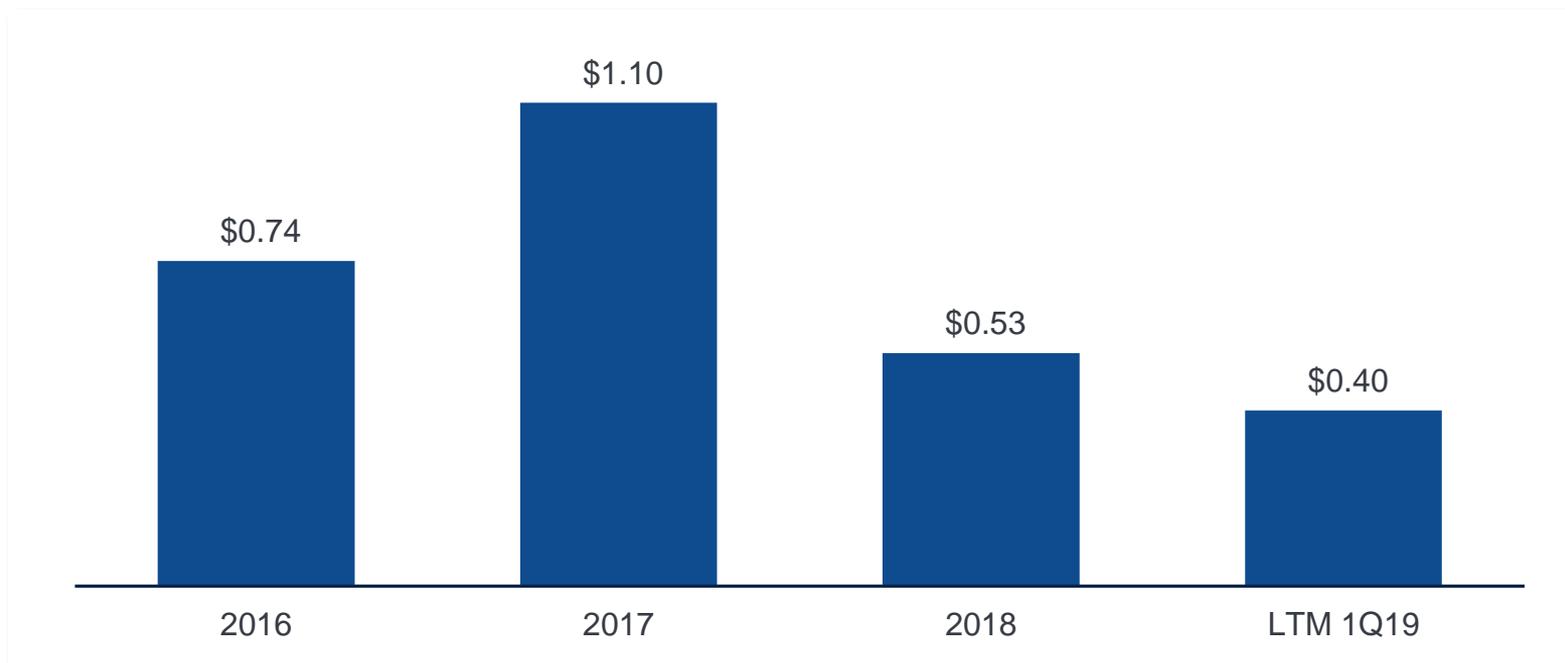
## Revenue, EBITDA and EBITDA Margin

\$ in Millions



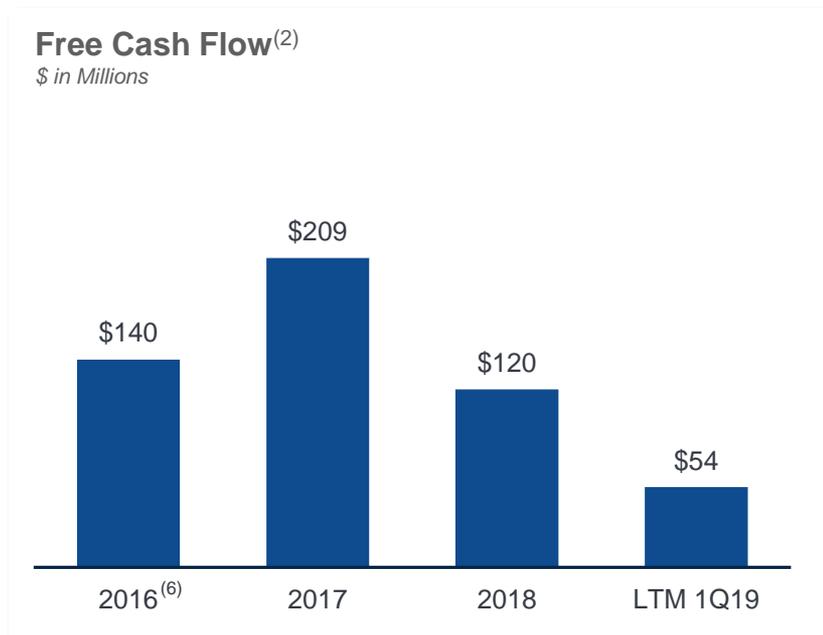
(1) and (6): See notes on page 13.

# EPS Trends



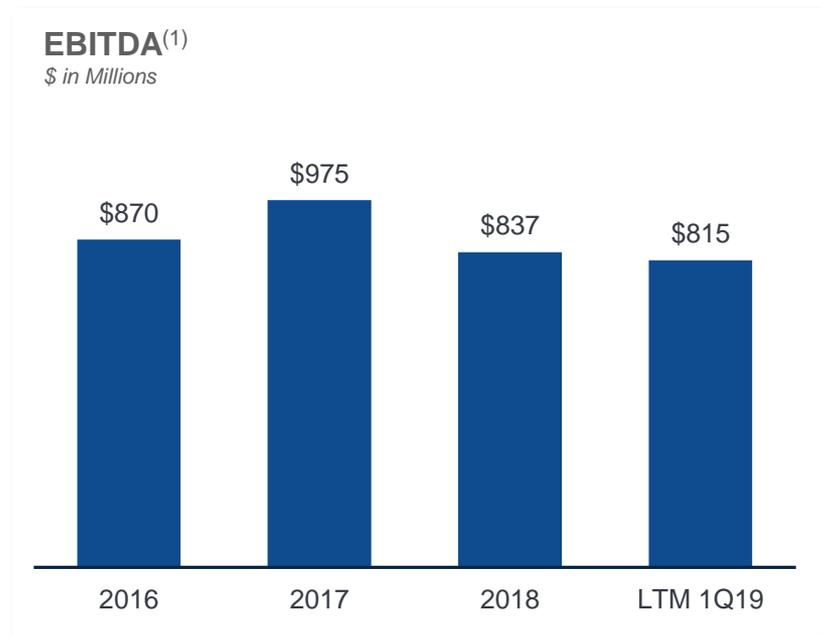
EPS for 2017 includes a \$0.34 gain from the sale of our K1 Factory and a \$0.17 discrete income tax benefit from the estimated impact of US Tax Reform. EPS for 2018 includes a \$0.07 discrete income tax charge driven by finalizing the accounting for US Tax Reform. EPS for LTM 1Q19 includes a \$0.06 discrete income tax charge to reduce the value of certain deferred tax assets and a 2018 \$0.07 discrete income tax charge driven by finalizing the accounting for US Tax Reform.

# Free Cash Flow and EBITDA



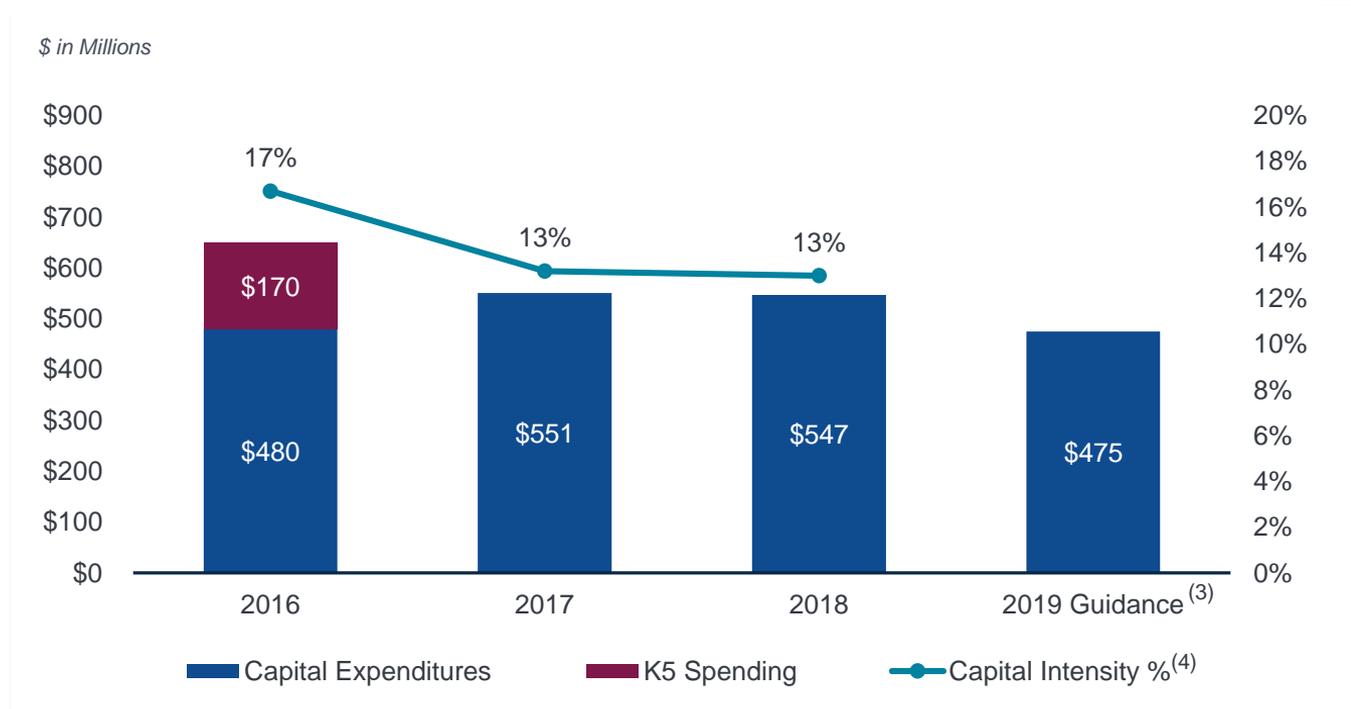
Free Cash Flow for 2017 includes \$128M of proceeds from the sale of our K1 Factory.

(1) and (2): See notes on page 13.



EBITDA for 2017 includes a \$108M gain from the sale of our K1 Factory.

# Capital Expenditures and Capital Intensity



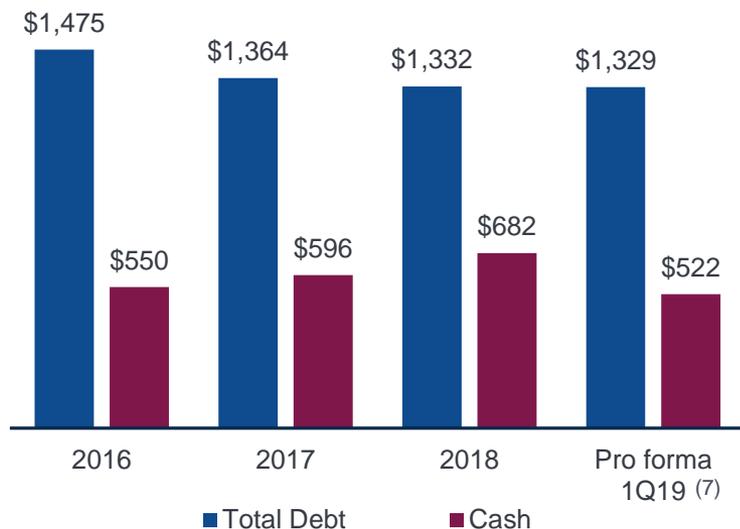
Expect 2019 Capital Expenditures<sup>(3)</sup> of Around  
**\$475M**

(3) and (4): See notes on page 13.

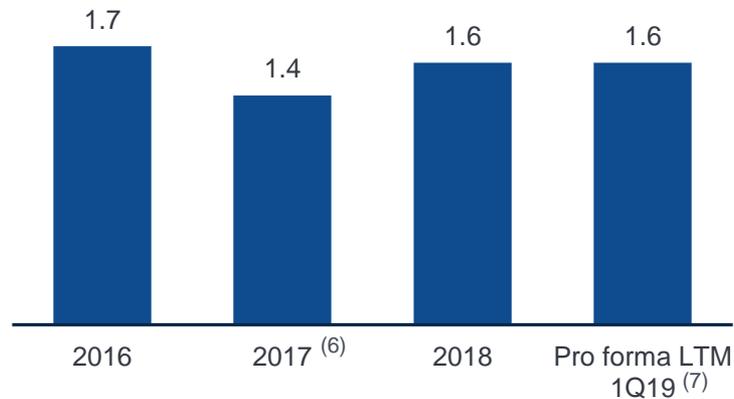
# Credit Profile

## Total Debt and Cash

\$ in Millions



## Debt/EBITDA<sup>(1)</sup>



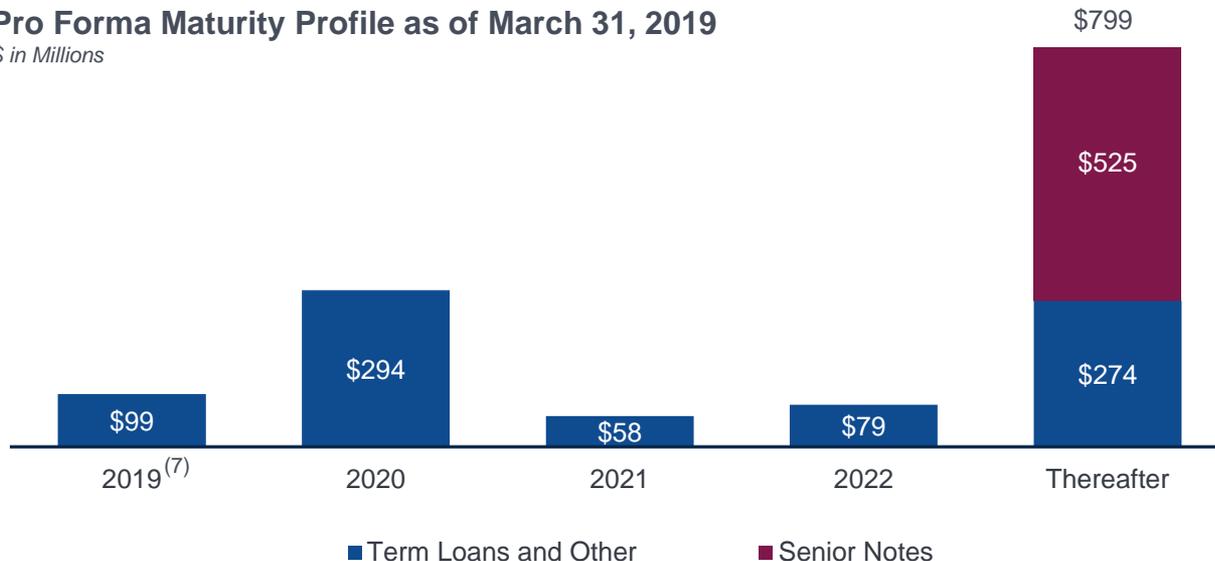
Pro forma 1Q19 and LTM 1Q19 gives effect to the redemption of \$525 million aggregate principal amount of 6.375% Senior Notes due 2022 in April 2019 as if it occurred in March 2019 and a one time charge of approximately \$8 million for early extinguishment of debt. It does not reflect any other subsequent events, including any other financing activity.

(1), (6) and (7): See notes on page 13.

# Debt Maturities

## Pro Forma Maturity Profile as of March 31, 2019

\$ in Millions



**\$520M**

Pro Forma  
Cash<sup>(7)</sup>

**\$275M**

In Available  
Credit

This slide gives effect to the redemption of \$525 million aggregate principal amount of 6.375% Senior Notes due 2022 in April 2019 as if it occurred in March 2019 and reflects a one time charge of approximately \$8 million for early extinguishment of debt. It does not reflect any other subsequent events, including any other financing activity.

(7): See note on page 13.

# Financial Reconciliation Tables

<i>\$ in Millions</i>	Pro forma LTM 1Q19 <sup>(7)</sup>	LTM 1Q19	2018	2017 <sup>(6)</sup>	2016	1Q19	4Q18	1Q18
<b>Net Income</b>	<b>\$89</b>	<b>\$97</b>	<b>\$130</b>	<b>\$268</b>	<b>\$179</b>	<b>(\$23)</b>	<b>\$29</b>	<b>\$10</b>
Plus: Interest Expense (including Related Party)	78	78	79	85	85	19	18	20
Plus: Income Tax Expense	75	75	56	40	51	21	29	2
Plus: Depreciation & Amortization	565	565	572	582	555	136	143	143
<b>EBITDA*</b>	<b>\$807</b>	<b>\$815</b>	<b>\$837</b>	<b>\$975</b>	<b>\$870</b>	<b>\$153</b>	<b>\$219</b>	<b>\$175</b>
Debt	\$1,329	\$1,854	\$1,332	\$1,364	\$1,475	-	-	-
<b>Debt / EBITDA*</b>	<b>1.6</b>	<b>2.3</b>	<b>1.6</b>	<b>1.4</b>	<b>1.7</b>	-	-	-
<b>Revenue</b>	-	<b>\$4,186</b>	<b>\$4,316</b>	<b>\$4,207</b>	<b>\$3,928</b>	-	-	-
<b>EBITDA* Margin</b>	-	<b>19%</b>	<b>19%</b>	<b>23%</b>	<b>22%</b>	-	-	-
<b>Net Cash Provided by Operating Activities</b>	-	<b>\$568</b>	<b>\$663</b>	<b>\$618</b>	<b>\$729</b>	<b>\$52</b>	<b>\$236</b>	<b>\$148</b>
Less: Payments for Property, Plant and Equipment	-	(520)	(547)	(551)	(650)	(203)	(69)	(231)
Plus: Proceeds from Sale of and Insurance Recovery for Property, Plant and Equipment	-	6	4	142	61	2	3	0
<b>Free Cash Flow*</b>	-	<b>\$54</b>	<b>\$120</b>	<b>\$209</b>	<b>\$140</b>	<b>(\$149)</b>	<b>\$170</b>	<b>(\$83)</b>

(6) and (7): See notes on page 13.

\* See discussion of non-GAAP measures on page 12

# Non-GAAP Measures

Generally, a non-GAAP financial measure is a numerical measure of a company's performance, financial position or cash flows that either excludes or includes amounts that are not normally excluded or included in the most directly comparable measure calculated and presented in accordance with U.S. GAAP.

Free cash flow is not defined by U.S. GAAP. We define free cash flow as net cash provided by operating activities less payments for property, plant and equipment, plus proceeds from the sale of and insurance recovery for property, plant and equipment, if applicable. We believe free cash flow to be relevant and useful information to our investors because it provides them with additional information in assessing our liquidity, capital resources and financial operating results. Our management uses free cash flow in evaluating our liquidity, our ability to service debt and our ability to fund capital expenditures. However, free cash flow has certain limitations, including that it does not represent the residual cash flow available for discretionary expenditures since other, non-discretionary expenditures, such as mandatory debt service, are not deducted from the measure. The amount of mandatory versus discretionary expenditures can vary significantly between periods. This measure should be considered in addition to, and not as a substitute for, or superior to, other measures of liquidity or financial performance prepared in accordance with U.S. GAAP, such as net cash provided by operating activities. Furthermore, our definition of free cash flow may not be comparable to similarly titled measures reported by other companies.

EBITDA is not defined by U.S. GAAP. We define EBITDA as net income before interest expense, income tax expense and depreciation and amortization. We believe EBITDA to be relevant and useful information to our investors because it provides additional information in assessing our financial operating results. Our management uses EBITDA in evaluating our operating performance, our ability to service debt and our ability to fund capital expenditures. However, EBITDA has certain limitations in that it does not reflect the impact of certain expenses on our consolidated statements of income, including interest expense, which is a necessary element of our costs because we have borrowed money in order to finance our operations, income tax expense, which is a necessary element of our costs because taxes are imposed by law, and depreciation and amortization, which is a necessary element of our costs because we use capital assets to generate income. EBITDA should be considered in addition to, and not as a substitute for, or superior to, operating income, net income or other measures of financial performance prepared in accordance with U.S. GAAP. Furthermore our definition of EBITDA may not be comparable to similarly titled measures reported by other companies.

# Endnotes

- 1) EBITDA is defined as net income before interest expense, income tax expense and depreciation and amortization. Please see reconciliation of non-GAAP measures on page 11.
- 2) Free cash flow is defined as net cash provided by operating activities less payments for property, plant and equipment, plus proceeds from the sale of and insurance recovery for property, plant and equipment, if applicable. Please see reconciliation of non-GAAP measures on page 11.
- 3) This financial guidance is from our May 2, 2019 earnings release and is reproduced here for convenience of reference only. This reference is not intended, and should not be relied upon, as a reaffirmation or other commentary with respect to such financial guidance. Please see page 2.
- 4) Capital intensity is defined as capital expenditures as a percentage of net sales.
- 5) Q1 2019 net income includes a \$15 million non-cash discrete income tax charge, or \$0.06 per diluted share, to reduce the value of certain deferred tax assets. Q4 2018 net income includes a \$17 million discrete income tax charge, or \$0.07 per diluted share, driven by finalizing the accounting for U.S. tax reform.
- 6) In May 2017, we sold the land and buildings comprising our K1 factory for \$142 million which resulted in a pre-tax gain of \$108 million, and \$0.34 per diluted share. During 2017, we received \$128 million of the proceeds.
- 7) Pro forma information gives effect to the redemption of \$525 million aggregate principal amount of 6.375% Senior Notes due 2022 in April 2019 as if it occurred in March 2019. While the pro forma information reflects a one-time charge of approximately \$8 million for early extinguishment of debt, it does not reflect any other subsequent events, including any other financing activity.