



# Amkor Technology, Inc. Q3 2021 Earnings Call

October 25, 2021

# Presenter Introductions



**Jennifer Jue**  
Senior Director,  
Investor Relations



**Giel Rutten**  
President and  
Chief Executive  
Officer



**Megan Faust**  
Executive Vice  
President and  
Chief Financial  
Officer

# Disclaimer

## Forward-Looking Statement Disclaimer

This presentation contains forward-looking statements within the meaning of the federal securities laws. You are cautioned not to place undue reliance on forward-looking statements, which are often characterized by terminology such as “may,” “will,” “should,” “expects,” “plans,” “anticipates,” “believes,” “estimates,” “predicts,” “potential,” “continue,” or “intend,” by the negative of these terms or other comparable terminology or by discussions of strategy, plans or intentions. These forward-looking statements involve a number of risks, uncertainties, assumptions and other factors that could affect future results and cause actual results and events to differ materially from historical and expected results and those expressed or implied in the forward-looking statements. Other important risk 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 discussed in the company’s Annual Report on Form 10-K for the year ended December 31, 2020 (the “Form 10-K”) and in the company’s subsequent filings with the Securities and Exchange Commission (“SEC”) made prior to or after the date hereof. You should carefully consider the trends, risks and uncertainties described in this presentation, the Form 10-K and other reports filed with or furnished to the SEC before making any investment decision with respect to our securities. If any of the following trends, risks or uncertainties actually occurs or continues, our business, financial condition or operating results could be materially adversely affected, the trading prices of our securities could decline, and you could lose part or all of your investment. All forward-looking statements in this presentation are made based on our current expectations, forecasts, estimates and assumptions. Amkor undertakes no obligation to review or update any forward-looking statements to reflect events or circumstances occurring after the date of this presentation except as may be required by law. All forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by this cautionary statement.

## Non-GAAP Measures

This presentation contains certain measures that are not defined terms under U.S. generally accepted accounting principles (“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 the Appendix for a description of these financial measures and a reconciliation of all such non-GAAP financial measures to the most directly comparable U.S. GAAP financial measures.

# Business Highlights and Industry Trends

Giel Rutten | President and Chief Executive Officer

# Q3 2021 Highlights



**\$1.68B**  
**Revenue**



Record revenue, up 20% sequentially or \$274 million



Record EPS of \$0.74; YTD EPS of \$1.74, double vs PY



Record performance in all end markets



# Q3 2021 End Markets



## Communications

- ▶ Revenue up 28% sequentially
- ▶ Smartphone market strength
- ▶ Leading position in 5G RF domain



## Automotive and Industrial

- ▶ Revenue up 9% sequentially
- ▶ Market recovery, 42% YoY growth
- ▶ New product ramps



## Consumer

- ▶ Revenue up 22% sequentially
- ▶ New product ramps in IoT wearables
- ▶ Strong Advanced SiP pipeline



## Computing

- ▶ Revenue up 9% sequentially
- ▶ Solid performance in all applications
- ▶ Opportunities in AI and HPC

# Amkor and Industry Trends



## Factory Execution

- ▶ Steep production ramp
- ▶ New product introductions



## Securing Supply Chain

- ▶ Working closely with suppliers and customers
- ▶ Expanded agreements to mitigate risk



## Capital Expenditures

- ▶ Full year CapEx target of \$775M
- ▶ Major investments for advanced packaging



## Outlook

- ▶ Q4 revenue of \$1.64B
- ▶ Up 20% YoY for quarter and full year

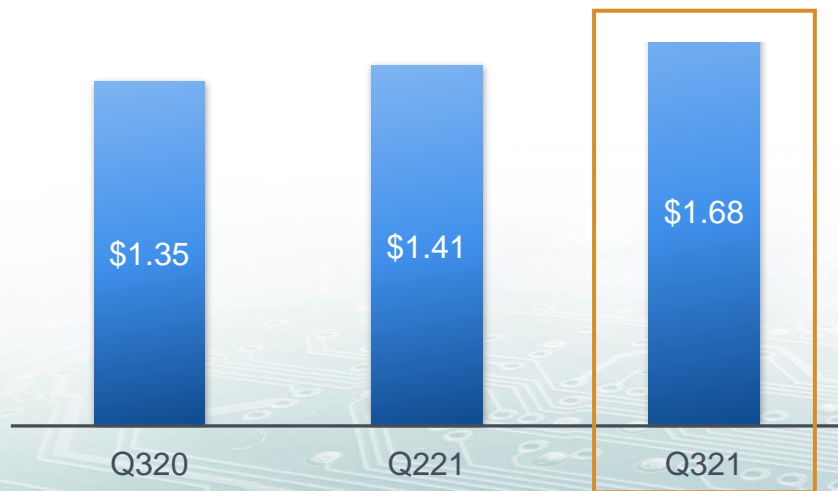
# Financial Results and Outlook

Megan Faust | Executive Vice President and Chief Financial Officer

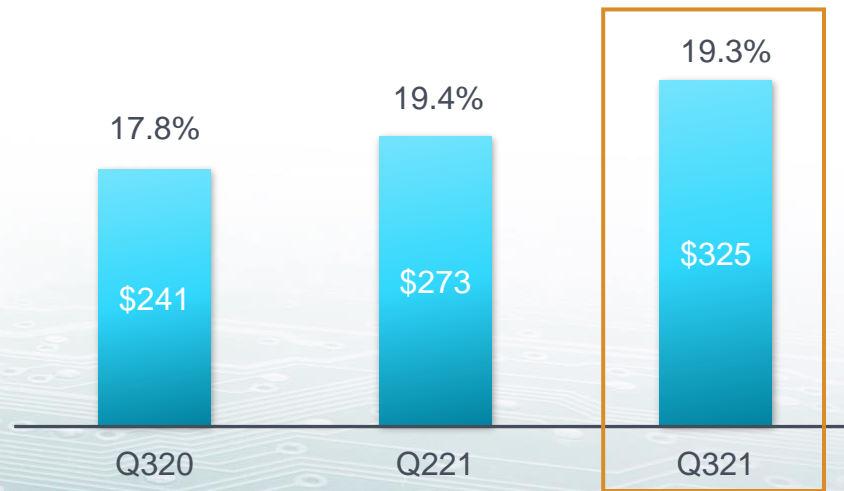


# Record Revenue and Record Gross Profit

**Revenue**  
(\$ in billions)



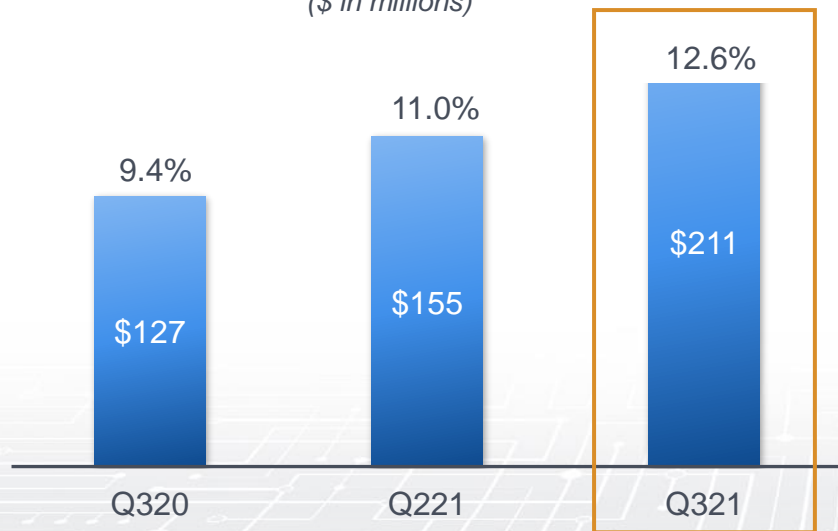
**Gross Profit and Margin %**  
(\$ in millions)



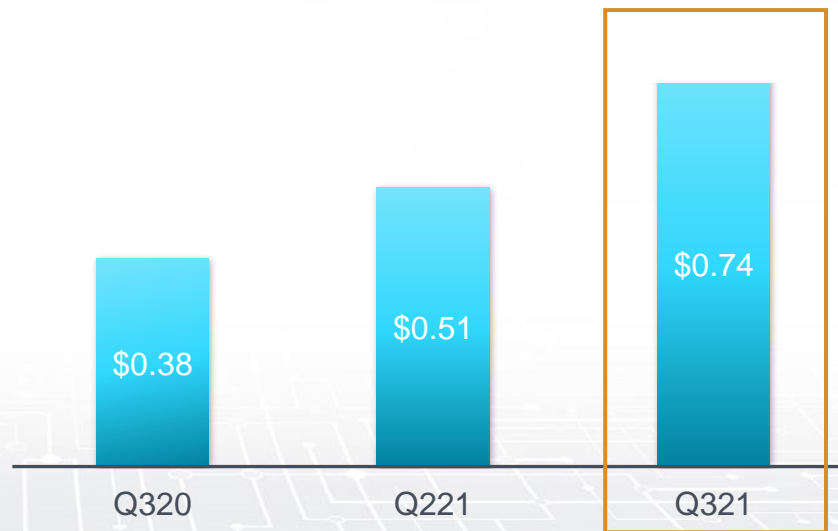
# High Utilization Drives Record Profitability

## Operating Income and Margin %

(\$ in millions)



## Earnings Per Share



# Financial Flexibility

*As of and for the quarter ended September 30, 2021*



## EBITDA\*

- ▶ \$358 million
- ▶ EBITDA margin 21.3%



## Cash & Short-Term Investments

- ▶ \$790 million
- ▶ Invest in the business



## Liquidity<sup>(1)</sup>

- ▶ \$1.2 billion
- ▶ Solid financial position



## Total Debt

- ▶ \$1 billion
- ▶ Debt to EBITDA\* 0.8x

(1) See corresponding endnotes on slide 19.

\*See discussion of non-GAAP measures on slide 18 and the reconciliation to the most directly comparable GAAP measure on slide 17.

# Q4 2021 Guidance

As of October 25, 2021<sup>(2)</sup>



**\$1.59B-\$1.69B**

Net Sales



**18.0%-20.5%**

Gross Margin



**\$140M-\$190M**

Net Income



**\$0.55-\$0.75**

Earnings per  
Diluted Share

(2) See corresponding endnotes on slide 19.

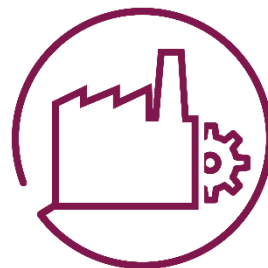


# Amkor Positioned for Growth



## Key Messages

- ▶ All-time record revenue and EPS
- ▶ Continued momentum in Q4
- ▶ Mitigating supply chain risks
- ▶ Well positioned in key growth markets



**\$775M**

FY 2021  
CapEx<sup>(2)</sup>



**\$1.59B-\$1.69B**

Q4 2021 Revenue  
Guidance<sup>(2)</sup>

(2) See corresponding endnotes on slide 19.





**Enabling the Future**

Visit us at [amkor.com](https://www.amkor.com)



# Appendix

# Financial Reconciliation Tables

<i>(\$ in millions)</i>	<b>Q3 21</b>
<b>Net Income</b>	<b>\$182</b>
Plus: Interest Expense	13
Plus: Income Tax Expense	17
Plus: Depreciation & Amortization	146
<b>EBITDA*</b>	<b>\$358</b>
<b>Net Sales</b>	<b>\$1,681</b>
<b>Net Income Margin</b>	<b>10.8%</b>
<b>EBITDA Margin*</b>	<b>21.3%</b>
<b>Total Debt</b>	<b>\$1,025</b>
<b>TTM EBITDA*</b>	<b>\$1,220</b>
<b>Debt/EBITDA Ratio*</b>	<b>0.8</b>

\*See discussion of Non-GAAP measures on slide 18.

# 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.

In this presentation we refer to EBITDA, EBITDA Margin, and a Debt/EBITDA ratio, which are not defined by U.S. GAAP. We define EBITDA as net income before interest expense, income tax expense and depreciation and amortization. EBITDA Margin is calculated by dividing EBITDA by Net Sales for the period. We define the Debt/EBITDA ratio as total debt divided by the trailing twelve months EBITDA. We believe EBITDA, EBITDA Margin, and Debt/EBITDA to be relevant and useful information to our investors because they provide 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, EBITDA Margin, and Debt/EBITDA should be considered in addition to, and not as a substitute for, or superior to, operating income, net income, net income margin 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. Please see Slide 17 for reconciliations of all non-GAAP measures to the most directly comparable U.S. GAAP measures.

# Endnotes

1. Liquidity is defined as the sum of cash and cash equivalents, short-term investments and availability under our current credit facilities.
2. This financial guidance is from our October 25, 2021 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 slide 3.