



Amkor Technology, Inc. Investor Presentation

November 2017

Connecting People
and Technology

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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” in the Appendix.

Amkor

- Trusted OSAT partner since 1968
- A leader in advanced packaging
- 10 million sq. ft. of manufacturing space
- \$4.1 billion sales in LTM 3Q17
- Recent acquisitions: J-Devices and Nanium

The Amkor Value Proposition



Economies
of Scale



Broad Geographic
Footprint



World Class
Service



Quality Oriented
Operation



Technology
Leadership

Amkor in the Semiconductor Supply Chain

**Original Equipment
Manufacturers**

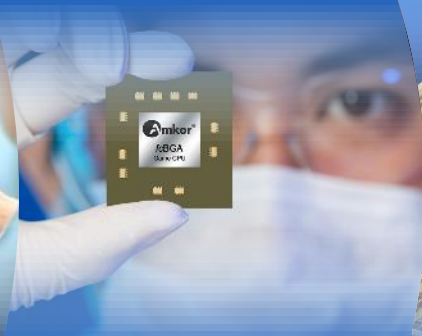


**Smartphone
& tablet**

Automotive

**Consumer
electronics**

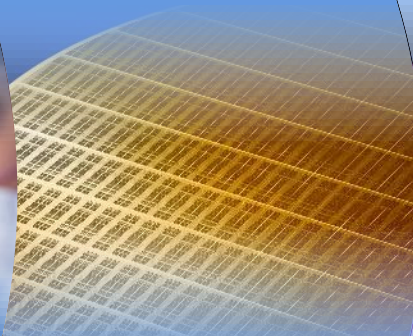
**Semiconductor
Companies**



Fabless

IDM

**Wafer
Manufacturing**



Wafer foundry

IDM fab

**Packaging
& Test**



OSAT

IDM factory



Balanced Growth Strategy

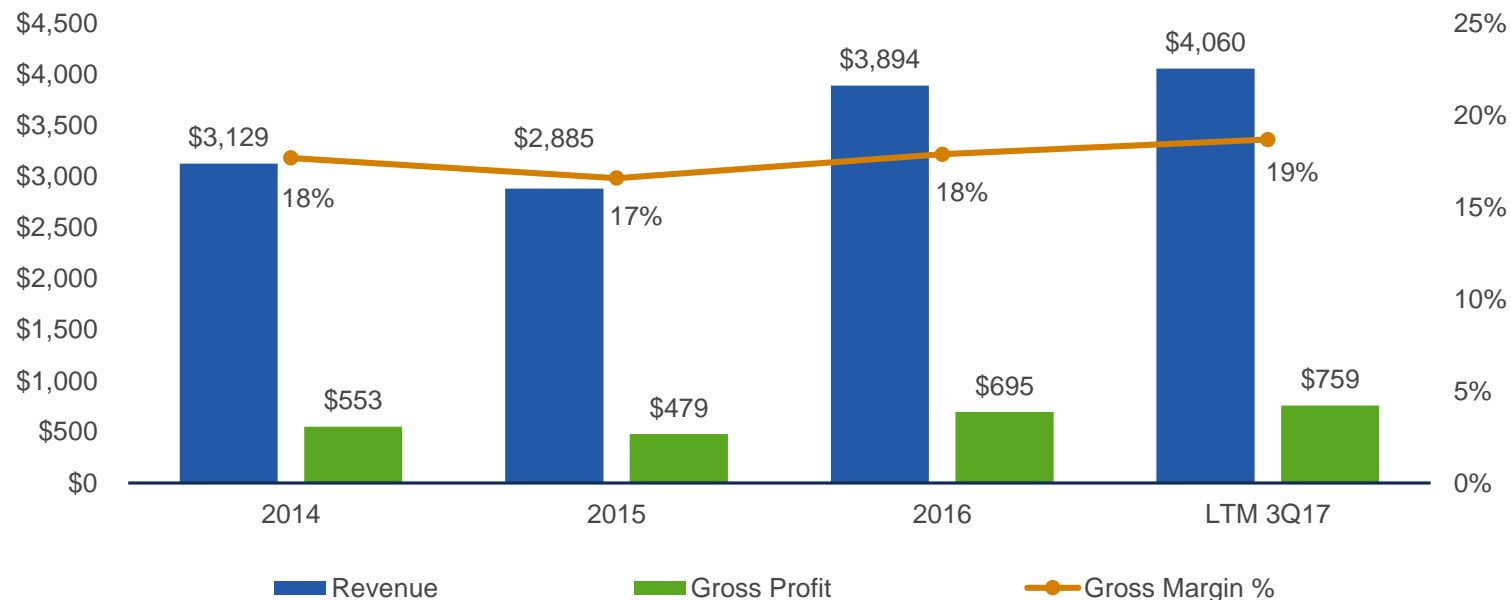
- Increase revenues in markets other than smartphone (e.g. Automotive)
- Expand smartphone customer base
 - Greater China
 - Multiple tiers
- Gain share in iOS and Android
 - Advanced SiP
 - Wafer-level packaging
- Focus on flexible manufacturing lines, better planning, higher efficiency



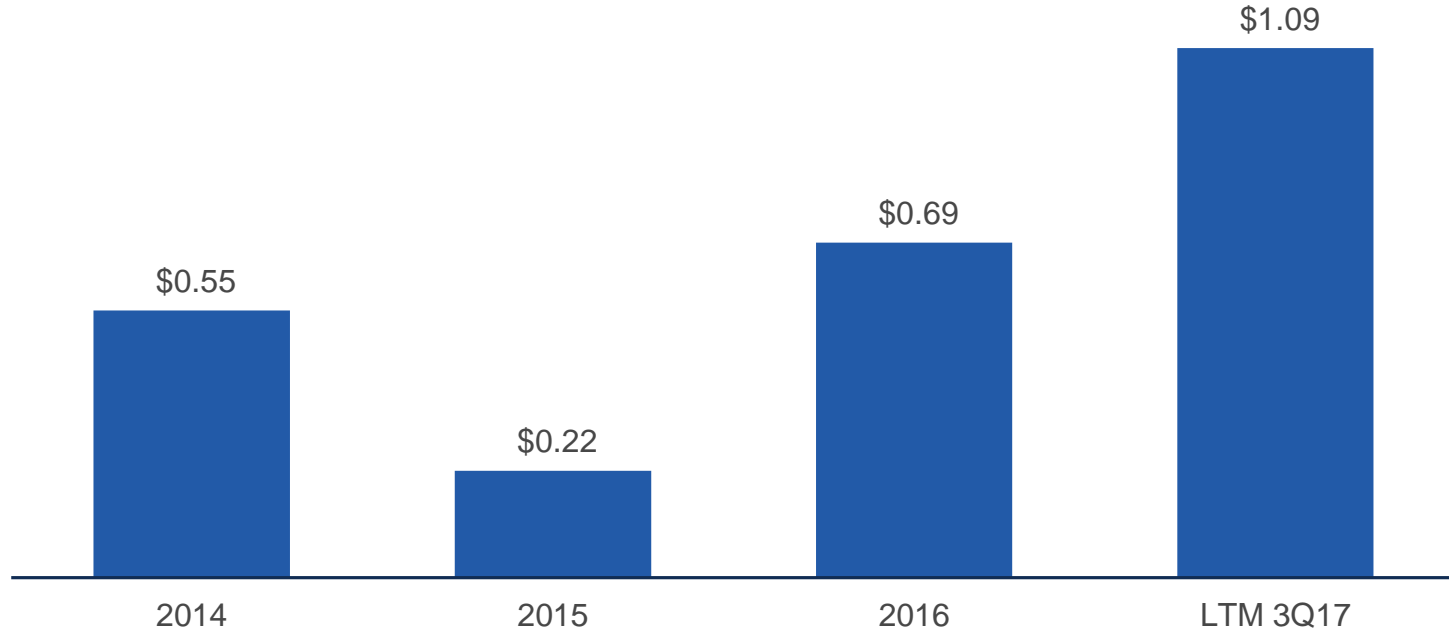
Profitability Trends

Revenue, Gross Profit and Gross Margin

\$ in Millions



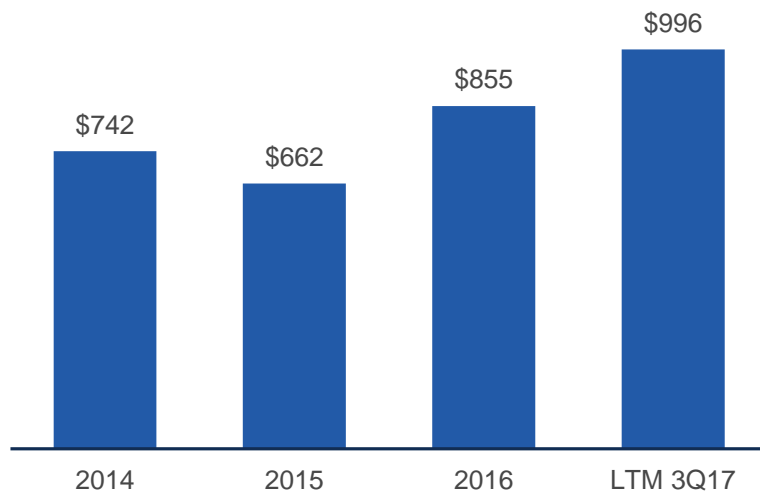
EPS Trends



EBITDA and Free Cash Flow

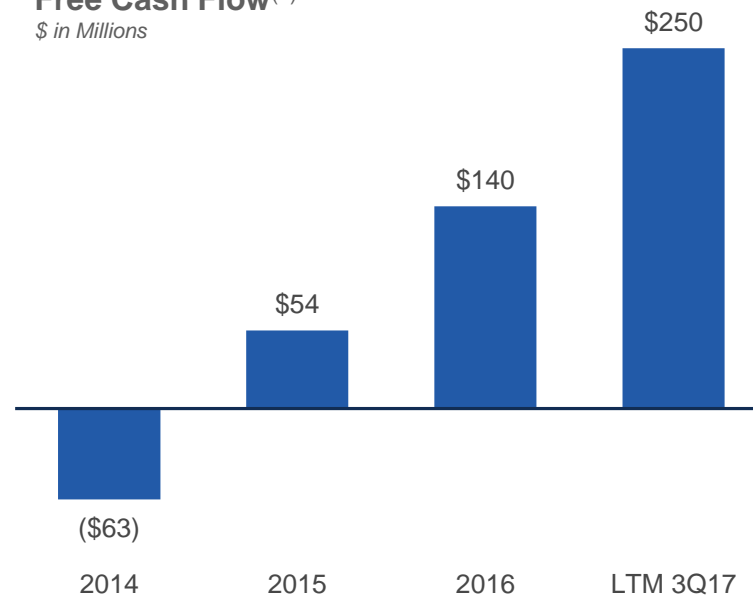
EBITDA⁽¹⁾

\$ in Millions



Free Cash Flow⁽²⁾

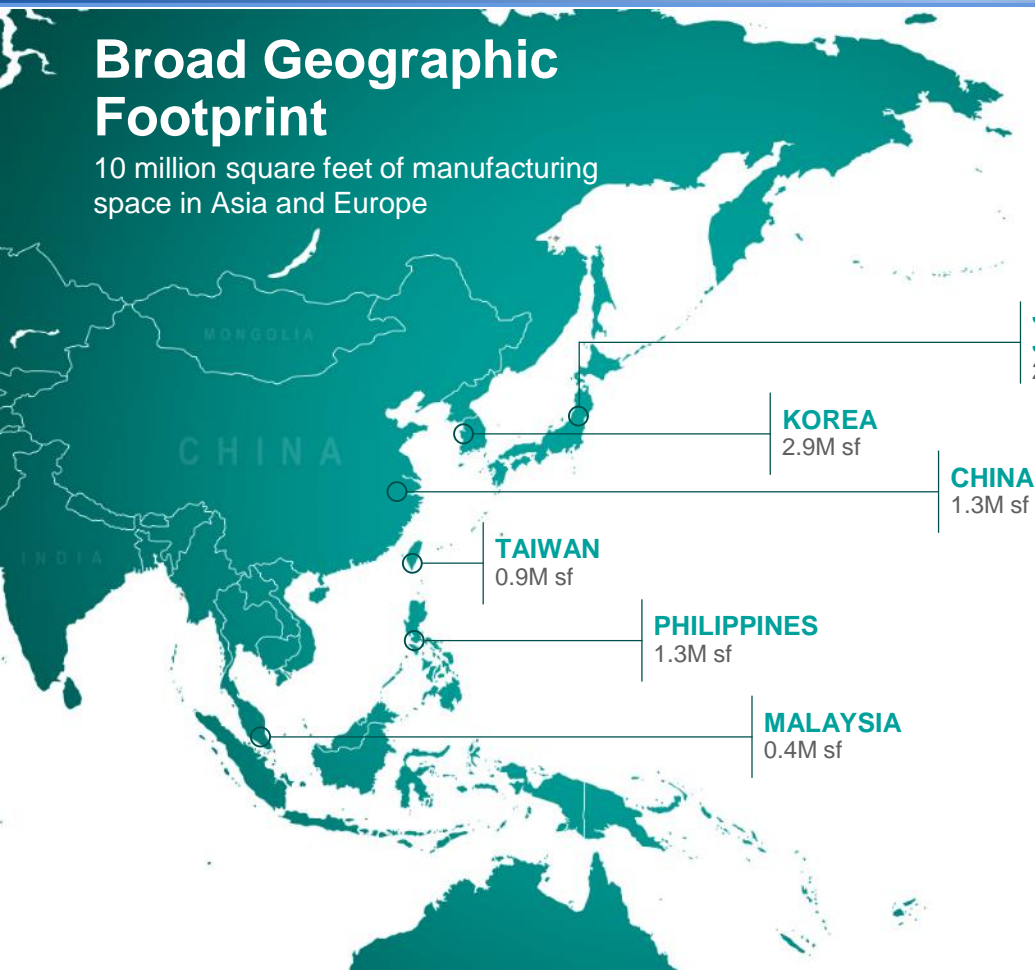
\$ in Millions



(1) and (2): See notes on page 28

Broad Geographic Footprint

10 million square feet of manufacturing space in Asia and Europe



**JAPAN/
J-DEVICES**
2.6M sf

KOREA
2.9M sf

CHINA
1.3M sf

TAIWAN
0.9M sf

PHILIPPINES
1.3M sf

MALAYSIA
0.4M sf

PORTUGAL
0.5M sf



LTM 3Q17 End Markets



44%

COMMUNICATIONS

Smartphone
Tablet
Handheld Device



25%

**AUTOMOTIVE &
INDUSTRIAL**

Infotainment
Safety
Performance



14%

CONSUMER

Television
Set-Top Box
Personal Electronics



10%

NETWORKING

Server
Router
Switch



7%

COMPUTING

PC/Laptop
Hard Disk Drive
Peripherals

High Amkor Content in Smartphones & Tablets

Applications Processor

Digital Baseband

Power Management

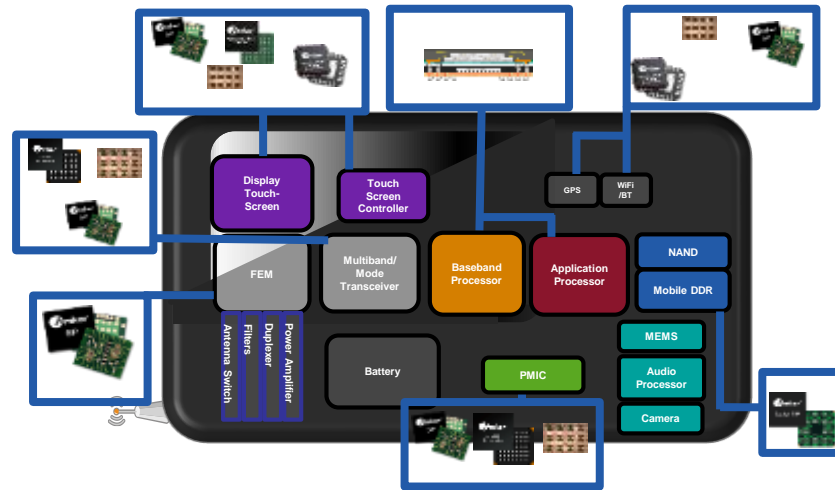
MEMS & Fingerprint Sensors

Memory

Connectivity
(WiFi, Bluetooth, FM Radio)

RF and FE Modules

Touch Screen Controller



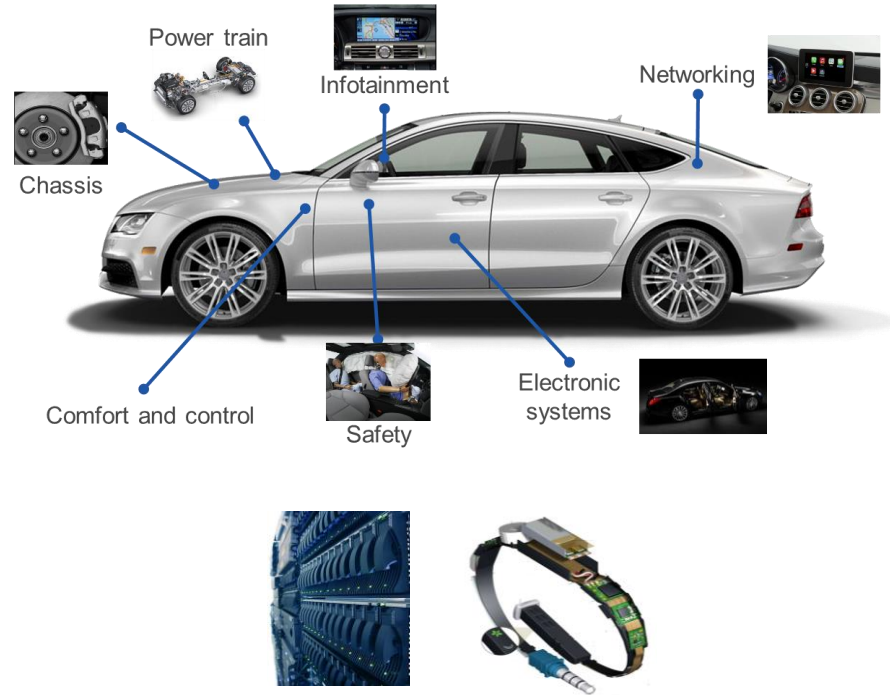
Greater China Expansion

- Cumulative CapEx of \$1.2B in Amkor Shanghai factory
- Expansion of Shanghai factory to 1.3M sq. ft. of manufacturing space
- Shipping 2.9 billion units per year from Shanghai factory
- Most advanced OSAT factory in China
 - Advanced SiP
 - WLCSP, 8" and 12" bumping
 - MEMS



Adjacent Markets Benefit from Advances in the Smartphone & Tablet Market

- Automotive
- Networking
- Wearables



World's Largest OSAT for Automotive ICs

Over \$1 billion in Sales in LTM 3Q17



1

Camera Modules

2

Body Systems

3

Info-Center

4

MEMS & Sensors

5

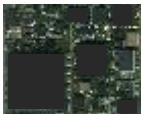
Safety Systems

Advanced System-in-Package (SiP)

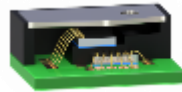
~\$800 million Sales in LTM 3Q17



Radio Modules



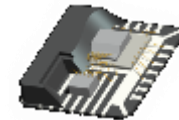
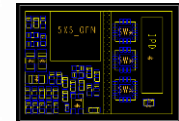
Sensory Modules



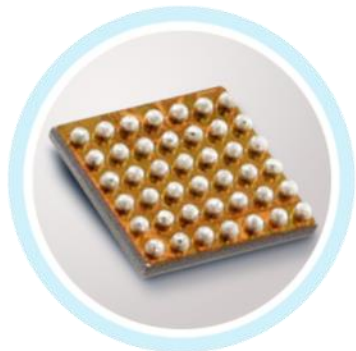
Connectivity Modules



Automotive Modules

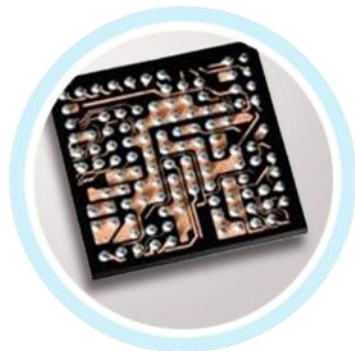


Wafer-level Packaging Platforms



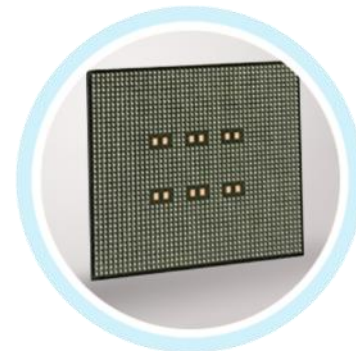
WLCSP
Wafer-level Chip Scale
Package
(Fan-In)

Eliminates substrate
Common form factor for flagship
smartphones



WLFO
Wafer-level Fan-out
(Low density fan out)

“Stretch” small die to
accommodate bond pads
Nanium acquisition



SWIFT
Silicon Wafer Integrated
Fan-out Technology
(High density fan-out)

Ideal for high pin count and SiP
applications

A-SiP and WLP: Key Success Factors

- Portfolio of key technologies
- Capital investment
- Engineering expertise
- Service infrastructure



Research & Development

Technology Leader



- Low-cost Flip Chip
- Wafer-level Packaging
- Advanced SiP

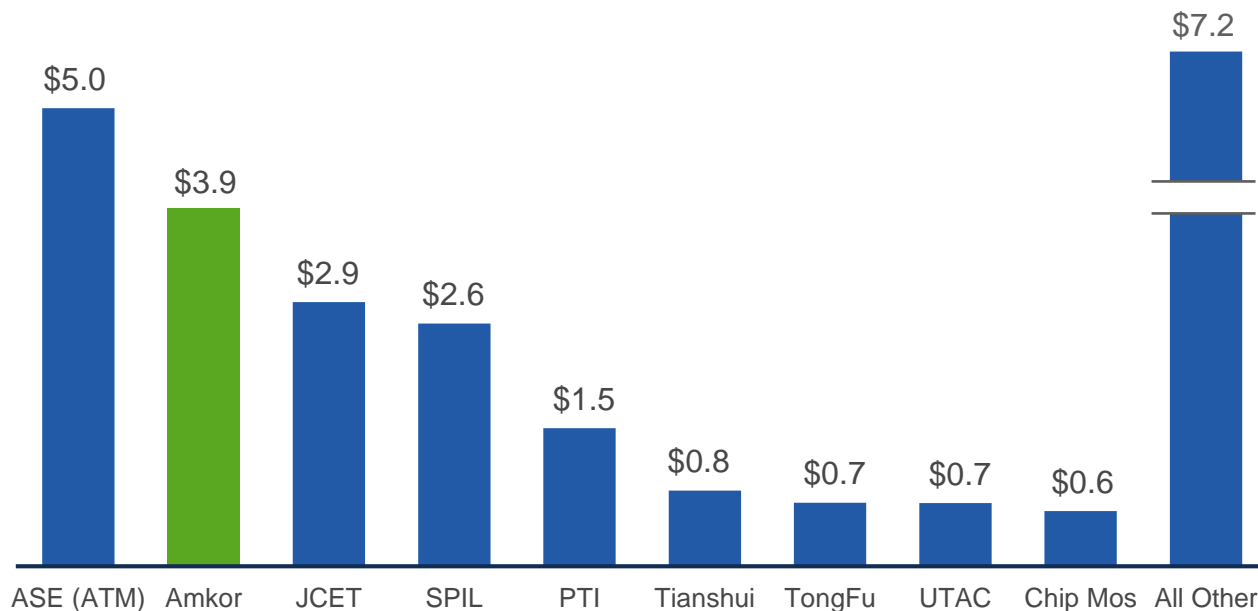
Cost Innovator



- Engineering lower cost materials
- New low cost manufacturing methods
- Innovating lower cost package structures

2016 OSAT Revenue

\$ in Billions



Amkor
15%
Share

Top 5
61%
Share

Source: Company press releases. Gartner Market Share Analysis. Semiconductor Packaging and Test Services, Worldwide, December 2016

Appendix

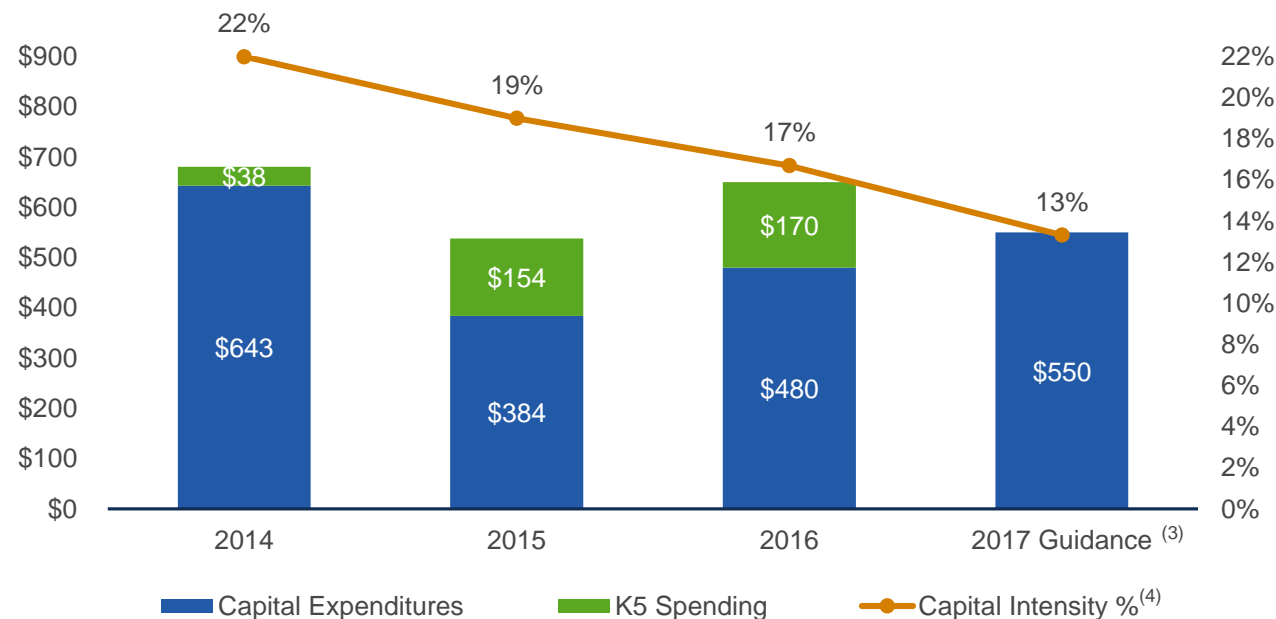
3Q17 and 4Q17 Summary

<i>(In Millions, Except per Share Data)</i>	4Q 2017 Guidance As of October 30, 2017 ⁽³⁾	3Q 2017	2Q 2017	3Q 2016
Net Sales	\$1,050 - \$1,130	\$1,135	\$989	\$1,086
Gross Margin	17.0% - 18.5%	19.1%	17.4%	19.7%
Net Income attributable to Amkor	\$34 – \$54	\$54	\$116	\$60
Earnings per Diluted Share	\$0.14 – \$0.23	\$0.23	\$0.48	\$0.25
EBITDA ⁽¹⁾	-	\$243	\$316	\$249
Net Cash Provided by Operating Activities	-	\$214	\$97	\$219
Free Cash Flow ⁽²⁾	-	\$74	\$43	\$106

(1), (2), and (3): See notes on page 28

Capital Expenditures and Capital Intensity

\$ in Millions



Expect 2017 Capital Expenditures⁽³⁾ of Around

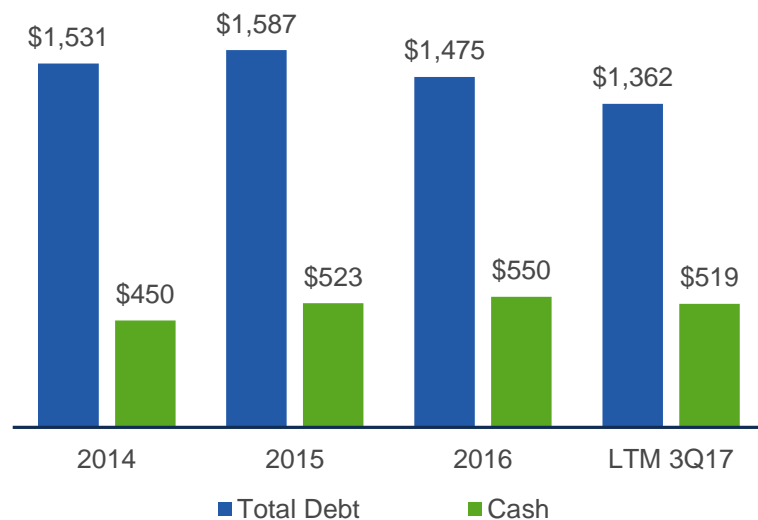
\$550M

(3) and (4): See notes on page 28

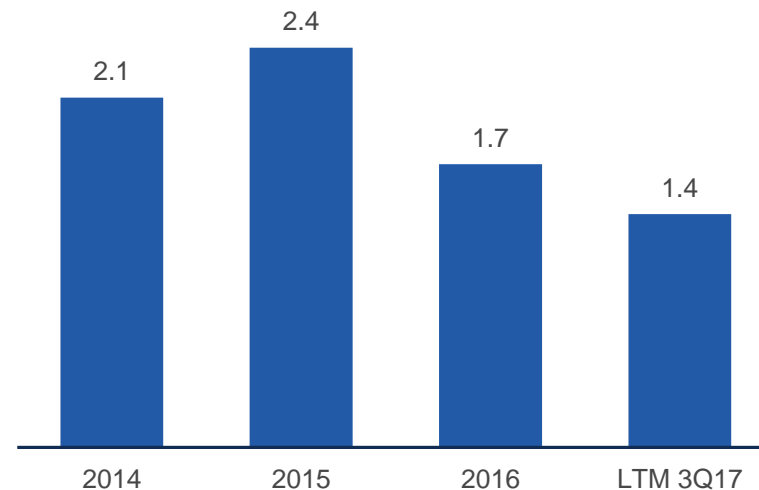
Credit Profile

Total Debt and Cash

\$ in Millions



Debt/EBITDA⁽¹⁾

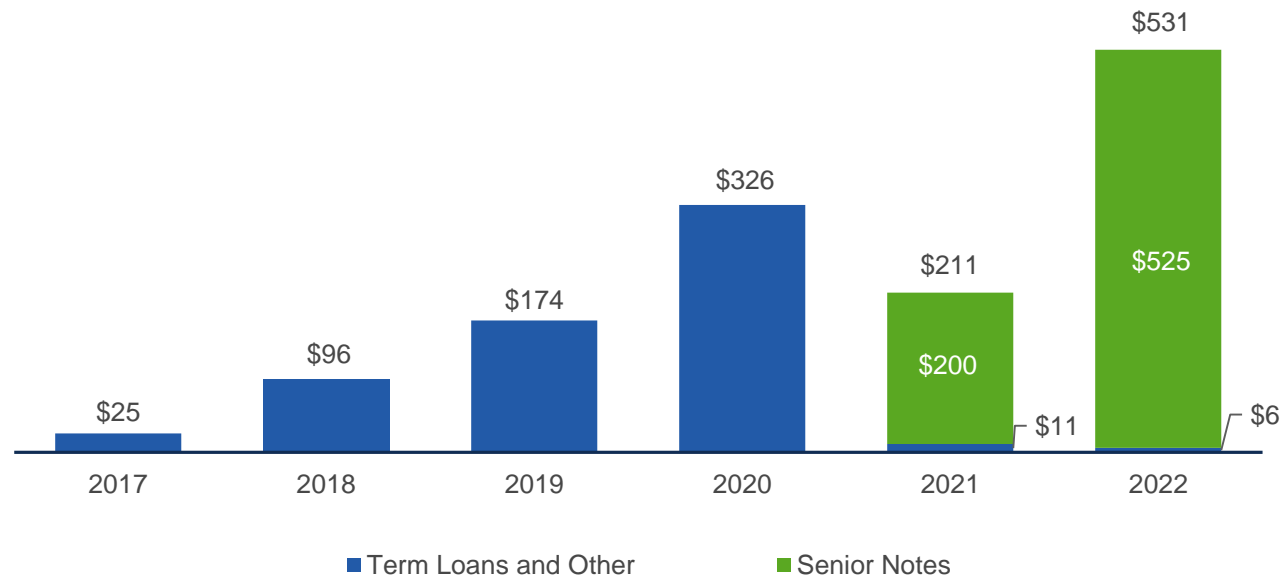


(1): See note on page 28

Debt Maturities

Maturity Profile as of September 30, 2017

\$ in Millions



\$520M

Cash

\$290M

In Available
Credit Lines

Financial Reconciliation Tables

<i>\$ in Millions</i>	LTM 3Q17	2016	2015	2014	3Q17	2Q17	3Q16
Net Income	\$264	\$167	\$54	\$133	\$56	\$116	\$61
Plus: Interest Expense (including Related Party)	88	85	86	110	20	22	23
Plus: Income Tax Expense	70	48	28	34	19	33	24
Plus: Depreciation & Amortization	574	555	494	465	148	145	141
EBITDA*	\$996	\$855	\$662	\$742	\$243	\$316	\$249
Debt	\$1,362	\$1,475	\$1,587	\$1,531	-	-	-
Debt / EBITDA*	1.4	1.7	2.4	2.1	-	-	-
Net Cash Provided by Operating Activities	\$652	\$729	\$585	\$615	\$214	\$97	\$219
Less: Payments for Property, Plant and Equipment	(582)	(650)	(538)	(681)	(142)	(183)	(126)
Plus: Proceeds from Sale of and Insurance Recovery for Property, Plant and Equipment	180	61	7	3	2	129	13
Free Cash Flow*	\$250	\$140	\$54	(\$63)	\$74	\$43	\$106

* See discussion of non-GAAP measures on page 27

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 26.
- 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 26.
- 3) This financial guidance is from our October 30, 2017 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.