

Amkor Technology, Inc. Financial Information

April 2017

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 2016 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.

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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” in the Appendix.

1Q17 and 2Q17 Summary

<i>(In Millions, Except per Share Data)</i>	2Q 2017 Guidance As of April 27, 2017 ⁽³⁾	1Q 2017	4Q 2016⁽⁴⁾	1Q 2016
Net Sales	\$955 - \$1035	\$914	\$1,022	\$869
Gross Margin	16% - 20%	15.6%	22.2%	14.1%
Net Income (Loss)	\$86 – \$125	(\$10)	\$100	(\$1)
Earnings per Diluted Share	\$0.36 – \$0.52	(\$0.04)	\$0.42	\$0.00
EBITDA ⁽¹⁾	-	\$154	\$280	\$155
Net Cash Provided by Operating Activities	-	\$103	\$238	\$138
Free Cash Flow ⁽²⁾	-	\$17	\$117	(\$61)

(1), (2), (3) and (4): See notes on page 14

LTM 1Q17 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%

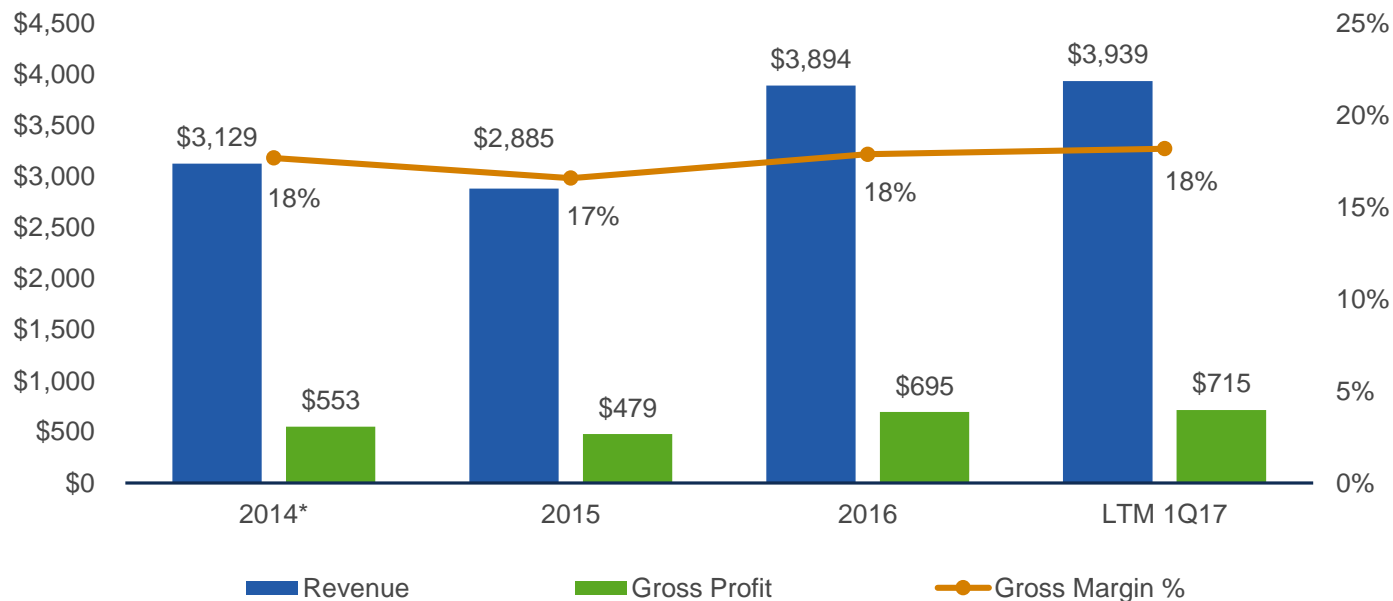
COMPUTING

PC/Laptop
Hard Disk Drive
Peripherals

Profitability Trends

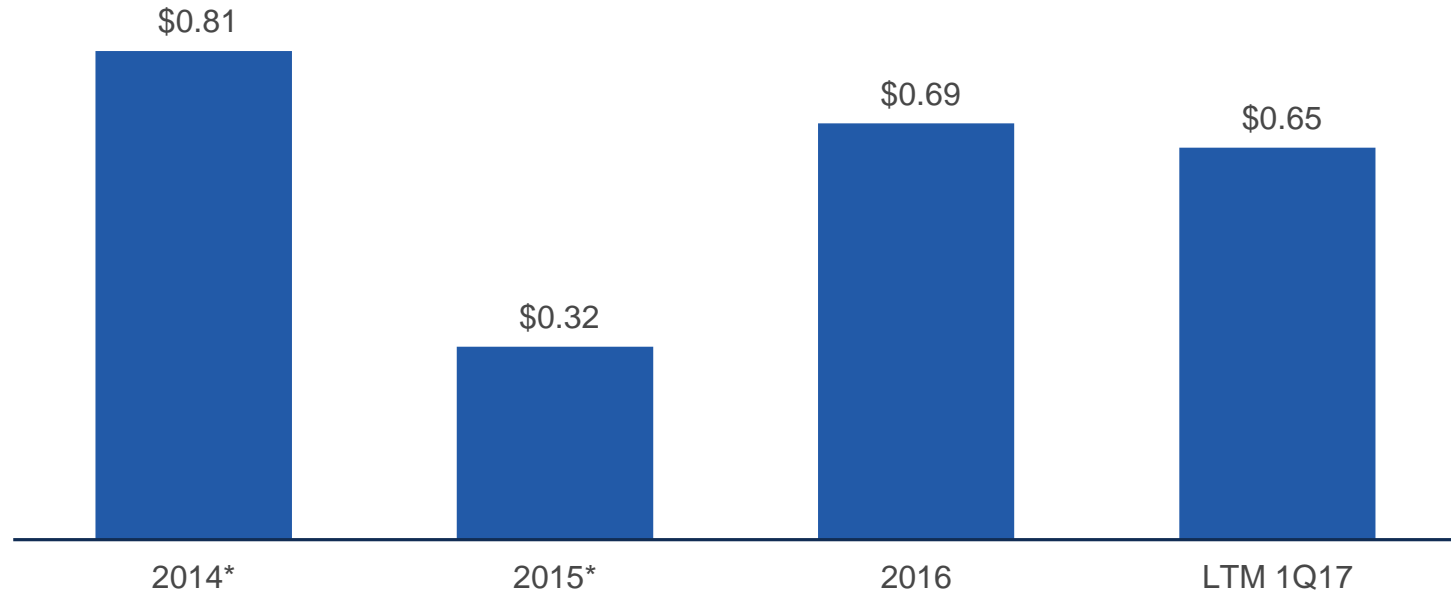
Revenue, Gross Profit and Gross Margin

\$ in Millions



*Non-GAAP Gross Margin was 20%. See page 12 for reconciliation of Non-GAAP measures.

EPS Trends

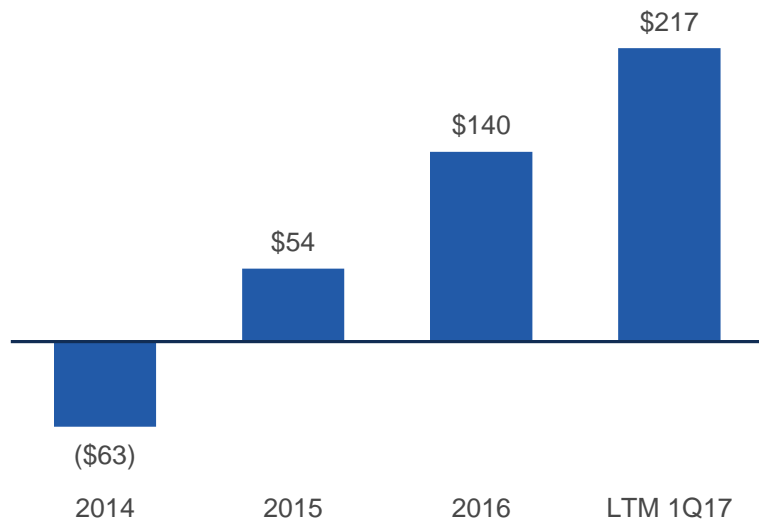


*Non-GAAP Earnings per Diluted Share. See page 12 for reconciliation of Non-GAAP measures.

Free Cash Flow and EBITDA

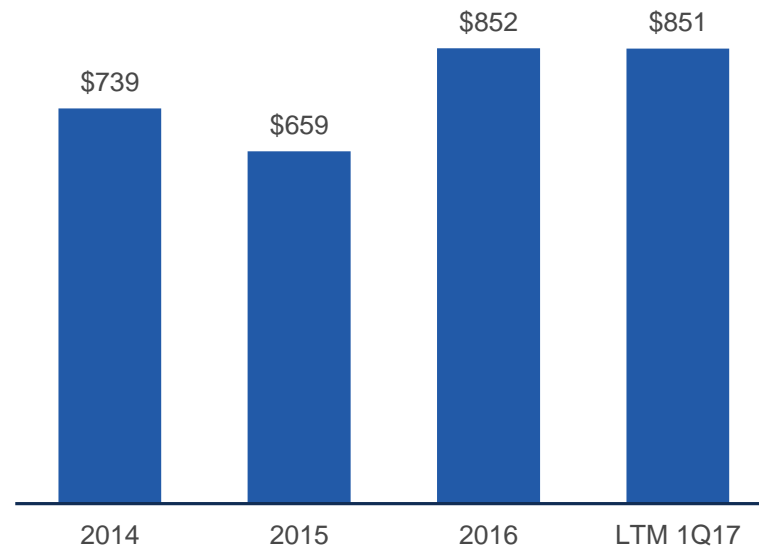
Free Cash Flow⁽²⁾

\$ in Millions



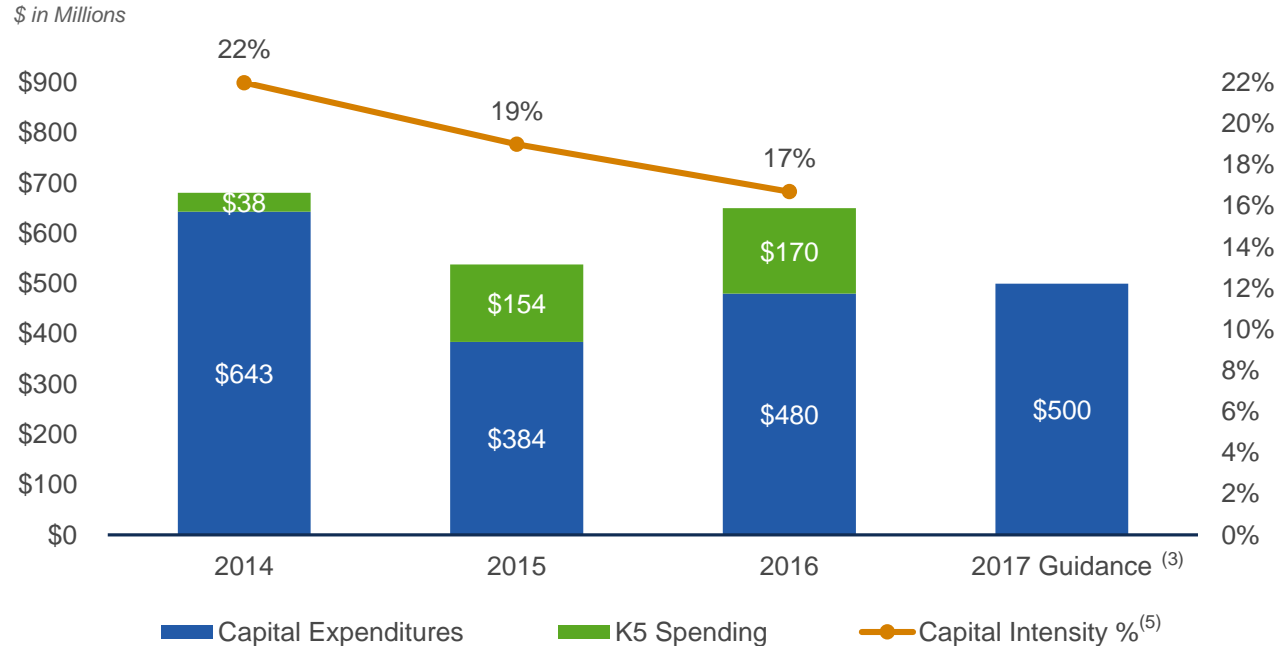
EBITDA⁽¹⁾

\$ in Millions



(1) and (2): See notes on page 14

Capital Expenditures and Capital Intensity



Expect 2017 Capital Expenditures⁽³⁾ of Around

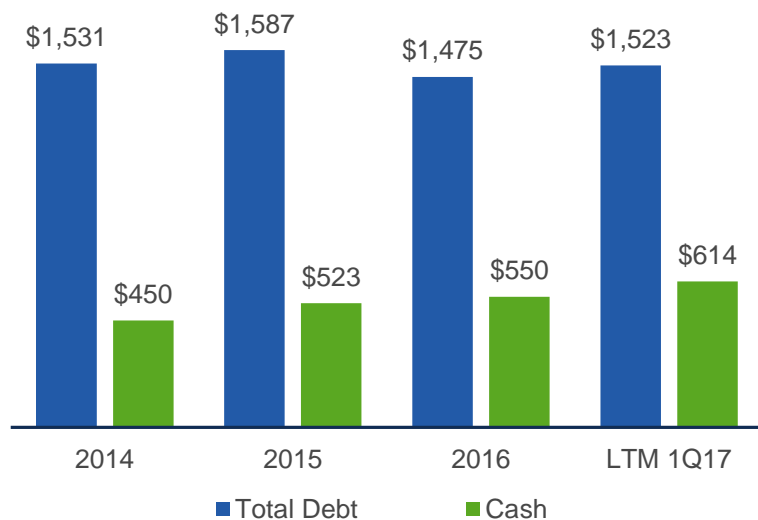
\$500M

(3) and (5): See notes on page 14

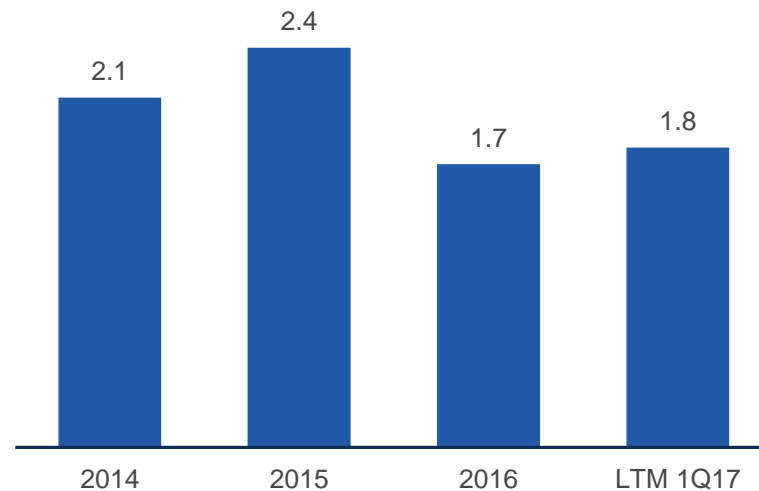
Credit Profile

Total Debt and Cash

\$ in Millions



Debt/EBITDA⁽¹⁾

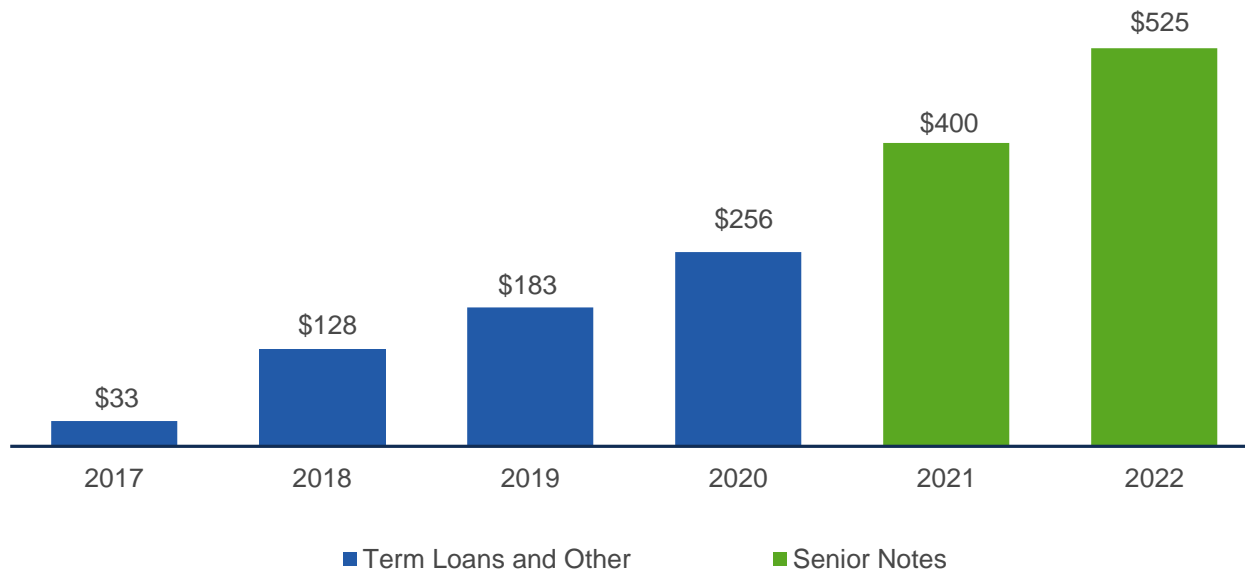


(1): See note on page 14

Debt Maturities

Maturity Profile as of March 31, 2017

\$ in Millions



\$615M
Cash

\$350M
In Available
Credit Lines

Financial Reconciliation Tables

<i>\$ in Millions</i>	LTM	1Q17	2016	2015	2014	1Q17	4Q16	1Q16
Net Income (Loss)	\$155	\$164	\$51	\$130	(\$10)	\$100	(\$1)	
Plus: Interest Expense (including Related Party)	90	85	86	110	22	22	17	
Plus: Income Tax Expense	46	48	28	34	0	19	2	
Plus: Depreciation & Amortization	560	555	494	465	142	139	137	
EBITDA*	\$851	\$852	\$659	\$739	\$154	\$280	\$155	
Debt	\$1,523	\$1,475	\$1,587	\$1,531	-	-	-	
Debt / EBITDA*	1.8	1.7	2.4	2.1	-	-	-	
Net Cash Provided by Operating Activities	\$694	\$729	\$585	\$615	\$103	\$238	\$138	
Less: Payments for Property, Plant and Equipment	(540)	(650)	(538)	(681)	(88)	(168)	(199)	
Plus: Proceeds from Sale of and Insurance Recovery for Property, Plant and Equipment	63	61	7	3	2	47	0	
Free Cash Flow*	\$217	\$140	\$54	(\$63)	\$17	\$117	(\$61)	

* See discussion of non-GAAP measures on page 13

Financial Reconciliation Tables

	2015	2014
Gross Margin		17.7%
Plus: Litigation settlement charges divided by net sales		2.4%
Non-GAAP Gross Margin*		20.1%
Earnings per Diluted Share	\$0.22	\$0.55
Plus: Litigation settlement charges per diluted share	-	0.33
Plus: Net loss on acquisition of J-Devices per diluted share	0.06	-
Plus: Loss on early extinguishment of debt per diluted share	0.04	-
Less: Gain on sale of subsidiary to J-Devices per diluted share	-	(0.07)
Non-GAAP Earnings per Diluted Share*	\$0.32	\$0.81

* See discussion of non-GAAP measures on page 13

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 sale of and insurance recovery for property, plant and equipment. 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.

In the presentation, we provide non-GAAP gross margin and non-GAAP earnings per diluted share for certain periods. We present these non-GAAP amounts to demonstrate the impact of the acquisition of J-Devices, the sale of our subsidiary to J-Devices, the early extinguishment of debt and the charges we recognized related to the settlement of our litigation with Tessera. These measures have limitations, including that they exclude the charges for the settlement payments, which are amounts that the company will ultimately have to pay in cash, and should be considered in addition to, and not as a substitute for, or superior to, gross margin and earnings per diluted share prepared in accordance with U.S. GAAP.

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 sale of and insurance recovery for property, plant and equipment. Please see reconciliation of non-GAAP measures on page 11.
- 3) This financial guidance is from our April 27, 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) Fourth quarter 2016 results include approximately \$26 million (250 basis points to gross margin) of insurance proceeds related to the second quarter 2016 Japan earthquakes.
- 5) Capital intensity is defined as capital expenditures as a percentage of net sales.