

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

April 29, 2003

DATE OF REPORT (DATE OF EARLIEST EVENT REPORTED)

AMKOR TECHNOLOGY, INC.

(Exact name of registrant as specified in its charter)

| | | |
|------------------------------|------------------------|------------------------|
| Delaware | 000-29472 | 23-1722724 |
| (State of other jurisdiction | (Commission | (IRS Employer |
| of incorporation) | Identification Number) | Identification Number) |

1345 ENTERPRISE DRIVE
WEST CHESTER, PA 19380

(Address of principal executive offices and zip code)

(610) 431-9600

(Registrant's telephone number, including area code)

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS.

(c) Exhibits.

99.1 Text of Press Release dated April 29, 2003

ITEM 9. REGULATION FD DISCLOSURE (ITEM 12. DISCLOSURE OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION).

The following information is being furnished under Item 12 of Form 8-K.

On April 29, 2003, Amkor announced its financial results for the fiscal quarter ended March 31, 2003 and certain other information. The press release, which has been attached as Exhibit 99.1, discloses certain financial measures, such as EBITDA and free cash flow, which are considered non-GAAP financial 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 generally accepted accounting principles. In order to fully assess our financial operating results, management believes that EBITDA and free cash flow are appropriate measures of evaluating our operating performance, liquidity, and ability to service debt and fund capital expenditures. However, these measures should be considered in addition to, and not as a substitute, or superior to, operating income, cash flows, or other measures of financial performance prepared in accordance with generally accepted accounting principles. The non-GAAP measures included in our press release have been reconciled to the nearest GAAP measures as is now required under new SEC rules regarding the use of non-GAAP financial measures.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

AMKOR TECHNOLOGY, INC.

By: /s/ KENNETH T. JOYCE

Kenneth T. Joyce
Chief Financial Officer

Dated: April 29, 2003

AMKOR REPORTS FIRST QUARTER 2003 RESULTS

CHANDLER, AZ. - April 29, 2003 -- Amkor Technology, Inc. (Nasdaq: AMKR) reported first quarter sales of \$343 million, down 8% sequentially and up 19% over the first quarter of 2002. Amkor's first quarter net income was \$14.5 million, or \$0.09 per share, compared with a loss of \$188 million, or (\$1.15) per share, in the first quarter of 2002.

The results of the company's wafer fabrication services business, which was sold on February 28, 2003, have been reported separately as discontinued operations and include a net gain of \$52 million in connection with the sale of that business. Prior period results have been restated to present the wafer fabrication services business as discontinued operations.

Amkor's first quarter loss from continuing operations was \$40 million, or (\$0.24) per share, compared with a loss of \$190 million, or (\$1.17) per share in the first quarter of last year. First quarter 2002 results included a loss of \$97 million, or (\$0.59) per share, on impairment of equity investment in ASI.

First quarter revenue was slightly ahead of guidance, and gross margin exceeded the company's expectations. Gross margin rose to 13.6% from negative 6.8% in the year-ago period, due in part to lower levels of depreciation, ongoing cost efficiency programs, and higher utilization of assembly and test assets used to support advanced packages. The reduced depreciation reflects the impact of the fixed asset impairment recorded in the second quarter of 2002 and the change in estimated useful lives of certain assembly equipment from four years to seven years effective with the fourth quarter of 2002.

"During the quarter we achieved several important strategic objectives designed to increase liquidity and focus management resources on our core business," said James Kim, Amkor's chairman and chief executive officer. "In February we completed the sale of our wafer fabrication services business for \$62 million. We also continued to monetize our investment in ASI, selling an additional seven million shares in March, which reduced our ownership interest to 19.7 million shares, or 16% of ASI's voting stock. As of March 24 we ceased accounting for our investment in ASI under the equity method and now account for this investment as a marketable security. We intend to further monetize this investment."

"Our first quarter revenue reflected seasonally weak demand and a conservative manufacturing posture among companies in the electronics supply chain," said John Boruch, Amkor's president and chief operating officer. "Our primary goals for 2003 are to prepare our operations for profitable growth and execute on an increasing number of customer program wins."

Amkor Reports First Quarter 2003 Results

"Our customers' forecasts have begun to trend upward from the seasonally slow first quarter," said Boruch. "During the downturn design engineers have focused on incorporating more functionality and higher levels of performance in their end products. These efforts are driving increased reliance on advanced packaging solutions such as flip chip, system in package, stacked chips, image sensing, MEMS, and MicroLeadFrame(TM), all of which fall into our core competency."

"First quarter gross margin of 13.6% was better than we expected and reflects ongoing efforts to manage costs and enhance operating efficiencies," said Ken Joyce, Amkor's chief financial officer. "Looking back over the past several quarters, we have made excellent progress streamlining our manufacturing organization in support of our expected return to bottom line profitability during the second half of this year."

"We continue to improve our financial liquidity," noted Joyce. "Our cash balance increased to \$351 million on March 31, reflecting positive cash flow from operations, completion of sale of our wafer fabrication services business, and the sale of additional shares of ASI. Early in the second quarter we refinanced our secured credit facility on more favorable terms, which is a strong vote of confidence from our lenders. The new \$200 million credit facility replaces the previous \$197 credit facility and will have no significant principal amortization until June 30, 2005."

Selected operating data for the first quarter of 2003 is included on a separate page of this release.

BUSINESS OUTLOOK

Our customers' long-range forecasts have generally been building since the beginning of the year. On the basis of these forecasts we have the following expectations for the second quarter:

- Revenue increase of around 10%.
- Gross margin of around 19%.
- Net loss of around 12 cents per share.

Our capital budget for 2003 has been increased to \$150 million. During the year we expect to accelerate our purchases of fine pitch wire bonders, testers and related equipment in response to strengthening customer demand for advanced assembly and test solutions. Given this scenario, we expect second quarter capex to exceed \$50 million.

We will resume the recognition of deferred tax assets when Amkor returns to profitability. We anticipate recognizing approximately \$4 million per quarter in foreign tax expense for the remainder of 2003. At March 31, 2003 our company had U.S. net operating losses totaling \$335 million expiring between 2021 and 2022. Additionally, at March 31, 2003 we had \$50 million of non-U.S. net operating losses available for carryforward, expiring between 2003 and 2012.

Amkor will hold a conference call on April 29, 2003 at 5:00 p.m. eastern time to discuss the results of the first quarter in more detail. The call will be webcast and can be accessed through the investor relations page of our web site: www.amkor.com/ir as well as through CCBN's website, www.companyboardroom.com. An archive of the webcast can be accessed through the

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same links and will be available until the company's next quarterly earnings conference call. An audio replay of the call will be available for 48 hours following the conference call by dialing 303-590-3000, passcode: 534350.

Amkor is the world's largest provider of contract semiconductor assembly and test services. The company offers semiconductor companies and electronics OEMs a complete set of microelectronic design and manufacturing services. More information on Amkor is available from the company's SEC filings and on Amkor's web site: www.amkor.com.

The statements by James Kim, John Boruch and Ken Joyce, and the above statements contained in our Business Outlook, are forward-looking statements that involve a number of risks and uncertainties. Factors that could affect future operating results and cause actual results to vary materially from historical and expected results include, but are not limited to: the highly unpredictable nature of the semiconductor industry; volatility of consumer demand for products incorporating our semiconductor packages; worldwide economic effects of terrorist attacks, military conflict in the Middle East and potential military conflict in Asia; potential effects of business disruption caused by SARS; competitive pricing and declines in average selling prices; reliance on a small group of principal customers; timing and volume of orders relative to the production capacity; availability of manufacturing capacity and fluctuations in manufacturing yields; availability of financing; competition; dependence on international operations and sales; dependence on raw material and equipment suppliers; exchange rate fluctuations; dependence on key personnel; difficulties in managing growth; enforcement of intellectual property rights; and environmental regulations.

Further information on risk factors that could affect the outcome of the events set forth in these statements and that could affect the company's operating results and financial condition is detailed in the company's filings with the Securities and Exchange Commission, including the Report on Form 10-K for the fiscal year ended December 31, 2002.

Contact:

Jeffrey Luth
VP Corporate Communications
480-821-2408 ext. 5130
jluth@amkor.com

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Selected operating data for the first quarter of 2003

- Capital expenditures: \$17 million
- Depreciation and amortization: \$58 million
- EBITDA: \$52 million *
- * Please refer to attached page for a reconciliation of EBITDA to the most directly comparable GAAP measure
- End market distribution (an approximation based on a sampling of programs with our largest customers)
 - Communications: 40%
 - Computing 25%
 - Consumer 20%
 - Other 15%
- Combined assembly & test capacity utilization (based on front-of-line capacity) was approximately 60%.
- Assembly average selling price (calculated on a per pin basis) declined approximately 1% from Q4 2002.
- Assembly unit shipments were 1.14 billion, down 7% from Q4 2002.
- Units as a percentage of assembly revenue:
 - Advanced packages 75%
 - Traditional packages 25%
- Test revenue as a proportion of total revenue was approximately 8%.

(tables to follow)

Amkor Reports First Quarter 2003 Results

AMKOR TECHNOLOGY, INC.
RECONCILIATION OF EBITDA AND FREE CASH FLOW
(in thousands)

| | FOR THE THREE MONTHS ENDED MARCH 31, | |
|--|---|---------------------|
| | 2003 (unaudited) | 2002 (unaudited) |
| EBITDA (1) RECONCILIATION: | | |
| Loss before income taxes, equity in loss of investees, loss on impairment of equity investment, minority interest and discontinued operations: | \$ (40,728) | \$ (113,818) |
| Depreciation and amortization | 57,793 | 93,653 |
| Foreign currency (gain)/loss | (925) | 1,998 |
| Interest expense, net | 35,862 | 36,185 |
| Loss on disposal of assets | 69 | 1,674 |
| | ----- | ----- |
| EBITDA from continuing operations | \$ 52,071 | \$ 19,692 |
| | ===== | ===== |
| FREE CASH FLOW (2) RECONCILIATION: | | |
| Net cash provided (used) by continuing operating activities | \$ 29,464 | \$ (19,341) |
| Purchases of property, plant and equipment, net | (16,057) | (22,247) |
| | ----- | ----- |
| Free cash flow from continuing operations | \$ 13,407 | \$ (41,588) |
| | ===== | ===== |

- (1) Earnings before interest, taxes, depreciation and amortization ("EBITDA") is defined as loss before income taxes, equity in loss of investees, loss on impairment of equity investment, minority interest, discontinued operations, depreciation and amortization, net foreign currency, net interest expense and loss on disposal of assets. EBITDA is not defined by generally accepted accounting principles, and our definition of EBITDA may not be comparable to similar companies.
- (2) Free cash flow from continuing operations is defined as net cash from continuing operating activities less purchases of property, plant and equipment, net. Free cash flow is not defined by generally accepted accounting principles, and our definition of free cash flow may not be comparable to similar companies.

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AMKOR TECHNOLOGY, INC. CONSOLIDATED STATEMENTS OF INCOME (in thousands, except per share data)

| | FOR THE THREE MONTHS ENDED MARCH 31, | |
|---|---|--------------|
| | 2003 | 2002 |
| | ---- | ---- |
| | (unaudited) | (unaudited) |
| Net revenues | \$ 343,131 | \$ 288,955 |
| Cost of revenues | 296,562 | 308,478 |
| | ----- | ----- |
| Gross profit (loss) | 46,569 | (19,523) |
| | ----- | ----- |
| Operating expenses: | | |
| Selling, general and administrative | 42,544 | 45,540 |
| Research and development | 6,488 | 8,144 |
| Loss on disposal of assets | 69 | 1,674 |
| Amortization of acquired intangibles | 2,030 | 1,252 |
| | ----- | ----- |
| Total operating expenses | 51,131 | 56,610 |
| | ----- | ----- |
| Operating loss | (4,562) | (76,133) |
| | ----- | ----- |
| Other (income) expense: | | |
| Interest expense, net | 35,862 | 36,185 |
| Foreign currency (gain) loss | (925) | 1,998 |
| Other (income) expense, net | 1,229 | (498) |
| | ----- | ----- |
| Total other expense | 36,166 | 37,685 |
| | ----- | ----- |
| Loss before income taxes, equity in loss of investees, loss on impairment of equity investment, minority interest and discontinued operations | (40,728) | (113,818) |
| Equity in loss of investees | (3,628) | (2,094) |
| Loss on impairment of equity investment | -- | (96,576) |
| Minority interest gain (loss) | 149 | (1,753) |
| | ----- | ----- |
| Loss from continuing operations before income taxes | (44,207) | (214,241) |
| | ----- | ----- |
| Income tax benefit | (4,177) | (24,104) |
| | ----- | ----- |
| Loss from continuing operations | (40,030) | (190,137) |
| | ----- | ----- |
| Discontinued operations: | | |
| Income from wafer fabrication services business, net of tax of \$419 and \$1,553 | 3,047 | 2,329 |
| Gain on sale of wafer fabrication services business, net of tax \$7,081 and \$-0- | 51,519 | -- |
| | ----- | ----- |
| Income from discontinued operations | 54,566 | 2,329 |
| | ----- | ----- |
| Net income (loss) | \$ 14,536 | \$ (187,808) |
| | ===== | ===== |
| Per Share Data: | | |
| Basic and diluted loss per common share from continuing operations | \$ (0.24) | \$ (1.17) |
| Basic and diluted income per common share from discontinued operations | 0.33 | 0.02 |
| | ----- | ----- |
| Net income (loss) per common share | \$ 0.09 | \$ (1.15) |
| | ===== | ===== |
| Shares used in computing basic and diluted net (loss) income per common share | 165,156 | 162,766 |
| | ===== | ===== |

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AMKOR TECHNOLOGY, INC. CONSOLIDATED BALANCE SHEETS (in thousands)

| | March 31, 2003 (unaudited) | December 31, 2002 |
|--|----------------------------------|----------------------|
| Assets | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 351,485 | \$ 311,249 |
| Accounts receivable -- | | |
| Trade, net of allowance for doubtful accounts of \$6,938 and \$7,122 | 213,573 | 234,056 |
| Due from affiliates | 152 | 298 |
| Other | 7,132 | 8,234 |
| Inventories | 68,433 | 72,121 |
| Other current assets | 69,194 | 48,661 |
| Total current assets | 709,969 | 674,619 |
| Property, plant and equipment, net | 926,581 | 966,338 |
| Investments | 55,166 | 83,235 |
| Other assets: | | |
| Due from affiliates | 20,855 | 20,852 |
| Goodwill | 628,147 | 628,099 |
| Acquired intangibles | 43,055 | 45,033 |
| Other | 89,815 | 114,178 |
| Assets of discontinued operations | 5,086 | 25,630 |
| Total other assets | 786,958 | 833,792 |
| Total assets | \$ 2,478,674 | \$ 2,557,984 |
| Liabilities and Stockholders' Equity | | |
| Current liabilities: | | |
| Bank overdraft | \$ 5,183 | \$ 4,633 |
| Short-term borrowings and current portion of long-term debt | 76,876 | 71,023 |
| Trade accounts payable | 146,982 | 180,999 |
| Due to affiliates | 18,122 | 70,243 |
| Accrued expenses | 188,131 | 184,223 |
| Total current liabilities | 435,294 | 511,121 |
| Long-term debt | 1,723,370 | 1,737,690 |
| Other noncurrent liabilities | 69,203 | 67,661 |
| Total liabilities | 2,227,867 | 2,316,472 |
| Minority Interest | 9,996 | 10,145 |
| Stockholders' equity: | | |
| Common stock | 166 | 166 |
| Additional paid-in capital | 1,170,227 | 1,170,227 |
| Accumulated deficit | (919,198) | (933,734) |
| Receivable from stockholder | (2,887) | (2,887) |
| Accumulated other comprehensive losses | (7,497) | (2,405) |
| Total stockholders' equity | 240,811 | 231,367 |
| Total liabilities and stockholders' equity | \$ 2,478,674 | \$ 2,557,984 |

Amkor Reports First Quarter 2003 Results

AMKOR TECHNOLOGY, INC.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(IN THOUSANDS)

| | FOR THE THREE MONTHS ENDED MARCH 31, | |
|---|---|--------------|
| | 2003 | 2002 |
| | (UNAUDITED) | |
| Cash flows from continuing operating activities: | | |
| Loss from continuing operations | \$ (40,030) | \$ (190,137) |
| Depreciation and amortization | 57,793 | 93,653 |
| Equity in loss of investees | 3,628 | 2,094 |
| Loss on impairment of equity investment | -- | 96,576 |
| Other adjustments to reconcile loss to net cash provided by operating activities | 4,186 | (13,190) |
| Changes in assets and liabilities excluding effects of acquisitions | 3,887 | (8,337) |
| Net cash provided by (used in) operating activities | 29,464 | (19,341) |
| Cash flows from investing activities: | | |
| Purchases of property, plant and equipment, net | (16,057) | (22,247) |
| Other investing activities | 12,764 | (70) |
| Net cash used in investing activities | (3,293) | (22,317) |
| Cash flows provided by (used in) financing activities | (7,867) | 5,240 |
| Effect of exchange rate fluctuations on cash and cash equivalents related to continuing | (207) | 1,783 |

operations

| | | |
|--|---------------------|---------------------|
| Cash flows provided by discontinued operations | ----- 22,139 | ----- 9,859 |
| Net increase (decrease) in cash and cash equivalents | ----- 40,236 | ----- (24,776) |
| Cash and cash equivalents, beginning of period | ----- 311,249 | ----- 200,057 |
| Cash and cash equivalents, end of period | ----- \$ 351,485 | ----- \$ 175,281 |
| | ===== | ===== |

Supplemental disclosures of cash flow information:
Cash paid during the period for:

| | | |
|--------------|-----------|-----------|
| Interest | \$ 31,390 | \$ 31,289 |
| Income taxes | \$ 4,028 | \$ 4,331 |