



Amkor Signs Preliminary Memorandum of Terms with US Department of Commerce for Arizona Advanced Packaging and Test Facility

TEMPE, [Ariz.](#) – July 26, 2024 -- Amkor Technology, Inc. (Nasdaq: AMKR), a leading provider of semiconductor packaging and test services, announced today it has signed a non-binding preliminary memorandum of terms with the US Department of Commerce to receive proposed funding as part of the CHIPS and Science Act.

Amkor announced in November 2023 its plans to build its first domestic OSAT (outsourced semiconductor assembly and test) facility in Peoria, Arizona. Amkor projects to invest approximately \$2 billion and employ approximately 2,000 people at the new facility. Upon completion, this will be the largest outsourced advanced packaging and test facility in the United States.

The terms include:

- ▶ Up to \$400 million in proposed direct funding
- ▶ Access to \$200 million in proposed loans

Amkor plans to take advantage of the Department of the Treasury's Investment Tax Credit, which is expected to be up to 25% of qualified capital expenditures.

Amkor's Arizona facility is an essential part to establishing a robust and resilient domestic semiconductor supply chain. Establishing an advanced packaging and test facility in Arizona allows Amkor to leverage its status as a strategic manufacturing partner for the world's leading semiconductor companies, foundries, and OEMs, while playing a significant role in ensuring competitive semiconductor manufacturing innovation in the US.

Commerce Secretary Gina M. Raimondo identified advanced packaging as a major area of focus for the US government's effort to rebuild American semiconductor manufacturing. The Commerce Department emphasized that developing robust advanced packaging manufacturing capacity and capability is a key priority and essential to the success of the CHIPS program.

Amkor has secured approximately 55 acres with intent to build a state-of-the-art manufacturing campus with more than 500,000 square feet of clean room space. The first phase of the manufacturing facility is targeted to be ready for production within three years.

Amkor and TSMC have been working closely to provide high volume, leading-edge technologies for advanced packaging and testing of semiconductors to support critical markets such as high-performance computing, automotive, and communications. The companies' shared vision is to enable seamless technology alignment for customers across a global manufacturing network.

Amkor first established its presence in the Greater Phoenix area in 1984 and is excited to expand its footprint in the evolving Arizona semiconductor industry. The new manufacturing location will uniquely position Amkor among a strong ecosystem of front-end fabs, IDMs, and suppliers with current or expanding presence in the area.

The project has garnered strong support as it expands the evolving semiconductor ecosystem, provides high-tech jobs, and increases economic energy in the Greater Phoenix area.



News Release

“Amkor is proud to be the leading advanced packaging and test OSAT headquartered in the US, and today’s announcement underscores our commitment to grow America’s domestic semiconductor ecosystem,” said **Giel Rutten, Amkor’s president and chief executive officer**. “Amkor’s Arizona facility will enable us to support the growing semiconductor manufacturing community—while creating 2,000 good jobs—and we look forward to providing our customers with domestic advanced packaging and test capabilities. Advanced packaging is an essential component of semiconductor innovation and manufacturing, and we appreciate our partners at the Department of Commerce for recognizing the importance of this sector as they work to support our industry.”

“One of the fundamental goals of the CHIPS and Science Act is creating an advanced packaging ecosystem in the U.S. to ensure full start to finish chip production occurs domestically. Advanced packaging drives chip innovation at all levels, and because of President Biden’s leadership, the U.S. will have a robust domestic footprint in this critical technology,” said **U.S. Secretary of Commerce Gina Raimondo**. “The leading-edge chips that will be packaged right here in Arizona are foundational to technologies of the future that will define global economic and national security for decades to come. Thanks to the Biden-Harris Administration, and Amkor’s investments in the U.S., this proposed funding would enhance our supply chain security, create thousands of jobs in Arizona, and further position the United States to out-innovate, out-build, and out-compete the rest of the world.”

“This announcement marks another significant milestone for President Biden and Vice President Harris’s CHIPS & Science Act – dramatically expanding advanced packaging capabilities in the United States” said **National Economic Advisor Lael Brainard**. “Developing a comprehensive semiconductor ecosystem here in America, from R&D through packaging, will strengthen our technological leadership and create thousands of good paying jobs.”

“The Biden-Harris Administration has committed to making the U.S. a world leader in advanced packaging, which is so critical to the future of the semiconductor industry because it allows us to pack more capability onto every chip,” said **Under Secretary of Commerce for Standards and Technology and National Institute of Standards and Technology Director Laurie E. Locascio**. “Investments in semiconductors will not succeed without investments in advanced packaging and with this proposed CHIPS funding, Amkor could play a crucial role in the U.S. semiconductor ecosystem.”

“Today’s announcement underscores Arizona’s position as the semiconductor hub of the US and among the world’s most advanced manufacturing ecosystems. Amkor’s Arizona expansion represents the most significant advanced packaging facility in the United States, reshoring a critical part of the semiconductor supply chain back to North America. This investment means good, durable jobs for Arizonans and that we will remain on the leading edge of the global economy for generations to come.” – **Arizona Governor Katie Hobbs**

“Today’s investment from our bipartisan CHIPS and Science Law for Amkor Technology will create 2,000 strong careers for Arizonans – fueling innovation, expanding opportunity, and strengthening Arizona’s international leadership in semiconductor manufacturing,” said **Arizona senior Senator Kyrsten Sinema**.

“This is a big day for the state of Arizona and the entire country. With this award and Amkor’s significant investment, their new facility in Peoria will be one of the first advanced packaging facilities in the United States, marking a critical step in strengthening our microchip supply chain,” said **Arizona Senator and chief negotiator of the CHIPS and Science Act, Mark Kelly**. “This project will create great-paying jobs,



News Release

many of which won't require a four-year degree. The CHIPS and Science Act is working for Arizona, providing new opportunities for our local workforce, and is working for our country, bringing back advanced manufacturing capabilities, and strengthening our national security.”

“Arizona is continuing to lead the world in semiconductor innovation. Thanks to our CHIPS Act, Amkor is expanding their footprint with one of the first advanced packaging and testing facilities in the U.S.,” said **Rep. Greg Stanton**. “Soon, microchips manufactured in Arizona will be packaged in Arizona – making our entire semiconductor supply chain more efficient and resilient, while creating good-paying jobs here in the state.”

“Peoria is thrilled to celebrate this CHIPS Act announcement to further support Amkor Technology,” said **Peoria Mayor Jason Beck**. “This investment underscores the importance of advanced packaging in the semiconductor industry and reinforces Peoria’s position at the forefront of tech and innovation. This additional funding will further enhance local communities through quality job creation, while driving economic development growth for years to come.”

“Today’s Amkor announcement will strengthen U.S.-based advanced packaging operations—a critical step in the chip production process—while further expanding Arizona’s booming semiconductor ecosystem and bringing more jobs and economic growth to the state. We commend Amkor for investing ambitiously in U.S.-based advanced packaging, which is an area that needs to be strengthened in the U.S. chip ecosystem, and we salute the U.S. Commerce Department for continuing to make impressive headway in getting CHIPS Act incentives out the door in a timely and effective manner. We look forward to continuing to work with leaders in government and industry to ensure the CHIPS Act delivers maximum benefits for America’s economic strength, national security, and supply chain resilience.” - **SIA President and CEO John Neuffer**

“We’re incredibly excited to celebrate Amkor’s CHIPS funding announcement. Amkor’s advanced packaging and test facility will support leading-edge chipmaking in Arizona, further bolstering U.S. supply chain resiliency and emphasizing Arizona’s prominence for advanced packaging technology. We are so grateful to Amkor for their continued investment in Arizona and thank the Biden Administration, the Commerce Department and CHIPS Program Office, Governor Hobbs, and all our partners for their continued support.” – **Sandra Watson, President and CEO, Arizona Commerce Authority**



News Release

About Amkor Technology, Inc.

Amkor Technology, Inc. is the world's largest US headquartered OSAT (outsourced semiconductor assembly and test) service provider. Since its founding in 1968, Amkor has pioneered the outsourcing of IC packaging and test services and is a strategic manufacturing partner for the world's leading semiconductor companies, foundries, and electronics OEMs. Amkor provides turnkey manufacturing services for the communication, automotive and industrial, computing, and consumer industries, including but not limited to smartphones, electric vehicles, data centers, artificial intelligence and wearables. Amkor's operational base includes production facilities, research and development centers, and sales and support offices located in key electronics manufacturing regions in Asia, Europe and the United States. For more information visit amkor.com.

Forward-Looking Statement Disclaimer

This press release contains forward-looking statements within the meaning of the federal securities laws, including statements about the amount and timing of CHIPS funding and government support, the start of production in Arizona, the size, capability, output and other features and benefits of the facility, the amount of investment, the supply chain, job creation, our market position, and growth. You are cautioned not to place undue reliance on forward-looking statements. All forward-looking statements in this press release are made based on our current expectations, forecasts, estimates, and assumptions. Because such statements include risks and uncertainties, actual results may differ materially from those anticipated in such forward-looking statements. Risk factors that could affect the outcome of the events set forth in these statements include, but are not limited to, that there can be no assurance that the facility will be built on the timeline, at the cost or to the specifications expected or at all or that the facility will generate sales or other benefits of the type or amount expected or at all and other factors discussed in the company's reports filed with or furnished to the Securities and Exchange Commission. All forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by this cautionary statement. We assume no obligation to review or update any forward-looking statements to reflect events or circumstances occurring after the date of this press release except as may be required by applicable law.

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