

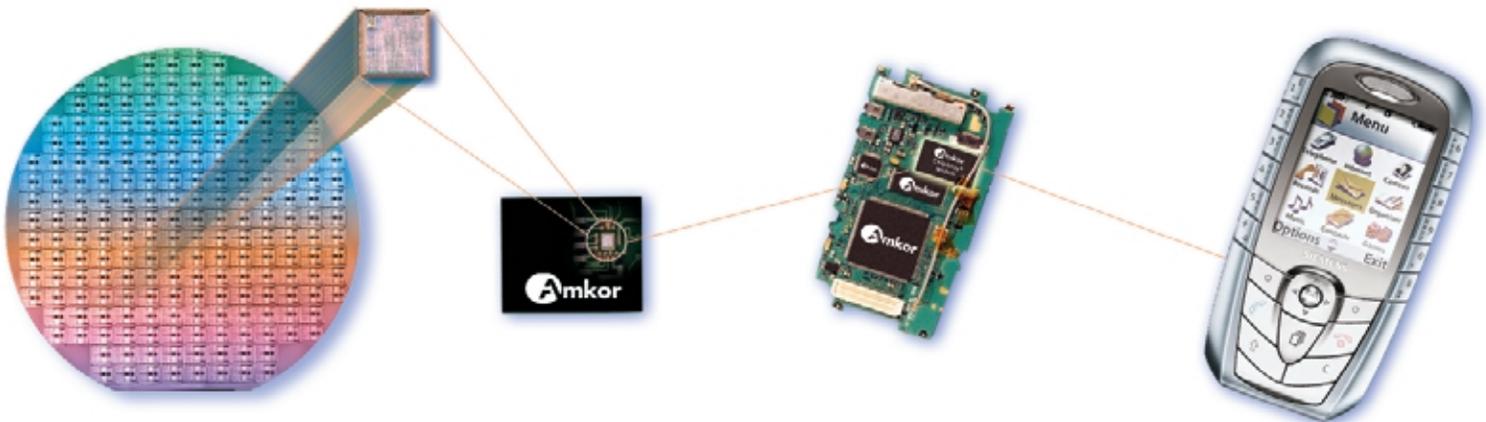


Enabling a
Microelectronic World™

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Amkor is the world's largest provider of contract semiconductor assembly and test services. Founded in 1968, Amkor pioneered the concept of having a highly focused third party provide assembly and test services to semiconductor manufacturers. By capitalizing on strong outsourcing trends and consistently meeting customer needs, Amkor has enjoyed significant growth over the past three decades.

Today we are a strategic manufacturing partner for many of the world's leading semiconductor companies and electronics OEMs, providing our customers with the industry's broadest array of microelectronic manufacturing solutions. Amkor's operational base encompasses more than 4 million square feet of manufacturing facilities, product development centers, and sales & support offices located in key electronics manufacturing regions in Asia, Europe and the United States.



Semiconductor manufacturing is generally defined in two stages. In the front end, millions of transistors and complex electronic circuitry are deposited onto silicon wafers through a process called wafer fabrication. In the back end, called **packaging, or assembly**, the silicon wafer is cut into individual chips, and each chip is placed in a protective housing that allows the chip to properly connect with the system board. For most advanced semiconductor devices, these packages are custom designed for specific applications.

The assembly process is responsible for managing the electrical connections between the very fine pitch of the IC and the larger geometry of the system board. Amkor's industry-leading technology, design, assembly and test capabilities represent critical operational requirements for many the world's leading semiconductor companies.

If you look inside a microelectronic product you won't see Amkor's name on the actual packages, but you will see the names of our customers – more than 175 of the world's leading semiconductor suppliers.

LETTER TO SHAREHOLDERS

Following the worst single-year decline in the history of the semiconductor industry, end-market demand remained soft during 2002, thus restraining any hope of meaningful recovery in our business. Our assembly & test revenue grew 5% to \$1.41 billion from \$1.34 billion in 2001. For the full year we lost \$827 million, or (\$5.04) per share, compared to a loss of \$451 million, or (\$2.87) per share in 2001.

It should be noted that our 2002 net loss included \$626 million in principally non-cash charges. These charges included \$256 million (net of \$7 million of

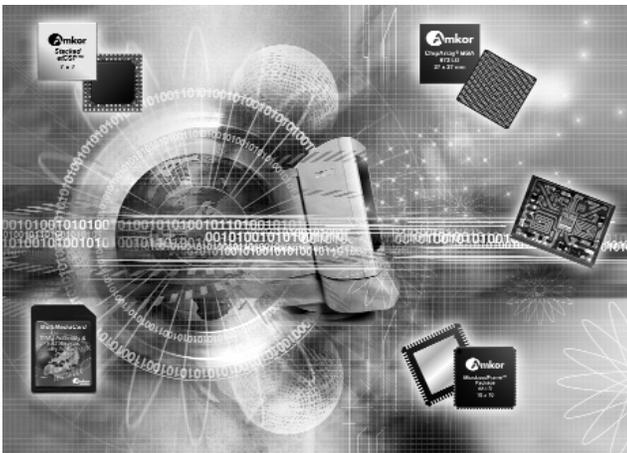
million for the impairment and losses associated with our investment in Anam Semiconductor.

Our assembly and test year-over-year growth of 5% significantly exceeded the 1% growth achieved by the overall semiconductor industry. It is also important to keep in mind that our year-over-year revenue comparison masks the very real growth that occurred in our business during 2002. Following a seasonal decline of 3% in the first quarter, our assembly & test revenue climbed 21% in Q2 and rose another 12% sequentially before falling 5% in Q4. This translates into an intra-year growth rate of 26%, which was higher than any of our major competitors.

2002 was both a challenging and productive year for Amkor, and in many respects our results were better than the numbers would indicate.

While 2002 was a most challenging year for Amkor, it was also highly productive, and in many respects our results were far better than the numbers would seem to indicate. Gross profit increased sharply to \$118 million from \$70 million in 2001 due in part to ongoing cost efficiency programs, higher capacity utilization and lower levels of depreciation. We achieved significant progress in reducing costs and operating expenses at our factories in Korea and the Philippines. These savings were partially offset by investments made to support our strategic expansion in China, Japan and Taiwan, and as the year progressed we began to realize the benefits of these investments.

taxes) for the impairment of long-lived assets and goodwill; \$24 million (net of \$5 million of taxes) for various restructuring costs in connection with consolidating factories and rationalizing product lines; \$138 million charge to establish a valuation allowance against our deferred tax assets; and \$208



During the year we addressed several key strategic initiatives to pave the way for sustainable and profitable growth.

We took important steps to restructure our interest in Anam Semiconductor by selling 20 million ASI shares for \$93.5 million. In the first quarter of 2003 we sold an additional 7 million shares for \$19.5 million, bringing our ownership interest down to 16%. Our intent is to monetize the remaining interest in this investment.

We negotiated the sale of our wafer fabrication services business for \$62 million and completed the transaction in the first quarter of 2003. Following this transaction, Amkor is now completely focused on semiconductor assembly and test.

We undertook a comprehensive series of programs designed to streamline our business operations and enhance operating efficiencies in the environment of ongoing, sluggish economic conditions. During the year we made significant progress with these initiatives, which will enable Amkor to emerge from the downturn with a leaner organization better positioned to achieve profitable and sustainable growth.

We focused our research and development activities on creating advanced assembly and test solutions necessary to accommodate increasingly complex ICs and higher degrees of system level integration.

We allocated our capital expenditures on supporting areas of the business with the most promising growth opportunities, such as MicroLeadFrame™, ChipArray® BGA, System-in-Package, flip chip, stacked packages, MEMS and image sensing.

We significantly improved our financial liquidity. At year-end, cash rose to \$311 million from \$200 million at the end of 2001, and our short-term debt was only \$75 million.

We further enhanced our balance sheet in the first part of 2003. In April we completed a \$200 million financing that replaced a \$197 million credit facility and provided additional liquidity, together with a more relaxed covenant structure. In May we completed a \$425 million 7 ¾% senior note offering maturing in 2013 that replaced \$425 million in 9 ¼% senior notes maturing in 2006.

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Advancing the State of Package and Test Technology

During 2002 we extended our leadership in advancing the state of packaging and test solutions through collaborative efforts involving the design and engineering teams at Amkor, our customers and an increasing number of OEMs.

Our MicroLeadFrame™ family of packages is fast becoming Amkor's most successful new product. During the year we sharply expanded production capacity in order to accommodate strong customer demand. With outstanding thermal and electrical characteristics engineered into a small footprint, MLF could become a new industry standard in chip scale leadframe package solutions.



Our System-in-Package group is developing integrated, system-level solutions for an increasing number of applications, including power amplifiers for cell phones, modules for wireless LAN devices, multimedia cards for data storage and fingerprint recognition systems.



Photo courtesy of STMicroelectronics

As a leading contract provider of flip chip bumping and packaging services, Amkor is working closely with leading flip chip process providers to enable wider adoption of flip

chip in computing, gaming, networking and communications applications.

A Broad Operational Footprint

One of Amkor's competitive strengths is our capability to provide our customers with assembly and test support in key electronic manufacturing centers located throughout Asia. With our newly established production facilities in Japan, Taiwan and China, Amkor maintains an operational footprint unmatched in our industry. During 2002 we made important progress in each of these new locations.

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Our strong market position in Japan makes Amkor uniquely positioned to accommodate the emergence of a strong outsourcing trend in Japan's semiconductor

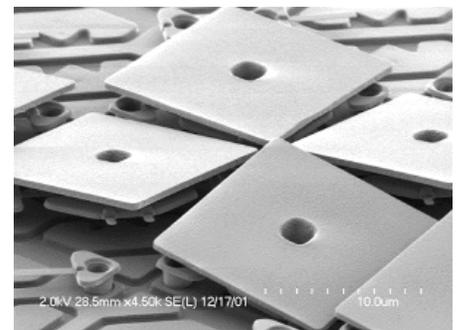


Photo courtesy of Texas Instruments

industry. During 2002 we successfully completed the second year of our three-year joint venture with Toshiba Semiconductor Corporation and we significantly expanded the scope of business activity with many of

Japan's other leading semiconductor companies. Over the next several years, Japan represents an exceptional growth opportunity for Amkor.

In Taiwan we enhanced our existing operational platform with a broad set of advanced assembly capabilities, including ball grid array, flip chip, MEMS and CMOS image sensors. We've also strengthened our relationships with many of the leading IC design houses and wafer foundries. These initiatives should help Amkor expand our market opportunity in this important region.

Our new factory in Shanghai, China has initially been focused on providing local content and supply chain management for semiconductor companies supporting the cell phone industry. We believe Amkor's location in Shanghai's premier free trade zone represents a competitive advantage in our relationships with IC suppliers, OEMs and other members of China's growing microelectronics industry.

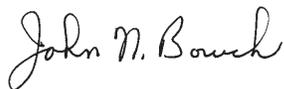
Planning for Growth

Most industry analysts are predicting that 2003 will represent the start of a renewed growth cycle for the semiconductor industry. Over the past two years we have taken a number of strategic actions designed to enhance our financial condition, improve our operating flexibility, increase our manufacturing efficiency and accelerate our return to profitability. We view 2003 as a platform for Amkor's next growth phase, and we remain committed to extending our industry leadership, strengthening our customer relationships and enhancing shareholder value.

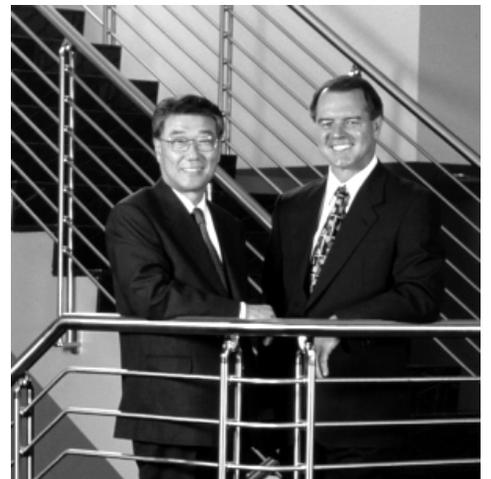
Sincerely,



James J. Kim
Chairman and Chief
Executive Officer



John N. Boruch
President and Chief
Operating Officer



CORPORATE INFORMATION

Board of Directors

James J. Kim
Chairman and
Chief Executive Officer
Amkor Technology, Inc.

John N. Boruch
President and
Chief Operating Officer
Amkor Technology, Inc.

Winston J. Churchill*, **
Chair: Compensation Committee
Chairman
Churchill Investment Partners, Inc.
and CIP Capital, Inc.

Thomas D. George*
Retired President and
General Manager
Semiconductor Products Sector
Motorola, Inc.

Gregory K. Hinckley**
Chief Operating Officer and
Chief Financial Officer
Mentor Graphics Corporation

Dr. Juergen Knorr
Retired Group President
Siemens Semiconductor Group,
Siemens AG

John B. Neff**
Retired Senior Vice President and
Managing Partner
Wellington Management Co.

James W. Zug**
Chair: Audit Committee
Retired Managing Director and
Global Leader
PricewaterhouseCoopers LLP

* Member Compensation Committee
** Member Audit Committee

Corporate Management

James J. Kim
Chairman and
Chief Executive Officer

John N. Boruch
President and
Chief Operating Officer

Kenneth T. Joyce
Executive Vice President and
Chief Financial Officer

Bruce Freyman
Executive Vice President
Operations

Corporate Headquarters

1345 Enterprise Drive
West Chester, PA 19380
Tel: 610.431.9600
Fax: 610.431.5881

Stock Trading

Amkor Technology, Inc.'s common stock is traded on the Nasdaq Stock Market under the symbol AMKR.

Transfer Agent and Registrar

First Chicago Trust Co., a division of Equiserve
P.O. Box 2500
Jersey City, NJ 07303-2500
800.519.3111
Hearing impaired: 201.222.4955
e-mail: fctc@em.fcncbd.com

Independent Accountants

PricewaterhouseCoopers LLP
Two Commerce Square, Suite 1700
2001 Market Street
Philadelphia, PA 19103-7042

Legal Counsel

Wilson Sonsini Goodrich & Rosati
650 Page Mill Road
Palo Alto, CA 94304

A copy of the company's Form 10-K, filed with the Securities and Exchange Commission is available upon written request to:

Jeffrey Luth
VP, Corporate Communications
Amkor Technology, Inc.
1900 South Price Road
Chandler, AZ 85248

Please visit our Web Site:
www.amkor.com



www.amkor.com