

# Amkor Technology, Inc. Financial Information

APRIL 2015

Reliability  
and Trust

信義



# 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 2014 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.

## Policy Regarding Prior Guidance and Forward-Looking Statements

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 “Endnotes” and “Financial Reconciliation Tables” in the Appendix.

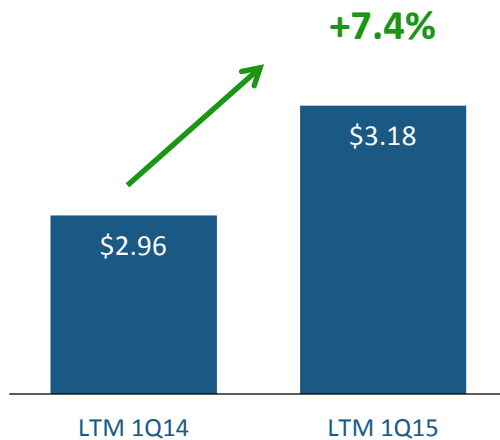
# 1Q15 and 2Q15 Summary

<i>(In Millions, Except per Share Data)</i>	<b>2Q 2015 Guidance</b> <i>(As of April 27, 2015)<sup>(1)</sup></i>	<b>1Q 2015</b>	<b>4Q 2014</b>	<b>1Q 2014</b>
<b>Net Sales</b>	\$750	\$743	\$853	\$696
<b>Gross Margin</b>	17.5%	18.2%	14.1%	18.5%
<b>Net Income</b>	\$23.5	\$29	\$13	\$21
<b>Earnings per Diluted Share</b>	\$0.10	\$0.12	\$0.06	\$0.09
<b>EBITDA<sup>(2)</sup></b>	—	\$184	\$175	\$159
<b>Free Cash Flow<sup>(3)</sup></b>	—	\$59	(\$31)	\$36

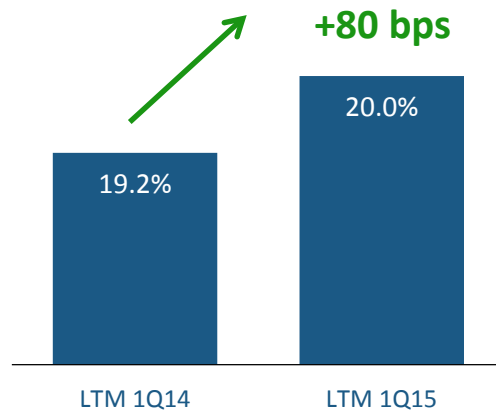
# LTM 1Q15 Highlights

*\$ in Billions*

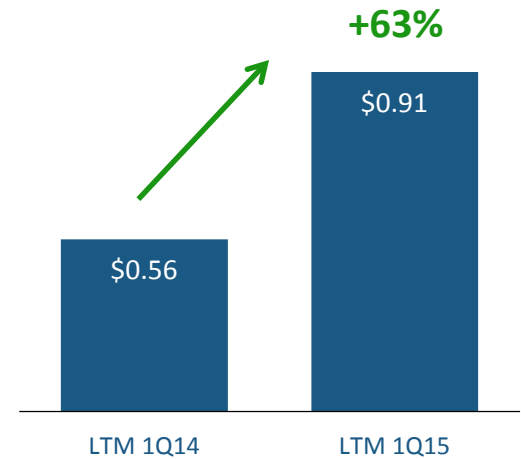
## Net Sales



## Non-GAAP Gross Margin<sup>(4)</sup>



## Non-GAAP Diluted EPS<sup>(4)</sup>



# LTM 1Q15 End Market Distribution



56%

COMMUNICATIONS

Smartphone  
Tablet  
Handheld Device

13%

CONSUMER



Television  
Set Top Box  
Gaming

11%

AUTOMOTIVE,  
INDUSTRIAL



Infotainment  
Safety  
Performance

11%

NETWORKING



Server  
Router  
Switch

9%

COMPUTING

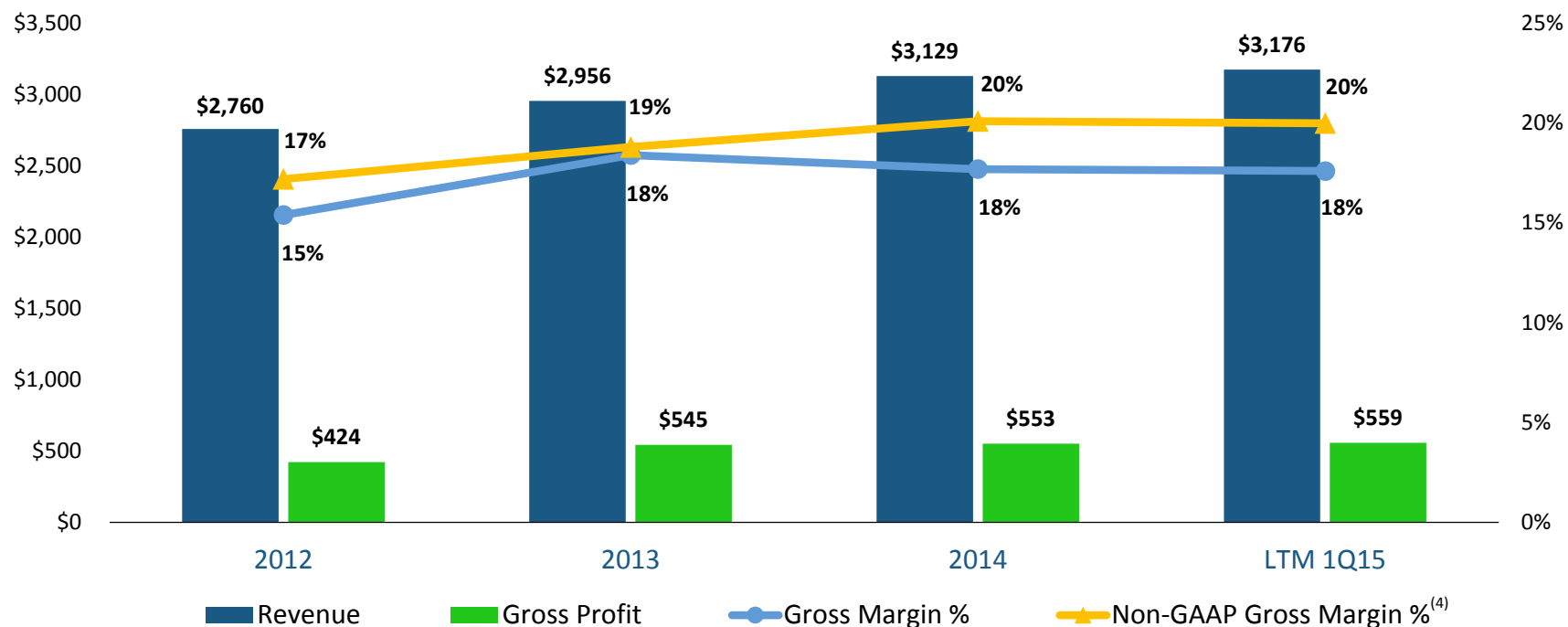


PC / Laptop  
Hard Disk Drive  
Peripherals

# Profitability Trends

## Revenue, Gross Profit and Gross Margin

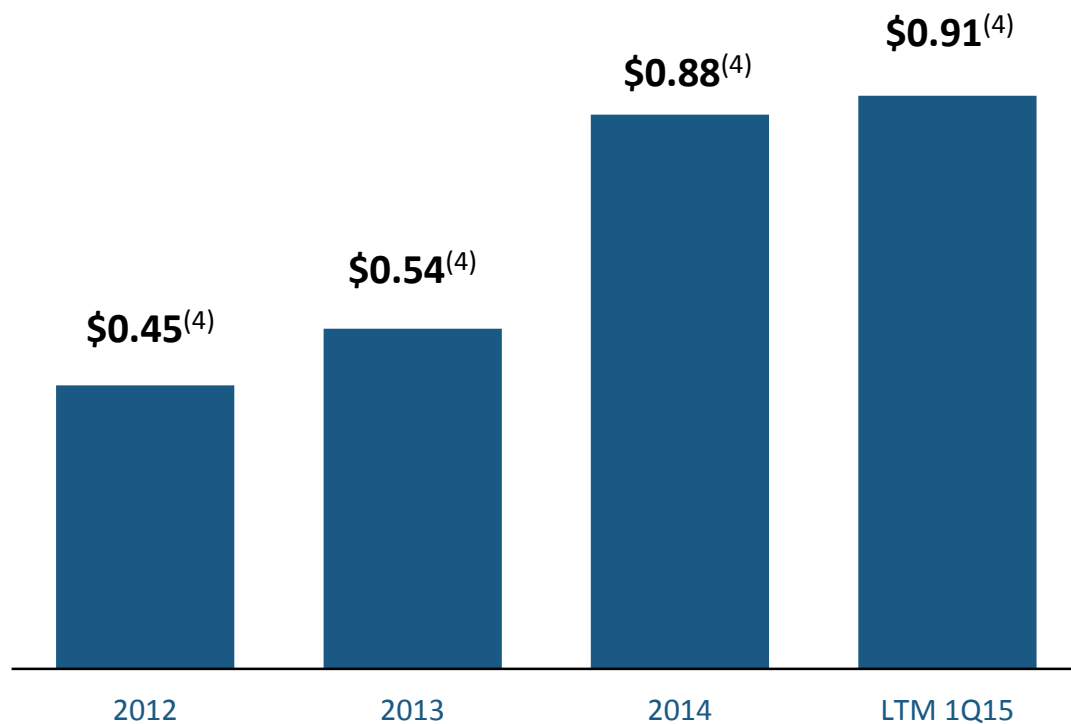
\$ in Millions





# EPS Trends: Recent Earnings Momentum

Earnings per Diluted Share

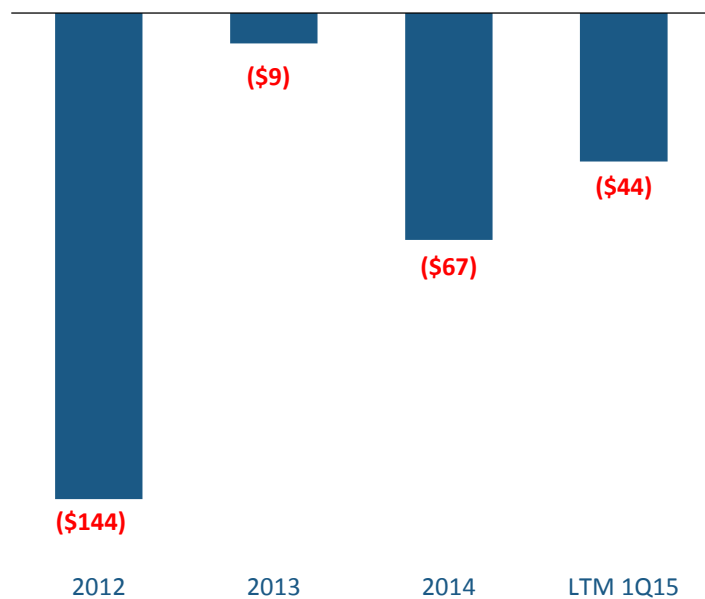


**REVENUE  
GROWTH  
and  
HIGHER  
MARGINS**

# Free Cash Flow and EBITDA

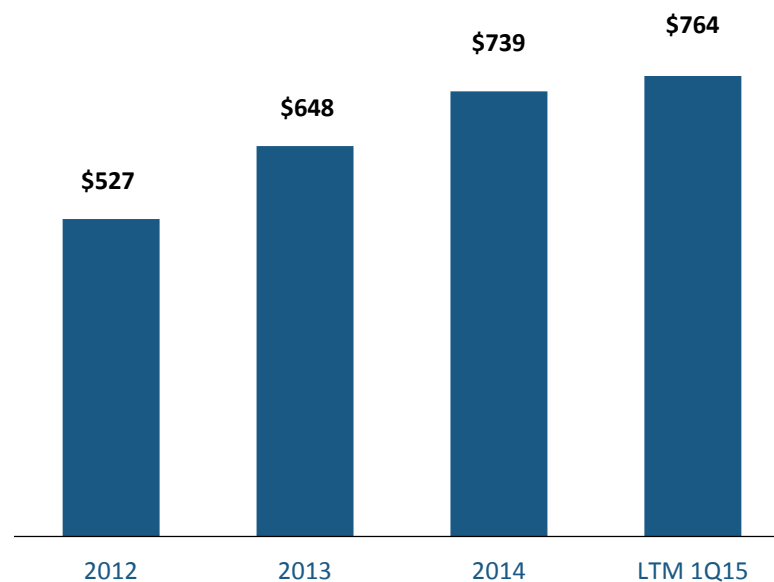
## Free Cash Flow<sup>(3)</sup>

\$ in Millions



## EBITDA<sup>(2)</sup>

\$ in Millions



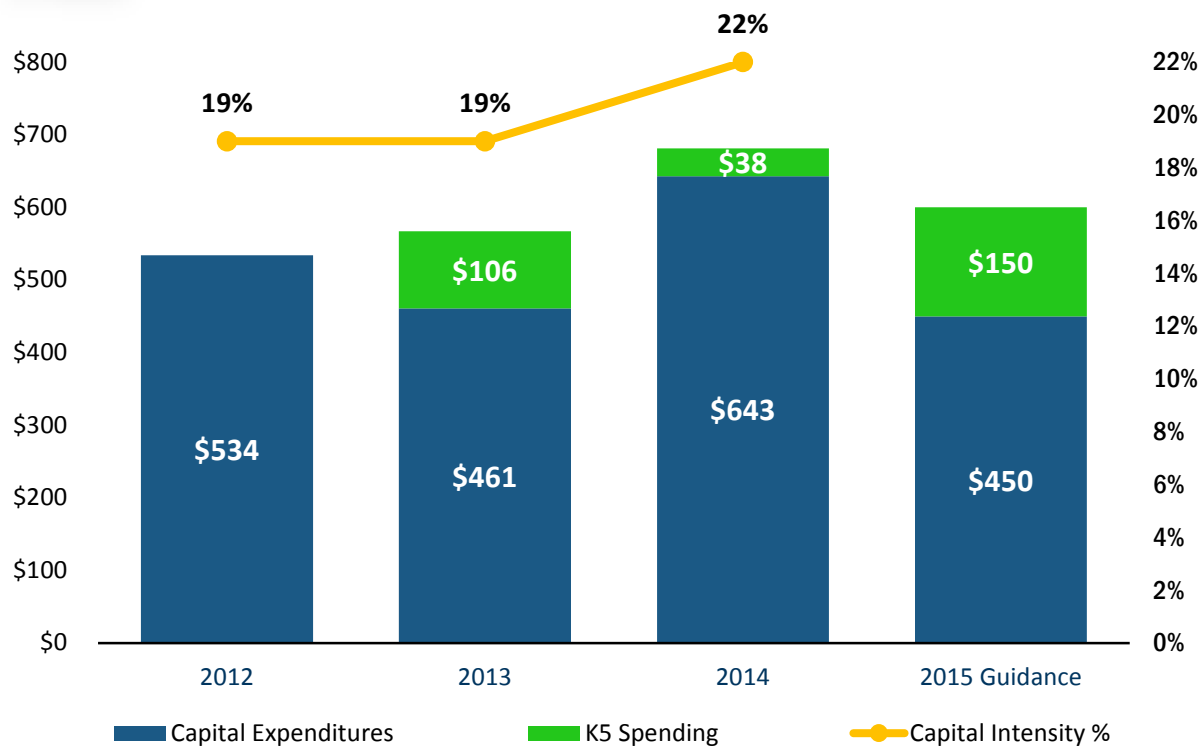
2012 includes \$50 million, 2013 includes \$10 million, 2014 and LTM 1Q15 includes \$75 million for litigation settlement charges



# Capital Expenditures and Capital Intensity

## Capital Intensity<sup>(5)</sup>

\$ in Millions



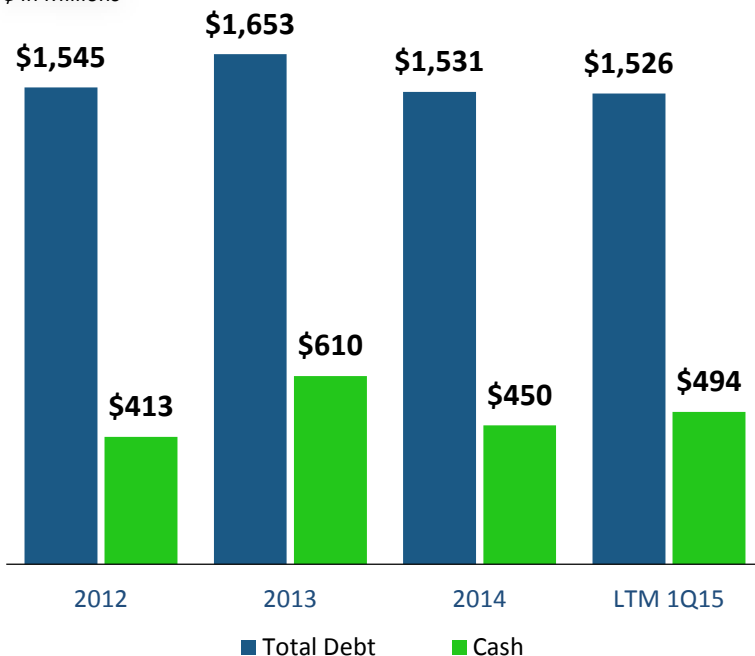
EXPECT  
2015 CAPITAL  
EXPENDITURES<sup>(1)</sup>  
OF AROUND  
**\$450M**

EXPECT 2015  
K5 SPENDING<sup>(1)</sup>  
OF AROUND  
**\$150M**

# Credit Profile

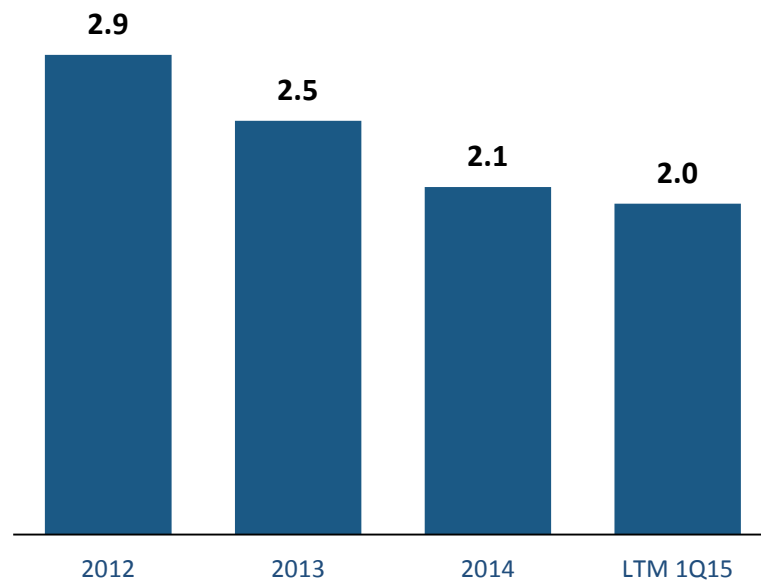
## Total Debt and Cash

\$ in Millions



## Debt/EBITDA<sup>(2)</sup>

\$ in Millions

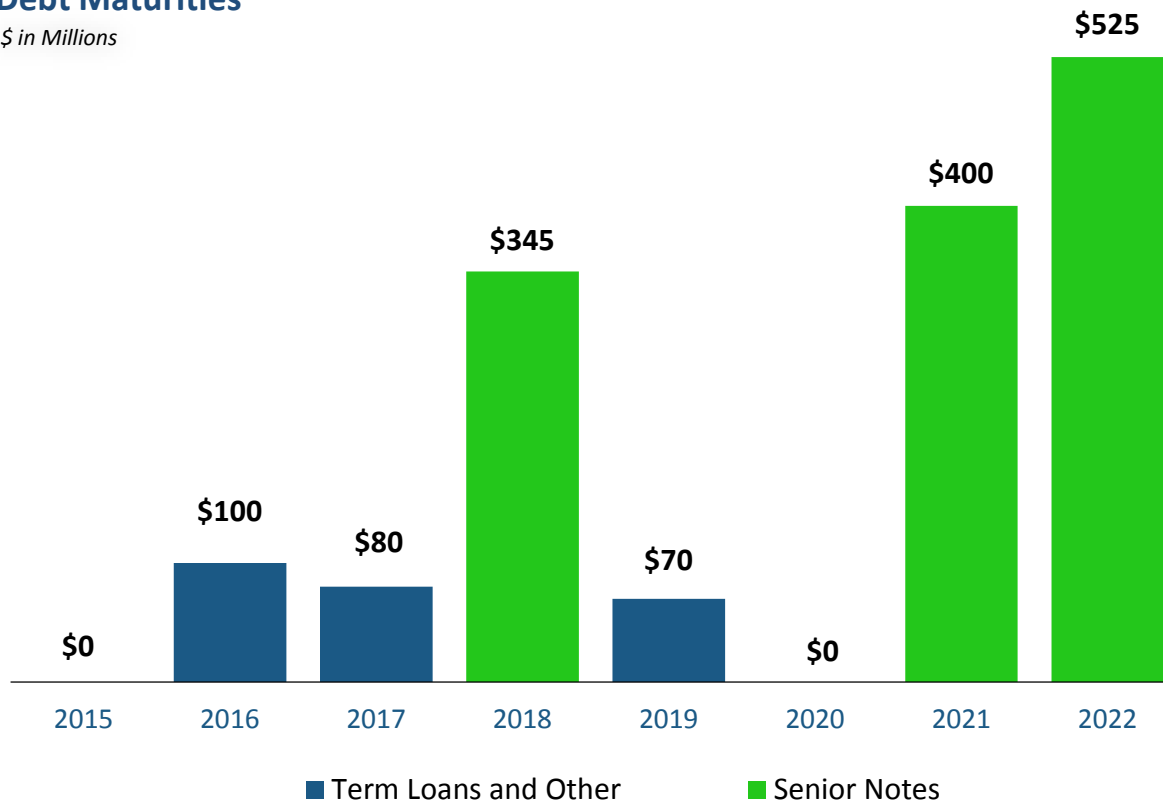


Debt/Adjusted EBITDA, excluding litigation settlement charges  
2012 - 2.7x, 2013 - 2.5x, 2014 - 1.9x and LTM 1Q15 - 1.8x <sup>(4)</sup>

# Debt Maturities

## Debt Maturities

*\$ in Millions*



NO SIGNIFICANT  
DEBT MATURITIES  
UNTIL

**2018**

**\$450M**

IN AVAILABLE  
CREDIT LINES

# Endnotes

- (1) This financial guidance is from our April 27, 2015 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.
- (2) 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 13.
- (3) Free cash flow is defined as net cash provided by operating activities less payments for property, plant and equipment. Please see reconciliation of non-GAAP measures on page 13.
- (4) Excludes litigation settlement charges. Please see reconciliation of non-GAAP measures on page 15.
- (5) Capital intensity is defined as capital expenditures as a percentage of net sales.

# Financial Reconciliation Tables

(\$ in Millions)

	LTM 1Q15	2014	2013	2012	1Q15	4Q14	1Q14
<b>Net Cash Provided by Operating Activities</b>	<b>\$647</b>	<b>\$614</b>	<b>\$558</b>	<b>\$389</b>	<b>\$165</b>	<b>\$208</b>	<b>\$132</b>
Less: Payments for Property, Plant and Equipment	(691)	(681)	(567)	(534)	(106)	(239)	(96)
<b>Free Cash Flow*</b>	<b>(\$44)</b>	<b>(\$67)</b>	<b>(\$9)</b>	<b>(\$144)</b>	<b>\$59</b>	<b>(\$31)</b>	<b>\$36</b>

<b>Net Income</b>	<b>\$139</b>	<b>\$130</b>	<b>\$109</b>	<b>\$42</b>	<b>\$29</b>	<b>\$13</b>	<b>\$21</b>
Plus: Interest Expense (Including Related Party)	109	110	106	98	25	36	25
Plus: Income Tax Expense	35	34	23	17	6	1	5
Plus: Depreciation & Amortization	481	465	410	370	124	125	108
<b>EBITDA*</b>	<b>\$764</b>	<b>\$739</b>	<b>\$648</b>	<b>\$527</b>	<b>\$184</b>	<b>\$175</b>	<b>\$159</b>

<b>Net Income</b>	<b>\$50</b>	<b>\$50</b>
Plus: Interest Expense	3	2
Plus: Income Tax Expense	16	19
Plus: Depreciation & Amortization	77	77
<b>J-Devices' EBITDA*</b>	<b>\$146</b>	<b>\$148</b>

# Financial Reconciliation Tables

We define free cash flow as net cash provided by operating activities less payments for property, plant and equipment. Free cash flow is not defined by U.S. generally accepted accounting principles ("U.S. GAAP"). 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.

We define EBITDA as net income before interest expense, income tax expense and depreciation and amortization. EBITDA is not defined by U.S. GAAP. 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.



# Financial Reconciliation Tables

	LTM 1Q15	LTM 1Q14	2014	2013	2012
<b>Gross Margin</b>	<b>17.6%</b>	<b>18.8%</b>	<b>17.7%</b>	<b>18.4%</b>	<b>15.4%</b>
Plus: Litigation Settlement Charge Divided by Net Sales	2.4%	0.4%	2.4%	0.4%	1.8%
<b>Non-GAAP Gross Margin</b>	<b>20.0%</b>	<b>19.2%</b>	<b>20.1%</b>	<b>18.8%</b>	<b>17.2%</b>
<b>Earnings per Diluted Share</b>	<b>\$0.59</b>	<b>\$0.52</b>	<b>\$0.55</b>	<b>\$0.50</b>	<b>\$0.24</b>
Plus: Litigation Settlement Charge per Diluted Share	0.32	0.04	0.33	0.04	0.21
<b>Non-GAAP Earnings per Diluted Share</b>	<b>\$0.91</b>	<b>\$0.56</b>	<b>\$0.88</b>	<b>\$0.54</b>	<b>\$0.45</b>
<b>EBITDA* (\$ in Millions)</b>	<b>\$764</b>	<b>\$667</b>	<b>\$739</b>	<b>\$648</b>	<b>\$527</b>
Plus: Cost of Goods Sold Portion of Litigation Settlement Charge	75	10	75	10	50
<b>Adjusted EBITDA*</b>	<b>\$839</b>	<b>\$677</b>	<b>\$814</b>	<b>\$658</b>	<b>\$577</b>
Debt	\$1,526	\$1,653	\$1,531	\$1,653	\$1,545
<b>Debt / Adjusted EBITDA*</b>	<b>1.8</b>	<b>2.5</b>	<b>1.9</b>	<b>2.5</b>	<b>2.7</b>

In the presentation we provide non-GAAP gross margin, non-GAAP earnings per diluted share and adjusted EBITDA for the twelve months ended March 31, 2015 and March 31, 2014, and for the years ended December 31, 2014, 2013 and 2012, respectively. We present these non-GAAP amounts to demonstrate the impact of the charges we recognized related to the settlement of our litigation with Tessera. 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. 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. Adjacent is the reconciliation of non-GAAP gross margin and non-GAAP earnings per diluted share to U.S. GAAP gross margin and earnings per diluted share along with a reconciliation of EBITDA to adjusted EBITDA.

## Reliability and Trust

These Chinese characters symbolize “reliability and trust” – the lifelong values of our late Honorary Chairman, Hyang-Soo Kim, the founder of Amkor.

They illustrate his strong passion for, and dedication to, the highest standards of integrity, respect and fair dealing.

信

義

