



Amkor Technology, Inc. Investor Presentation

November 2019

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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 2018 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, except as may be required by law

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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.

Amkor Technology

- ▶ Trusted Outsourced Semiconductor Assembly and Test (OSAT) partner since 1968
- ▶ Advanced packaging leader
- ▶ #1 OSAT for Automotive ICs
- ▶ \$4.3B sales in 2018



Amkor in the Supply Chain

Amkor's packaging and test services are an integral part of the worldwide semiconductor supply chain



The Amkor Value Proposition



Economies
of Scale



Broad Geographic
Footprint



World Class
Service



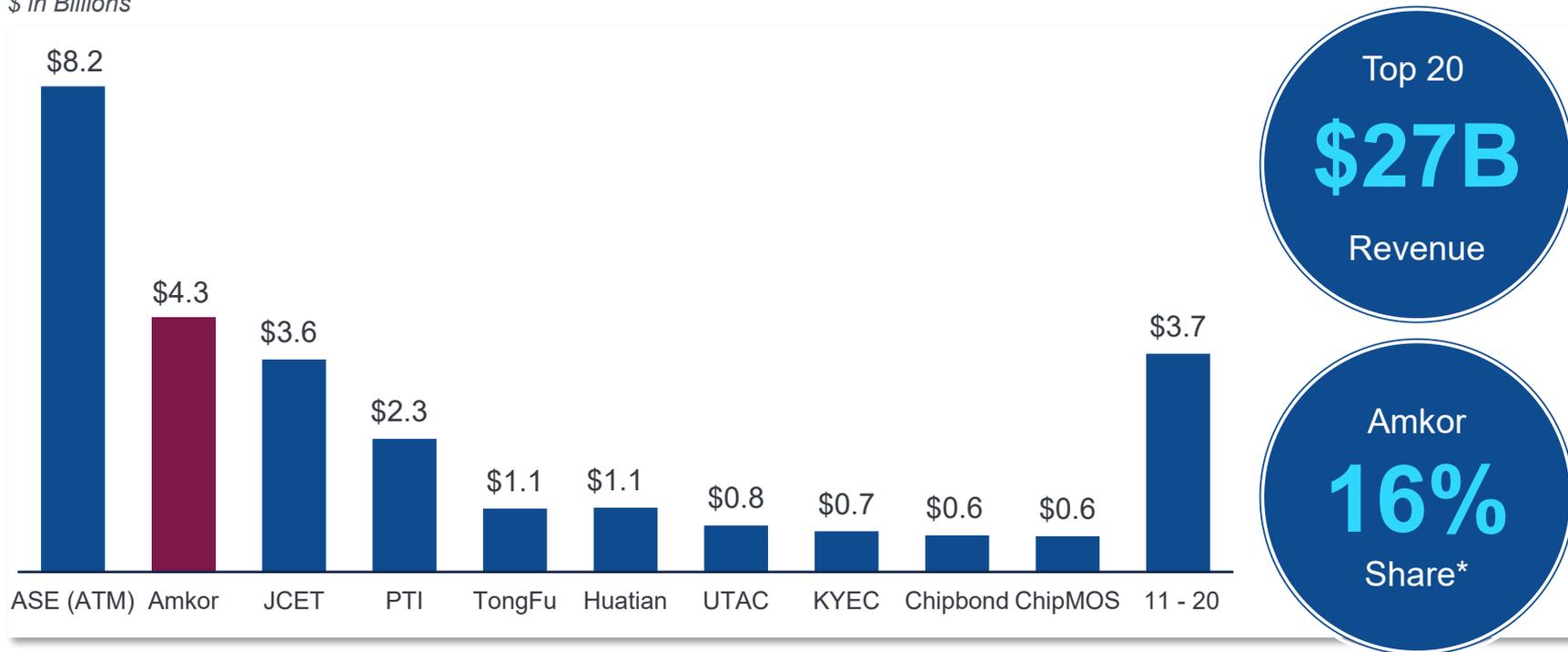
Quality Oriented
Operation



Technology
Leadership

2018 OSAT Sales – Top 20

\$ in Billions



Source: Yole, July 2019

Note: ASE sales 2018 FY pro forma ASE (ATM)/SPIL. ASE/SPIL merged on April 30, 2018.

*Share of Top 20 OSATS

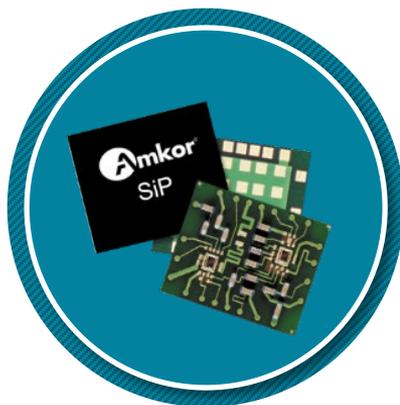
Primary Technology Platforms

Mainstream

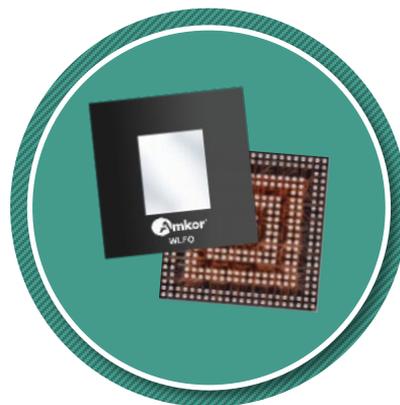


Wirebond

Advanced



Advanced SiP



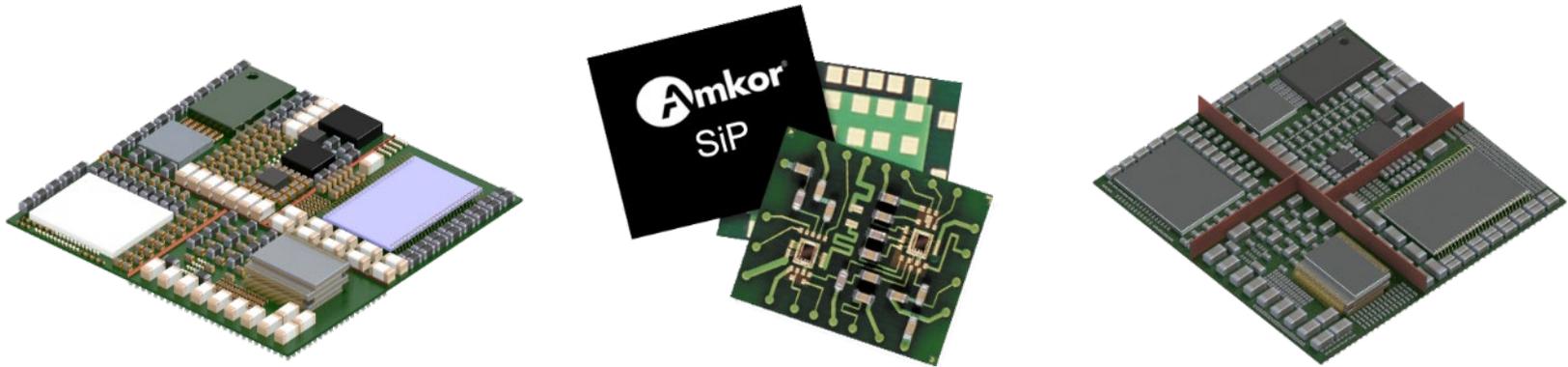
Wafer Level
Packaging



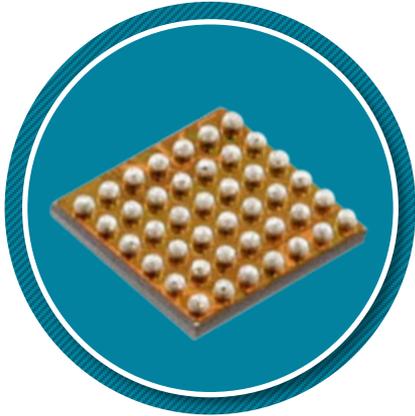
Flip Chip

Advanced System in Package (SiP)

Integrates multiple IC's of different functionalities into a single package

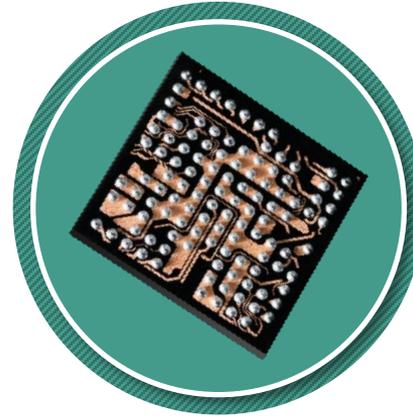


Wafer Level Packaging



WLCSP
Wafer Level Chip Scale Package
(Fan-In)

Eliminates substrate



WLFO
Wafer Level Fan-Out

“Stretch” small die to
accommodate bond pads

Flip Chip

- ▶ A proven technology
 - ▷ High reliability
 - ▷ Single and multi-die solutions
- ▶ Applications in smartphones, automotive and high-performance computing



Research & Development

Technology Leader



- ▶ Low-cost flip chip
- ▶ Wafer level packaging
- ▶ Advanced SiP

Cost Innovator



- ▶ Engineering lower cost materials
- ▶ New low-cost manufacturing methods
- ▶ Innovating lower cost package structures

Growth Catalysts

5G



- ▶ Mobile comms
- ▶ Connected devices
- ▶ Speed, streaming

IoT



- ▶ Connected home
- ▶ Wearables
- ▶ Industrial automation

Automotive



- ▶ ADAS
- ▶ Safety
- ▶ Infotainment
- ▶ Electrification

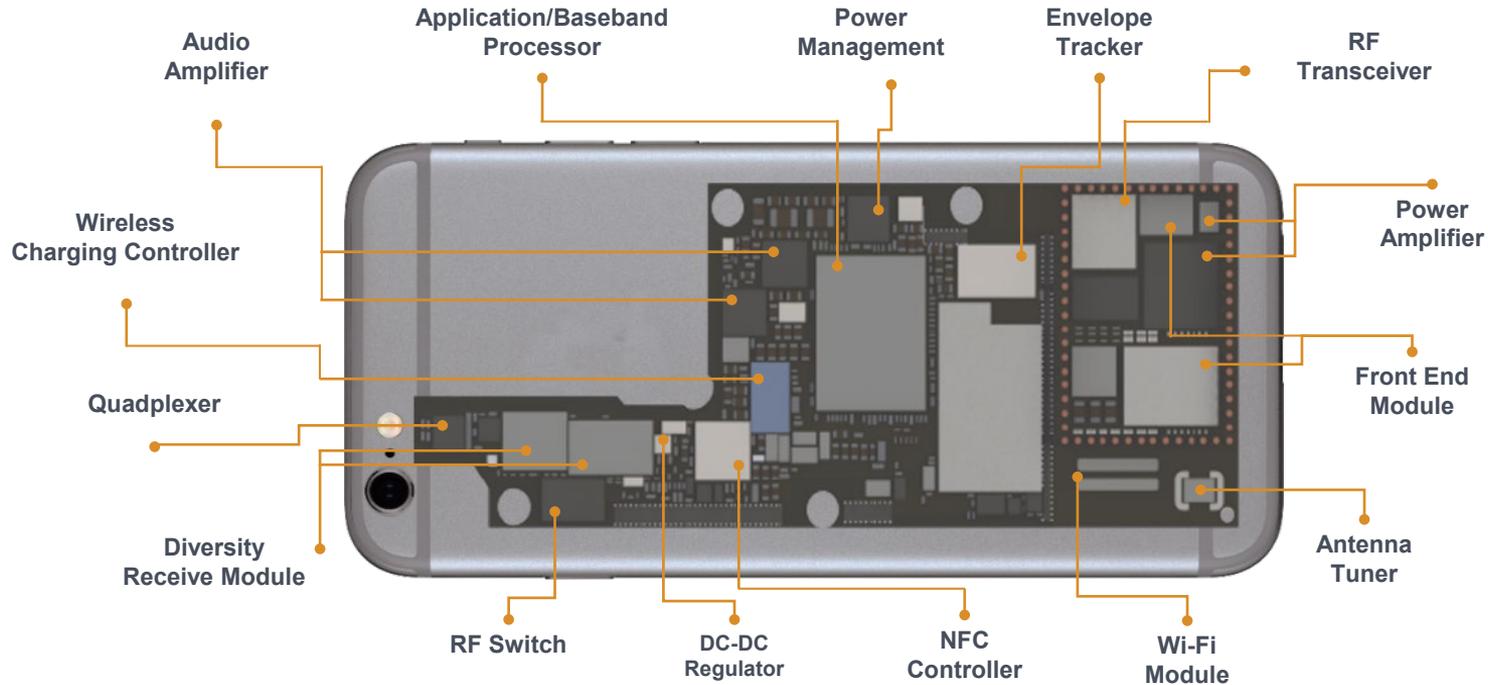
HPC/ Networking



- ▶ AI/AR
- ▶ Data Center

High Amkor Content in Smartphones & Tablets

\$1.9 billion in 2018, 5% YoY growth



#1 OSAT in Automotive Packaging

~\$1.1 billion in 2018

Advanced Packages



Infotainment

A/V, Center Stack,
HUD, Telematics

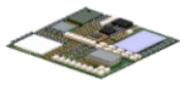


FCBGA



ADAS

Park Assist, Radar,
Blind Spot
Detection



SiP



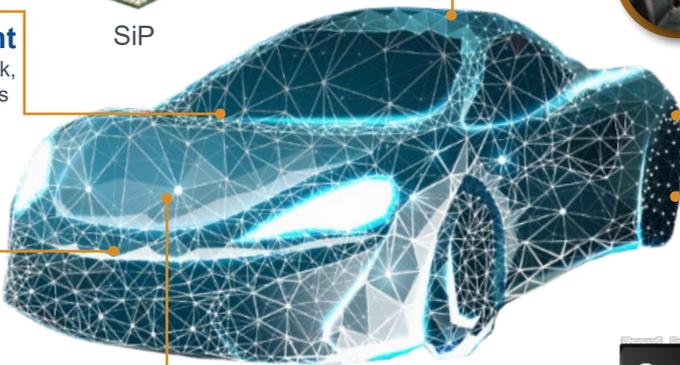
SOIC



WLFO

Body Electronics

Comfort, HVAC,
Lighting



Wirebond Packages



EV/HEV



LQFP



QFN



Power



Chassis

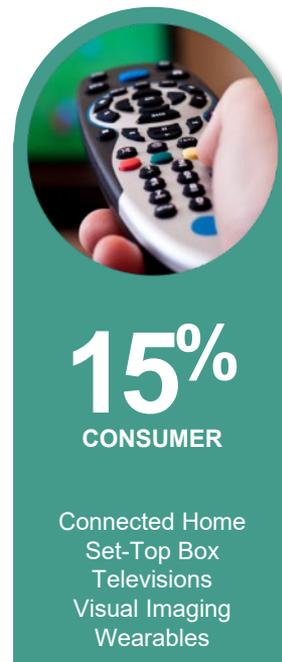
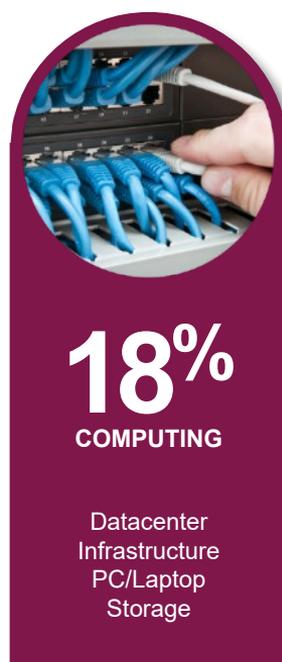
Antilock Brakes,
Traction Control

Powertrain

Engine Control Unit,
Fuel Injection

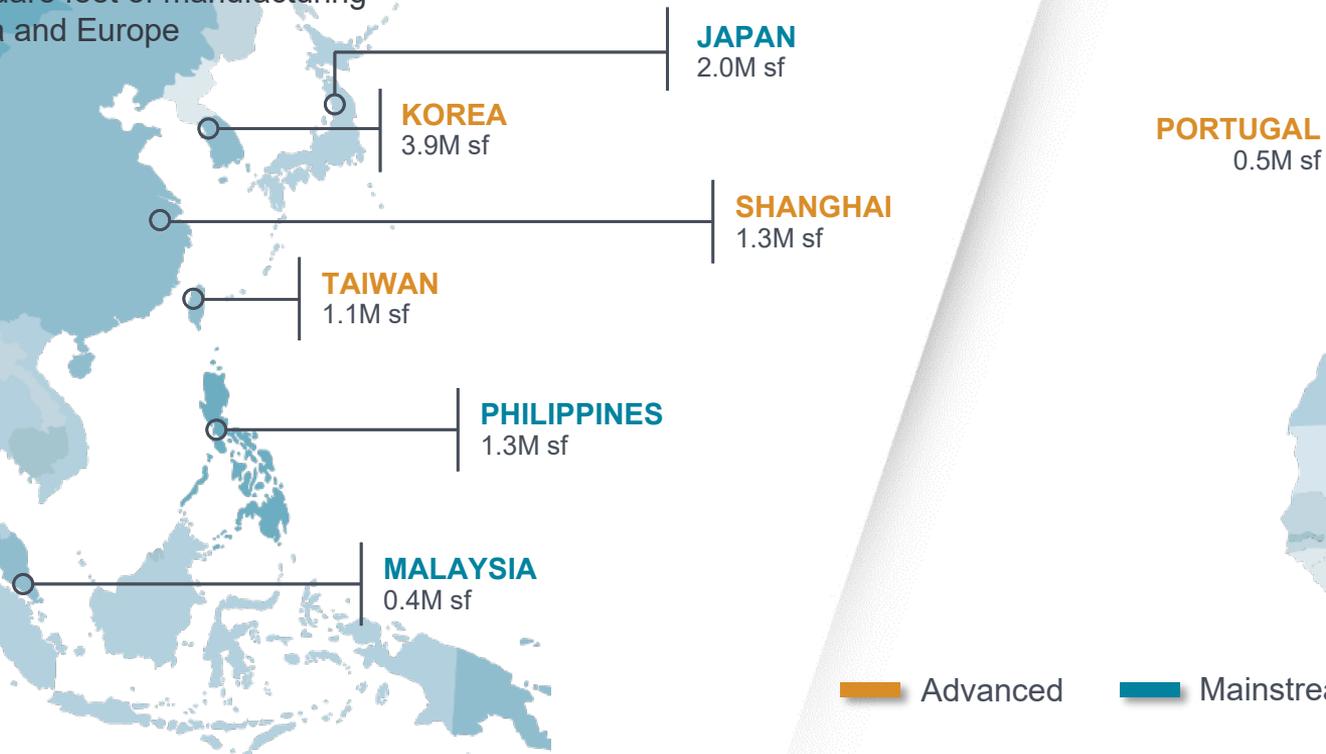


LTM 3Q19 End Markets



Broad Geographic Footprint

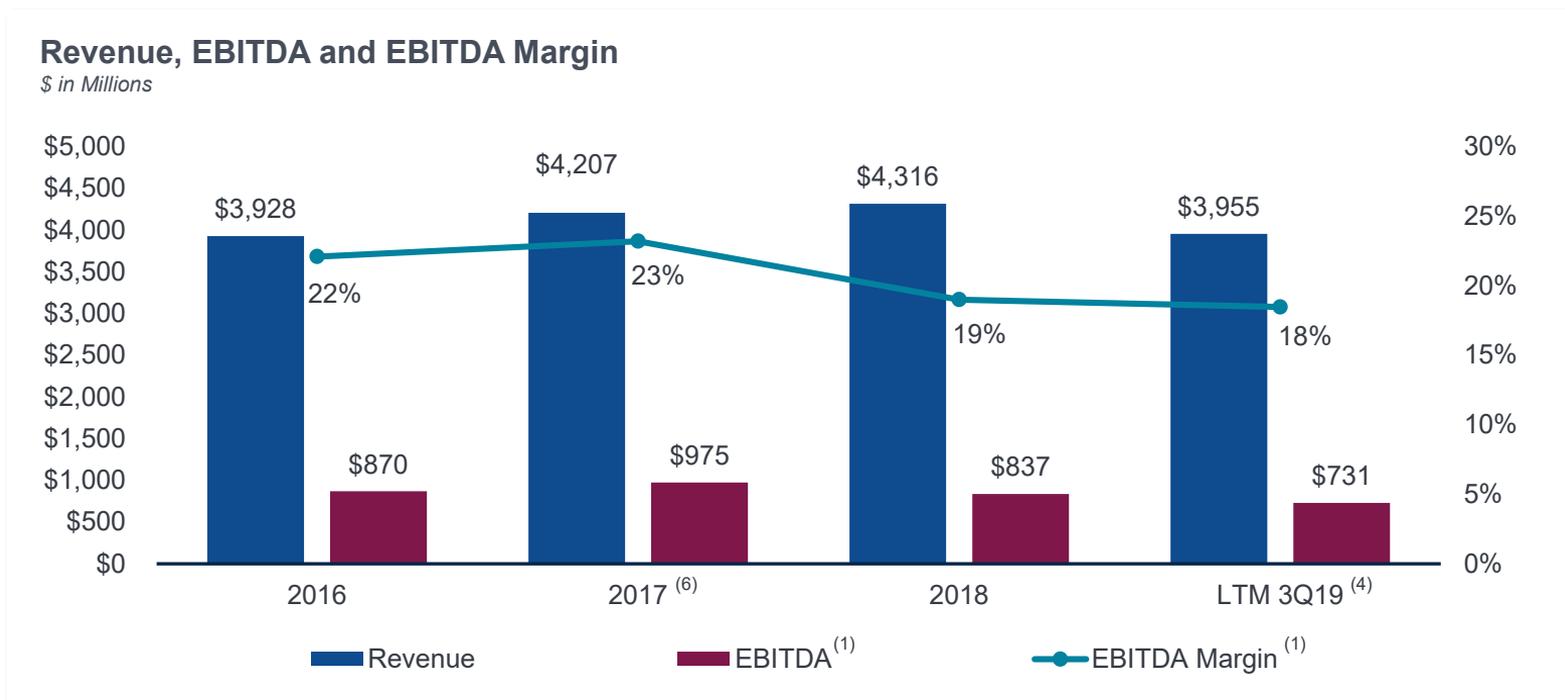
11 million square feet of manufacturing space in Asia and Europe



Advanced

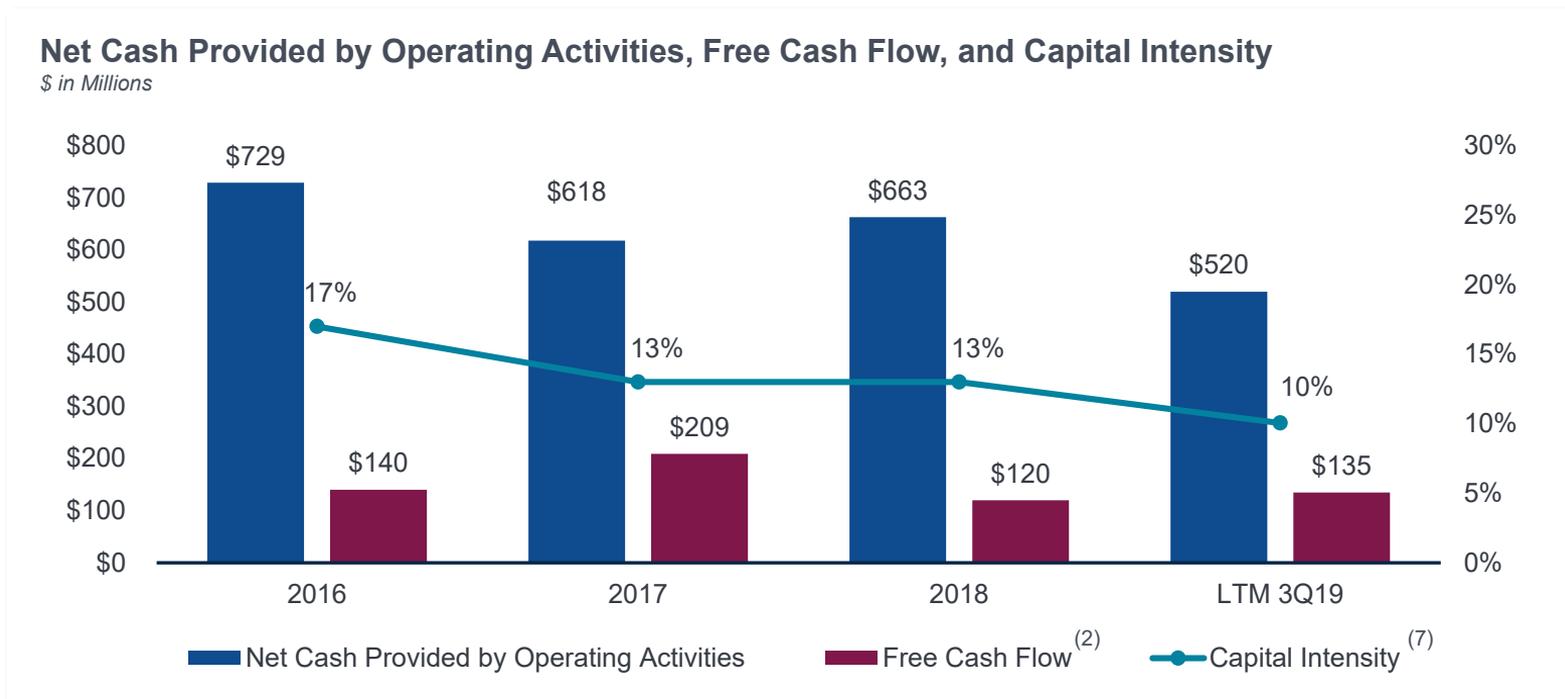
Mainstream

Profitability Trends



(1), (4), and (6): See notes on page 26.

Cash Flow Trends



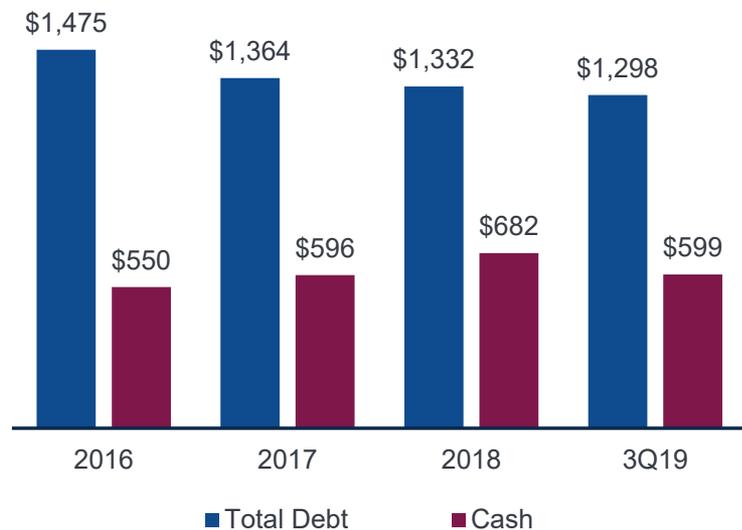
Free Cash Flow for 2017 includes \$128M of proceeds from the sale of our K1 Factory.

(2) And (7): See notes on page 26.

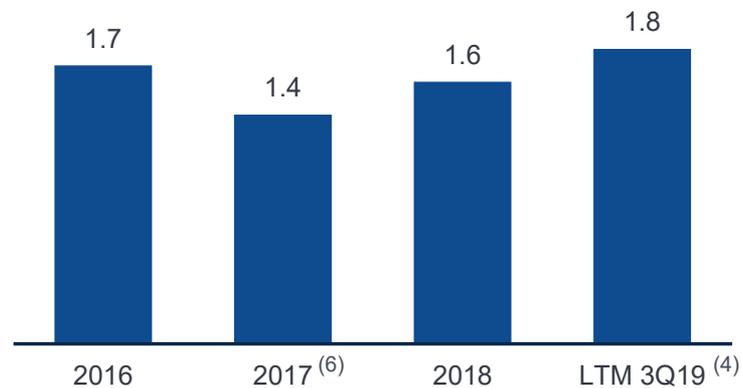
Credit Profile

Total Debt and Cash

\$ in Millions



Debt/EBITDA⁽¹⁾

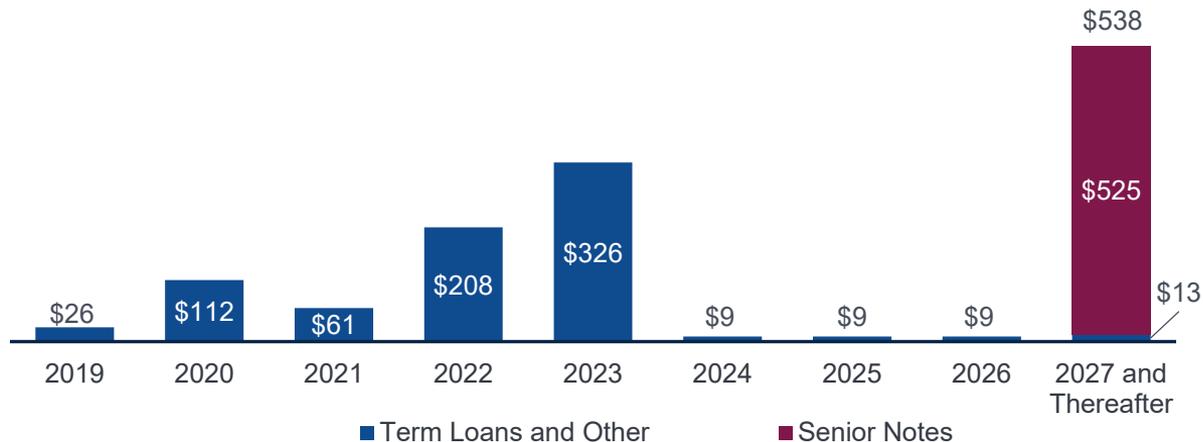


(1), (4), and (6): See notes on page 26.

Debt Maturities

Maturity Profile as of September 30, 2019

\$ in Millions



\$600M

Cash

\$310M

In Available
Credit

Amkor Summary

- ▶ Industry leader
- ▶ Multiple growth drivers
 - ▷ 5G, IoT, Automotive, HPC
- ▶ Solid financial performance
 - ▷ Free cash flow positive, four consecutive years



A world map with a blue overlay, showing the continents of North America, South America, Europe, Africa, Asia, and Australia. The map is rendered in a light blue color with a darker blue overlay. The word "Appendix" is written in a dark blue font on the left side of the map.

Appendix

3Q19 and 4Q19 Summary

<i>(In Millions, Except per Share Data)</i>	4Q 2019 Guidance As of October 28, 2019 ⁽³⁾	3Q 2019	2Q 2019 ⁽⁴⁾	3Q 2018
Net Sales	\$1,050 - \$1,140	\$1,084	\$895	\$1,144
Gross Margin	15% - 18%	16.8%	13.8%	17.5%
Net Income attributable to Amkor	\$26 - \$78	\$54	(\$9)	\$57
Earnings per Diluted Share	\$0.11 - \$0.32	\$0.23	(\$0.04)	\$0.24
EBITDA ⁽¹⁾	-	\$209	\$149	\$235
Net Cash Provided by Operating Activities	-	\$114	\$117	\$221
Free Cash Flow ⁽²⁾	-	\$59	\$55	\$133

(1), (2), (3), and (4): See notes on page 26.

Financial Reconciliation Tables

<i>\$ in Millions</i>	LTM 3Q19 ^{(4), (5), (8)}	2018 ⁽⁸⁾	2017 ^{(6), (9)}	2016	3Q19	2Q19 ⁽⁴⁾	3Q18
Net Income	\$52	\$130	\$268	\$179	\$54	(\$9)	\$57
Plus: Interest Expense (including Related Party)	73	79	85	85	17	19	20
Plus: Income Tax Expense	65	56	40	51	9	6	14
Plus: Depreciation & Amortization	541	572	582	555	129	133	144
EBITDA*	\$731	\$837	\$975	\$870	\$209	\$149	\$235
Debt	\$1,298	\$1,332	\$1,364	\$1,475	-	-	-
Debt / EBITDA*	1.8	1.6	1.4	1.7	-	-	-
Net Sales	\$3,955	\$4,316	\$4,207	\$3,928	-	-	-
EBITDA* Margin	18%	19%	23%	22%	-	-	-
Net Cash Provided by Operating Activities	\$520	\$663	\$618	\$729	\$114	\$117	\$221
Less: Payments for Property, Plant and Equipment	(398)	(547)	(551)	(650)	(55)	(70)	(88)
Plus: Proceeds from Sale of and Insurance Recovery for Property, Plant and Equipment	13	4	142	61	0	8	0
Free Cash Flow*	\$135	\$120	\$209	\$140	\$59	\$55	\$133

(4), (5), (6), (8), and (9): See notes on page 26.

* See discussion of non-GAAP measures on page 25

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 the sale of and insurance recovery for property, plant and equipment, if applicable. 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.

Endnotes

- 1) EBITDA is defined as net income before interest expense, income tax expense and depreciation and amortization. We define Debt / EBITDA as the ratio of total debt to EBITDA. In addition, we define EBITDA Margin as EBITDA as a percentage of Net Sales. Please see reconciliation of non-GAAP measures on page 24.
- 2) Free cash flow is defined as net cash provided by operating activities less payments for property, plant and equipment, plus proceeds from the sale of and insurance recovery for property, plant and equipment, if applicable. Please see reconciliation of non-GAAP measures on page 24.
- 3) This financial guidance is from our October 28, 2019 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) Q2 2019 net income includes an \$8 million charge, or \$0.03 per share, related to the early redemption of \$525 million of senior notes due 2022.
- 5) Q1 2019 net income includes a \$15 million non-cash discrete income tax charge, or \$0.06 per diluted share, to reduce the value of certain deferred tax assets.
- 6) In May 2017, we sold the land and buildings comprising our K1 factory for \$142 million which resulted in a pre-tax gain of \$108 million, and \$0.34 per diluted share. During 2017, we received \$128 million of the proceeds.
- 7) Capital intensity is defined as capital expenditures as a percentage of net sales.
- 8) Q4 2018 net income includes a \$17 million discrete income tax charge, or \$0.07 per diluted share, driven by finalizing the accounting for U.S. tax reform.
- 9) Q4 2017 net income includes a \$42 million discrete income tax benefit, or \$0.17 per diluted share, due to the estimated impact of U.S. tax reform.