

AMKOR TECHNOLOGY INC

Form DEF 14A

July 13, 2007

Table of Contents

SCHEDULE 14A

(RULE 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

**SCHEDULE 14A INFORMATION
PROXY STATEMENT PURSUANT TO SECTION 14(A) OF
THE SECURITIES EXCHANGE ACT OF 1934**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to Rule 14a-12

AMKOR TECHNOLOGY, INC.

(Name of Registrant as Specified In Its Charter)

(Name(s) of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

- o Fee paid previously with preliminary materials.
- o Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

Table of Contents

**1900 South Price Road
Chandler, Arizona 85286**

July 13, 2007

To Our Stockholders:

You are cordially invited to attend the Annual Meeting of Stockholders of Amkor Technology, Inc. The Annual Meeting will be held on Monday, August 6, 2007 at 10:00 a.m., at the Crown Plaza Valley Forge Hotel, located at 260 Mall Blvd., King of Prussia, Pennsylvania 19406, telephone number (610) 265-7500.

The actions expected to be taken at the Annual Meeting are described in detail in the attached Proxy Statement and Notice of Annual Meeting of Stockholders.

We also encourage you to read the Annual Report. It includes information about our company, as well as our audited financial statements. A copy of our Annual Report was previously sent to you or is included with this Proxy Statement.

Please use this opportunity to take part in the affairs of Amkor by voting on the business to come before this meeting. **Whether or not you plan to attend the meeting, please complete, sign, date and return the accompanying proxy in the enclosed postage-prepaid envelope.** Returning the proxy does **NOT** deprive you of your right to attend the meeting and to vote your shares in person for the matters to be acted upon at the meeting.

We look forward to seeing you at the Annual Meeting.

Sincerely,
James J. Kim
*Chairman of the Board and
Chief Executive Officer*

TABLE OF CONTENTS

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS To be held on August 6, 2007

INFORMATION CONCERNING SOLICITATION AND VOTING

PROPOSAL ONE

EXECUTIVE OFFICERS

EXECUTIVE COMPENSATION

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

PROPOSAL TWO

PROPOSAL THREE

PROPOSAL FOUR

REPORT OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

INCORPORATION BY REFERENCE

ANNUAL REPORT ON FORM 10-K

Appendix B

Table of Contents

AMKOR TECHNOLOGY, INC.

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
To be held on August 6, 2007**

Dear Amkor Stockholder:

On Monday, August 6, 2007, Amkor Technology, Inc., a Delaware corporation, will hold its 2007 Annual Meeting of Stockholders at the Crown Plaza Valley Forge Hotel, located at 260 Mall Blvd., King of Prussia, Pennsylvania 19406, telephone number (610) 265-7500. The meeting will begin at 10:00 a.m.

Only stockholders of record who held shares of Amkor common stock at the close of business on June 29, 2007 may vote at this meeting or any adjournments or postponements that may take place. A complete list of stockholders entitled to vote at the Annual Meeting will be available for examination by the stockholders for any purpose relating to the meeting at our principal executive offices at 1900 South Price Road, Chandler, Arizona for a period of at least ten days prior to the meeting. The list also will be available at the Annual Meeting.

At the meeting stockholders will be asked to:

1. Elect the Board of Directors.
2. Approve the 2007 Executive Incentive Bonus Plan.
3. Approve the 2007 Equity Incentive Plan.
4. Approve the ratification of the appointment of our independent registered public accounting firm for 2007.
5. Transact such other business properly presented at the meeting.

The Board of Directors recommends that you vote in favor of the four proposals outlined in this proxy statement.

The approximate mailing date of this proxy statement and proxy card is July 13, 2007.

THE BOARD OF DIRECTORS

July 13, 2007
Chandler, Arizona

YOUR VOTE IS IMPORTANT

To assure your representation at the Annual Meeting, you are requested to complete, sign and date the enclosed proxy as promptly as possible and return it in the enclosed envelope, which requires no postage if mailed in the United States.

Table of Contents

AMKOR TECHNOLOGY, INC.

PROXY STATEMENT

INFORMATION CONCERNING SOLICITATION AND VOTING

This proxy statement is furnished in connection with the solicitation of proxies by Amkor Technology, Inc.'s Board of Directors. The proxies will be voted at the Annual Meeting of Stockholders to be held on Monday, August 6, 2007, at 10:00 a.m., and at any adjournments or postponements that may take place.

The Annual Meeting will be held at the Crown Plaza Valley Forge Hotel, located at 260 Mall Blvd., King of Prussia, Pennsylvania 19406, telephone number (610) 265-7500. Our principal executive offices are located at 1900 South Price Road, Chandler, Arizona 85286, telephone number (480) 821-5000.

We intend to mail definitive copies of these proxy materials on or about July 13, 2007 to stockholders of record who held our common stock at the close of business on June 29, 2007.

The following is important information in a question-and-answer format regarding the Annual Meeting and this proxy statement.

Q: What may I vote on?

- A: 1. The election of seven nominees to serve on our Board of Directors;
2. Approval of the 2007 Executive Incentive Bonus Plan;
3. Approval of the 2007 Equity Incentive Plan; and
4. The ratification of the appointment of PricewaterhouseCoopers LLP (PricewaterhouseCoopers) as our independent registered public accounting firm for the fiscal year ending December 31, 2007.

Q: How does the Board recommend I vote on the proposals?

A: The Board recommends a vote **FOR** each of the director nominees, **FOR** approval of the 2007 Executive Incentive Bonus Plan, **FOR** approval of the 2007 Equity Incentive Plan and **FOR** ratification of the appointment of PricewaterhouseCoopers as our independent registered public accounting firm for 2007.

Q: Who is entitled to vote?

A: Stockholders of record as of the close of business on June 29, 2007 (the Record Date) are entitled to vote at the Annual Meeting. Each stockholder is entitled to one vote for each share of common stock held on the Record Date. As of the Record Date, 181,478,290 shares of Amkor's common stock were issued and outstanding.

Q: How do I vote?

A: Registered holders may vote in person at the Annual Meeting or by signing and dating each proxy card you receive and returning it in the postage-prepaid envelope. If your shares are held by a bank, brokerage firm or other record holder, please refer to your proxy card or other information provided to you for instructions on how to vote.

Q: How can I change my vote or revoke my proxy?

A: If you are a registered holder, you have the right to revoke your proxy and change your vote at any time before the meeting by returning a later-dated proxy card, by voting in person at the meeting or by mailing a written notice of revocation to the attention of Amkor's Secretary, Amkor Technology, Inc., 1900 South Price Road, Chandler, Arizona 85286. If your shares are held by a bank, brokerage firm or other record holder, please contact that firm or holder for instructions on how to change your vote or revoke your proxy.

Table of Contents

Q: What does it mean if I get more than one proxy card?

A: It means you hold shares registered in more than one account. Sign and return all proxies to ensure that all your shares are voted.

Q: What is a quorum ?

A: A quorum is a majority of the outstanding shares. Shares may be present at the meeting or represented by proxy. There must be a quorum for the meeting to be held and action to be validly taken. If you submit a properly executed proxy card, even if you abstain from voting, then your shares will be counted toward the presence of a quorum. Abstentions are not counted in the tally of votes **FOR** or **AGAINST** a proposal. A withheld vote is the same as an abstention. If a broker indicates on a proxy that it does not have discretionary authority to vote certain shares on a particular matter (broker non-votes), those shares will not be counted as present or represented for purposes of determining whether stockholder approval of that matter has been obtained but will be counted for purposes of establishing a quorum.

Q: Who can attend the Annual Meeting?

A: All stockholders as of the Record Date may attend. For stockholders of record, government-issued picture identification will be required to enter the meeting. If your shares are held in street name, please bring proof of share ownership with you to the Annual Meeting as well as your government-issued picture identification. A copy of your brokerage account statement or an omnibus proxy (which you can get from your broker) will serve as proof of share ownership. Individuals arriving at the meeting site will not be admitted unless we can verify ownership as of the Record Date as described above or by some other means.

Q: How will voting on any other business be conducted?

A: Although we do not know of any business to be considered at the 2007 Annual Meeting other than the proposals described in this proxy statement, if any other business is properly presented at the Annual Meeting, your signed proxy card gives authority to James J. Kim, Amkor's Chief Executive Officer, and Kenneth T. Joyce, Amkor's Chief Financial Officer, to vote your shares on such matters at their discretion.

Q: How and when may I submit proposals for the 2008 Annual Meeting?

A: To have your proposal included in our proxy statement and form of proxy for the 2008 Annual Meeting of Stockholders, we must receive your written proposal no later than March 15, 2008. You may submit proposals after this date for consideration at the 2008 Annual Meeting of Stockholders, but we are not required to include any proposal submitted after this date in the proxy statement or proxy card.

If you submit a proposal for the 2008 Annual Meeting after May 29, 2008, the proxy for the 2008 Annual Meeting may confer upon management authority to vote on your proposal at their discretion.

All proposals must, under law, be an appropriate subject for stockholder action and must be submitted in writing to Amkor's Secretary, Amkor Technology, Inc., 1900 South Price Road, Chandler, Arizona 85286. You should also be aware of certain other requirements you must meet to have your proposal brought before the 2008 Annual Meeting. These requirements are explained in Rule 14a-8 of the Securities Exchange Act of 1934, as amended.

Q: Who is soliciting proxies?

A: This solicitation of proxies is made by the Board of Directors. All related costs will be borne by Amkor.

We have retained the services of Georgeson Shareholder to aid in the distribution of Annual Meeting materials to brokers, bank nominees and other institutional owners. We estimate we will pay Georgeson Shareholder a fee of approximately \$3,000 for such services.

Proxies may also be solicited by certain of Amkor's officers and regular employees, without additional compensation, in person or by telephone or facsimile.

Table of Contents**PROPOSAL ONE****ELECTION OF DIRECTORS**

There are seven candidates nominated for election to the Board of Directors (Board of Directors or Board) this year, six of whom are incumbent directors and one who is a first-time nominee to the Board. Unless otherwise instructed, the proxy holders will vote the proxies received by them for the election of the seven nominees named below. Each nominee has consented to be named as a nominee in this proxy statement and to serve as a director if elected. Should any nominee become unable or decline to serve as a director or should additional persons be nominated at the meeting, the proxy holders intend to vote all proxies received by them in such a manner as will assure the election of as many nominees identified below as possible (and, if additional nominees have been designated by the Board to fill any vacancies, in such manner as to elect such additional nominees). Our nominees for the election of directors include five independent directors, as defined in the applicable rules for companies traded on Nasdaq. At the recommendation of our Nominating and Governance Committee, the Board has selected the nominees to serve as directors for a one-year term until our next annual meeting or until their successor is duly elected. We expect that each nominee will be able to serve as a director.

Required Vote

Directors are elected by a plurality of votes cast, so the seven candidates receiving the highest number of affirmative votes cast will be elected as directors. Votes withheld and broker non-votes are not counted toward the total votes cast in favor of a nominee.

The Board unanimously recommends a vote FOR the election of each of the nominees for director below.

Nominees for the Board of Directors

The following table sets forth the names and the ages as of June 30, 2007 of our six incumbent directors who are being nominated for re-election to the Board of Directors and one new nominee for election to the Board of Directors.

Name	Age	Position
James J. Kim	71	Chief Executive Officer and Chairman
Roger A. Carolin(1)(4)	51	Director
Winston J. Churchill(3)(4)	66	Director
John T. Kim	38	Director
John F. Osborne(4)(5)	63	Nominee for Director
Constantine N. Papadakis(2)(4)	61	Director
James W. Zug(1)(3)(4)	67	Director

(1) Member of Audit Committee.

(2) Member of Compensation Committee.

(3) Member of Nominating and Governance Committee.

- (4) Qualifies as independent under the definition set forth in the Nasdaq Marketplace Rules and SEC regulations, as determined by the Board of Directors.
- (5) Mr. Osborne was recommended for nomination to the Board by a non-management director.

Biographies Of Nominees For The Board Of Directors

James J. Kim. James J. Kim, 71, has served as our Chief Executive Officer and Chairman since September 1997. Mr. Kim founded our predecessor, Amkor Electronics, Inc., in 1968 and served as its Chairman from 1970 to April 1998. Mr. James J. Kim is the father of John T. Kim, a member of our Board.

Table of Contents

Roger A. Carolin. Roger A. Carolin, 51, was elected to our Board of Directors in February 2006. Mr. Carolin is currently a Venture Partner at SCP Partners, a multi-stage venture capital firm with over \$800 million under management that invests in technology-oriented companies. At SCP, Mr. Carolin works to identify attractive investment opportunities and assists portfolio companies in the areas of strategy development, operating management and intellectual property. Mr. Carolin co-founded CFM Technologies, Inc., a global manufacturer of semiconductor process equipment, and served as its Chief Executive Officer for 10 years until the company was acquired. Mr. Carolin formerly worked for Honeywell, Inc. and General Electric Co., where he developed test equipment and advanced computer systems for on-board missile applications. Mr. Carolin holds a B.S. in Electrical Engineering from Duke University and an M.B.A. from Harvard Business School.

Winston J. Churchill. Winston J. Churchill, 66, has been a director of Amkor since July 1998. Mr. Churchill is the managing general partner of SCP Partners, a multi-stage venture capital firm with over \$800 million under management that invests in technology-oriented companies. Mr. Churchill is also Chairman of CIP Capital Management, Inc., an SBA-licensed private equity fund. Previously, Mr. Churchill was a managing partner of Bradford Associates, which managed private equity funds on behalf of Bessemer Securities Corporation and Bessemer Trust Company. From 1967 to 1983, Mr. Churchill practiced law at the Philadelphia firm of Saul Ewing, LLP, where he served as Chairman of the Banking and Financial Institutions Department, Chairman of the Finance Committee and was a member of the Executive Committee. Mr. Churchill is a director of Auxilium Pharmaceuticals, Inc., Griffin Land and Nurseries, Inc., Innovative Solutions and Support, Inc. and of various SCP portfolio companies. In addition, he serves as a director on the boards of a number of charities and as a trustee of educational institutions including Fordham University, Georgetown University, Immaculata University, the Gesu School and the Young Scholars Charter School. From 1989 to 1993, Mr. Churchill served as Chairman of the Finance Committee of the Pennsylvania Public School Employees Retirement System.

John T. Kim. John T. Kim, 38, has been a director of Amkor since August 2005. Mr. Kim served in various capacities at Amkor between 1992 and 2005, as an Amkor employee and as an employee of our predecessor, Amkor Electronics, Inc., including as Director of Investor Relations, Director of Corporate Development and as Director of Procurement. Mr. Kim resigned as an Amkor employee when he was elected to our Board of Directors. Mr. John T. Kim is the son of James J. Kim, our Chief Executive Officer and Chairman.

John F. Osborne. John F. Osborne, 63, is a nominee for director of Amkor. Since January 1998, Mr. Osborne has been President of Competitive Customer Support, an advisor to companies that manufacture integrated circuits or supply materials, equipment and services to the microelectronics industry. From 1988 to 1996, Mr. Osborne was a member of the executive staff of Lam Research, a leading equipment supplier to the integrated circuit industry. At Lam, Mr. Osborne held the positions of Vice President of Strategic Development, Vice President of Quality and Vice President of Customer Support. Prior to joining Lam, Mr. Osborne held management positions at both Motorola, Inc. and Royal Philips Electronics from 1967 to 1985. Mr. Osborne serves on the board of directors of Electroglas, Inc. and the Strategic Advisory Board of DuPont Electronic Technologies. Mr. Osborne holds a degree in Metallurgical Engineering from the Colorado School of Mines.

Constantine N. Papadakis. Constantine N. Papadakis, 61, has been a director of Amkor since August 2005. Dr. Papadakis is President of Drexel University, a position he has held since 1995. From 1986 to 1995, Dr. Papadakis was Dean of the College of Engineering at the University of Cincinnati, and from 1984 to 1986 he was Professor and Head of the Civil Engineering Department of Colorado State University. Prior to returning to academia, Dr. Papadakis served as Vice President of Tetra Tech Inc., a Honeywell subsidiary, as Vice President of STS Consultants, Ltd., and at several engineering positions with Bechtel Power Corporation. He presently serves on the board of directors of Aqua America, CDI Corp, Mace Security International, Inc., Met-Pro Corporation, the Philadelphia Stock Exchange, Sovereign Bank, Inc., and various charitable and civic organizations.

James W. Zug. James W. Zug, 67, has been a director of Amkor since January 2003. Mr. Zug retired from PricewaterhouseCoopers in 2000 following a 36-year career at PricewaterhouseCoopers and Coopers & Lybrand, both public accounting firms. From 1998 until his retirement, Mr. Zug was Global Leader – Global Deployment for PricewaterhouseCoopers. From 1993 to 1998, Mr. Zug was Managing Director International for Coopers & Lybrand. He also served as the audit partner for a number of public companies over his career. PricewaterhouseCoopers is Amkor’s independent registered public accounting firm; however, Mr. Zug was not involved with servicing Amkor

Table of Contents

during his tenure at PricewaterhouseCoopers. Mr. Zug serves on the board of directors of Allianz Funds, the Brandywine Group of mutual funds and Teleflex, Inc. Mr. Zug served on the board of directors of SPS Technologies, Inc. and Stackpole Ltd. prior to the sale of both of these companies in 2003.

CORPORATE GOVERNANCE

Board and Committee Meetings

The Board of Directors held 26 meetings and acted by unanimous written consent on six occasions during 2006. Each director attended at least 75 percent of all Board of Directors and applicable committee meetings.

The Board has established an Audit Committee, a Compensation Committee and a Nominating and Governance Committee. All Committee members are appointed by the Board of Directors.

Audit Committee

We have a separately-designated Audit Committee established in accordance with Section 3(a)(58)(A) of the Securities Exchange Act of 1934, as amended. The Audit Committee is comprised of Messrs. Carolin, and Zug, and Mr. Hinckley, a current member of our Board who is not standing for re-election this year. If elected to the Board, it is expected that Mr. Osborne will serve on the Audit Committee. Our Board of Directors has determined that each of Messrs. Carolin, Hinckley, Osborne and Zug meets the independence and financial sophistication requirements set forth in the Nasdaq Marketplace Rules and SEC regulations. In addition, the Board has determined that each of Messrs. Carolin, Hinckley and Zug qualifies as an audit committee financial expert as defined in SEC regulations.

Among its responsibilities, the Audit Committee:

- pre-approves all audit and non-audit services provided to Amkor by Amkor's independent registered public accounting firm;

- has sole authority for overseeing the work of the independent registered public accounting firm;

- reviews and provides guidance on the external audit and Amkor's relationship with its independent registered public accounting firm;

- reviews and discusses with management and the independent registered public accounting firm the contents of periodic reports filed with the SEC and Amkor's earnings releases;

- reviews and approves in advance any proposed related party transactions;

- discusses with management and internal audit representatives the activities, organizational structure and qualifications of our internal audit function;

- reviews any reports by management or our internal auditors regarding the effectiveness of, or any deficiencies in, the design or operation of internal controls and any fraud that involves management or other employees who have a significant role in our internal controls;

- oversees compliance with SEC requirements for the disclosure of the services provided by our independent registered public accounting firm and the Audit Committee's members, member qualifications and activities;

reviews any legal matters that the general counsel determines could have a significant impact on our financial statements;

provides a review of our policies and practices with respect to financial risk management;

institutes special investigations as the Audit Committee determines to be appropriate and necessary; and

oversees procedures for the confidential, anonymous submission by employees of concerns regarding accounting, internal controls or audit matters.

Table of Contents

The Board of Directors has adopted a written charter for the Audit Committee, a copy of which is available on our website at <http://www.amkor.com>. The Audit Committee met fifteen times in 2006 apart from regular meetings with the entire Board, and acted by unanimous written consent on one occasion. In executing its responsibilities, Audit Committee members regularly communicate with our management and independent registered public accounting firm.

Compensation Committee

The Compensation Committee is comprised of Dr. Papadakis and Mr. Hinckley, a current member of our Board who is not standing for re-election this year. If elected to the Board, it is expected that Mr. Osborne will serve on the Compensation Committee. The Compensation Committee's duties include:

annually reviewing and approving the compensation policy for our executive officers and directors;

reviewing and approving the forms of compensation to be provided to our executive officers, and reviewing, approving and making recommendations to the Board of Directors regarding the general compensation goals, guidelines and bonus criteria for our employees;

administering and interpreting the terms and conditions of all current and future equity incentive plans;

reviewing and making recommendations to the Board of Directors regarding other plans that provide for compensation to our employees, directors and consultants;

reviewing and approving any material amendments to our 401(k) plan;

preparing and providing a report for inclusion in our annual proxy statement; and

authorizing the repurchase of shares from terminated employees.

During 2006, the Compensation Committee met 2 times apart from regular meetings with the entire Board of Directors and acted by unanimous written consent on three occasions. The Board has adopted a written charter for the Compensation Committee, a copy of which is available on our website at <http://www.amkor.com>.

Nominating and Governance Committee

The Nominating and Governance Committee is comprised of Messrs. Churchill and Zug. The Nominating and Governance Committee, among its other duties:

evaluates the current composition, organization and governance of the Board of Directors and its Committees and makes recommendations to the Board of Directors based on that evaluation;

periodically assesses desired Board member qualifications, expertise and characteristics for potential Board members, and evaluates and proposes nominees to the Board of Directors based on those criteria;

develops policies and procedures regarding the review and recommendation of nominees for director;

oversees the Board of Directors' performance evaluation process;

evaluates and makes recommendations to the Board of Directors concerning the appointment of directors to Board Committees, the selection of Committee chairpersons, and the proposal of a slate of nominees for election to the Board of Directors;

evaluates and recommends termination of individual Board members in accordance with our Corporate Governance Guidelines;

periodically reviews and re-examines the Nominating and Governance Committee's Charter and proposes changes to the Board of Directors; and

develops and recommends Corporate Governance Guidelines for the Board of Directors, and periodically reviews these guidelines as well as our corporate governance practices and procedures.

Table of Contents

The Board has adopted a written charter for the Nominating and Governance Committee, which is available on our website at <http://www.amkor.com>. The Nominating and Governance Committee met seven times during 2006 apart from regular meetings with the Board.

The Nominating and Governance Committee determines the required selection criteria and qualifications of director nominees based upon the needs of our Company at the time nominees are considered. The Nominating and Governance Committee considers factors including character, judgment, independence, age, expertise, diversity of experience, length of service and other commitments.

The Nominating and Governance Committee will consider the above factors for nominees identified by the Nominating and Governance Committee. The Nominating and Governance Committee uses the same process for evaluating all nominees, regardless of the original source of nomination. The Nominating and Governance Committee does not currently use the services of any third party search firm to assist in the identification or evaluation of Board member candidates. The Nominating and Governance Committee may, however, use such services in the future as it deems necessary or appropriate.

It is the policy of the Nominating and Governance Committee to consider both recommendations and nominations from stockholders for candidates to the Board of Directors. Stockholders wishing to recommend a candidate for consideration by the Nominating and Governance Committee for election to the Board of Directors can do so by writing to our Corporate Secretary at our principal executive offices. Stockholders shall give such candidate's name, home and business contact information, detailed biographical data and qualifications, information regarding any relationships between the candidate and Amkor within the last three years, written indication of the candidate's willingness to serve if elected, and evidence of the nominating person's ownership of Amkor stock. Nominations for consideration at the 2008 Annual Meeting of Stockholders must be received by our Corporate Secretary no later than March 15, 2008.

Director Independence

The Board of Directors has determined that each of Messrs. Carolin, Churchill, Hinckley, Osborne, Papadakis and Zug is independent under the listing standards of The Nasdaq Stock Market and SEC rules. In reaching a determination that Mr. Churchill is independent under the Nasdaq listing standards and SEC rules, the Board of Directors considered certain relationships between entities affiliated with Mr. Churchill and entities affiliated with James J. Kim. These relationships include transactions, investments or partnerships in which Mr. Churchill and Mr. Kim, or entities affiliated with them, have a direct or indirect financial interest. None of these relationships involved Amkor. The Board determined that Mr. Churchill satisfies the independence requirements set forth by both Nasdaq and the SEC.

Communications with the Board of Directors

Although we do not currently have a formal policy regarding communications with the Board of Directors, stockholders may communicate with the Board of Directors by writing to us at Amkor Technology, Inc., Attn: Corporate Secretary, 1900 South Price Road, Chandler, Arizona 85286. Stockholders who would like their submission directed to a particular Board member may so specify, and the communication will be forwarded, as appropriate.

Annual Meeting Attendance

All directors are encouraged, but not required, to attend our Annual Meeting of Stockholders. All six of our incumbent directors attended the 2006 Annual Meeting of Stockholders.

Certain Relationships and Related Transactions

Related Party Transactions

As of May 31, 2007, Mr. James J. Kim and members of his immediate family and related trusts beneficially owned approximately 44.9% of our outstanding common stock.

Table of Contents

In November 2005, we sold \$100.0 million of our 6.25% Convertible Subordinated Notes due 2013 in a private placement to James J. Kim, Chairman and Chief Executive Officer, and certain Kim family members. The 2013 Notes are convertible into Amkor's common stock and are subordinated to the prior payment in full of all of Amkor's senior and senior subordinated debt. See Note 12 to our Consolidated Financial Statements for the fiscal year ended December 31, 2006, included in our Annual Report on Form 10-K filed with the SEC on February 26, 2007 for additional information.

Mr. JooHo Kim is an employee of Amkor and a brother of James J. Kim, our Chairman and Chief Executive Officer. Previously, Mr. JooHo Kim owned with his children and other Kim Family members 58.1% of Anam Information Technology, Inc., a company that provided computer hardware and software components to Amkor Technology Korea, Inc. (a subsidiary of Amkor). Mr. JooHo Kim sold all of his shares in the fourth quarter of 2006. Other Kim family members owned 48.3% as of December 31, 2006. As of September 30, 2006, a decision was made to discontinue services, and such services continue to decrease in volume. The services provided by Anam Information Technology were subject to competitive bid. During 2006, 2005, and 2004, purchases from Anam Information Technology, Inc. were \$0.3 million, \$1.8 million and \$1.2 million, respectively. Amounts due to Anam Information Technology, Inc. at December 31, 2006 and 2005 were \$0 million and \$0.3 million, respectively.

Mr. JooHo Kim, together with his wife and children, own 96.1% of Jesung C&M, a company that provides cafeteria services to Amkor Technology Korea, Inc. The services provided by Jesung C&M are subject to competitive bid. During 2006, 2005, and 2004, purchases from Jesung C&M were \$6.5 million, \$6.5 million, and \$6.4 million, respectively. Amounts due to Jesung C&M at December 31, 2006 and 2005 were \$0.5 million and \$0.5 million, respectively.

Dongan Engineering Co., Ltd. was 100% owned by JooCheon Kim, a brother of James J. Kim, until the third quarter of 2005. There is no longer any related party ownership. Mr. JooCheon Kim is not an employee of Amkor. Dongan Engineering Co., Ltd. provided construction and maintenance services to Amkor Technology Korea, Inc. and Amkor Technology Philippines, Inc., both subsidiaries of Amkor. The services provided by Dongan Engineering were subject to competitive bid. During 2005 and 2004, purchases from Dongan Engineering Co., Ltd were \$0.5 million and \$3.0 million, respectively. Amounts due to Dongan Engineering Co., Ltd. at December 31, 2005 were not significant.

We purchase leadframe inventory from Acqutek Semiconductor & Technology Co., Ltd. James J. Kim's ownership in Acqutek Semiconductor & Technology Co., Ltd. is approximately 17.7%. During 2006, 2005 and 2004, purchases from Acqutek Semiconductor & Technology Co., Ltd. were \$16.7 million, \$11.8 million and \$11.8 million, respectively. Amounts due to Acqutek Semiconductor & Technology Co., Ltd. at December 31, 2006 and 2005, were \$1.3 million and \$1.4 million, respectively. The purchases are arms length and on terms consistent with our non-related party vendors.

We previously leased office space in West Chester, Pennsylvania from trusts related to James J. Kim. During 2006, 2005, and 2004, amounts paid for this lease were \$0.1 million, \$0.6 million, and \$1.1 million, respectively. We vacated a portion of this space in connection with the move of our corporate headquarters to Arizona and paid a lease termination fee of \$0.7 million in the second quarter of 2005. The sublease income has been assigned to the trusts as part of vacating the office space effective July 1, 2005. During 2005 and 2004 our sublease income includes \$0.3 million and \$0.6 million, respectively, from related parties. Starting in July 2005, we leased approximately 2,700 square feet of office space from these trusts. The lease term was for two years, through June 30, 2007, and we did not renew this lease.

We have indemnification agreements with our officers and directors. These agreements contain provisions that may require us, among other things, to indemnify the officers and directors against certain liabilities that may arise by reason of their status or service as directors or officers (other than liabilities arising from willful misconduct of a

culpable nature). We also agreed to advance them any expenses for proceedings against them that we agreed to indemnify them from.

Table of Contents*Review and Approval of Related Party Transactions*

The Audit Committee of the Board of Directors reviews and approves in advance proposed related party transactions, including those required to be disclosed under SEC rules.

Compensation Committee Interlocks and Insider Participation

During 2006, the Compensation Committee of our Board of Directors consisted of Mr. Churchill and Dr. Papadakis. Mr. Hinckley replaced Mr. Churchill on the Compensation Committee in January 2007. No member of the Compensation Committee was an officer or employee of Amkor or any of Amkor's subsidiaries during 2006, or had any relationship requiring disclosure under SEC regulations. None of Amkor's Compensation Committee members or executive officers has served on the board of directors or on the compensation committee of any other entity one of whose executive officers served on our Board of Directors or on our Compensation Committee.

DIRECTOR COMPENSATION**Annual Retainer and Meeting Fees**

We do not compensate directors who are also employees or officers of our Company for their services as directors. During 2006, non-employee directors received an annual retainer, which is paid quarterly, and Board and committee meeting fees. The cash compensation paid to our non-employee Board members in 2006 is set forth in the following table.

Annual Retainer for Board Members	\$ 25,000(1)
Fee per Committee Meeting for Committee Chairs:	
Audit Committee	\$ 3,000(2)
Compensation Committee	\$ 3,000(3)
Nominating and Governance Committee	\$ 3,000(3)
Fee per Board and Committee Meeting:	
Board Meeting	\$ 2,000
Committee Meeting	\$ 2,000
Non-Regularly Scheduled and/or Telephonic Board or Committee Meeting Lasting Less Than Thirty Minutes	\$ 500(4)
Non-Regularly Scheduled and/or Telephonic Board or Committee Meeting Lasting Thirty Minutes or Longer	\$ 2,000(4)

- (1) Effective as of November 6, 2006, the annual retainer for Board members increased to \$35,000.
- (2) Effective as of February 6, 2007, an annual retainer of \$10,000 was approved for the chairman of the Audit Committee which replaced the additional \$1,000 per meeting fee paid to committee chairs.
- (3) Effective as of February 6, 2007, an annual retainer of \$5,000 was approved for the chairmen of the Compensation Committee and Nominating and Governance Committee which replaced the additional \$1,000 per meeting fee paid to committee chairs.
- (4) Effective as of January 13, 2007, the fee per non-regularly scheduled and/or telephonic Board and Committee meetings is: (i) \$500 for meetings lasting less than thirty minutes; (ii) \$1,000 for meetings lasting between thirty

minutes and one hour; and (iii) \$2,000 for meetings lasting longer than one hour.

In addition to the retainer and meeting fees, we also reimburse non-employee directors for travel and other reasonable out-of-pocket expenses incurred by them in attending Board and Committee meetings.

Equity Compensation

Each non-employee director automatically received upon re-election to the Board of Directors at our 2006 Annual Meeting options to purchase 10,000 shares of our common stock under the terms of our 1998 Stock Plan, which was initially adopted by our Board of Directors in January 1998 and was amended and restated on August 24, 2005 (the 1998 Stock Plan). The director option grants are automatic and non-discretionary. The 1998 Stock Plan

Table of Contents

provides for an initial grant of options to purchase 20,000 shares of our common stock to each new non-employee director when such individual first becomes a director. In addition, each non-employee director is automatically granted an additional option to purchase 10,000 shares of our common stock when the director is re-elected to the Board of Directors by our stockholders, provided that the director has served on our Board for at least six consecutive months prior to his re-election.

Director option grants have a term of ten years and vest in three equal installments on the anniversary dates of the date of grant. Subject to certain customary exceptions, unvested and unexercised vested options are forfeited if a director ceases to be a member of the Board of Directors. In the event of a merger or sale of all or substantially all of our assets, the acquiring entity or corporation may either assume all outstanding options or may substitute equivalent options. Following an assumption or substitution, if the director is terminated, other than upon a voluntary resignation, any assumed or substituted options will vest and become exercisable in full. If the acquiring entity does not either assume all of the outstanding options or substitute an equivalent option, each option issued will immediately vest and become exercisable in full. The 1998 Stock Plan will terminate in January 2008 unless sooner terminated by the Board of Directors.

Historically, grants to non-employee directors were made under our 1998 Director Option Plan (the Director Plan), which was adopted by our Board of Directors in January 1998 and has terms substantially similar to the 1998 Stock Plan. Future grants to non-employee directors may be granted under the Director Plan or the 1998 Stock Plan.

Summary Director Compensation Table for 2006

The following table shows compensation information for our non-employee directors for the fiscal year ended December 31, 2006.

				Change in Pension Value and Non-Equity Nonqualified	
Fees Earned or Paid in	Stock	Option	Incentive Plan	Deferred Compensati	All