

AMKOR TECHNOLOGY INC

Form FWP

May 12, 2006

**Issuer Free Writing Prospectus filed  
pursuant to Rule 433 supplementing the  
Preliminary Prospectus Supplement dated  
May 10, 2006  
Registration No. 333-133953  
May 11, 2006**

**Amkor Technology, Inc.  
9.25% Senior Notes due 2016  
FINAL TERM SHEET**

**Title of Securities:** 9.25% Senior Notes due 2016

**Final Maturity Date:** June 1, 2016

**Annual Interest Rate:** 9.250%

**Yield:** 9.250%

**Interest Payment Dates:** June 1 and December 1, beginning December 1, 2006

**Record Dates:** May 15 and November 15

**Public Offering Price:** 100%, plus accrued interest, if any, from the issue date

**Underwriting Discount per Note:** 1.875%

**Aggregate Principal Amount:** \$400,000,000

**Proceeds (before expenses) to Amkor:** \$392,500,000

<b>Optional Redemption:</b>	<b>Year</b>	<b>Price</b>
	Beginning June 1, 2011	104.625%
	Beginning June 1, 2012	103.083%
	Beginning June 1, 2013	101.542%
	Beginning June 1, 2014 and thereafter	100.000%

**Equity Clawback:** Up to 35% of the notes at any time prior to June 1, 2009, at 109.250% with the proceeds of certain equity offerings.

**Make Whole Redemption:** At any time prior to June 1, 2011, at T+ 50 basis points.

**Trade Date:** May 11, 2006

**Settlement Date:** May 26, 2006 (T+11 flat)

**Form of Offering:** SEC Registered (Registration Statement No. 333-133953)

**Bookrunner::** Citigroup Global Markets Inc.

**CUSIP:** 031652 AW 0

**ISIN:** US031652AW08

**Ratings:** Caa1/ CCC+

**Listing:** None

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The following information updates and supersedes the information in our Prospectus Supplement (the "Prospectus Supplement"), Subject to Completion dated May 10, 2006, To Prospectus Dated May 10, 2006. In addition, the information set forth below under "Capitalization" supersedes and replaces in its entirety the information set forth in the Prospectus Supplement under the caption "Capitalization."

**Update on Offering Size**

We are offering \$400.0 million aggregate principal amount of 9.250% Senior Notes due 2016.

**Status of Tender Offer**

As of May 9, 2006, holders of \$349.4 million in aggregate principal amount of 9.25% notes have tendered in the tender offer. We have increased the size of the tender offer to up to \$360 million.

**Use of Proceeds**

We expect to receive net proceeds from this offering of \$391.8 million, after deducting the underwriting discounts and commissions and our estimated offering expenses. We intend to use the net proceeds from this offering to purchase 9.25% senior notes tendered to date in the tender offer (including the payment of the tender premium, accrued and unpaid interest, the early tender payment and related fees and expenses); with the remainder (an estimated \$13.1 million) to repurchase additional 9.25% senior notes that may be tendered, subject to the cap, to retire other debt or for general corporate or working capital purposes.

**Update on Concurrent Offering Size and Use of Proceeds**

We are offering \$190.0 million (with an additional \$28.5 million should the underwriter's option to purchase additional notes be fully exercised) aggregate principal amount of our 2.5% convertible senior subordinated notes due 2011 in the concurrent offering. We intend to use the net proceeds from the concurrent offering of \$183.9 million (excluding the underwriter's option to purchase additional notes) to redeem, repurchase or otherwise retire \$176.5 million of our \$200.0 million aggregate principal amount outstanding of our 10.5% senior subordinated notes due 2009 (together with the payment of the related premium, accrued and unpaid interest to and including the redemption date and related fees and expenses). In the event the underwriter exercises its option to purchase additional notes in full, we intend to use the proceeds to redeem, repurchase or otherwise retire the remaining amount of our 10.5% senior subordinated notes due 2009, with the remainder (an estimated \$3.2 million), to retire other debt or for general corporate or working capital purposes.

**Outstanding Debt and Ranking**

As of March 31, 2006, assuming completion of the concurrent transactions, we would have had approximately \$1,464.8 million of senior debt (approximately \$300 million of which would have been secured), \$213.5 million of senior subordinated debt and approximately \$378.4 million of subordinated debt.

**Settlement Cycle**

We expect that delivery of the notes will be made against payment therefor on May 26, 2006, which will be the 11th business day following the date of pricing of the notes (such settlement cycle being herein referred to as "T + 11"). Under Rule 15c6-1 under the Securities Exchange Act of 1934, as amended, or Exchange Act, trades in the secondary market generally are required to settle in three business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade notes on the date of pricing or the next seven succeeding business days will be required, by virtue of the fact that the notes initially will settle T + 11, to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement. Purchasers of notes who wish to trade notes on the date of pricing or the next three succeeding business days should consult their own advisor.

**CAPITALIZATION**

The following table sets forth our cash and cash equivalents and total capitalization as of March 31, 2006 (1) on a historical basis, and (2) as adjusted to give effect to the concurrent transactions, based on the following assumptions:

the issuance of \$400.0 million of senior notes in this offering for net proceeds of \$391.8 million and the application thereof to repurchase \$349.4 million aggregate principal amount of our 9.25% notes in the tender offer, and

the issuance in this offering of \$190.0 million of convertible subordinated notes for net proceeds of \$183.9 million and the application thereof to redeem \$176.5 million aggregate principal amount outstanding of our 10.5% senior subordinated notes.

You should read the as adjusted capitalization data set forth in the table below in conjunction with Selected Consolidated Financial Data, Description of Certain Indebtedness, and Management's Discussion and Analysis of Financial Condition and Results of Operations, set forth in our Annual Report on Form 10-K for the year ended December 31, 2005 and our Quarterly Report on Form 10-Q for the quarter ended March 31, 2006, and our consolidated financial statements and the notes thereto, incorporated by reference into the Prospectus Supplement.

	<b>At March 31, 2006</b>	
	<b>Actual</b>	<b>As Adjusted</b>
	<b>(In thousands)</b>	
Cash and cash equivalents	\$ 226,243	\$ 239,392
Long-term debt and short-term borrowings:		
Senior secured credit facilities:		
Term loan due October 2010	\$ 300,000	\$ 300,000
\$100.0 million revolving credit facility due November 2009(1)		
9.25% Senior notes due February 2008	440,500	91,060
7.75% Senior notes due May 2013	425,000	425,000
7.125% Senior notes due March 2011	248,711	248,711
9.25% Senior notes due 2016		400,000
10.50% Senior subordinated notes due May 2009(2)	200,000	23,489
2.50% Convertible senior subordinated notes due 2011		190,000
5.75% Convertible subordinated notes due June 2006	132,000	132,000
5.00% Convertible subordinated notes due March 2007	146,422	146,422
6.25% Convertible subordinated notes due December 2013	100,000	100,000
Other debt	125,314	125,314
 Total debt	 2,117,947	 2,181,996
Total stockholders' equity(3)	260,398	232,654
Total capitalization	\$ 2,378,345	\$ 2,414,650

(1) As of March 31, 2006, we had utilized \$2.5 million of the available letter of credit sub-limit, and had \$97.5 million available under this facility.

- (2) Pursuant to the terms of the indenture governing these notes, we have the right to redeem the notes at a price of 101.75% plus accrued and unpaid interest to and including the redemption date. For purposes of this table, we have assumed that such notes are redeemed on the 60th day following this offering at that price. The actual amount of 10.5% senior subordinated notes repurchased will depend on market conditions and the actual price at which we may redeem, repurchase or otherwise retire these notes.
- (3) Total stockholders' equity as of March 31, 2006, as adjusted, reflects an approximate \$27.7 million early debt extinguishment charge consisting of \$23.2 million of prepayment premiums and \$4.5 million for the write-off of unamortized debt issue costs.

The issuer has filed a registration statement (including a prospectus) with the SEC for the offering to which this communication relates. Before you invest, you should read the prospectus in that registration statement and other documents the issuer has filed with the SEC for more complete information about the issuer and this offering. You may get these documents for free by visiting EDGAR on the SEC Web site at [www.sec.gov](http://www.sec.gov). Alternatively, the issuer, any underwriter or any dealer participating in the offering will arrange to send you the prospectus if you request it by calling toll-free 1-877-858-5407.