

and/or recklessly disregarded were materially false and misleading and/or that omitted to reveal material information necessary to make such statements, in light of such material omissions, not materially false and misleading.

OVERVIEW

1. Amkor manufactures semiconductor packaging and test services, providing semiconductor companies and electronics original equipment manufacturers microelectronic design, and manufacturing and support services.

2. Throughout the Class Period, Amkor represented that it had achieved a “return to profitability” in the third quarter of 2003 and that it was experiencing strong gross margin improvement and revenue growth. During the Class Period, defendants repeatedly issued guidance of gross margins of 25% or more. Defendants also repeatedly stated that Amkor maintained systems, procedures and controls that gave it a competitive advantage in this business and, as a result, enabled the Company to provide products and services while producing strong profits for Amkor and its investors. In addition, defendants highlighted the Company’s cost management and supporting systems, its centralized administration infrastructure and flexible information systems, and its proprietary centralized information management systems and technologies.

3. Unbeknownst to investors, throughout the Class Period, the Company was suffering from a host of undisclosed adverse factors that were negatively impacting its business and that would cause it to report declining financial results and to miss the guidance Amkor disseminated. In particular, defendants failed to disclose that:

- * the Company’s sales were growing because the Company was stuffing the inventory channel with quantities of products that did not reflect end-user demand and that would cost Amkor future sales, as distributors would need to deplete existing inventory before buying new product from Amkor.

- * Amkor was experiencing rapidly rising material costs that far exceeded budget and that negatively impacted the Company's profit margins.
- * in order to grow, the Company needed, and was planning to, materially increase its capital spending, which would negatively impact the Company's profitability.
- * the Company's disclosure controls and procedures were inadequate.
- * as a result of the foregoing, defendants lacked any reasonable basis to claim that Amkor could achieve the guidance they disseminated.

4. At the end of the Class Period, investors learned that the Company was operating far below expectations, that Amkor's gross margins had declined materially and that its "product mix" had turned "unfavorable." This announcement caused the price of Amkor shares to fall 25% in a single day. By July 1, 2004, following defendants' belated disclosures, shares of Amkor traded to approximately \$5.75 per share, well below the Class Period high of almost \$22.00 per share, reached in mid-January 2004.

5. Defendants were motivated to commit the wrongdoing alleged herein, because it enabled Amkor to sell more than \$150 million of Amkor shares in a follow-on offering and \$250 million in Company notes. Had the truth about Amkor's business been known, these offerings would have yielded less for the Company or would not have been consummated at all.

6. On May 13, 2005, Amkor announced that it would be restating its financial results for 2003 and certain quarters of 2004, and that investors should no longer rely on those filings.

7. On August 22, 2005, Amkor announced that the SEC had initiated a formal investigation into possible insider trading in Amkor stock by certain, unidentified, Amkor insiders.

JURISDICTION AND VENUE

8. The claims asserted herein arise under and pursuant to Sections 10(b) and 20(a) of the Exchange Act [15 U.S.C. §§ 78j(b) and 78t(a)] and Rule 10b-5 promulgated thereunder by the United States Securities and Exchange Commission (“SEC”) [17 C.F.R. § 240.10b-5].

9. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. §§ 1331 and 1337, and Section 27 of the Exchange Act [15 U.S.C. § 78aa].

10. Venue is proper in this District pursuant to Section 27 of the Exchange Act, and 28 U.S.C. § 1391(b). Until June 2005, Amkor was headquartered in this District and, accordingly, a substantial portion of the wrongdoing alleged herein occurred within this District. In June 2005, Amkor moved its headquarters to Chandler, Arizona.

11. In connection with the acts alleged in this complaint, defendants, directly or indirectly, used the means and instrumentalities of interstate commerce, including, but not limited to, the mails, interstate telephone communications and the facilities of the national securities markets.

PARTIES

12. Plaintiff Bill Rozakis, as set forth in the accompanying certification, incorporated by reference herein, purchased the common stock of Amkor at artificially inflated prices during the Class Period and has been damaged thereby.

13. Defendant **AMKOR TECHNOLOGY, INC.** is a Delaware corporation with its chief executive offices and principal place of business located at 1900 South Price Road, Chandler, Arizona. Prior to June 2005, the Company maintained its chief executive offices and principal place of business at 1345 Enterprise Drive, West Chester, PA. According to the Company’s profile, Amkor manufactures semiconductor packaging and test services worldwide. The Company also claims to be a leading provider of contract semiconductor assembly and test

services, offering semiconductor companies and electronics OEMs a complete set of microelectronic design, and manufacturing and support services.

14. Defendant **JAMES J. KIM** (“Kim”) was, during the Class Period, Chairman, Chief Executive Officer of the Company.

15. Defendant **KENNETH T. JOYCE** (“Joyce”) was, during the Class Period, Chief Financial Officer and Executive Vice President and Principal Accounting Officer of the Company.

16. Defendant **JOHN BORUCH** (“Boruch”) was, during the Class Period, Chief Operating Officer of the Company until January 2004, at which time defendant Boruch assumed the position of Vice Chairman of the Company.

17. Defendant **BRUCE FREYMAN** (“Freeman”) was, during the Class Period, President and Chief Operating Officer of the Company, having served in this position from January 2004 until August 2004.

18. The individual defendants referenced above are referred to herein as the “Individual Defendants.”

19. Because of the Individual Defendants’ positions with the Company, they had access to the adverse undisclosed information about its business, operations, products, operational trends, financial statements, markets and present and future business prospects *via* access to internal corporate documents (including the Company’s operating plans, budgets and forecasts and reports of actual operations compared thereto), conversations and connections with other corporate officers and employees, attendance at management and Board of Directors meetings and committees thereof and *via* reports and other information provided to them in connection therewith.

20. It is appropriate to treat the Individual Defendants as a group for pleading purposes and to presume that the false, misleading and incomplete information conveyed in the Company's public filings, press releases and other publications as alleged herein are the collective actions of the narrowly defined group of defendants identified above. Each of the above officers of Amkor, by virtue of their high-level positions with the Company, directly participated in the management of the Company, was directly involved in the day-to-day operations of the Company at the highest levels and was privy to confidential proprietary information concerning the Company and its business, operations, products, growth, financial statements, and financial condition, as alleged herein. Said defendants were involved in drafting, producing, reviewing and/or disseminating the false and misleading statements and information alleged herein, were aware, or recklessly disregarded, that the false and misleading statements were being issued regarding the Company, and approved or ratified these statements, in violation of the federal securities laws.

21. As officers and controlling persons of a publicly held company whose common stock was, and is, registered with the SEC pursuant to the Exchange Act, and was traded on the Nasdaq National Market Exchange (the "Nasdaq"), and governed by the provisions of the federal securities laws, the Individual Defendants each had a duty to disseminate promptly, accurate and truthful information with respect to the Company's financial condition and performance, growth, operations, financial statements, business, products, markets, management, earnings and present and future business prospects, and to correct any previously issued statements that had become materially misleading or untrue, so that the market price of the Company's publicly traded common stock would be based upon truthful and accurate information. The Individual

Defendants' misrepresentations and omissions during the Class Period violated these specific requirements and obligations.

22. The Individual Defendants participated in the drafting, preparation, and/or approval of the various public and shareholder and investor reports and other communications complained of herein and were aware of, or recklessly disregarded, the misstatements contained therein and omissions therefrom, and were aware of their materially false and misleading nature. Because of their Board membership and/or executive and managerial positions with Amkor, each of the Individual Defendants had access to the adverse undisclosed information about Amkor's business prospects and financial condition and performance as particularized herein and knew (or recklessly disregarded) that these adverse facts rendered the positive representations made by or about Amkor and its business issued or adopted by the Company materially false and misleading.

23. The Individual Defendants, because of their positions of control and authority as officers and/or directors of the Company, were able to and did control the content of the various SEC filings, press releases and other public statements pertaining to the Company during the Class Period. Each Individual Defendant was provided with copies of the documents alleged herein to be misleading prior to or shortly after their issuance and/or had the ability and/or opportunity to prevent their issuance or cause them to be corrected. Accordingly, each of the Individual Defendants is responsible for the accuracy of the public reports and releases detailed herein and is therefore primarily liable for the representations contained therein.

24. Each of the defendants is liable as a participant in a fraudulent scheme and course of conduct that operated as a fraud or deceit on purchasers of Amkor common stock by disseminating materially false and misleading statements and/or concealing material adverse facts. The scheme: (i) deceived the investing public regarding Amkor's business, operations,

management and the intrinsic value of Amkor common stock; (ii) enabled defendants to sell over \$150 million of Amkor shares and \$250 million in Company notes while in possession of material adverse non-public information about the Company; and (iii) caused plaintiff and other members of the Class to purchase Amkor securities at artificially inflated prices.

PLAINTIFF'S CLASS ACTION ALLEGATIONS

25. Plaintiff brings this action as a class action pursuant to Federal Rule of Civil Procedure 23(a) and (b)(3) on behalf of a Class, consisting of all those who purchased or otherwise acquired the common stock of Amkor between October 27, 2003 and July 1, 2004, inclusive (the "Class"), and who were damaged thereby. Excluded from the Class are defendants, the officers and directors of the Company, at all relevant times, members of their immediate families and their legal representatives, heirs, successors or assigns and any entity in which defendants have or had a controlling interest.

26. The members of the Class are so numerous that joinder of all members is impracticable. Throughout the Class Period, Amkor common shares were actively traded on the Nasdaq national market. During the Class Period, the Company had over 174.66 million shares of common stock issued and outstanding. While the exact number of Class members is unknown to plaintiff at this time and can only be ascertained through appropriate discovery, plaintiff believes that there are hundreds or thousands of members in the proposed Class. Record owners and other members of the Class may be identified from records maintained by Amkor or its transfer agent and may be notified of the pendency of this action by mail, using the form of notice similar to that customarily used in securities class actions.

27. Plaintiff's claims are typical of the claims of the members of the Class as all members of the Class are similarly affected by defendants' wrongful conduct in violation of federal law that is complained of herein.

28. Plaintiff will fairly and adequately protect the interests of the members of the Class and has retained counsel competent and experienced in class and securities litigation.

29. Common questions of law and fact exist as to all members of the Class and predominate over any questions solely affecting individual members of the Class. Among the questions of law and fact common to the Class are:

(a) whether the federal securities laws were violated by defendants' acts as alleged herein;

(b) whether statements made by defendants to the investing public during the Class Period misrepresented material facts about the business, operations and management of Amkor; and

(c) to what extent the members of the Class have sustained damages and the proper measure of damages.

30. A class action is superior to all other available methods for the fair and efficient adjudication of this controversy since joinder of all members is impracticable. Furthermore, as the damages suffered by individual Class members may be relatively small, the expense and burden of individual litigation make it impossible for members of the Class to individually redress the wrongs done to them. There will be no difficulty in the management of this action as a class action.

SUBSTANTIVE ALLEGATIONS

Defendants' Materially False and Misleading Statements Made During the Class Period

31. **3Q:04 Results: "Return to Profitability."** On October 27, 2003, the inception of the Class Period, Amkor published a release announcing results for the third quarter ended September 30, 2003. The release stated that the third quarter 2003 represented Amkor's "Return

to Profitability Following [an] Extended Industry Downturn”, that defendants were “Expecting Continued Growth in Fourth Quarter and 2004,” and as follows:

**Returns to Profitability Following Extended Industry Downturn
Expecting Continued Growth in Fourth Quarter and 2004**

CHANDLER, AZ. -October 27, 2003 -- Amkor Technology, Inc. (Nasdaq: AMKR) reported third quarter sales of \$424 million, up 12% sequentially and up 8% over the third quarter of 2002. Amkor returned to profitability in the third quarter, with net income of \$16 million, or \$0.09 per share, compared with a loss of \$59 million, or (\$0.36) per share, in the third quarter of 2002.

Amkor's third quarter net income includes a non-cash gain of \$10 million, or \$0.06 per share, in connection with the reversal of a tax accrual related to tax periods that have closed. Third quarter results also include a charge, with no tax effect, of \$2 million, or \$0.01 per share, for debt retirement costs in connection with open market purchases of \$28 million in 9¼% Senior Notes due 2008. Amkor's results for the third quarter of 2002 included \$11 million in after-tax charges associated with factory consolidation and operating efficiency initiatives.

32. A “**Landmark Quarter.**” The release quoted defendants Kim, Boruch and Joyce, in part, as follows:

"This was a landmark quarter, in which we achieved record unit shipments in most of our ten factories and returned the corporation to positive net income after an unprecedented industry downturn," said James Kim, Amkor's chairman and chief executive officer.

"We believe the outsourced semiconductor assembly and test industry is poised for a period of sustainable growth, at a rate that will outpace the semiconductor industry. We are encouraged that strengthening customer forecasts may partially offset the seasonal weakness typical of our first calendar quarter. Looking broadly at 2004, we are positioning our organization to achieve annual revenues in the neighborhood of \$2 billion, and to reach a peak quarterly gross margin of 27% to 30% during the second half of 2004. We remain committed to improve productivity and profitability, maintain strong liquidity, reduce debt and enhance shareholder value," said Kim.

"During the third quarter we saw accelerating demand, particularly from customers supplying the cell phone industry, for a wide range of advanced packages, including stacked CSP, ChipArray BGA, MicroLeadFrame and camera modules," said John Boruch, Amkor's president and chief operating officer. "Business strengthened as the quarter progressed, with a large number of

customers over-supporting their forecasts as demand materialized faster than initially projected. As customer forecasts continued to strengthen, we accelerated our investment in leading-edge assembly and test equipment, and now expect total 2003 capital expenditures to exceed \$200 million. As previously announced, Amkor's bank credit facility has been modified to accommodate this increased capital budget."

"Third quarter gross margin rose to 23.9% from 19.6% in the second quarter. Third quarter operating margin rose to 11.2% from 6.0% in the second quarter reflecting the positive operating leverage in our business and the continued high utilization of assets supporting our high growth package families," said Ken **Joyce**, Amkor's chief financial officer. "Over the past two years we have made substantial progress enhancing the profitability of our business by improving operating efficiencies, increasing manufacturing capacity in strategic growth areas and managing costs."

"Our liquidity remained solid, with cash and equivalents of \$341 million at September 30," said Joyce ...

33. Defendants provided the following guidance in the press release:

Business Outlook

Our customers' forecasts have continued to build through most of the third quarter. On the basis of these forecasts, we have the following expectations for the fourth quarter:

- * Sequential revenue increase in the range of 5% to 8%.
- * Gross margin around 25%.
- * Net income in the range of 7 to 10 cents per diluted share.

34. Following publication of the Company's earnings announcement and forward guidance, the price of Amkor rallied -- trading from a close of \$15.70 per share prior to the publication of this release, to a high of almost \$19.50 per share the following trading day, on October 28, 2003. That day, trading volume spiked, with over 8.4 million shares traded, several times the Company's average daily trading volume.

\$150m Stock Registration. On November 3, 2003, when shares of Amkor traded to \$20.00 per share, defendants announced that they would sell over \$150 million in Company

stock in a follow-on public offering. On November 6, 2003, defendants commenced the offering of 7 million shares at \$19 per share.

35. **3Q:03 Form 10-Q.** On or about November 3, 2003, defendants filed with the SEC the Company's 3Q:03 Form 10-Q, for the quarter ended September 30, 2003, signed and certified by defendants Kim and Joyce. In addition to making substantially similar statements concerning the Company operations and financial condition as had been published previously, the Company's 3Q:03 Form 10-Q also stated, in part, the following:

1. INTERIM FINANCIAL STATEMENTS

Basis of Presentation. The consolidated financial statements and related disclosures as of September 30, 2003 and for the three and nine months ended September 30, 2003 and 2002 are unaudited, pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to such rules and regulations. In our opinion, these financial statements include all adjustments (consisting only of normal recurring adjustments) necessary for the fair presentation of the results for the interim periods. These financial statements should be read in conjunction with our latest annual report as of December 31, 2002 filed on Form 10-K, as amended, with the Securities and Exchange Commission. The results of operations for the three and nine months ended September 30, 2003 are not necessarily indicative of the results to be expected for the full year. Certain previously reported amounts have been reclassified to conform with the current presentation.

* * *

9. INVENTORIES

Inventories, net of reserves for excess and obsolete inventory of \$19.7 million and \$20.2 million at September 30, 2003 and December 31, 2002, respectively, consist of raw materials and purchased components that are used in the semiconductor packaging process.

	SEPTEMBER 30, 2003	DECEMBER 31, 2002
	-----	-----
	(IN THOUSANDS)	
Raw materials and purchased components	\$ 73,646	\$ 61,806
Work-in-process	14,634	10,315
	-----	-----
	\$ 88,280	\$ 72,121

36. **Controls.** The Company's 3Q:03 Form 10-Q also contained representations that attested to the effectiveness and sufficiency of the Company's controls and procedures, as follows:

ITEM 4. CONTROLS AND PROCEDURES

(a) Amkor carried out an evaluation as of the end of the quarter covered by this report, under the supervision and with the participation of our management, including the Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures (as such term is defined in Rule 13a-15(e) of the Securities Exchange Act of 1934 (the "Exchange Act")) as of the end of the fiscal quarter covered by this report. Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures are effective in timely alerting them to material information relating to our company (including its consolidated subsidiaries) required to be included in our Exchange Act filings.

(b) There were no significant changes in our company's internal control over financial reporting during the quarter covered by this report that have materially affected, or are reasonable likely to materially affect, Amkor's control over financial reporting.

37. **Certifications.** In the Company's 3Q:03 Form 10-Q contained certifications by defendants Kim and Joyce that attested to the accuracy and completeness of the Company's financial and operational reports, as follows:

1. I have reviewed this quarterly report on Form 10-Q of Amkor Technology, Inc.;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this quarterly report based on such evaluation; and

c) Disclosed in this quarterly report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors:

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

Date: November 3, 2003

/s/ JAMES J. KIM

Title: Chief Executive Officer

* * *

Date: November 3, 2003

/s/ KENNETH T. JOYCE

Title: Chief Financial Officer

CERTIFICATION OF CHIEF EXECUTIVE OFFICER AND CHIEF
FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, James J. Kim, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report of Amkor Technology, Inc. on Form 10-Q for the three months ended September 30, 2003 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in such Form 10-Q fairly presents in all material respects the financial condition and results of operations of Amkor Technology, Inc.

/s/ JAMES J. KIM

By: James J. Kim
Title: Chief Executive Officer

I, Kenneth T. Joyce, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report of Amkor Technology, Inc. on Form 10-Q for the three months ended September 30, 2003 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in such Form 10-Q fairly presents in all material respects the financial condition and results of operations of Amkor Technology, Inc.

/s/ KENNETH T. JOYCE

By: Kenneth T. Joyce
Title: Chief Financial Officer

38. The statements contained in Amkor's October 27, 2003 release and those statements contained in the Company's 3Q:03 Form 10-Q, referenced above, were each materially false and misleading when made, and were known by defendants to be materially false and misleading or were recklessly disregarded as such thereby, for the following reasons, among others:

(a) the Company's sales were growing because the Company was stuffing the inventory channel with quantities of products that did not reflect end-user demand and that

would cost Amkor future sales, as distributors would need to deplete existing inventory before buying new product from Amkor.

(b) Amkor was experiencing rapidly rising material costs that far exceeded budget expectations, and that negatively impacted the Company's profit margins;

(c) in order to grow, the Company needed, and was planning to, materially increase its capital spending, which would negatively impact the Company's profitability;

(d) the Company lacked adequate disclosure controls and procedures;

(e) as a result of the aforementioned, defendants lacked any reasonable basis to claim that Amkor could achieve the guidance endorsed by defendants.

39. **Rule 10b5-1 Plan Implemented.** In an effort to further capitalize on the inflation in the price of Amkor shares that the dissemination of defendants' materially false and misleading statements had caused, on December 17, 2003, defendants announced that they had implemented a "securities trading plan" under SEC Rule 10b5-1:

CHANDLER, Ariz., Dec. 17 -- Amkor Technology, Inc. (Nasdaq: AMKR) said that it has established a plan under Rule 10b5-1 of the Securities and Exchange Commission to provide for the Company's Executive Officers and Directors to engage in a pre-determined exercise of a portion of their exercisable stock options to purchase common stock, with concurrent sale of the shares, subject to certain price restrictions and other contingencies. Amkor also said that its Chairman and Chief Executive Officer, James Kim, has elected not to participate in this plan at this time.

The Officers and Directors currently participating in the plan may exercise an aggregate of 1,200,000 options to purchase common stock over a one-year period from the time the plan was established on November 19, 2003. This aggregate number of options represents approximately seven tenths of one percent (0.007) of Amkor's currently outstanding common stock.

40. **Needham Presentation.** On January 8, 2004m shares of Amkor traded to almost \$20.50 per share, as defendants hosted a presentation at the Needham Sixth Annual Growth Conference at the New York Palace Hotel in New York, NY. Jeffrey Luth, Vice President,

Corporate Communication spoke at the conference. At the conference, Amkor reiterated many of the same or similar materially false and misleading statements as had been published previously by the Company -- including the materially false and misleading statement regarding the Company's inventory, expenses, costs, earnings and revenues..

41. **Surge in Demand.** On January 22, 2004, defendants published a release that guided investors to believe that a "surge in demand" for certain Company products would lead to an "aggressive capacity expansion in 2004." This release stated, in part, the following:

Amkor Sees Surge in Demand for Advanced Stacked Packages; Plans Aggressive Capacity Expansion in 2004

CHANDLER, Ariz., Jan. 22 -- Citing accelerating demand for advanced semiconductor package solutions for cell phone and other handheld applications, Amkor Technology, Inc. (Nasdaq: AMKR) today announced that it is aggressively expanding capacity for stacked chip-scale packages (S- CSP). Stacked packages are semiconductor packages that contain two or more individual chips placed on top of another. Already among the largest producers of stacked packages, with nearly 50 million S-CSP packages shipped last year, Amkor expects production capacity to approach 50 million per quarter (depending on die-stack configuration) by the middle of 2004.

Amkor's factories in Korea and Japan already produce stacked packages. The company will install S-CSP capacity in its factories in Taiwan and China early in 2004.

Amkor is particularly strong in stacked packages containing three or more active chips. These packages were more than 20% of Amkor's total S-CSP production in the fourth quarter of 2003, which is the largest proportion in the outsourced chip packaging industry. During 2003 Amkor's production of 3+ S-CSP rose to nearly four million in the fourth quarter from approximately 20,000 in the first quarter.

"This dramatic increase in demand for our advanced stacked packages reflects Amkor's leadership in die stacking technology, which has been a key enabler for cell phones, PDAs and other digital consumer products," commented Barry Miles, Amkor's vice president of CSP products. "We've been shipping S- CSPs with three active chips in high volume throughout 2003. This focus on advanced stacking has allowed Amkor to create significantly higher value stacked package solutions for our customers."

"The average revenue of Amkor's stacked package is considerably more than that of our nearest competitor because of our leadership positions in three die and logic + memory stacking," said Miles....

42. **4Q & FY:2003 Results.** On January 28, 2004, Amkor published a release announcing results for the fourth quarter and full year ended December 31, 2003 and raised near-term guidance. This release stated, in part, the following:

**Amkor Reports Fourth Quarter 2003 Results
Increases Revenue Outlook for First Quarter and Full Year 2004**

CHANDLER, Ariz., Jan. 28 -- Amkor Technology, Inc. (Nasdaq: AMKR) reported fourth quarter sales of \$459 million, up 8% sequentially and up 23% over the fourth quarter of 2002. Amkor's fourth quarter net income was \$23 million, or \$0.13 per share, compared with a loss of \$196 million, or (\$1.19) per share, in the fourth quarter of 2002.

Amkor's fourth quarter 2003 net income includes a \$7 million gain on the sale of a marketable security partially offset by \$5 million in debt retirement costs associated with the repurchase of convertible notes....

For the full year, revenue was \$1.6 billion compared with \$1.4 billion in 2002. Amkor's net income in 2003 was \$2 million, or \$0.01 per share, compared with a loss of \$827 million, or (\$5.04) per share, in 2002.

43. **Exceptional Growth Opportunities.** The release quoted defendants Kim, Freyman and Joyce, in part, as follows:

"We have completed a year of significant accomplishment and believe that 2004 will present exceptional growth opportunities for Amkor," said James Kim, Amkor's chairman and chief executive officer. "Our 2003 results exceeded our initial expectations and were achieved during a year in which we realigned our operating structure, enhanced our balance sheet and strengthened our product development, sales and support organizations. These strategic initiatives place Amkor in an excellent position to drive continued expansion of the outsourcing model for semiconductor assembly and test."

"Since 2001 we have cautiously managed our business in an environment of economic uncertainty and cloudy visibility," continued Kim. "This environment began to change during 2003 as customer demand improved. We believe the semiconductor industry is now entering a period of strong expansion. We are seeing strength in the communications, computer and consumer markets. During the fourth quarter our customer forecasts continued to strengthen, and we now

expect to achieve revenue growth in the first quarter of 2004, which is a significant reversal of what is normally a seasonally down quarter. Historically, a sequential increase in our first quarter sales has always signaled a strong year for Amkor. Last quarter I said we were positioning Amkor to achieve \$2 billion in revenue in 2004; I now believe we will exceed \$2 billion."

"In response to broad-based customer demand we have re-ignited Amkor's growth engine and are aggressively moving to increase production capacity to meet demand that our customers are already forecasting," continued Kim. "We are focused on asserting our leadership position in key package technologies. We have budgeted first quarter capital expenditures of \$200 million to accommodate robust customer demand and expand our operational footprint in Taiwan and China. We will most likely spend between \$300 and \$500 million for 2004."

"We see 2004 as a year of great promise for Amkor. We intend to accommodate growth opportunities while improving our capital structure, and we remain committed to de-levering the balance sheet," said Kim.

"Over the past year we've experienced unprecedented demand for stacked CSP, chip scale BGA, system-in-package, MicroLeadFrame®, camera modules and other advanced package families that are especially well suited for wireless and digital consumer electronic applications," said Bruce Freyman, Amkor's newly appointed president and chief operating officer. "We've also had exceptional demand for several legacy package families, and for strip test. During this period we've significantly increased manufacturing capacity and engineering support for the high-growth areas of our business. We are stepping up our product development and R&D activities to ensure that our packaging and test capabilities continue to keep pace with advances in the front end. We also are working on a variety of innovative design collaborations with several OEMs."

"Fourth quarter gross margin was 25%. As our business expansion program moves into high gear in Q1 and Q2, our goal will be to increase production capacity to get ahead of customer demand," said Ken Joyce, Amkor's chief financial officer. "We expect the associated depreciation expenses and to a lesser extent factory operating expenses to put some downward pressure on gross margin in the first quarter of 2004, with minimal impact on operating margin as first quarter SG&A expenses should increase only modestly."

"During 2003 we strengthened our capital structure -- reducing debt by \$129 million and increasing shareholders equity by \$147 million through the issuance of common stock. Our 2003 initiatives have yielded annualized interest expense savings of \$15 million," said Joyce.

"As Jim Kim stated, we expect to grow significantly this year, and to support this robust growth we continue to evaluate strategies to further enhance our capital structure. We are prepared to supplement our cash resources with proceeds from

capital market activities depending on the pace of our capital expenditure program," said Joyce.

44. **1Q:04 Guidance.** The release provided the following, upwardly-revised guidance:

Business Outlook

Our customers' forecasts have continued to build through most of the fourth quarter. On the basis of these forecasts, we have the following expectations for the first quarter of 2004:

- Sequential revenue increase in the range of 2% to 4%.
- Gross margin around 24%.
- Net income in the range of 8 to 11 cents per diluted share.

45. **2003 Form 10-K.** On March 4, 2004, defendants filed the Company's 2003 Form 10-K with the SEC for the fourth quarter and full year ended December 31, 2003, signed and certified by defendants Kim and Joyce. In addition to making substantially similar statements as had been made by defendants previously concerning the Company's operations, costs, expenses, revenues and earnings, and the Company's purported controls and procedures, Amkor's 2003 Form 10-K also stated, in part, the following:

BASIS OF PRESENTATION

The consolidated financial statements include the accounts of Amkor Technology, Inc. and its subsidiaries. The consolidated financial statements reflect the elimination of all significant intercompany accounts and transactions. As discussed further below, we elected early adoption of FASB Interpretation No. ("FIN") 46, "Consolidation of Variable Interest Entities" on July 1, 2003. Accordingly, our investments in variable interest entities in which we are the primary beneficiary are consolidated. Our investments in variable interest entities in which we are not the primary beneficiary are accounted for under the equity method. Investments in and the operating results of 20% to 50% owned companies which are not variable interest entities are included in the consolidated financial statements using the equity method of accounting. Prior to the adoption of FIN 46, all investments in and the operating results of 20% to 50% owned

companies were included in the consolidated financial statements using the equity method of accounting.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates. Certain previously reported amounts have been reclassified to conform with the current presentation.

* * *

INVENTORIES

Inventories are stated at the lower of cost or market. Cost is determined principally by using a moving average method. We order raw materials based on the customers' forecasted demand and we do not maintain any finished goods inventory. If our customers change their forecasted requirements and we are unable to cancel our raw materials order or if our vendor requires that we order a minimum quantity that exceeds the current forecasted demand, we will experience a build-up in raw material inventory. We will either seek to recover the cost of the materials from our customers or utilize the inventory in production. However, we may not be successful in recovering the cost from our customers or successful in being able to use the inventory in production, which we would consider as part of our reserve estimate. Our reserve for excess and obsolete inventory is based on the forecasted demand we receive from our customers and the age of our inventory. When a determination is made that the inventory will not be utilized in production it is written-off and disposed.

* * *

9. INVENTORIES

Inventories, net of reserves for excess and obsolete inventory of \$18.7 million and \$20.2 million for 2003 and 2002, respectively, consist of raw materials and purchased components that are used in the semiconductor packaging process.

	DECEMBER 31,	
	2003	2002
	(IN THOUSANDS)	
Raw materials and purchased components	\$ 77,775	\$ 61,806
Work-in-process	14,664	10,315
	\$ 92,439	\$ 72,121

46. **Controls.** The Company's 2003 Form 10-K also contained statements concerning Amkor's purported controls and procedures, in part, as follows:

TEM 9A. CONTROLS AND PROCEDURES

During the fourth quarter of 2003, Amkor management, including the principal executive officer and principal financial officer, evaluated Amkor's disclosure controls and procedures related to the recording, processing, summarization and reporting of information in its periodic reports that Amkor files with the SEC. These disclosure controls and procedures have been designed to ensure that (a) material information relating to Amkor, including its consolidated subsidiaries, is made known to Amkor's management, including these officers, by other employees of Amkor and its subsidiaries, and (b) this information is recorded, processed, summarized, evaluated and reported, as applicable, within the time periods specified in the SEC's rules and forms. Due to the inherent limitations of control systems, not all misstatements may be detected. These inherent limitations include the realities that judgments in decision-making can be faulty and that breakdowns can occur because of simple error or mistake. Additionally, controls could be circumvented by the individual acts of some persons or by collusion of two or more people. Amkor's controls and procedures can only provide reasonable, not absolute, assurance that the above objectives have been met.

Accordingly, as of December 31, 2003, these officers (principal executive officer and principal financial officer) concluded that Amkor's disclosure controls and procedures were effective to accomplish their objectives. Amkor continually strives to improve its disclosure controls and procedures to enhance the quality of its financial reporting and to maintain dynamic systems that change as conditions warrant. There was no change in our internal control over financial reporting that occurred during the period covered by this Annual Report on Form 10-K that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

47. **Certifications.** The Company's 2003 Form 10-K also contained Certifications by defendants Kim and Joyce that again purported to certify the veracity and completeness of the Company's year-end financial report, in part, as follows:

CERTIFICATION OF CHIEF EXECUTIVE OFFICER AND
CHIEF FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, James J. Kim, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Annual Report of

Amkor Technology, Inc. on Form 10-K for the year ended December 31, 2003 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in such Form 10-K fairly presents in all material respects the financial condition and results of operations of Amkor Technology, Inc.

/s/ JAMES J. KIM

By: James J. Kim

Title: Chief Executive Officer

I, Kenneth T. Joyce, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Annual Report of Amkor Technology, Inc. on Form 10-K for the year ended December 31, 2003 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in such Form 10-K fairly presents in all material respects the financial condition and results of operations of Amkor Technology, Inc.

/s/ KENNETH T. JOYCE

By: Kenneth T. Joyce

Title: Chief Financial Officer

48. The statements sponsored and endorsed by defendants and provided to investors and analysts at the Needham conference on January 8, 2004, and those statements contained in the Company's January 22 and January 28, 2004 press releases, and in Amkor's 2003 Form 10-K, were materially false and misleading and were known by defendants to be false at that time, or were recklessly disregarded as such thereby, for the reasons stated herein in ¶38, *supra*.

49. **\$250m Note Offering.** On March 8, 2004, Amkor announced the issuance of \$250 million in notes. These notes were unregistered and sold to qualified institutional investors.

50. **1Q:04 Results.** On April 27, 2004, Amkor published a release announcing results for the first quarter ended March 31, 2004. This release stated, in part, the following:

CHANDLER, Ariz., April 27 -- Amkor Technology, Inc. (Nasdaq: AMKR) reported first quarter sales of \$465 million, up 1% sequentially and up 36% over the first quarter of 2003. Amkor's first quarter net income was \$12 million, or \$0.07 per share, compared with \$15 million, or \$0.09 per share, in the first quarter of 2003.

Amkor's first quarter 2004 net income includes a pre-tax charge of \$2.7 million, in connection with the prepayment of Amkor's term loan under its senior secured credit facility. In the first quarter 2003 Amkor's net income included a loss from continuing operations of \$40 million, or (\$0.24) per share, which was offset by income of \$55 million, or \$0.33 per share, in connection with its divested wafer fabrication services business.

51. **“Continued Growth.”** The release quoted defendants Kim, Freyman and Joyce, in part, as follows:

"While first quarter revenue came in slightly below our forecasted range, we nonetheless were pleased to achieve sequential revenue growth, in contrast to what is normally a seasonally down first quarter," said James Kim, Amkor's chairman and chief executive officer. "The increase in Q1 revenue and continued growth in our customers' long range forecasts suggest that we are in the midst of a broad-based industry recovery, and we remain confident of exceeding \$2 billion revenue in 2004. This recovery, combined with what we believe is an acceleration in the outsourcing of semiconductor assembly and test, presents compelling opportunities for Amkor to strengthen our operational capabilities and expand our customer penetration."

"Due to relative weakness in our cell phone products and production constraints at foundries, first quarter demand for some advanced package products did not materialize as forecast," said Bruce Freyman, Amkor's president and chief operating officer. "During the first quarter we increased capacity in several package products which were on allocation for much of 2003 in order to get ahead of demand, and we are now in a more favorable position to support expected growth of these package products through 2004. We also experienced strong growth in our legacy package products during the quarter, which further suggests that integrated device manufacturers (IDMs) have generally not invested in additional assembly capacity."

"First quarter gross margin of 24% was down 1% sequentially due principally to higher material costs," said Ken Joyce, Amkor's chief financial officer. "We anticipate that second quarter gross margin will remain at 24%, despite higher sales volume, due to higher depreciation and labor costs as we continue to expand production space, add equipment and increase factory workforce in advance of what we expect will be a strong second half. These costs include expenses associated with equipping lines and qualifying new business in our newly acquired facility in Taiwan. We currently expect gross margin to improve in the second half of 2004."

52. **2Q:04 Guidance.** The release also provided the following guidance:

Business Outlook

Our customer forecasts continue to rise for both advanced and legacy package products, however, it is possible that some customers will experience capacity constraints at their wafer foundries. On the basis of current forecasts, we have the following expectations for the second quarter of 2004:

- Sequential revenue increase in the range of 5% to 8%.
- Gross margin around 24%.
- Net income in the range of 17 to 22 cents per diluted share, which includes an after-tax gain of \$20 million, or \$0.11 per share, from the sale of 10.1 million shares of ASI common stock.

53. **1Q:04 Form 10-Q.** On or about May 5, 2004, defendants filed the Company's 1Q:04 Form 10-Q, for the quarter ended March 31, 2004, with the SEC. The report was signed and certified by defendants Kim and Joyce. In addition to making substantially similar statements concerning the Company's operations and financial condition as had been made by defendants previously, the Company's 1Q:04 Form 10-Q also stated, in part, the following:

1. INTERIM FINANCIAL STATEMENTS

Basis of Presentation. The consolidated financial statements and related disclosures as of March 31, 2004 and for the three months ended March 31, 2004 and 2003 are unaudited, pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to such rules and regulations. In our opinion, these financial statements include all adjustments (consisting only of normal recurring adjustments) necessary for the fair presentation of the results for the interim periods. These financial statements should be read in conjunction with our latest annual report as of December 31, 2003 filed on Form 10-K with the Securities and Exchange Commission. The results of operations for the three months ended March 31, 2004 are not necessarily indicative of the results to be expected for the full year. Certain previously reported amounts have been reclassified to conform with the current presentation.

* * *

5. INVENTORIES

Inventories, net of reserves for excess and obsolete inventory of \$17.0 million and \$18.7 million at March 31, 2004 and December 31, 2003, respectively, consist of raw materials and purchased components that are used in the semiconductor packaging process.

	MARCH 31, 2004	DECEMBER 31, 2003
	-----	-----
	(IN THOUSANDS)	
Raw materials and purchased components.....	\$ 92,361	\$ 77,775
Work-in-process.....	20,045	14,664
	-----	-----
	\$ 112,406	\$ 92,439

54. **Controls.** The Company's 1Q:04 Form 10-Q attested to the purported effectiveness and sufficiency of the Company's controls and procedures, as follows:

ITEM 4. CONTROLS AND PROCEDURES

During the first quarter of 2004, Amkor management, including the principal executive officer and principal financial officer, evaluated Amkor's disclosure controls and procedures related to the recording, processing, summarization and reporting of information in its periodic reports that Amkor files with the SEC. These disclosure controls and procedures have been designed to ensure that (a) material information relating to Amkor, including its consolidated subsidiaries, is made known to Amkor's management, including these officers, by other employees of Amkor and its subsidiaries, and (b) this information is recorded, processed, summarized, evaluated and reported, as applicable, within the time periods specified in the SEC's rules and forms. Due to the inherent limitations of control systems, not all misstatements may be detected. These inherent limitations include the realities that judgments in decision-making can be faulty and that breakdowns can occur because of simple error or mistake. Additionally, controls could be circumvented by the individual acts of some persons or by collusion of two or more people. Amkor's controls and procedures can only provide reasonable, not absolute, assurance that the above objectives have been met.

Accordingly, as of March 31, 2004, these officers (principal executive officer and principal financial officer) concluded that Amkor's disclosure controls and procedures were effective to accomplish their objectives. Amkor continually strives to improve its disclosure controls and procedures to enhance the quality of its financial reporting and to maintain dynamic systems that change as conditions warrant. There was no change in our internal control over financial reporting that occurred during the period covered by this Report on Form 10-Q that has materially affected, or is reasonably likely to materially affect, our internal control

over financial reporting.

55. **Certifications.** The Company's 1Q:04 Form 10-Q contained certifications by defendants Kim and Joyce attesting to the accuracy and completeness of the Company's financial and operational reports, as follows:

CERTIFICATION OF CHIEF EXECUTIVE OFFICER AND CHIEF
FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, James J. Kim, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report of Amkor Technology, Inc. on Form 10-Q for the three months ended March 31, 2004 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in such Form 10-Q fairly presents in all material respects the financial condition and results of operations of Amkor Technology, Inc.

/s/ JAMES J. KIM

By: James J. Kim
Title: Chief Executive Officer

I, Kenneth T. Joyce, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report of Amkor Technology, Inc. on Form 10-Q for the three months ended March 31, 2004 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in such Form 10-Q fairly presents in all material respects the financial condition and results of operations of Amkor Technology, Inc.

/s/ KENNETH T. JOYCE

By: Kenneth T. Joyce
Title: Chief Financial Officer

56. The statements made by defendants and contained in the Company's April 27, 2004 press release and in Amkor's 1Q:04 Form 10-Q, were materially false and misleading and

were know by defendants to be false at that time, or were recklessly disregarded as such thereby, for the reasons stated herein in ¶38, *supra*.

THE TRUE FINANCIAL AND OPERATIONAL CONDITION OF AMKOR IS BELATEDLY DISCLOSED

57. On July 1, 2004, prior to the opening of trading, defendants issued a press release announcing that the Company's results would be far below guidance, reducing gross margin and earnings expectations. The release stated, in relevant part, as follows:

CHANDLER, Ariz., July 1 /PRNewswire-FirstCall/ — Amkor Technology, Inc. (Nasdaq: AMKR — News) said today that revenues for the second quarter ended June 30, 2004 are expected to be approximately 6% higher than the first quarter of 2004, compared with prior guidance of up 5% to 8%. Amkor expects gross margin for the second quarter to be around 19% compared with prior guidance of around 24%. Net income for the second quarter is expected to be approximately 6 cents per diluted share, compared with prior guidance of 17 to 22 cents, principally due to lower than anticipated gross margin. Both the prior and revised EPS guidance include an after-tax gain of 11 cents per share from the sale of 10.1 million shares of ASI common stock.

“Our second quarter gross margin shortfall is primarily attributable to a very unfavorable product mix,” said Ken Joyce, Amkor's Chief Financial Officer. “Our revenue from several high-margin advanced packages, including MicroLeadFrame®, Stacked CSP and ChipArray®BGA, was less than we expected, reflecting weaker-than-normal support of customer forecasts in the wireless sector and some shortages of high-end wafers from the foundries. The soft demand in our higher margin advanced packages was offset by stronger than anticipated support of forecasts in our lower margin PBGA business. In addition, we are still absorbing higher factory costs related to our capacity expansion initiatives, as well as an overall rise in material costs.

58. In response to this announcement, the price of Amkor stock fell from \$8.18 per share to \$5.75 per share, a decline of over 25% in a single day, on volume of over 17.29 million shares, almost 10 times Amkor's average daily trading volume.

59. **SEC Inquiry.** On October 12, 2004, Amkor revealed that the SEC had initiated an informal inquiry into “trading in the securities of Amkor” by certain, unidentified individuals,

possibly Amkor insiders. In connection with this inquiry, the Company produced documents and other relevant information to the SEC.

60. Following the publication of this adverse event, shares of the Company traded even lower -- reaching \$3.75 per share in intra-day trading.

61. **Restatement.** On May 13, 2005, defendants announced a restatement of prior financial results. In a press release, Amkor warned investors that the Company's previously filed financial statements were not reliable. In addition, this release stated, in part, the following:

Item 4.02. Non-Reliance on Previously Issued Financial Statements or a Related Audit Report or Completed Interim Review.

(a) As disclosed on Form 8-K dated May 4, 2005, prior to March 31, 2005 we did not exclude from capital expenditures reported in the statement of cash flows, capital expenditures that were unpaid and included in accounts payable at each balance sheet date. Thus capital expenditures were reported in the cash flow statement on an accrual basis rather than on a cash basis. This presentation caused an over/understatement of cash flows from investing activities with an equal over/understatement of cash flows from operating activities.

During the preparation of our quarterly report on Form 10-Q for the three months ended March 31, 2005, management and the Audit Committee determined that the impact of this error was material to our financial information for certain interim periods within 2004 and 2003 and for the year ended December 31, 2003. Management recommended and the Audit Committee agreed at a meeting on May 11, 2005, that previously reported results should be restated to correct the reporting of unpaid capital expenditures in the statement of cash flows and, in light of the restatement the statement of cash flows contained in our Annual Report on Form 10-K for the year ended December 31, 2004 and Quarterly Reports on Form 10-Q during 2004 should no longer be relied upon. We will file the restated consolidated financial statements as amendments to our periodic reports with the Securities and Exchange Commission on the appropriate forms as soon as practicable.

Management has re-evaluated the effectiveness of its disclosure controls and procedures as a result of this restatement and concluded its disclosure controls and procedures were not effective as of December 31, 2004 solely because of a failure to ensure the correct application of SFAS 95 in the statement of cash flows related to the classification of unpaid property, plant and equipment. When we file the amended reports, we will have remediated this material weakness in our internal

control over financial reporting with respect to accounting for operating and investing cash flows.

62. **Control Deficiencies.** On May 16, 2005, Amkor filed with the SEC its Form 10-Q for the first quarter of 2005, which revealed that the Company's disclosure controls and procedures were inadequate:

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures:

The Company maintains disclosure controls and procedures that are designed to ensure that information required to be disclosed in the Company's reports under the Securities Exchange Act of 1934 (the "Exchange Act") is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to the Company's management, including its Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

As of the end of the period covered by this report, management, including the Company's principal executive officer and principal financial officer, evaluated the effectiveness and design and operation of the Company's disclosure controls and procedures pursuant to Exchange Act Rules 13a-15(e) and 15d-15(e). Based upon this evaluation and the material weakness described below, the principal executive officer and principal financial officer concluded that the Company's disclosure controls and procedures were not effective as of March 31, 2005.

Management assessed the effectiveness of the Company's internal control over financial reporting as of December 31, 2004. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in "Internal Control-Integrated Framework."

A material weakness is a control deficiency, or a combination of control deficiencies, that results in more than a remote likelihood that a material misstatement of the annual or interim financial statements will not be prevented or detected. As of December 31, 2004, the Company did not maintain effective controls over the preparation and review of the Company's consolidated statement of cash flow. Specifically, capital expenditures that were unpaid and included in accounts payable at certain balance sheet dates were misstated in the Company's consolidated statement of cash flow. This control deficiency will result in the need to restate the Company's annual consolidated financial statements for 2002, 2003 and 2004 as well as the interim financial statements for 2003 and 2004.

Additionally, this control deficiency could result in a misstatement of the consolidated statement of cash flow that would result in a material misstatement to annual or interim financial statements that would not be prevented or detected. Accordingly, management determined that this control deficiency constitutes a material weakness. Because of this material weakness, we have concluded that the Company did not maintain effective internal control over financial reporting as of December 31, 2004, based on criteria in Internal Control-Integrated Framework set forth by the COSO.

Subsequent to the filing of the Company's 2004 Annual Report on Form 10-K, management became aware of misstatements in the Company's statement of cash flows as described in Note 1 to the financial statements included in this Form 10-Q. As mentioned previously, management will restate the Company's annual consolidated financial statements for years 2002, 2003 and 2004 as well as the interim financial statements for 2003 and 2004 to correct this misstatement. Management had previously concluded that the Company maintained effective internal control over financial reporting as of December 31, 2004. Management has determined that the material weakness described above existed as of December 31, 2004. Accordingly, we plan to restate our report on internal control over financial reporting to indicate that our internal control over financial reporting as of December 31, 2004 is not effective. Such restated report will be included in our amended 2004 Annual Report on Form 10-K.

The Company also expects that this material weakness will cause PricewaterhouseCoopers LLP, the Company's independent registered public accounting firm, to restate its previously issued report and issue an adverse opinion with respect to the operating effectiveness of the Company's internal control over financial reporting.

63. **SEC Formal Investigation.** On August 22, 2005, Amkor revealed that the SEC's investigation into trading in Amkor stock had changed from an informal to a formal investigation. In a press release, the Company represented as follows:

Amkor Discloses Formal SEC Investigation

CHANDLER, Ariz., Aug. 22 /PRNewswire-FirstCall/ -- Amkor Technology, Inc. (NASDAQ:AMKR) announced today that the Securities and Exchange Commission (SEC) has issued a formal order of investigation arising from the previously announced informal inquiry concerning certain trading in Amkor securities.

Amkor believes that the investigation continues to relate to transactions in the company's securities by certain individuals, including certain insiders or former insiders and persons associated with them. The primary focus of the investigation

appears to be activities during the period from June 2003 to July 2004. Amkor has cooperated fully with the SEC on the informal inquiry and will continue to do so with the formal investigation.

64. The market for Amkor's common stock was open, well-developed and efficient at all relevant times. As a result of these materially false and misleading statements and failures to disclose, Amkor common stock traded at artificially inflated prices during the Class Period. Plaintiff and other members of the Class purchased or otherwise acquired Amkor common stock upon the integrity of the market price of Amkor common stock and market information relating to Amkor, and have been damaged thereby.

65. During the Class Period, defendants materially misled the investing public, thereby inflating the price of Amkor common stock by publicly issuing false and misleading statements and omitting to disclose material facts necessary to make defendants' statements, as set forth herein, not false and misleading. Said statements and omissions were materially false and misleading in that they failed to disclose material adverse information and misrepresented the truth about the Company, its business and operations, as alleged herein.

66. At all relevant times, the material misrepresentations and omissions particularized in this Complaint directly or proximately caused or were a substantial contributing cause of the damages sustained by plaintiff and other members of the Class. As described herein, during the Class Period, defendants made or caused to be made a series of materially false and misleading statements about Amkor's business, prospects and operations. These material misstatements and omissions had the cause and effect of creating in the market an unrealistically positive assessment of Amkor and its business, prospects and operations, thus causing the Company's common stock to be overvalued and artificially inflated at all relevant times. Defendants' materially false and misleading statements during the Class Period resulted in plaintiff and other

members of the Class purchasing the Company's common stock at artificially inflated prices, thus causing the damages complained of herein.

CAUSATION AND ECONOMIC LOSS

67. Defendants' wrongful conduct, as alleged herein, directly and proximately caused the damages suffered by plaintiff and the Class.

68. During the Class Period, plaintiff and the Class purchased securities of Amkor at artificially inflated prices and were damaged thereby. The price of Amkor common stock declined when the misrepresentations made to the market, and/or the information alleged herein to have been concealed from the market, and/or the effects thereof, were revealed, causing investors' losses.

ADDITIONAL SCIENTER ALLEGATIONS

69. As alleged herein, defendants acted with scienter in that each defendant knew that the public documents and statements issued or disseminated in the name of the Company were materially false and misleading; knew that such statements or documents would be issued or disseminated to the investing public; and knowingly and substantially participated or acquiesced in the issuance or dissemination of such statements or documents as primary violations of the federal securities laws. As set forth elsewhere herein in detail, defendants, by virtue of their receipt of information reflecting the true facts regarding Amkor, their control over, and/or receipt and/or modification of Amkor's allegedly materially misleading misstatements and/or their associations with the Company that made them privy to confidential proprietary information concerning Amkor, participated in the fraudulent scheme alleged herein.

70. Defendants were motivated to materially misrepresent to the SEC and investors the true financial condition of the Company because it: (i) deceived the investing public regarding Amkor's business, operations, management and the intrinsic value of Amkor common

stock; (ii) enabled defendants to register for sale with the SEC and then sell over \$150 million of Amkor shares and \$250 million in Company notes while in possession of material adverse non-public information about the Company; and (iii) caused plaintiff and other members of the Class to purchase Amkor securities at artificially inflated prices. In addition to the foregoing, according to the Company's revelations following the end of the Class Period, it also appears that Company insiders may also have sold additional shares of Amkor stock or securities while in possession of material adverse non-public information about the Company, during the Class Period.

**Applicability Of Presumption Of Reliance:
Fraud-On-The-Market Doctrine**

71. At all relevant times, the market for Amkor's common stock was an efficient market for the following reasons, among others:

- (a) Amkor's stock met the requirements for listing, and was listed and actively traded on the Nasdaq, a highly efficient and automated market;
- (b) As a regulated issuer, Amkor filed periodic public reports with the SEC and the Nasdaq;
- (c) Amkor regularly communicated with public investors *via* established market communication mechanisms, including through regular disseminations of press releases on the national circuits of major newswire services and through other wide-ranging public disclosures, such as communications with the financial press and other similar reporting services; and
- (d) Amkor was followed by several securities analysts employed by major brokerage firm(s) who wrote reports that were distributed to the sales force and certain customers

of their respective brokerage firm(s). Each of these reports was publicly available and entered the public marketplace.

72. As a result of the foregoing, the market for Amkor securities promptly digested current information regarding Amkor from all publicly available sources and reflected such information in Amkor stock price. Under these circumstances, all purchasers of Amkor common stock during the Class Period suffered similar injury through their purchase of Amkor common stock at artificially inflated prices and a presumption of reliance applies.

NO SAFE HARBOR

73. The statutory safe harbor provided for forward-looking statements under certain circumstances does not apply to any of the allegedly false statements pleaded in this complaint. Many of the specific statements pleaded herein were not identified as “forward-looking statements” when made. To the extent there were any forward-looking statements, there were no meaningful cautionary statements identifying important factors that could cause actual results to differ materially from those in the purportedly forward-looking statements. Alternatively, to the extent that the statutory safe harbor does apply to any forward-looking statements pleaded herein, defendants are liable for those false forward-looking statements because at the time each of those forward-looking statements was made, the particular speaker knew that the particular forward-looking statement was false, and/or the forward-looking statement was authorized and/or approved by an executive officer of Amkor who knew that those statements were false when made.

FIRST CLAIM

Violation Of Section 10(b) Of The Exchange Act And Rule 10b-5 Promulgated Thereunder Against All Defendants

74. Plaintiff repeats and realleges each and every allegation contained above as if fully set forth herein.

75. During the Class Period, defendants carried out a plan, scheme and course of conduct that was intended to and, throughout the Class Period, did: (i) deceive the investing public regarding Amkor's business, operations, management and the intrinsic value of Amkor common stock; (ii) enable defendants to register for sale with the SEC and then sell over \$150 million of Amkor shares and \$250 million in Company notes while in possession of material adverse non-public information about the Company; and (iii) cause plaintiff and other members of the Class to purchase Amkor securities at artificially inflated prices. In addition to the foregoing, according to the Company's revelations following the end of the Class Period, it also appears that Company insiders may also have sold additional shares of Amkor stock or securities while in possession of material adverse non-public information about the Company during the Class Period.

76. In furtherance of this unlawful scheme, plan and course of conduct, defendants, jointly and individually (and each of them) took the actions set forth herein. Defendants (a) employed devices, schemes, and artifices to defraud; (b) made untrue statements of material fact and/or omitted to state material facts necessary to make the statements not misleading; and (c) engaged in acts, practices, and a course of conduct that operated as a fraud and deceit upon the purchasers of the Company's common stock in an effort to maintain artificially high market prices for Amkor's common stock in violation of Section 10(b) of the Exchange Act and Rule

10b-5. All defendants are sued either as primary participants in the wrongful and illegal conduct charged herein or as controlling persons as alleged below.

77. Defendants, individually and in concert, directly and indirectly, by the use, means or instrumentalities of interstate commerce and/or of the mails, engaged and participated in a continuous course of conduct to conceal adverse material information about the business, operations and future prospects of Amkor as specified herein.

78. These defendants employed devices, schemes and artifices to defraud, while in possession of material adverse non-public information and engaged in acts, practices, and a course of conduct as alleged herein in an effort to assure investors of Amkor's value and performance and continued substantial growth, which included the making of, or the participation in the making of, untrue statements of material facts and omitting to state material facts necessary in order to make the statements made about Amkor and its business operations and future prospects in the light of the circumstances under which they were made, not misleading, as set forth more particularly herein, and engaged in transactions, practices and a course of conduct that operated as a fraud and deceit upon the purchasers of Amkor common stock during the Class Period.

79. Each of the Individual Defendants' primary liability, and controlling person liability, arises from the following facts: (i) the Individual Defendants were high-level executives and/or directors at the Company during the Class Period and members of the Company's management team or had control thereof; (ii) each of these defendants, by virtue of his responsibilities and activities as a senior officer and/or director of the Company, was privy to and participated in the creation, development and reporting of the Company's internal budgets, plans, projections and/or reports; (iii) each of these defendants enjoyed significant personal contact and

familiarity with the other defendants and was advised of and had access to other members of the Company's management team, internal reports and other data and information about the Company's finances, operations, and sales at all relevant times; and (iv) each of these defendants was aware of the Company's dissemination of information to the investing public, which they knew or recklessly disregarded was materially false and misleading.

80. The defendants had actual knowledge of the misrepresentations and omissions of material facts set forth herein, or acted with reckless disregard for the truth in that they failed to ascertain and to disclose such facts. Such defendants' material misrepresentations and/or omissions were done knowingly or recklessly for the purpose and effect of concealing Amkor's operating condition and future business prospects from the investing public and supporting the artificially inflated price of its common stock. As demonstrated by defendants' overstatements and misstatements of the Company's business, operations and earnings throughout the Class Period, defendants, if they did not have actual knowledge of the misrepresentations and omissions alleged, were reckless in failing to obtain such knowledge by recklessly refraining from taking those steps necessary to discover whether those statements were false or misleading.

81. As a result of the dissemination of the materially false and misleading information and failure to disclose material facts, as set forth above, the market price of Amkor common stock was artificially inflated during the Class Period. In ignorance of the fact that market prices of Amkor's publicly traded common stock were artificially inflated, and relying directly or indirectly on the false and misleading statements made by defendants, or upon the integrity of the market in which the securities trade, and/or on the absence of material adverse information that was known to or recklessly disregarded by defendants but not disclosed in public statements by

defendants during the Class Period, plaintiff and the other members of the Class acquired Amkor common stock during the Class Period at artificially high prices and were damaged thereby.

82. At the time of said misrepresentations and omissions, plaintiff and other members of the Class were ignorant of their falsity, and believed them to be true. Had plaintiff and the other members of the Class and the marketplace known the truth regarding the problems that Amkor was experiencing, which were not disclosed by defendants, plaintiff and other members of the Class would not have purchased or otherwise acquired their Amkor common stock, or, if they had acquired such common stock during the Class Period, they would not have done so at the artificially inflated prices that they paid.

83. By virtue of the foregoing, defendants have violated Section 10(b) of the Exchange Act, and Rule 10b-5 promulgated thereunder.

84. As a direct and proximate result of defendants' wrongful conduct, plaintiff and the other members of the Class suffered damages in connection with their respective purchases and sales of the Company's common stock during the Class Period.

SECOND CLAIM

Violation Of Section 20(a) Of The Exchange Act Against Individual Defendants

85. Plaintiff repeats and realleges each and every allegation contained above as if fully set forth herein.

86. The Individual Defendants acted as controlling persons of Amkor within the meaning of Section 20(a) of the Exchange Act as alleged herein. By virtue of their high-level positions, and their ownership and contractual rights, participation in and/or awareness of the Company's operations and/or intimate knowledge of the false financial statements filed by the Company with the SEC and disseminated to the investing public, the Individual Defendants had

the power to influence and control and did influence and control, directly or indirectly, the decision-making of the Company, including the content and dissemination of the various statements that plaintiff contends are false and misleading. The Individual Defendants were provided with or had unlimited access to copies of the Company's reports, press releases, public filings and other statements alleged by plaintiff to be misleading prior to and/or shortly after these statements were issued and had the ability to prevent the issuance of the statements or cause the statements to be corrected.

87. In particular, each of these defendants had direct and supervisory involvement in the day-to-day operations of the Company and, therefore, is presumed to have had the power to control or influence the particular transactions giving rise to the securities violations as alleged herein, and exercised the same.

88. As set forth above, Amkor and the Individual Defendants each violated Section 10(b) and Rule 10b-5 by their acts and omissions as alleged in this Complaint. By virtue of their positions as controlling persons, the Individual Defendants are liable pursuant to Section 20(a) of the Exchange Act. As a direct and proximate result of defendants' wrongful conduct, plaintiff and other members of the Class suffered damages in connection with their purchases of the Company's common stock during the Class Period.

WHEREFORE, plaintiff prays for relief and judgment, as follows:

A. Determining that this action is a proper class action, designating plaintiff as Lead Plaintiff and certifying plaintiff as a class representative under Rule 23 of the Federal Rules of Civil Procedure and plaintiff's counsel as Lead Counsel;

B. Awarding compensatory damages in favor of plaintiff and the other Class members against all defendants, jointly and severally, for all damages sustained as a result of defendants' wrongdoing, in an amount to be proven at trial, including interest thereon;

C. Awarding plaintiff and the Class their reasonable costs and expenses incurred in this action, including counsel fees and expert fees;

D. Awarding extraordinary, equitable and/or injunctive relief as permitted by law, equity and the federal statutory provisions sued hereunder, pursuant to Rules 64 and 65 and any appropriate state law remedies to assure that the Class has an effective remedy; and

E. Such other and further relief as the Court may deem just and proper.

JURY TRIAL DEMANDED

Plaintiff hereby demands a trial by jury.

Dated: February 9, 2006

BRODSKY & SMITH, LLC

By: _____
Evan J. Smith, Esquire
Marc L. Ackerman, Esquire
Two Bala Plaza, Suite 602
Bala Cynwyd, PA 19004
Tel: (610) 667-6200
Fax: (610) 667-9029

**MILBERG WEISS BERSHAD &
SCHULMAN LLP**
Steven G. Schulman, Esquire
Peter E. Seidman, Esquire
Andrei V. Rado, Esquire
One Pennsylvania Plaza - 49th Floor
New York, NY 10119
Tel: (212) 594-5300
Fax: (212) 868-1229

KAHN GAUTHIER SWICK, LLC

Michael A. Swick, Esquire
650 Poydras Street - Suite 2150
New Orleans, LA 70130
Telephone: (504) 455-1400
Facsimile: (504) 455-1498

**LAW OFFICES OF
BRUCE G. MURPHY**

Bruce G. Murphy, Esquire
265 Llwyds Lane
Vero Beach, FL 32963
772-231-4202

Attorneys for Plaintiff