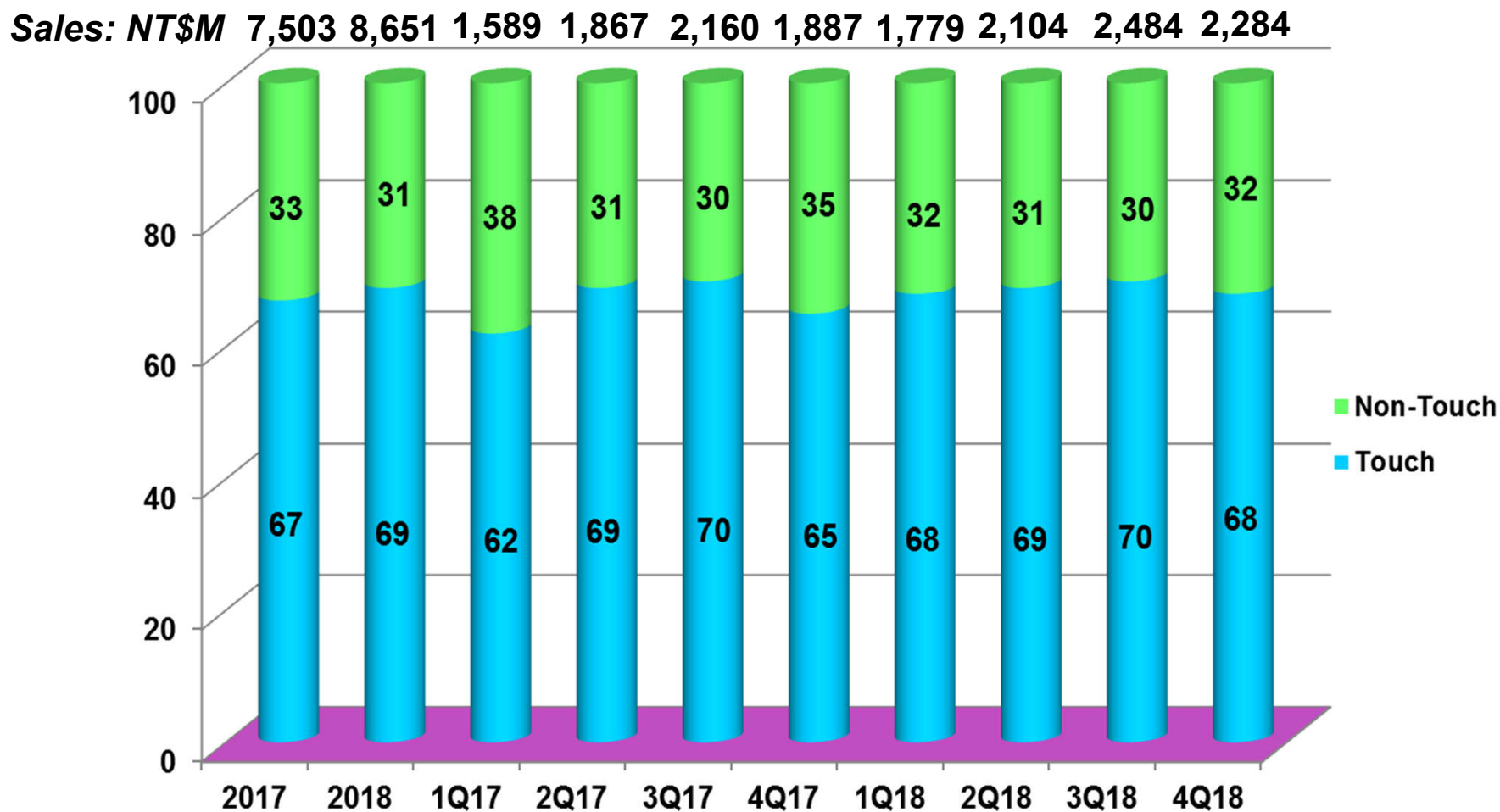


ELAN Microelectronics Corp.

4Q18 Investor Conference

2019/02/26

Sales Breakdown by Product Line (Consolidated)



- **Touch:** Touchscreen Controller, Touchpad, Biometrics
- **Non-Touch:** MCU, Pointing Stick, Affiliated Co. Products

4Q18 Income Statement

YoY Comparison (Consolidated)

	4Q18	%	4Q17	%	YoY(%)
Sales	2,284	100.0	1,887	100.0	21.0
Gross profit	1,060	46.4	826	43.8	28.3
Sales expense	80	3.5	80	4.2	
G&A expense	85	3.7	71	3.8	
R&D expense	407	17.8	351	18.6	
Operating profit	488	21.4	324	17.2	50.6
Non-operating income & exp.	2	0.1	(45)	(2.4)	
Profit before tax	490	21.5	279	14.8	75.6
Net profit	436	19.1	237	12.6	84.0
Belong					
Parent company	440		242		
Non-Controlling Interests	(4)		(5)		
* EPS (NT\$)	1.51		0.58		160.3

(Unaudited)

* 4Q18 and 4Q17 based on 304 million shares and 434 million shares respectively.

* The record date of capital reduction was at the end of Aug. 2018.

* Based on the weighted average number of shares outstanding.

4Q18 Income Statement

QoQ Comparison (Consolidated)

	4Q18	%	3Q18	%	NT\$M QoQ(%)
Sales	2,284	100.0	2,484	100.0	(8.1)
Gross profit	1,060	46.4	1,146	46.1	(7.5)
Sales expense	80	3.5	97	3.9	
G&A expense	85	3.7	86	3.5	
R&D expense	407	17.8	396	15.9	
Operating profit	488	21.4	567	22.8	(13.9)
Non-operating income & exp.	2	0.1	24	1.0	
Profit before tax	490	21.5	591	23.8	(17.1)
Net profit	436	19.1	472	19.0	(7.6)
Belong					
Parent company	440		480		
Non-Controlling Interests	(4)		(8)		
* EPS (NT\$)	1.51		1.28		18.0 (Unaudited)

* 4Q18 based on 304 million shares.

* In 3Q18, Jul. ~ Aug. based on 434 million shares and Sep. based on 304 million shares respectively.

* The record date of capital reduction was at the end of Aug. 2018.

* Based on the weighted average number of shares outstanding.

2018 Income Statement

YoY Comparison (Consolidated)

	2018	%	2017	%	NT\$M YoY(%)
Sales	8,651	100.0	7,503	100.0	15.3
Gross profit	3,944	45.6	3,348	44.6	17.8
Sales expense	352	4.1	310	4.1	
G&A expense	331	3.8	301	4.0	
R&D expense	1,531	17.7	1,387	18.5	
Operating profit	1,730	20.0	1,350	18.0	28.1
Non-operating income & exp.	140	1.6	(88)	(1.2)	
Profit before tax	1,870	21.6	1,262	16.8	48.2
Net profit	1,532	17.7	1,032	13.8	48.4
Belong					
Parent company	1,560		1,074		
Non-Controlling Interests	(28)		(42)		
* EPS (NT\$)	4.16		2.58		61.2

(Unaudited)

* 2017 based on 434 million shares.

* In 2018, Jan. ~ Aug. based on 434 million shares and Sep. ~ Dec. based on 304 million shares respectively.

* The record date of capital reduction was at the end of Aug. 2018.

* Based on the weighted average number of shares outstanding

1Q18~4Q18 Income Statement (Consolidated)

	1Q18	%	2Q18	%	3Q18	%	4Q18	%	1Q18~4Q18	NT\$M %
Sales	1,779	100.0	2,104	100.0	2,484	100.0	2,284	100.0	8,651	100.0
Gross profit	790	44.4	948	45.1	1,146	46.1	1,060	46.4	3,944	45.6
Sales expense	72	4.0	103	4.9	97	3.9	80	3.5	352	4.1
G&A expense	78	4.4	82	3.9	86	3.5	85	3.7	331	3.8
R&D expense	352	19.8	376	17.9	396	15.9	407	17.8	1,531	17.7
Operating profit	288	16.2	387	18.4	567	22.8	488	21.4	1,730	20.0
Non-operating income & exp.	40	2.2	74	3.5	24	1.0	2	0.1	140	1.6
Profit before tax	328	18.4	461	21.9	591	23.8	490	21.5	1,870	21.6
Net profit	259	14.6	365	17.3	472	19.0	436	19.1	1,532	17.7
Belong										
Parent company	264		376		480		440		1,560	
Non-Controlling Interests	(5)		(11)		(8)		(4)		(28)	
* EPS (NT\$)	0.63		0.91		1.28		1.51		4.16	

(Unaudited)

* Based on the weighted average number of shares outstanding.

* Jan. ~ Aug. based on 434 million shares and Sep. ~ Dec. based on 304 million shares respectively.

* The record date of capital reduction at the end of Aug. 2018 affected the weighted shares used for calculation of EPS; therefore, the sum of each quarterly EPS was not equal to the EPS as of December.

Balance Sheets

December. 31, 2018 (Consolidated)

	NT\$M
Current assets	7,438
Cash and cash equivalents	2,076
Current financial assets	655
A/R&A/N	1,753
Inventory	1,156
Other current assets	39
Other current financial assets	1,759
Non-current financial assets	1,307
Fixed assets	768
Other non-current assets	280
Total Assets	9,793
Current liabilities	2,818
Non-current liabilities	392
Total Liabilities	3,210
Capital stock	3,039
Capital surplus	444
Retained earnings	3,006
Other equity interest	172
Treasury stock	(33)
Non-controlling interests	(45)
Total Stockholders' Equity	6,583

(Unaudited)

Cash Flow Statement

December. 31, 2018 (Consolidated)

	NT\$M
Income before tax	1,870
Dep & Amort.	96
Inc. of A/R & N/R	(169)
Inc. of inventory	(96)
Inc. of A/P & N/P	80
Others	42
Operating cashflow	1,848
Inc.F/A	(249)
Dec. of investments	73
Dec.Time deposit with maturity over three-month	780
Acquisition of intangible assets	(19)
Others	4
Investment cashflow	589
Inc. in short-term loans payable	373
Dec. in short-term loans payable	(370)
Distribution of cash dividends	(1,074)
Reduction of Capital	(1,250)
Others	1
Financing cashflow	(2,320)
Change in cash	92
Beg. Cash	1,984
End Cash	2,076

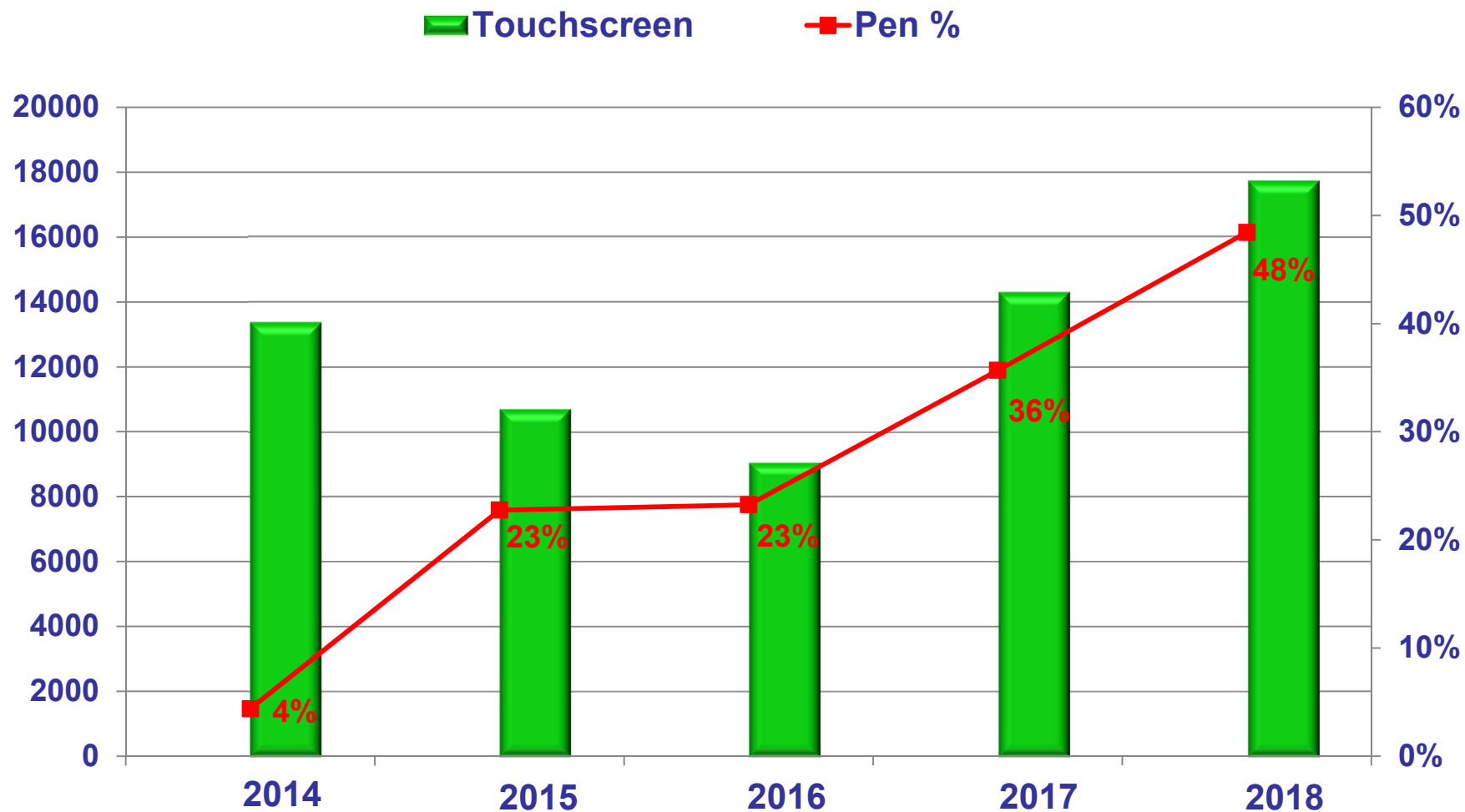
(Unaudited)

1Q19 Guidance

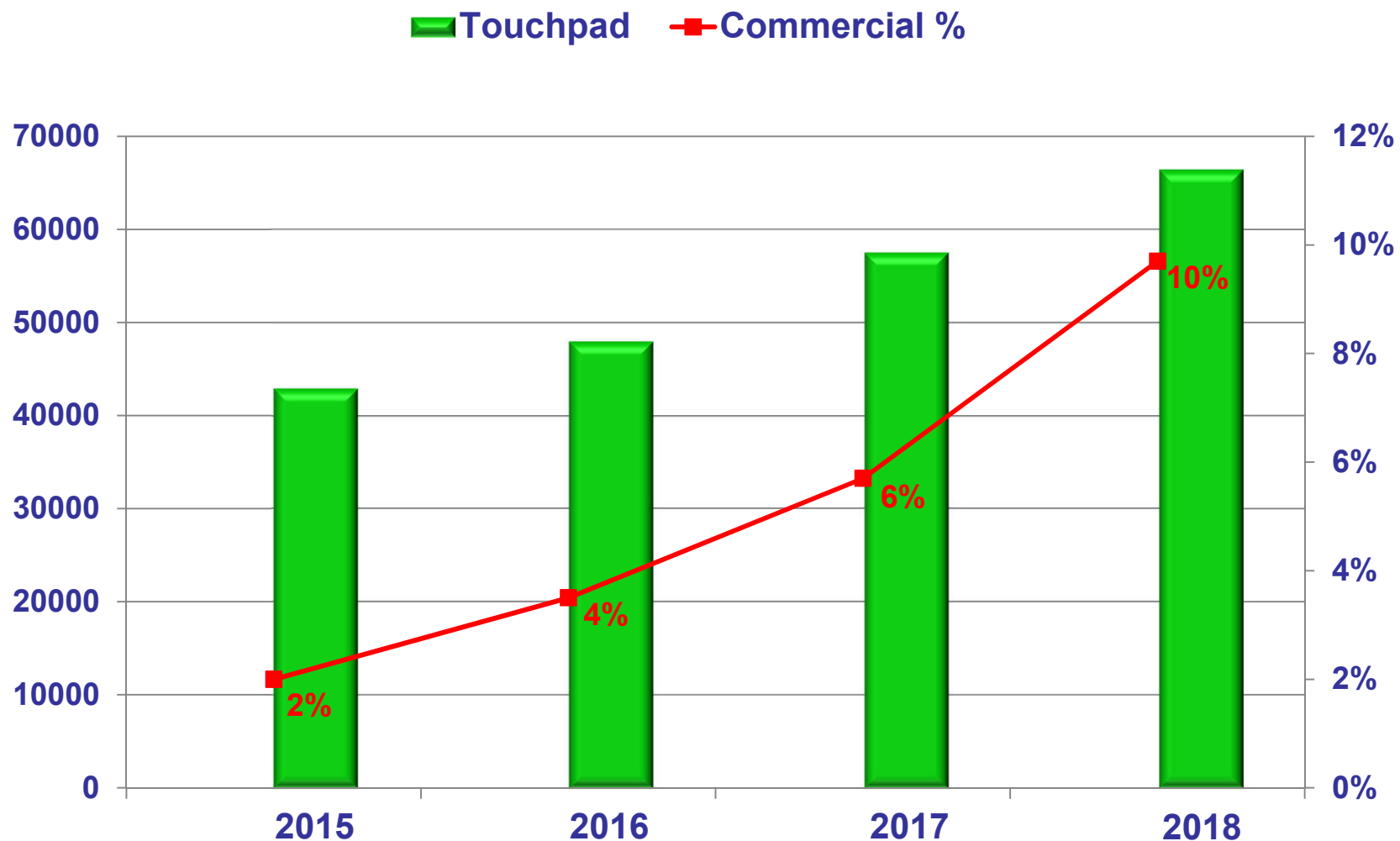
Based on Current Assumptions of Future Prospects, ELAN Expects:

- Consolidate Revenue to be Approximately between NT\$ 1.96Billion and NT\$ 2.08 Billion***
- Gross Margin to be about 46% to 47%***
- Operating Income Rate to be about 18.1% to 20.7%***

Touchscreen with Stylus Support Shipment



Touchpad for Commercial Market Shipment



Notable Devices with ELAN Touchscreen Solution

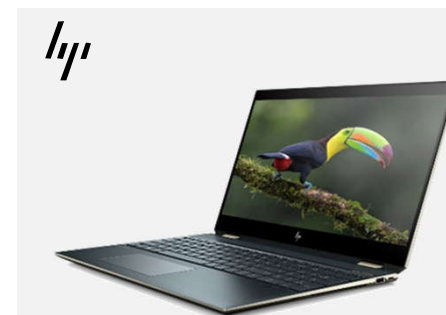
2019 CES Announced



DELL Inspiron 7000 2-in-1s
with MSFT Pen



Acer Chromebook 315
with Chrome OS Touch



HP Spectre x360 15
on OLED with MSFT Pen



Dell XPS 15
on OLED Display



Dell XPS 13
on LCD Display



HP Chromebook X360 14 G1
on Chrome OS Touch



Asus Chromebook Flip C434
on Chrome OS Touch

Notable Devices with ELAN Touchpad Solution

2019 CES Announced



Asus Zenbook 14 UX431
with Number Pad



Asus Zenbook S13 UX392
with Fingerprint Sensor



HP Chromebook X360 14 G1
with Chrome OS Touchpad



Asus Chromebook Flip C434
with Chrome OS Touchpad



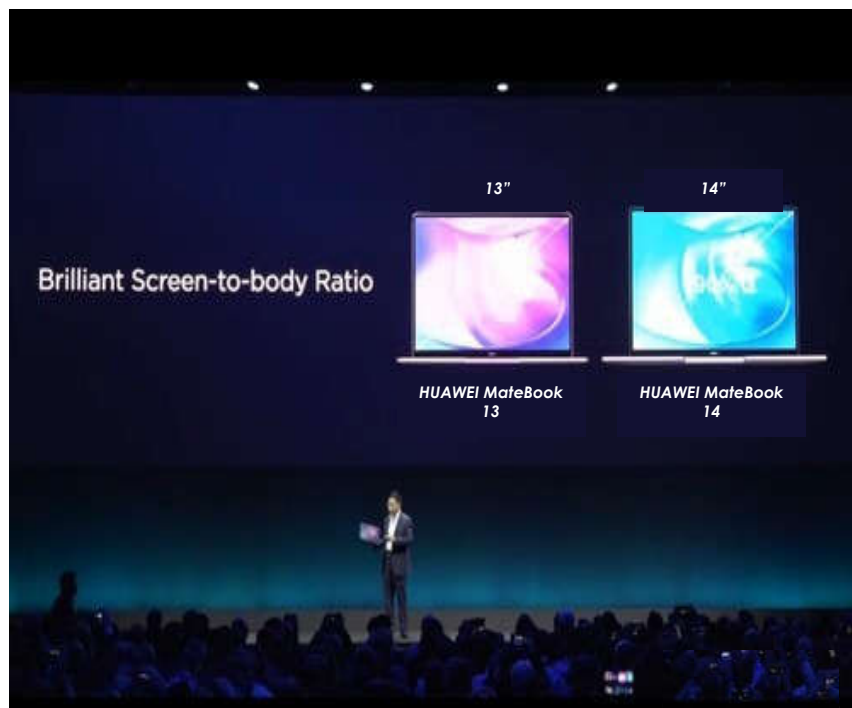
DELL Inspiron 7000 2-in-1s
With ELAN's Smart Usability



Razer Blade 15
ELAN Big Touchpad
(Large by ~50%)

Matebook 13 and Matebook 14

2019 MWC Announced



Brilliant Screen-to-body Ratio

MateBook 13 - 88%

MateBook 14 - 90%



Starting Price:

MateBook 13 - €999

MateBook 14 - €1199

Q & A



預見精采未來 開創AI新生活



ADAS
先進輔助駕駛者系統



3D Face Recognition
3D人臉辨識



Smart-Touchscreen
with Active Pen
智慧觸控螢幕
及電容式主動筆



Smart-ClickdPad
智慧觸控板



Smart-ID
指紋辨識



360° Fisheye IVS
智慧魚眼安全監控系統



AI enables
Intelligent Traffic
智慧交通監控方案



AI enables smart lighting
Surveillance
智慧路燈安全監控方案