

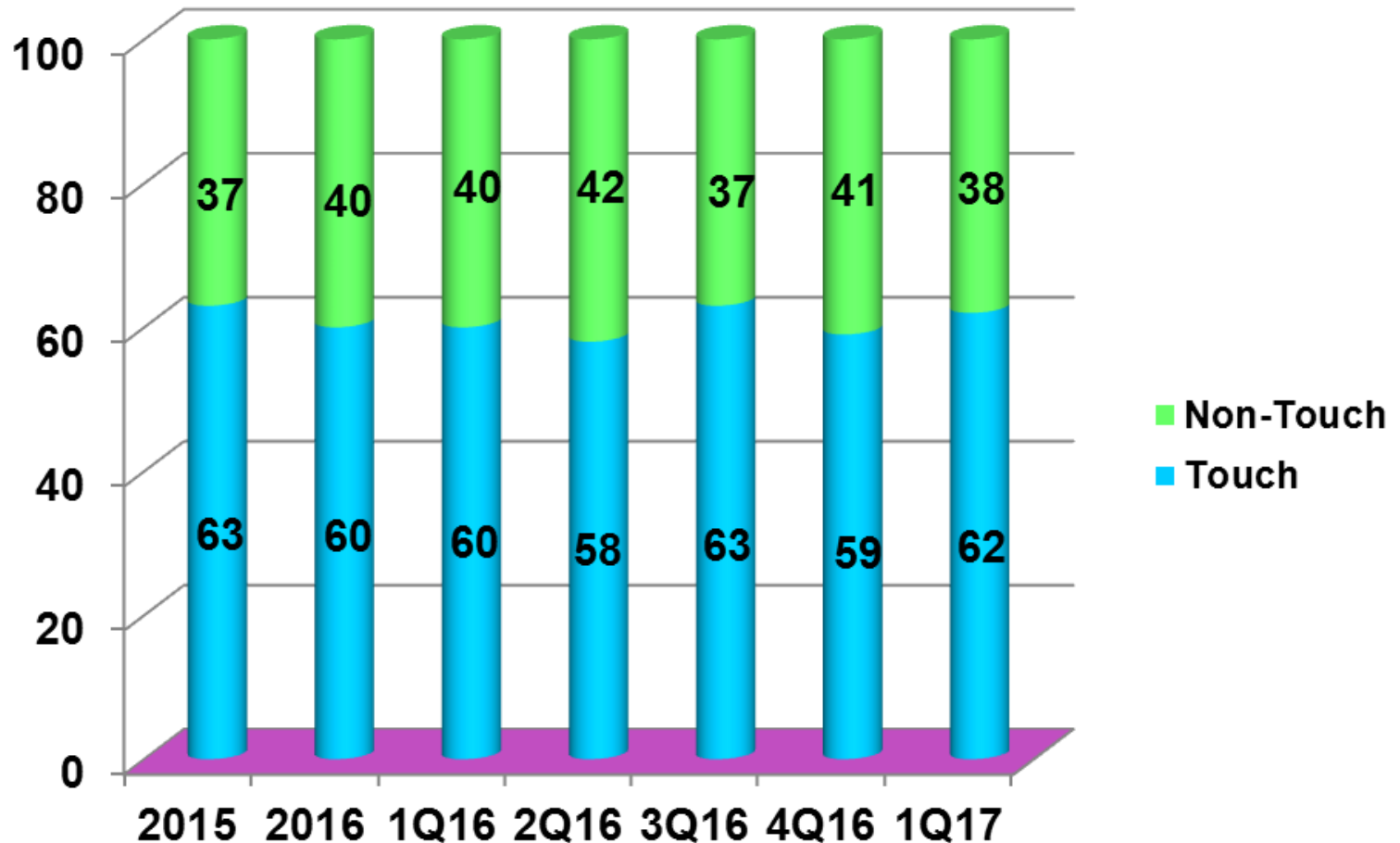
ELAN Microelectronics Corp.

1Q17 Investor Conference

2017/04/25

Sales Breakdown by Product Line (Consolidated)

Sales: NT\$M 6,605 6,559 1,400 1,552 1,959 1,648 1,589



- Touch: Touchscreen Chip, Touchpad, Fingerprint ID
- Non-touch: MCU, Pointing Stick, Affiliated Co. Products

1Q17 Income Statement

YoY Comparison (Consolidated)

	NT\$M				
	1Q17	%	1Q16	%	YoY(%)
Sales	1,589	100	1,400	100	14
Gross profit	697	44	566	40	23
Sales expense	66	4	66	5	
G&A expense	73	5	72	5	
R&D expense	331	21	309	22	
Operating profit	227	14	119	8	91
Non-operating income & exp.	(68)	(4)	(7)	0	
Profit before tax	159	10	112	8	42
Net profit	125	8	90	6	39
Belong					
Parent company	140		110		
Non-Controlling Interests	(15)		(20)		
* EPS (NT\$)	0.34		0.26		31

* Based on the current 434 million shares (Unreviewed)

* Based on the weighted average number of shares outstanding

1Q17 Income Statement

QoQ Comparison (Consolidated)

NT\$M

	1Q17	%	4Q16	%	QoQ(%)
Sales	1,589	100	1,648	100	(4)
Gross profit	697	44	696	42	0
Sales expense	66	4	92	5	
G&A expense	73	5	77	5	
R&D expense	331	21	359	22	
Operating profit	227	14	168	10	35
Non-operating income & exp.	(68)	(4)	13	1	
Profit before tax	159	10	181	11	(12)
Net profit	125	8	142	9	(12)
Belong					
Parent company	140		162		
Non-Controlling Interests	(15)		(20)		
* EPS (NT\$)	0.34		0.40		(15)

* Based on the current 434 million shares (Unreviewed)

* Based on the weighted average number of shares outstanding

Balance Sheets

Mar. 31, 2017 (Consolidated)

NT\$M

Current assets	7,101
Cash and cash equivalents	2,180
Current financial assets	669
A/R&A/N	1,176
Inventory	1,078
Other current assets	34
Other current financial assets	1,964
Non-current financial assets	1,223
Fixed assets	575
Other non-current assets	334
Total Assets	9,233
Current liabilities	1,761
Non-current liabilities	447
Total Liabilities	2,208
Capital stock	4,341
Capital surplus	736
Retained earnings	1,886
Other equity interest	182
Treasury stock	(101)
Non-controlling interests	(19)
Total Stockholders' Equity	7,025

(Unreviewed)

Cash Flow Statement

Mar. 31, 2017 (Consolidated)

	NT\$M
Income before tax	159
Dep & Amort.	34
Dec.(Inc.) of A/R & N/R	81
Dec.(Inc.) of inventory	(49)
Dec.(Inc.) of investments-trading	64
Inc.(Dec.) of A/P & N/P	(120)
Others	57
Operating cashflow	226
Inc.F/A	(9)
Dec.(Inc.) of investments	13
Dec.(Inc.)Time deposit with maturity over three-month	94
Acquisition of intangible assets	(59)
Others	1
Investment cashflow	40
Inc.(Dec.) in short-term loans payable	70
Financing cashflow	70
Change in cash	336
Beg. Cash	1,844
End Cash	2,180

(Unreviewed)

2Q17 Revenue Forecast

Based on Current Assumptions of Future Prospects, ELAN Expects:

- Consolidate Revenue to be Approximately between NT\$1.78 Billion and NT\$1.82 Billion***
- Gross Margin to be about 44% to 46%***
- Operating Income Rate to be about 18% to 20%***

2017 ELAN Growth Factors Update

1. ELAN Smart-Touchscreen™ Controller

- *2-in-1 (Detachable and 360) Volume Continues to Grow with new features such as Simultaneous Pen & Touch*
- *Share Rate Increases in On-Cell Touch (OTP) for Traditional NB*

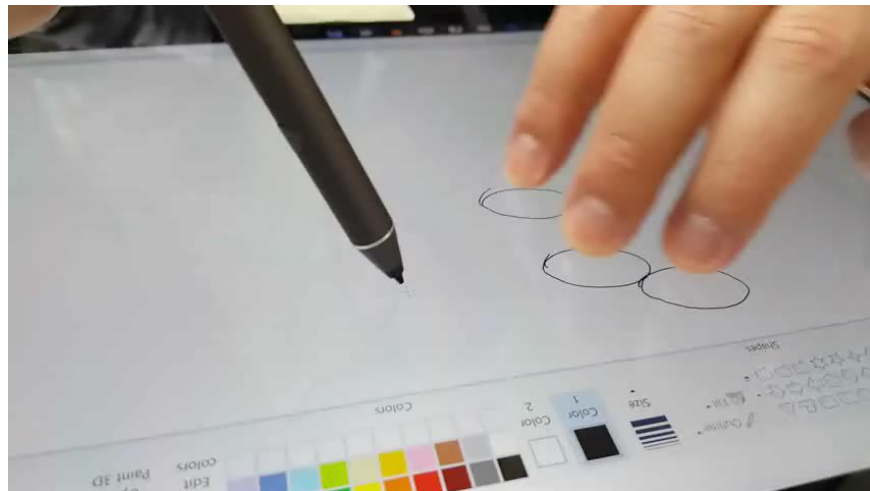
2. ELAN Smart-Touchpad™

- *Continued Growth in Tier 1 Customer Share Rate*

3. ELAN Smart-ID™ Fingerprint Sensor

- *Strong Leader in Secure Smart Card*
- *Major Design-Wins in Top NB Brands*

Smart-Touchscreen™ Support Simultaneous Pen & Finger



On-Cell Touch (OTP) for Clamshell Devices



HP 15.6" Pavilion



HP 11.6" Chromebook G5



Acer 11.6" Chromebook R11



Dell 15.6" Inspiron



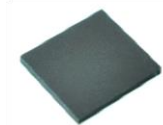
Dell 15.6" Latitude



Dell 11.6" Chromebook

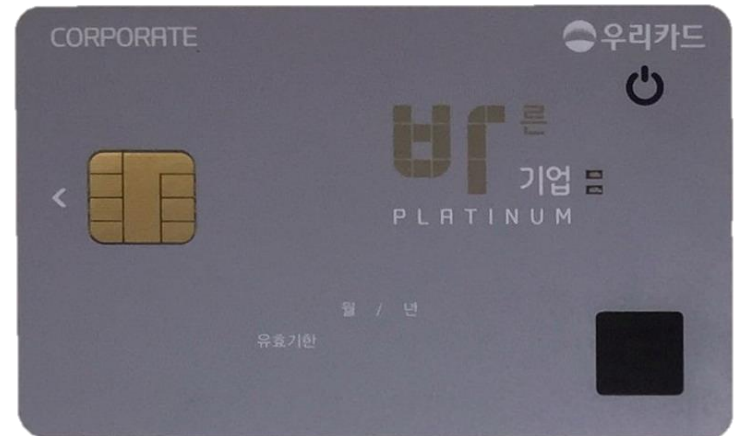
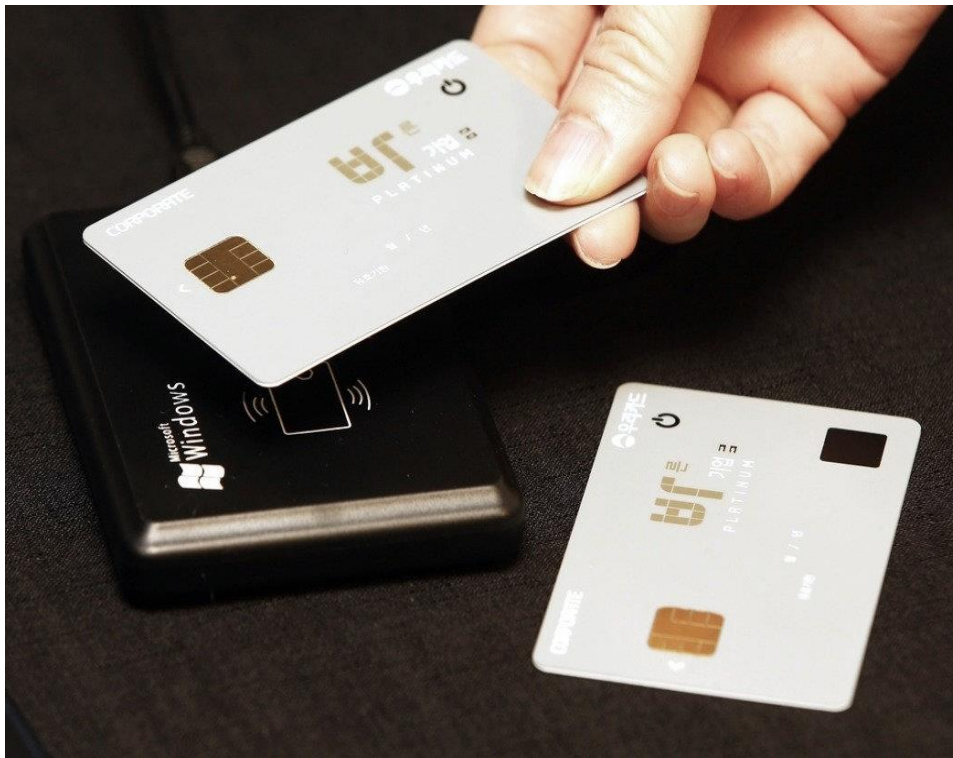
ELAN Smart-ID™ Fingerprint Solution in FinTech

The World's First Smart Card with Fingerprint Identification Function



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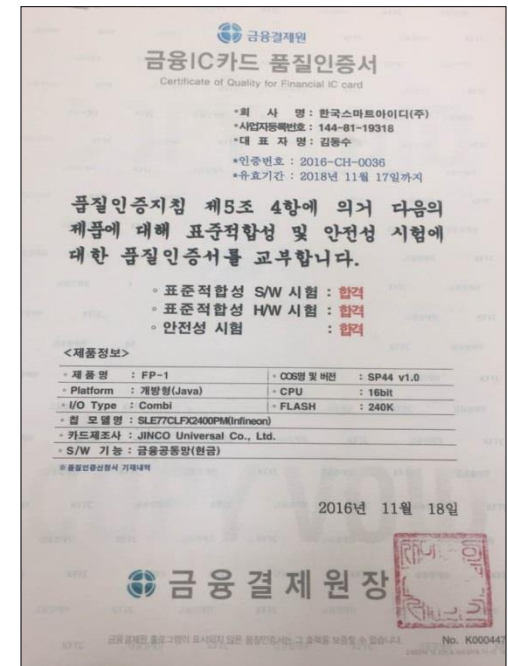
ELAN Smart-ID™ Fingerprint Solution with FinTech Certifications



KISA
(Korea Internet Security
Agency)
Reliability Certification



KFTC
(Korea Financial
Telecommunication and
Clearings Institute)
**Financial IC Safety
Certification**



KTC
(Korea Testing
Certification)
**Card Hardware Stability
Certification**

ELAN Smart-ID™ Fingerprint Solutions for Security / Anti-terrorism / Identification Card





Q & A

Smart-Touchscreen™



Active Pen
Passive Pen



Moisture Proof



Support Glove

Smart-ClickPad™



Smart-Touch™



Fingerprint Smart-ID™



360° Camera

