

ELAN MICROELECTRONICS CORPORATION

Balance Sheets

June 30, 2001

(Expressed in thousands of New Taiwan Dollars)

Assets	Amount	Liabilities & Shareholders Equity	Amount
Current Assets:		Current Liabilities	589,456
Cash & cash equivalents	110,280	Long- term Liabilities	-
Short-term investments	54,000	Other Liabilities	23,299
Notes & accounts receivable	516,282	Total Liabilities	612,755
Inventory(net)	521,481		
Other current assets	112,783	Capital (Common stock)	2,950,383
	1,314,826	Capital Surplus	40,114
		Retained Earnings	
Long-term Equity Investments:	1,704,467	Legal reserve & Special reserve	272,060
		Unappropriated retained earnings	508,976
Net Properties	996,409	Cumulative Translation Adjustment	28,403
		Unrealized Profit on Investment	0
Other Assets	396,989	Treasury Stock	0
		Total Shareholders' Equity	3,799,936
Total Assets	4,412,691	Total liabilities & Shareholders' Equity	4,412,691

ELAN MICROELECTRONICS CORPORATION**Income Statements****From January 1 to June 30, 2001 and 2000**

(Expressed in thousands of New Taiwan Dollars, except earning per share)

ITEM	2001	2000	YOY
Operating Revenue	1,834,727	1,694,834	8%
Unrealized(Realized) Intercompany	0	0	
Operating Costs	1,095,390	1,018,873	
Gross Profit	739,337	675,961	9%
Operating Expenses			
Selling expenses	42,014	33,788	
G&A expenses	45,662	39,534	
R&D expenses	199,530	151,317	
Total Operating Expenses	287,206	224,639	28%
Income from Operations	452,131	451,322	
Non-operating Income	23,826	41,441	
Non-operating Expenses	88,697	28,902	
Income before Income Tax	387,260	463,861	-17%
Income Tax Benefit(Expenses)	18,540	(16,196)	
Net Income	405,800	447,665	-9%
Earning Per Share	1.84	2.03	

** based on outstanding 220,810K and 220,810K shares on June 30, 2001 and 2000

ELAN MICROELECTRONICS CORPORATION

Statements of Cash Flows

June 30, 2001 and 2000

(Expressed in thousands of New Taiwan Dollars)

ITEM	2001	2000
Cash Flow from Operating Activities	41,377	351,347
Cash Flow from Investing Activities	(386,426)	(388,108)
Cash Flow from Financing Activities	2,848	8,841
Net Increase(Decrease) in Cash and Cash Equivalents	(342,201)	(27,920)
Cash and Cash Equivalents at Beginning of Period	452,481	93,572
Cash and Cash Equivalents at Ended of Period	110,280	65,652

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