

ELAN MICROELECTRONICS CORPORATION

Balance Sheets

December 31, 2001

(Expressed in thousands of New Taiwan Dollars)

Assets	Amount	Liabilities & Shareholders Equity	Amount
Current Assets:		Current Liabilities	381,235
Cash & cash equivalents	288,436	Long- term Liabilities	-
Short-term investments	32,115	Other Liabilities	28,621
Notes & accounts receivable	364,904	Total Liabilities	409,856
Inventory(net)	477,717		
Other current assets	97,451	Capital (Common stock)	2,950,383
	1,260,623	Capital Surplus	40,114
		Retained Earnings	
Long-term Equity Investments:	1,631,957	Legal reserve & Special reserve	272,060
		Unappropriated retained earnings	793,511
Net Properties	1,094,066	Cumulative Translation Adjustment	11,002
		Unrealized Profit on Investment	0
Other Assets	421,605	Treasury Stock	(68,675)
		Total Shareholders' Equity	3,998,395
Total Assets	4,408,251	Total liabilities & Shareholders' Equity	4,408,251

ELAN MICROELECTRONICS CORPORATION**Income Statements****From January 1 to December 31, 2001 and 2000**

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

ITEM	2001	2000	YOY
Operating Revenue	3,555,735	3,911,160	-9%
Unrealized(Realized) Intercompany	0	0	
Operating Costs	2,160,778	2,311,198	
Gross Profit	1,394,957	1,599,962	-13%
Operating Expenses			
Selling expenses	98,362	67,258	
G&A expenses	94,120	88,618	
R&D expenses	442,030	355,264	
Total Operating Expenses	634,512	511,140	24%
Income from Operations	760,445	1,088,822	
Non-operating Income	52,521	84,624	
Non-operating Expenses	137,686	116,215	
Income before Income Tax	675,280	1,057,231	-36%
Income Tax Benefit(Expenses)	13,955	(26,181)	
Net Income	689,235	1,031,050	-33%
Earning Per Share	2.34	4.67	

** based on outstanding 294,100K and 220,810K shares on December 31, 2001 and 2000

ELAN MICROELECTRONICS CORPORATION

Statements of Cash Flows

December 31, 2001 and 2000

(Expressed in thousands of New Taiwan Dollars)

ITEM	2001	2000
Cash Flow from Operating Activities	566,839	950,404
Cash Flow from Investing Activities	(525,772)	(496,669)
Cash Flow from Financing Activities	(205,112)	(94,826)
Net Increase(Decrease) in Cash and Cash Equivalents	(164,045)	358,909
Cash and Cash Equivalents at Beginning of Period	452,481	93,572
Cash and Cash Equivalents at Ended of Period	288,436	452,481

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