

ELAN MICROELECTRONICS CORPORATION

Balance Sheets

June 30, 2002

(Expressed in thousands of New Taiwan Dollars)

Assets	Amount	Liabilities & Shareholders Equity	Amount
Current Assets:		Current Liabilities	955,522
Cash & cash equivalents	120,030	Long- term Liabilities	-
Short-term investments	354,573	Other Liabilities	33,717
Notes & accounts receivable	520,552	Total Liabilities	989,239
Inventory(net)	450,732		
Other current assets	184,510	Capital (Common stock)	3,292,391
	1,630,397	Capital Surplus	40,114
Long-term Equity Investments:	1,734,942	Retained Earnings	
		Legal reserve & Special reserve	340,983
		Unappropriated retained earnings	395,599
Net Properties	1,082,941	Cumulative Translation Adjustment	2,416
		Unrealized Profit on Investment	0
Other Assets	291,280	Treasury Stock	(321,182)
		Total Shareholders' Equity	3,750,321
Total Assets	4,739,560	Total liabilities & Shareholders' Equity	4,739,560

ELAN MICROELECTRONICS CORPORATION**Income Statements****From January 1 to June 30, 2002 and 2001**

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

ITEM	2002	2001	YOY
Operating Revenue	2,047,135	1,834,727	12%
Unrealized(Realized) Intercompany	0	0	
Operating Costs	1,295,009	1,095,390	
Gross Profit	752,126	739,337	2%
Operating Expenses			
Selling expenses	53,130	42,014	
G&A expenses	54,069	45,662	
R&D expenses	238,391	199,530	
Total Operating Expenses	345,590	287,206	20%
Income from Operations	406,536	452,131	
Non-operating Income	17,675	23,826	
Non-operating Expenses	83,227	88,697	
Income before Income Tax	340,984	387,260	-12%
Income Tax Benefit(Expenses)	604	18,540	
Net Income	341,588	405,800	-16%
Earning Per Share	1.18	1.84	

** based on outstanding 289,741K and 220,810K shares on June 30, 2002 and 2001

ELAN MICROELECTRONICS CORPORATION

Statements of Cash Flows

June 30, 2002 and 2001

(Expressed in thousands of New Taiwan Dollars)

ITEM	2002	2001
Cash Flow from Operating Activities	611,911	41,377
Cash Flow from Investing Activities	(527,832)	(386,426)
Cash Flow from Financing Activities	(252,485)	2,848
Net Increase(Decrease) in Cash and Cash Equivalents	(168,406)	(342,201)
Cash and Cash Equivalents at Beginning of Period	288,436	452,481
Cash and Cash Equivalents at Ended of Period	120,030	110,280

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