

ELAN MICROELECTRONICS CORPORATION

Balance Sheets

June 30, 2003

(Expressed in thousands of New Taiwan Dollars)

Assets	Amount	Liabilities & Shareholders Equity	Amount
Current Assets:		Current Liabilities	1,033,026
Cash & cash equivalents	493,382	Long- term Liabilities	981,778
Short-term investments	1,141,990	Other Liabilities	48,396
Notes & accounts receivable	639,950	Total Liabilities	2,063,200
Inventory(net)	386,868		
Other current assets	107,487	Capital (Common stock)	3,307,923
	2,769,677	Capital Surplus-CB	67,206
		Retained Earnings	
Long-term Equity Investments:	1,704,595	Leagal reserve & Special reserve	392,649
		Unappropriated retained earnings	366,513
Net Properties	1,038,599	Cumulative Translation Adjustment	9,194
		Unrealized Profit on Investment	0
Other Assets	339,535	Treasury Stock	(354,279)
		Total Shareholders' Equity	3,789,206
Total Assets	5,852,406	Total liabilities & Shareholders' Equity	5,852,406

ELAN MICROELECTRONICS CORPORATION**Income Statements****From January 1 to June 30, 2003 and 2002**

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

ITEM	2003	2002	YOY
Operating Revenue	2,135,614	2,047,135	4%
Unrealized(Realized) Intercompany	0	0	
Operating Costs	1,306,611	1,295,009	
Gross Profit	829,003	752,126	10%
Operating Expenses			
Selling expenses	53,410	53,130	
G&A expenses	60,561	54,069	
R&D expenses	265,010	238,391	
Total Operating Expenses	378,981	345,590	10%
Income from Operations	450,022	406,536	
Non-operating Income	17,387	17,675	
Non-operating Expenses	109,256	83,227	
Income before Income Tax	358,153	340,984	5%
Income Tax Benefit(Expenses)	(2,626)	604	
Net Income	355,527	341,588	4%
Earning Per Share	1.12	1.18	

** based on outstanding 318,105K and 289,741K shares on June 30, 2003 and 2002

ELAN MICROELECTRONICS CORPORATION

Statements of Cash Flows

June 30, 2003 and 2002

(Expressed in thousands of New Taiwan Dollars)

ITEM	2003	2002
Cash Flow from Operating Activities	431,152	611,911
Cash Flow from Investing Activities	(365,366)	(527,832)
Cash Flow from Financing Activities	(71,422)	(252,485)
Net Increase(Decrease) in Cash and Cash Equivalents	(5,636)	(168,406)
Cash and Cash Equivalents at Beginning of Period	499,018	288,436
Cash and Cash Equivalents at Ended of Period	493,382	120,030

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