

ELAN MICROELECTRONICS CORPORATION

Balance Sheets

September 30, 2003

(Expressed in thousands of New Taiwan Dollars)

Assets	Amount	Liabilities & Shareholders Equity	Amount
Current Assets:		Current Liabilities	565,836
Cash & cash equivalents	353,580	Long- term Liabilities	880,636
Short-term investments	892,317	Other Liabilities	53,102
Notes & accounts receivable	721,254	Total Liabilities	1,499,574
Inventory(net)	381,744		
Other current assets	93,062	Capital (Common stock)	3,353,071
	2,441,957	Capital Surplus-CB	128,735
		Retained Earnings	
Long-term Equity Investments:	1,651,796	Legal reserve & Special reserve	392,649
		Unappropriated retained earnings	616,003
Net Properties	1,020,791	Cumulative Translation Adjustment	7,865
		Unrealized Profit on Investment	0
Other Assets	360,974	Treasury Stock	(522,379)
		Total Shareholders' Equity	3,975,944
Total Assets	5,475,518	Total liabilities & Shareholders' Equity	5,475,518

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

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

ITEM	2003	2002	YOY
Operating Revenue	3,412,754	3,101,910	10%
Unrealized(Realized) Intercompany	0	0	
Operating Costs	2,058,762	1,959,670	
Gross Profit	1,353,992	1,142,240	19%
Operating Expenses			
Selling expenses	92,535	76,355	
G&A expenses	90,238	79,307	
R&D expenses	425,350	361,646	
Total Operating Expenses	608,123	517,308	18%
Income from Operations	745,869	624,932	
Non-operating Income	25,201	31,746	
Non-operating Expenses	158,742	134,964	
Income before Income Tax	612,328	521,714	17%
Income Tax Benefit(Expenses)	(7,312)	5,575	
Net Income	605,016	527,289	15%
Earning Per Share	1.90	1.63	

** based on outstanding 318,427K and 323,304K shares on September 30, 2003 and 2002

ELAN MICROELECTRONICS CORPORATION

Statements of Cash Flows

September 30, 2003 and 2002

(Expressed in thousands of New Taiwan Dollars)

ITEM	2003	2002
Cash Flow from Operating Activities	706,855	864,266
Cash Flow from Investing Activities	(154,464)	(350,632)
Cash Flow from Financing Activities	(697,829)	(590,965)
Net Increase(Decrease) in Cash and Cash Equivalents	(145,438)	(77,331)
Cash and Cash Equivalents at Beginning of Period	499,018	288,436
Cash and Cash Equivalents at Ended of Period	353,580	211,105

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