

ELAN MICROELECTRONICS CORPORATION

Balance Sheets

March 31, 2004

(Expressed in thousands of New Taiwan Dollars)

Assets	Amount	Liabilities & Shareholders Equity	Amount
Current Assets:		Current Liabilities	635,546
Cash & cash equivalents	108,010	Long- term Liabilities	806,686
Short-term investments	1,053,541	Other Liabilities	64,885
Notes & accounts receivable	631,047	Total Liabilities	1,507,117
Inventory(net)	580,249		
Other current assets	73,404	Capital (Common stock)	3,389,028
	2,446,251	Capital Surplus-CB	181,132
		Retained Earnings	
Long-term Equity Investments:	1,647,827	Legal reserve & Special reserve	392,649
		Unappropriated retained earnings	884,171
Net Properties	981,049	Cumulative Translation Adjustment	(2,441)
		Unrealized Profit on Investment	0
Other Assets	439,650	Treasury Stock	(836,879)
		Total Shareholders' Equity	4,007,660
Total Assets	5,514,777	Total liabilities & Shareholders' Equity	5,514,777

ELAN MICROELECTRONICS CORPORATION**Income Statements****From January 1 to March 31, 2004 and 2003**

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

ITEM	2004	2003	YOY
Operating Revenue	1,123,389	860,103	31%
Unrealized(Realized) Intercompany	0	0	
Operating Costs	719,381	539,325	
Gross Profit	404,008	320,778	26%
Operating Expenses			
Selling expenses	24,214	22,370	
G&A expenses	30,106	26,065	
R&D expenses	173,743	129,751	
Total Operating Expenses	228,063	178,186	28%
Income from Operations	175,945	142,592	
Non-operating Income	23,267	9,386	
Non-operating Expenses	83,487	40,538	
Income before Income Tax	115,725	111,440	4%
Income Tax Benefit(Expenses)	1,037	5,014	
Net Income	116,762	116,454	0%
Earning Per Share	0.38	0.36	

** based on outstanding 311,343K and 321,097K shares on March 31, 2004 and 2003

ELAN MICROELECTRONICS CORPORATION

Statements of Cash Flows

March 31, 2004 and 2003

(Expressed in thousands of New Taiwan Dollars)

ITEM	2004	2003
Cash Flow from Operating Activities	12,458	174,446
Cash Flow from Investing Activities	(106,948)	(137,000)
Cash Flow from Financing Activities	2,207	(44,423)
Net Increase(Decrease) in Cash and Cash Equivalents	(92,283)	(6,977)
Cash and Cash Equivalents at Beginning of Period	200,293	499,018
Cash and Cash Equivalents at Ended of Period	108,010	492,041

Spokesman: Dennis Liu

Tel. +886-3-5639977 ext. 6101

Fax.+886-3-5781623

E-mail: dennis_liu@emc.com.tw