

ELAN MICROELECTRONICS CORPORATION

Balance Sheets

December 31, 2004

(Expressed in thousands of New Taiwan Dollars)

Assets	Amount	Liabilities & Shareholders Equity	Amount
Current Assets:		Current Liabilities	1,016,622
Cash & cash equivalents	194,613	Long- term Liabilities	-
Short-term investments	1,077,206	Other Liabilities	89,185
Notes & accounts receivable	624,226	Total Liabilities	1,105,807
Inventory(net)	660,414		
Other current assets	138,044	Capital (Common stock)	3,646,253
	2,694,503	Capital Surplus-CB	332,872
		Retained Earnings	
Long-term Equity Investments:	1,399,271	Leagal reserve & Special reserve	468,354
		Unappropriated retained earnings	688,782
Net Properties	938,759	Cumulative Translation Adjustment	(4,824)
		Unrealized Profit on Investment	0
Other Assets	367,832	Treasury Stock	(836,879)
		Total Shareholders' Equity	4,294,558
Total Assets	5,400,365	Total liabilities & Shareholders' Equity	5,400,365

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

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

ITEM	2004	2003	YOY
Operating Revenue	5,335,211	4,616,933	16%
Unrealized(Realized) Intercompany	0	0	
Operating Costs	3,419,169	2,789,811	
Gross Profit	1,916,042	1,827,122	5%
Operating Expenses			
Selling expenses	120,325	125,095	
G&A expenses	135,814	134,890	
R&D expenses	791,624	601,049	
Total Operating Expenses	1,047,763	861,034	22%
Income from Operations	868,279	966,088	
Non-operating Income	81,626	34,526	
Non-operating Expenses	333,209	241,799	
Income before Income Tax	616,696	758,815	-19%
Income Tax Benefit(Expenses)	7,685	(1,769)	
Net Income	624,381	757,046	-18%
Earning Per Share	1.91	2.38	

** based on outstanding 327,538K and 318,381K shares on December 31, 2004 and 2003

ELAN MICROELECTRONICS CORPORATION

Statements of Cash Flows

December 31, 2004 and 2003

(Expressed in thousands of New Taiwan Dollars)

ITEM	2004	2003
Cash Flow from Operating Activities	682,221	1,177,502
Cash Flow from Investing Activities	(129,951)	(463,257)
Cash Flow from Financing Activities	(557,950)	(1,012,970)
Net Increase(Decrease) in Cash and Cash Equivalents	(5,680)	(298,725)
Cash and Cash Equivalents at Beginning of Period	200,293	499,018
Cash and Cash Equivalents at Ended of Period	194,613	200,293

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