

ELAN MICROELECTRONICS CORPORATION

Balance Sheets

March 31, 2005

(Expressed in thousands of New Taiwan Dollars)

Assets	Amount	Liabilities & Shareholders Equity	Amount
Current Assets:		Current Liabilities	937,162
Cash & cash equivalents	191,145	Long- term Liabilities	-
Short-term investments	1,098,338	Other Liabilities	96,267
Notes & accounts receivable	445,315	Total Liabilities	1,033,429
Inventory(net)	597,598		
Other current assets	377,282	Capital (Common stock)	3,646,253
	2,709,678	Capital Surplus-CB	320,421
		Retained Earnings	
Long-term Equity Investments:	1,250,194	Legal reserve & Special reserve	468,354
		Unappropriated retained earnings	600,589
Net Properties	920,758	Cumulative Translation Adjustment	(5,233)
		Unrealized Profit on Investment	0
Other Assets	346,304	Treasury Stock	(836,879)
		Total Shareholders' Equity	4,193,505
Total Assets	5,226,934	Total liabilities & Shareholders' Equity	5,226,934

ELAN MICROELECTRONICS CORPORATION**Income Statements****From January 1 to March 31, 2005 and 2004**

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

ITEM	2005	2004	YOY
Operating Revenue	772,323	1,123,389	-31%
Unrealized(Realized) Intercompany	(10,977)	0	
Operating Costs	531,105	719,381	
Gross Profit	230,241	404,008	-43%
Operating Expenses			
Selling expenses	28,128	24,214	
G&A expenses	33,662	30,106	
R&D expenses	189,940	173,743	
Total Operating Expenses	251,730	228,063	10%
Income from Operations	(21,489)	175,945	
Non-operating Income	103,613	23,267	
Non-operating Expenses	170,679	83,487	
Income before Income Tax	(88,555)	115,725	-177%
Income Tax Benefit(Expenses)	362	1,037	
Net Income	(88,193)	116,762	-176%
Earning Per Share	(0.26)	0.38	

** based on outstanding 337,537K and 311,343K shares on March 31, 2005 and 2004

ELAN MICROELECTRONICS CORPORATION

Statements of Cash Flows

March 31, 2005 and 2004

(Expressed in thousands of New Taiwan Dollars)

ITEM	2005	2004
Cash Flow from Operating Activities	102,951	9,219
Cash Flow from Investing Activities	(108,084)	(103,709)
Cash Flow from Financing Activities	1,635	2,207
Net Increase(Decrease) in Cash and Cash Equivalents	(3,498)	(92,283)
Cash and Cash Equivalents at Beginning of Period	194,613	200,293
Cash and Cash Equivalents at Ended of Period	191,115	108,010

Spokesman: Dennis Liu

Tel. +886-3-5639977 ext. 6101

Fax.+886-3-5781623

E-mail: dennis_liu@emc.com.tw