

# ELAN MICROELECTRONICS CORPORATION

## Balance Sheets

March 31, 2007

(Expressed in thousands of New Taiwan Dollars)

Assets	Amount	Liabilities & Shareholders Equity	Amount
Current Assets:		Current Liabilities	617,708
Cash & cash equivalents	460,389	Long- term Liabilities	-
Short-term investments	867,088	Other Liabilities	161,527
Notes & accounts receivable	550,346	Total Liabilities	779,235
Inventory(net)	576,866		
Other current assets	280,241	Capital (Common stock)	3,617,848
	2,734,930	Capital Surplus-CB	305,547
		Retained Earnings	
Long-term Equity Investments:	1,289,889	Legal reserve & Special reserve	573,023
		Unappropriated retained earnings	227,428
Net Properties	759,021	Cumulative Translation Adjustment	(551)
		Unrealized Profit on Investment	25,164
Other Assets	200,553	Treasury Stock	(543,301)
		Total Shareholders' Equity	4,205,158
Total Assets	4,984,393	Total liabilities & Shareholders' Equity	4,984,393

# ELAN MICROELECTRONICS CORPORATION

## Income Statements

From January 1 to March 31, 2007 and 2006

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

ITEM	2007	2006	YOY
Operating Revenue	936,860	956,456	-2%
Unrealized(Realized) Intercompany	-	-	
Operating Costs	635,986	619,867	
Gross Profit	300,874	336,589	-11%
Operating Expenses			
Selling expenses	31,232	27,871	
G&A expenses	51,296	49,888	
R&D expenses	167,663	197,132	
Total Operating Expenses	250,191	274,891	-9%
Income from Operations	50,683	61,698	
Non-operating Income	22,590	4,526	
Non-operating Expenses	33,867	48,599	
Income before Income Tax	39,406	17,625	124%
Income Tax Benefit(Expenses)	(8,885)	(1,458)	
New Accounting Rule Article 34 Impact	-	6,161	
Net Income	30,521	22,328	37%
Earning Per Share	0.08	0.07	

\*\* based on outstanding 359,253K shares on March 31, 2007

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**Statements of Cash Flows**

**March 31, 2007 and 2006**

(Expressed in thousands of New Taiwan Dollars)

ITEM	2007	2006
Cash Flow from Operating Activities	6,830	63,687
Cash Flow from Investing Activities	(3,544)	(50,902)
Cash Flow from Financing Activities	1,305	(44,590)
Net Increase(Decrease) in Cash and Cash Equivalents	4,591	(31,805)
Cash and Cash Equivalents at Beginning of Period	455,798	410,030
Cash and Cash Equivalents at Ended of Period	460,389	378,225

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