

**ELAN MICROELECTRONICS CORPORATION**

**Balance Sheets**

**September 30, 2007**

(Expressed in thousands of New Taiwan Dollars)

<b>Assets</b>	<b>Amount</b>	<b>Liabilities &amp; Shareholders Equity</b>	<b>Amount</b>
Current Assets:		Current Liabilities	806,962
Cash & cash equivalents	680,889	Long- term Liabilities	-
Short-term investments	780,397	Other Liabilities	135,127
Notes & accounts receivable	808,179	Total Liabilities	942,089
Inventory(net)	480,414		
Other current assets	217,102	Capital (Common stock)	3,617,848
	2,966,981	Capital Surplus	304,867
		Retained Earnings	
Long-term Equity Investments:	1,582,709	Leagal reserve & Special reserve	600,180
		Unappropriated retained earnings	404,197
Net Properties	733,260	Cumulative Translation Adjustment	(292)
		Unrealized Profit on Investment	41,054
Other Assets	210,804	Treasury Stock	(416,189)
		Total Shareholders' Equity	4,551,665
Total Assets	5,493,754	Total liabilities & Shareholders' Equity	5,493,754

# ELAN MICROELECTRONICS CORPORATION

## Income Statements

From January 1 to September 30, 2007 and 2006

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

ITEM	2007	2006	YOY
Operating Revenue	3,702,883	3,463,136	7%
Unrealized(Realized) Intercompany	(4,500)	-	
Operating Costs	2,455,434	2,253,203	
Gross Profit	1,242,949	1,209,933	3%
Operating Expenses			
Selling expenses	113,004	113,271	
G&A expenses	129,661	136,552	
R&D expenses	484,089	591,204	
Total Operating Expenses	726,754	841,027	-14%
Income from Operations	516,195	368,906	
Non-operating Income	95,139	59,095	
Non-operating Expenses	80,048	110,167	
Income before Income Tax	531,286	317,834	67%
Income Tax Benefit(Expenses)	(79,635)	(28,620)	
New Accounting Rule Article 34 Impact	-	6,161	
Net Income	451,651	295,375	53%
Earning Per Share	1.33	0.89	

\*\* based on outstanding 338,105K shares on September 30, 2007

**ELAN MICROELECTRONICS CORPORATION**

**Statements of Cash Flows**

**September 30, 2007 and 2006**

(Expressed in thousands of New Taiwan Dollars)

ITEM	2007	2006
Cash Flow from Operating Activities	683,783	67,073
Cash Flow from Investing Activities	(401,632)	(31,177)
Cash Flow from Financing Activities	(57,060)	(36,675)
Net Increase(Decrease) in Cash and Cash Equivalents	225,091	(779)
Cash and Cash Equivalents at Beginning of Period	455,798	410,030
Cash and Cash Equivalents at Ended of Period	680,889	409,251

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