

**ELAN MICROELECTRONICS CORPORATION**

**Balance Sheets**

**December 31, 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	674,424
Cash & cash equivalents	1,047,856	Long- term Liabilities	-
Short-term investments	1,037,203	Other Liabilities	119,178
Notes & accounts receivable	604,412	Total Liabilities	793,602
Inventory(net)	561,039		
Other current assets	216,916	Capital (Common stock)	3,617,848
	3,467,426	Capital Surplus	365,481
		Retained Earnings	
Long-term Equity Investments:	1,485,478	Leagal reserve & Special reserve	600,180
		Unappropriated retained earnings	453,868
Net Properties	710,858	Cumulative Translation Adjustment	1,203
		Unrealized Profit on Investment	10,929
Other Assets	179,349	Treasury Stock	0
		Total Shareholders' Equity	5,049,509
Total Assets	5,843,111	Total liabilities & Shareholders' Equity	5,843,111

# ELAN MICROELECTRONICS CORPORATION

## Income Statements

From January 1 to December 31, 2007 and 2006

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

ITEM	2007	2006	YOY
Operating Revenue	4,807,474	4,459,662	8%
Unrealized(Realized) Intercompany	(4,500)	0	
Operating Costs	3,173,660	2,908,145	
Gross Profit	1,629,314	1,551,517	5%
Operating Expenses			
Selling expenses	144,505	143,125	
G&A expenses	179,453	162,264	
R&D expenses	643,643	761,031	
Total Operating Expenses	967,601	1,066,420	-9%
Income from Operations	661,713	485,097	
Non-operating Income	109,144	80,851	
Non-operating Expenses	75,142	252,344	
Income before Income Tax	695,715	313,604	122%
Income Tax Benefit(Expenses)	(101,958)	(36,342)	
New Accounting Rule Article 34 Impact	0	6,161	
Net Income	593,757	283,423	109%
Earning Per Share	1.75	0.85	

\*\* based on outstanding 339,177K and 334,308K shares on December 31, 2007 and 2006

**ELAN MICROELECTRONICS CORPORATION**

**Statements of Cash Flows**

**December 31, 2007 and 2006**

(Expressed in thousands of New Taiwan Dollars)

ITEM	2007	2006
Cash Flow from Operating Activities	624,269	611,061
Cash Flow from Investing Activities	(294,441)	(236,470)
Cash Flow from Financing Activities	(262,230)	(328,823)
Net Increase(Decrease) in Cash and Cash Equivalents	592,058	45,768
Cash and Cash Equivalents at Beginning of Period	455,798	410,030
Cash and Cash Equivalents at Ended of Period	1,047,856	455,798

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