

ELAN MICROELECTRONICS CORPORATION

Balance Sheets

December 31, 2008

(Expressed in thousands of New Taiwan Dollars)

Assets	Amount	Liabilities & Shareholders Equity	Amount
Current Assets:		Current Liabilities	822,494
Cash & cash equivalents	1,722,527	Long- term Liabilities	-
Short-term investments	520,033	Other Liabilities	309,680
Notes & accounts receivable	727,126	Total Liabilities	1,132,174
Inventory(net)	511,992		
Other current assets	209,846	Capital (Common stock)	4,106,698
	3,691,524	Capital Surplus	698,093
		Retained Earnings	
Long-term Equity Investments:	1,328,911	Leagal reserve & Special reserve	644,690
		Unappropriated retained earnings	217,246
Net Properties	870,383	Cumulative Translation Adjustment	4,624
Intangible Assets	435,950	Unrealized Profit on Investment	(2,052)
Other Assets	320,228	Treasury Stock	(154,477)
		Total Shareholders' Equity	5,514,822
Total Assets	6,646,996	Total liabilities & Shareholders' Equity	6,646,996

# ELAN MICROELECTRONICS CORPORATION

## Income Statements

From January 1 to December 31, 2008 and 2007

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

ITEM	2008	2007	YOY
Operating Revenue	4,071,462	4,807,474	-15%
Unrealized(Realized) Intercompany	(12,000)	4,500	
Operating Costs	2,665,646	3,173,660	
Gross Profit	1,417,816	1,629,314	-13%
Operating Expenses			
Selling expenses	120,673	144,505	
G&A expenses	187,176	179,453	
R&D expenses	680,675	643,643	
Total Operating Expenses	988,524	967,601	2%
Income from Operations	429,292	661,713	
Non-operating Income	139,219	109,144	
Non-operating Expenses	331,712	75,142	
Income before Income Tax	236,799	695,715	-66%
Income Tax Benefit(Expenses)	(19,727)	(101,958)	
New Accounting Rule Article 34 Impact	-	-	
Net Income	217,072	593,757	-63%
Earning Per Share	0.59	1.75	

\*\* based on outstanding 393,096K shares on December 31, 2008

**ELAN MICROELECTRONICS CORPORATION**

**Statements of Cash Flows**

**December 31, 2008 and 2007**

(Expressed in thousands of New Taiwan Dollars)

ITEM	2008	2007
Cash Flow from Operating Activities	1,135,130	694,490
Cash Flow from Investing Activities	(47,593)	(364,662)
Cash Flow from Financing Activities	(412,866)	262,230
Net Increase(Decrease) in Cash and Cash Equivalents	674,671	592,058
Cash and Cash Equivalents at Beginning of Period	1,047,856	455,798
Cash and Cash Equivalents at Ended of Period	1,722,527	1,047,856

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