

**ELAN MICROELECTRONICS CORPORATION**

**Balance Sheets**

**June 30, 2011**

(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	1,725,911
Cash & cash equivalents	2,577,407	Long- term Liabilities	-
Short-term investments	314,892	Other Liabilities	146,010
Notes & accounts receivable	842,323	Total Liabilities	1,871,921
Inventory(net)	708,057		
Other current assets	172,574	Capital (Common stock)	4,163,428
	4,615,253	Capital Surplus	705,693
		Retained Earnings	
Long-term Equity Investments:	1,635,139	Leagal reserve & Special reserve	777,977
		Unappropriated retained earnings	282,428
Net Properties	800,135	Cumulative Translation Adjustment	5,622
		Unrealized Profit on Investment	(108)
Other Assets	311,511	Treasury Stock	(444,888)
		Net Loss Not Recognized As Pension Cost	(35)
		Total Shareholders' Equity	5,490,117
Total Assets	7,362,038	Total liabilities & Shareholders' Equity	7,362,038

ELAN MICROELECTRONICS CORPORATION

Income Statements

From January 1 to June 30, 2011 and 2010

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

ITEM	2011	2010	YOY
Operating Revenue	2,612,953	2,959,261	-12%
Operating Costs	1,804,140	1,824,178	
Gross Profit	808,813	1,135,083	-29%
Operating Expenses			
Selling expenses	95,387	63,023	
G&A expenses	204,916	135,266	
R&D expenses	333,748	365,109	
Total Operating Expenses	634,051	563,398	13%
Income from Operations	174,762	571,685	
Non-operating Income	209,274	43,569	
Non-operating Expenses	61,789	61,012	
Income before Income Tax	322,247	554,242	-42%
Income Tax Benefit(Expenses)	(40,748)	(120,483)	
New Accounting Rule Article 34 Impact	-	-	
Net Income	281,499	433,759	-35%
Earning Per Share	0.71	1.09	

\*\* based on outstanding 396,336K shares on June 30, 2011

ELAN MICROELECTRONICS CORPORATION

Statements of Cash Flows

From January 1 to June 30, 2011 and 2010

(Expressed in thousands of New Taiwan Dollars)

ITEM	2011	2010
Cash Flow from Operating Activities	284,105	306,278
Cash Flow from Investing Activities	(59,422)	(94,658)
Cash Flow from Financing Activities	(287,568)	2,269
Net Increase(Decrease) in Cash and Cash Equivalents	(62,885)	213,889
Cash and Cash Equivalents at Beginning of Period	2,640,292	2,337,344
Cash and Cash Equivalents at Ended of Period	2,577,407	2,551,233

Spokesman: Dennis Liu

Tel. +886-3-5639977 ext. 6101

Fax.+886-3-5781623

E-mail: dennis\_liu@emc.com.tw