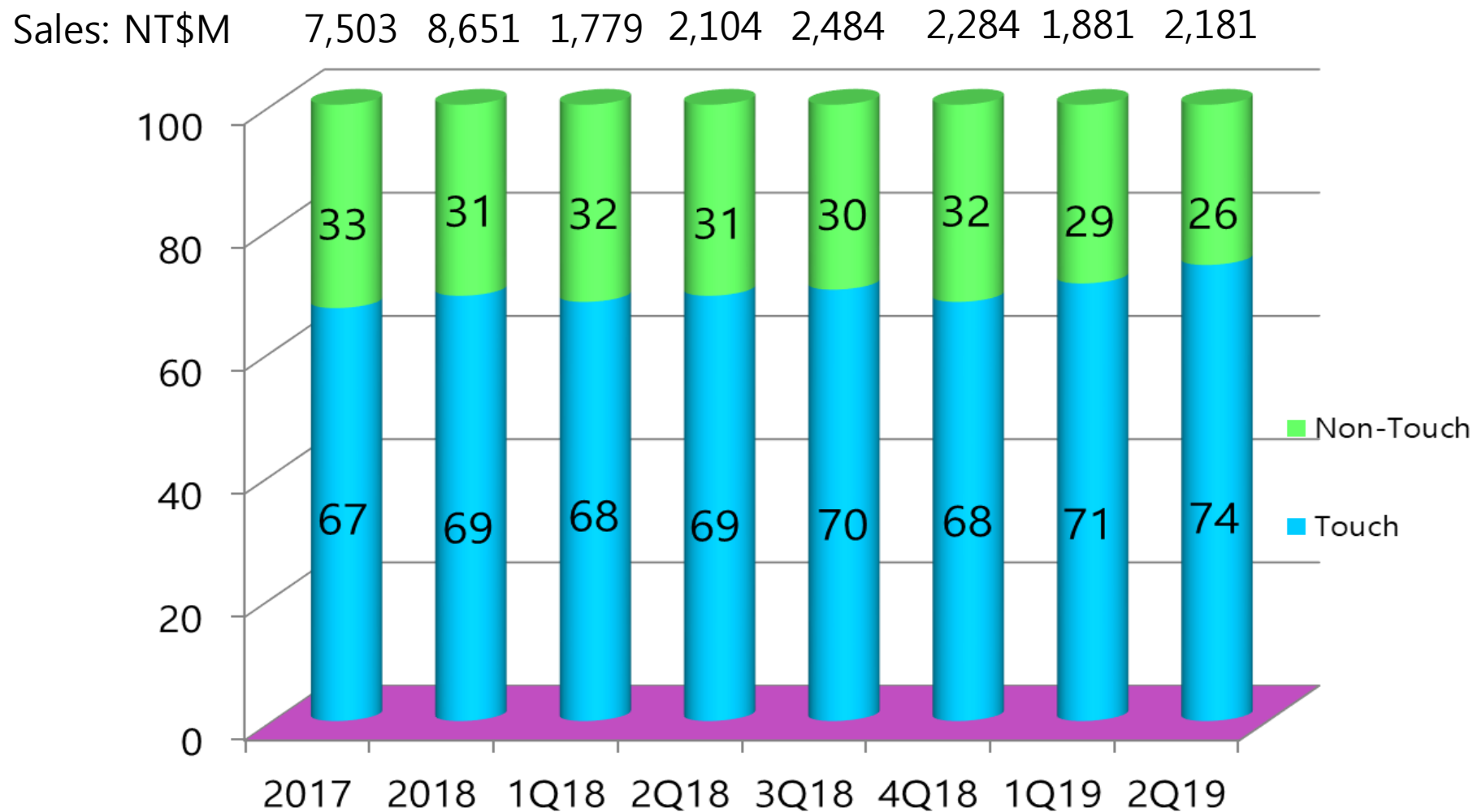


ELAN Microelectronics Corp.

2Q19 Investor Conference

2019/07/30

Sales Breakdown by Product Line (Consolidated)



- Touch: Touchscreen Controller, Touchpad, Biometrics
- Non-Touch: MCU, Pointing Stick, Affiliated Co. Products

2Q19 Income Statement - YoY Comparison (Consolidated)

	2Q19	%	2Q18	%	YoY(%)
Sales	2,181	100.0	2,104	100.0	3.7
Gross profit	1,005	46.1	948	45.1	6.0
Sales expense	91	4.2	103	4.9	
G&A expense	82	3.7	82	3.9	
R&D expense	375	17.2	376	17.9	
Operating profit	457	21.0	387	18.4	18.1
Non-operating income & exp.	73	3.3	74	3.5	
Profit before tax	530	24.3	461	21.9	15.0
Net profit	424	19.4	365	17.3	16.2
Belong					
Parent company	434		376		
Non-Controlling Interests	(10)		(11)		
* EPS (NT\$)	1.49		0.91		63.7

* 2Q19 and 2Q18 based on the 304 million shares and 434 million shares respectively (Unreviewed)

* The record date of capital reduction was at the end of Aug. 2018.

* Based on the weighted average number of shares outstanding

2Q19 Income Statement - QoQ Comparison (Consolidated)

	NT\$M				
	2Q19	%	1Q19	%	QoQ(%)
Sales	2,181	100.0	1,881	100.0	15.9
Gross profit	1,005	46.1	856	45.5	17.4
Sales expense	91	4.2	62	3.3	
G&A expense	82	3.7	81	4.3	
R&D expense	375	17.2	366	19.5	
Operating profit	457	21.0	347	18.4	31.7
Non-operating income & exp.	73	3.3	131	7.0	
Profit before tax	530	24.3	478	25.4	10.9
Net profit	424	19.4	384	20.4	10.4
Belong					
Parent company	434		395		
Non-Controlling Interests	(10)		(11)		
* EPS (NT\$)	1.49		1.36		9.6

* Based on the current 304 million shares (Unreviewed)

* Based on the weighted average number of shares outstanding

1H19 Income Statement - YoY Comparison (Consolidated)

NT\$M

	1H19	%	1H18	%	YoY(%)
Sales	4,062	100.0	3,883	100.0	4.6
Gross profit	1,861	45.8	1,738	44.8	7.1
Sales expense	153	3.8	175	4.5	
G&A expense	163	4.0	160	4.1	
R&D expense	741	18.2	728	18.7	
Operating profit	804	19.8	675	17.4	19.1
Non-operating income & exp.	204	5.0	114	2.9	
Profit before tax	1,008	24.8	789	20.3	27.8
Net profit	808	19.9	624	16.1	29.5
Belong					
Parent company	829		640		
Non-Controlling Interests	(21)		(16)		
* EPS (NT\$)	2.85		1.54		85.1

* 1H19 and 1H18 based on the 304 million shares and 434 million shares respectively (Unreviewed)

* The record date of capital reduction was at the end of Aug. 2018.

* Based on the weighted average number of shares outstanding

Balance Sheets - Jun. 30, 2019 (Consolidated)

	NT\$M
Current assets	8,339
Cash and cash equivalents	2,223
Current financial assets	668
A/R&A/N	1,797
Inventory	1,327
Other current assets	29
Other current financial assets	2,295
Non-current financial assets	1,415
Fixed assets	764
Other non-current assets	474
Total Assets	10,992
Current liabilities	4,520
Non-current liabilities	578
Total Liabilities	5,098
Capital stock	3,039
Capital surplus	338
Retained earnings	2,422
Other equity interest	194
Treasury stock	(33)
Non-controlling interests	(66)
Total Stockholders' Equity	5,894

(Unreviewed)

Cash Flow Statement - Jun. 30, 2019 (Consolidated)

	NT\$M
Income before tax	1,008
Dep & Amort.	56
Dec. of A/R & N/R	20
Inc. of inventory	(221)
Inc. of A/P & N/P	97
Others	(351)
Operating cashflow	609
Inc.F/A	(21)
Dec. of investments	91
Inc. Time deposit with maturity over three-month	(536)
Acquisition of intangible assets	(12)
Others	1
Investment cashflow	(477)
Inc. in short-term loans payable	273
Dec. in short-term loans payable	(245)
Payment of lease liabilities	(13)
Financing cashflow	15
Change in cash	147
Beg. Cash	2,076
End Cash	2,223

(Unreviewed)

3Q19 Guidance

According to the regulations of the Taiwan Stock Exchange : If the sum total of the non-operating income & exp. on the TWSE listed company's consolidated (or individual) financial reports for the most recent four quarters accounts for more than 10 percent of the sum total of the pre-tax income, the predictive information cannot be mentioned in the investor conference.

依證交所「對上市公司應公開完整式財務預測之認定標準」之第二條規定：最近四季合併（個別）財務報表營業外收支淨額合計數占稅前損益合計數之絕對值若大於10%，在法說會中不能提及預測性資訊。

Unit: NT\$K

	1Q19	4Q18	3Q18	2Q18	Total
Non-operating income & exp.	131,132	1,896	23,953	73,298	230,279
Pre-tax income	477,888	490,137	591,417	460,184	2,019,626
Non-operating income & exp. accounted for pre-tax income ratio					11.4%

Infinix Note 6 Launched With ELAN Controller Inside



- 6.01FHD AMOLED Display
- Screen Resolution: 1080 x 2160
- ELAN Touch IC with Active Pen Support (X-Pen)
- X Pen with AR & AI Experience



Flexible OLED @ SID Show



7.77" QXGA
Foldable AMOLED



7.77" Demo

Dual-Screen Devices Announced @ Computex 2019



HP Omen X 2S

with ELAN Touchscreen Inside



ASUS Zenbook Pro Duo

with ELAN Touchscreen/Pen x 2 & Lighting-Pad Inside

Notable Devices released in H1'19 with ELAN Touchscreen Solution



Dell XPS 15



Dell XPS 13



DELL Inspiron 7000 2-in-1s



Acer Chromebook 315



HP Spectre x360 OLED



HP Elitebook x360 1040 G5



HP Spectre x360 15



Dell Latitude 7400



HP Chromebook X360 14



Acer Swift 7



Lenovo Yoga C630

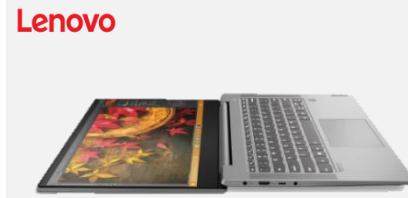


Asus Chromebook Flip C434

Notable Devices released in H1'19 with ELAN Touchpad Solution



Asus ROG



Lenovo S540 14



Lenovo ThinkPad
X390 / X390 Yoga



Lenovo ThinkPad T490s



Asus Chromebook Flip C434



Razer Blade 15



Acer Nitro



HP Pavilion 14s



DELL Inspiron 7000 2-in-1s



Xiaomi Mi Pro 15



Acer Predator



Acer Travelmate

ELAN's AI-Enabled Trackpad with Deep Learning



Palm Rejection



Accidental Contact



Cell Phone



NFC Card

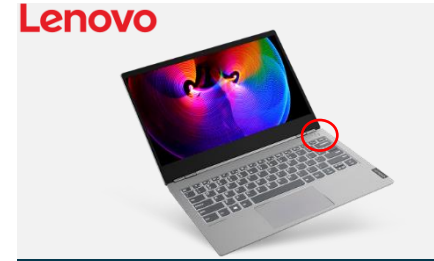
Notable Devices released H1'19 with ELAN Fingerprint Solution



Asus Zenbook S13



Dell Inspiron 15 3000
2-in-1



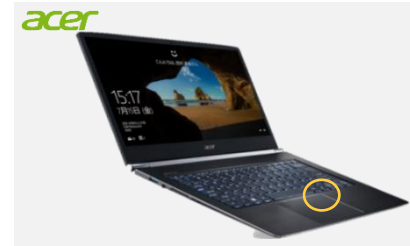
Lenovo Thinkbook 13S/14S



MSI Notebook



Vaio S11/S13/SX14



Acer Swift 5



Huawei Matebook E



Xiaomi Air 13.3



Xiaomi Notebook Pro 15.6"



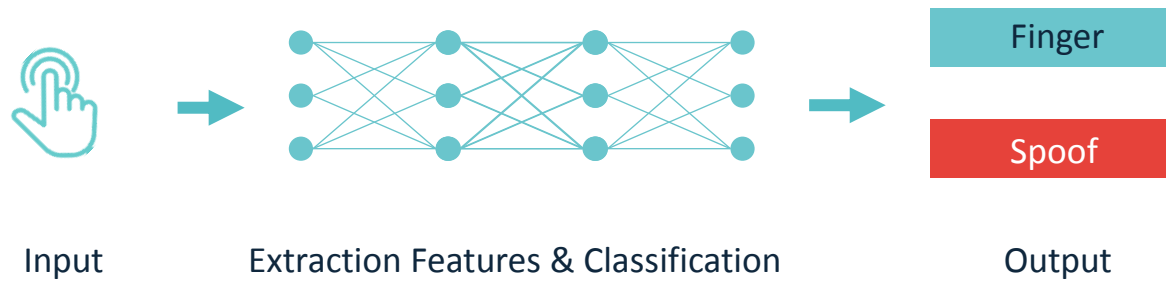
HP OPP Series



LG Gram Series

ELAN AI Based Deep Learning Anti-Spoofing Feature

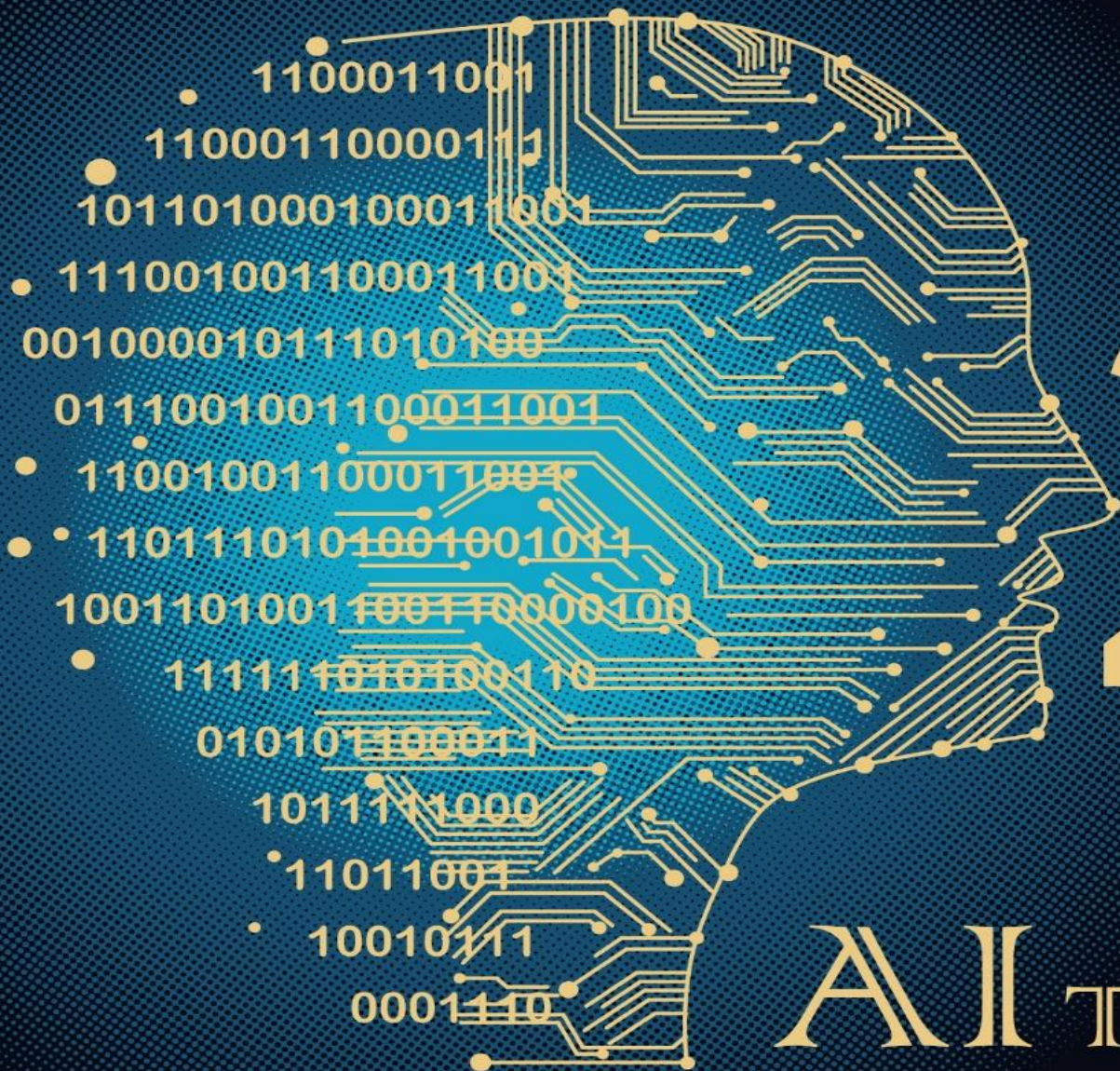
Differentiate the Real Fingers from Spoofing Fingers



AI Smart Transportation - 2019 COMPUTEX Best Choice Award

360° Fisheye Camera Detection Range 80m





Anniversary
25TH

AI Transformation