

Press release:

Melexis Q1 2014 results – Full year guidance raised

Intermediate declaration by the Board of Directors.

Ieper, Belgium – April 23rd, 2014, 07.00 hrs CET

Sales for the first quarter of 2014 were 75.6 million EUR, an increase of 22% compared to the same quarter of the previous year and an increase of 1% compared to the previous quarter.

The EUR/USD exchange rate evolution had a negative impact of 2% compared to the same quarter of last year and a negative impact of 1% compared to the previous quarter.

Gross margin was 35.2 million EUR, an increase of 25% compared to the same quarter of last year.

R&D expenses were 14.2% of sales, G&A was at 5.0% of sales and Selling was at 2.8% of sales.

The operating result was 18.6 million EUR, an increase of 46% compared to the same quarter of the previous year.

Net income was 18.9 million EUR or 47 cent per share, an increase of 69% compared to 11.2 million EUR or 28 cent per share in the first quarter of 2013.

Outlook

We expect sales growth in the second quarter of 2014 to exceed 3% versus the first quarter of 2014.

For FY 2014, Melexis expects sales growth to be between 10% and 15%, a gross profit margin above 45% and an operating margin above 23%, all taking into account a EUR/USD exchange rate of 1.35.

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Business comment – Françoise Chombar, CEO:

“Melexis achieved a 22% year on year sales growth, though a first quarter is usually marked by seasonal effects such as the global impact of the yearly price downs and the Chinese New Year slow which produces a regional impact.

Our magnetic sensors portfolio continued to shine as the main growth driver. Second in line were our sensor interfaces. Motor control drivers equally gained further momentum.

Sales to automotive customers represented 89% of total sales, versus 87% in the first quarter of last year. Automotive sales showed a very strong 24% increase and we were equally pleased to see our sales outside automotive grow by 7% year on year.

The portion of ASSP sales represented 56%, hovering roughly at the same level quarter on quarter.

Customer sentiment is felt to be positive for 2014. Global markets all seem set for growth. Our sound first quarter results and the solid state of our order book comforted us to raise our outlook for the year.”

Financial Calendar

- Publication Q2/HY1 2014 Results: July 30, 2014
- Publication Q3 2014 Results: October 22, 2014
- Publication FY 2014 Results: February 4, 2015



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Melexis Financial Press Release
Regulated Information



The company's results will be discussed in a **conference call** on Wednesday, April 23rd, 2014 at 17 hrs CET. The conference call will be in English. You have to register for this conference call in advance. You can register by clicking on the following link and filling out the requested information:

<https://eventreg1.conferencing.com/webportal3/reg.html?Acc=184341&Conf=190295>

Conference ID: 943984.

After registration, you will receive the conference call number, a participant user pin, conference pin and instructions on how to join the conference call. For security purposes all participants must register individually if they wish to join the call.

A replay number for this call is available for 7 days after the end of the conference call. The replay number for this call is +32 2 290 17 05, access code: 943984.

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About Melexis

Melexis NV (Euronext Brussels: MELE) is a mixed signal semiconductor manufacturer. Melexis designs, develops, tests and markets advanced integrated semiconductor devices for the automotive industry. Our core experience supplying ICs for automotive electronics sustains the expansion into Application Specific Standard Products for industrial and consumer product applications. Melexis enthusiastically pursues its role as a component supplier whose innovations, while physically small, are the essential element in nearly every one of our customers' extraordinary systems. At Melexis we believe that "Small things make a big difference". Melexis' products include sensor, communication, actuator ICs and Application Specific Integrated Circuits (ASICs). Further information about Melexis can be found at <http://www.melexis.com>.

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Disclaimer

Except for those statements that report the Company's historical results, the statements being made are forward looking statements. Actual results could differ materially from those projected in the forward-looking statements. Factors which could cause actual results to differ from expectations include the following: volatility in supply and demand affecting revenues and market prices, price and availability of silicon foundry, assembly and test prices, assembly and test subcontract capacity required to meet financial targets and/or meet backlog requirements, risks and delays associated with bringing up new production capabilities or with deliveries from subcontractors, timing and market acceptance of new products, increased expenses associated with new product acceptance of new products, increased expenses associated with new product introductions of process changes, delays in developing or achieving volume production of new products, which can result in delays or failure to contribute to revenues and profits, ability of the Company to maintain its customer and vendor base and delays in and/or inability in raising additional capital.

Consolidated Income Statement

CONFORM IFRS in k EUR	Quarter ended 31/03/2014	Quarter ended 31/03/2013	Quarter ended 31/12/2013	Year ended 31/12/2013 audited
Sales	75,552	61,857	75,122	275,352
Cost of sales	-40,347	-33,685	-40,185	-147,823
Gross Margin	35,206	28,173	34,937	127,529
R&D	-10,728	-10,314	-10,653	-41,373
G&A	-3,779	-3,485	-4,087	-14,925
Selling	-2,090	-1,648	-2,112	-7,518
Other operating result				
Operating result	18,608	12,726	18,086	63,713
Other expenses (net)	1,502	-343	522	-495
Income before taxes	20,110	12,383	18,607	63,218
Income taxes	-1,206	-1,186	-2,761	-8,005
Net income	18,904	11,197	15,845	55,214
Net income per share in EUR	0.47	0.28	0.39	1.37

Consolidated Statement of Financial Position

CONFORM IFRS in k EUR	Quarter ended 31/03/2014	Quarter ended 31/03/2013	Year ended 31/12/2013 audited
Current Assets :			
Cash and cash equivalents	34,747	16,496	27,722
Current investments		4,682	3,827
A/R Trade	40,694	40,931	39,467
A/R from related parties	10,475	11,618	1,636
Advance related parties			
Assets for current tax	4,568	5,173	4,803
Other current assets	7,626	5,946	6,466
Inventories	47,944	38,870	44,265
Total current assets	146,053	123,717	128,187
Non current assets :			
Costs of incorporation			
Property, plant and equipment	66,560	63,045	66,324
Financial assets	6	30	6
Intangible fixed assets	4,627	1,888	4,727
A/R directors			
Other non-current assets	1,478	5,911	1,477
Deferred tax assets	14,142	14,731	14,096
Total non current assets	86,813	85,605	86,630
Total assets	232,867	209,322	214,817

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CONFORM IFRS in k EUR	Quarter ended 31/03/2014	Quarter ended 31/03/2013	Year ended 31/12/2013 audited
Liabilities and shareholders Equity			
Current liabilities :			
Bank loans and overdrafts			
Derivative financial instruments	1,454	1,015	1,146
Current portion of LT debt	4,148	13,648	4,147
A/P trade	10,731	11,690	13,895
Affiliated companies	12,260	5,612	7,461
Accrued taxes	3,714	2,135	3,681
Accrued expenses and payroll	6,683	5,638	5,171
Other current liabilities	2,694	1,380	1,251
Deferred income	511	511	549
Total current liabilities	42,195	41,629	37,301
Non current liabilities :			
LT debt less current portion	14,111	24,758	18,177
Deferred tax liabilities			
Other non-current liabilities	1,723	1,437	1,700
Total non current liabilities	15,834	26,195	19,877
Shareholders' equity :			
Shareholders' capital	565	565	565
Share premium			
Treasury shares	-3,818	-3,818	-3,818
Revaluation reserve Hedge	-351	-465	-261
Revaluation reserve Fair value		876	1,304
Legal reserve	57	57	57
Retained earnings	160,438	133,262	105,224
Current period's profit	18,904	11,197	55,214
Cumulative translation adjustment	-967	-187	-657
Equity attributable to company owners	174,828	141,487	157,628
Non controlling interests	10	10	10
Total shareholders equity	174,838	141,497	157,638
Total liabilities, shareholders' equity and minority interests	232,867	209,322	214,817

Consolidated Statements of Cash Flow

CONFORM IFRS in k EUR	Quarter ended 31/03/2014	Quarter ended 31/03/2013	Year ended 31/12/2013 audited
Cash flow from operating activities			
Net income	18,904	11,197	55,214
Adjustments for :			
Operating activities	2,706	3,685	17,103
Deferred taxes	-47	74	709
Capital grants	130	180	1,161
Depreciation and amortisation	4,399	3,368	15,509
Unrealized exchange results	43	345	-226
Financial result	-1,820	-282	-51
Operating profit before working capital changes	21,610	14,882	72,316
A/R, Trade	-1,135	-5,621	-4,847
A/R, affiliates	-8,838	-10,981	-1,000
Other current assets	-2,462	3,192	2,604
Other non current assets	-1	-360	4,074
Inventories	-4,515	-836	-7,544
A/P	-3,155	-639	1,575
A/P affiliates	4,799	932	2,781
Accrued expenses	2,449	697	5,370
Other current liabilities	1,629	5	74
Other non current liabilities	294	-135	286
Interest paid	-138	-153	-519
Income tax	-898	-759	-4,347
Cash flow from operating activities	9,638	224	70,825
Cash flow from investing activities			
Acquisition of subsidiary, net of cash acquired			
Financial fixed assets			
Purchase of PPE and intangible assets (netted)	-4,188	-5,810	-22,532
Interest received	9	90	690
Investments/proceeds/ from current investments (incl. financial instruments)	5,628	-754	125
Cash provided from investing activities	1,449	-6,474	-21,717
Cash flows from financing activities			
Payment to acquire own shares			
Proceeds/Repayment of long-and short-term debt	-4,062	1,429	-14,648
Proceeds/Repayment of bank loans and overdrafts			
Proceeds from (repayment of) related party financing			
Dividend payment			-28,038
Capital Decrease			
Non controlling interests			
Cash provided from financing activities	-4,062	1,429	-42,686
CTA			-16
Increase/decrease in cash and cash equivalents	7,025	-4,821	6,405
Cash at beginning of the period	27,722	21,317	21,317
Cash at the end of the period	34,747	16,496	27,722

Sales per Geography

	Q1/14	Q1/13	Q4/13	FY 2013
APAC Asia Pacific	40%	39%	43%	41%
EMEA Europe - Middle-East - Africa	44%	44%	41%	42%
NALA North America - Latin America	16%	17%	16%	17%
TOTAL	100%	100%	100%	100%

Turnover per Business Unit

Over the years, Melexis product portfolio has grown towards a “one-stop-shop” for IC and sensor solutions. Our products have become more complex, sometimes combining different technologies in one and mostly containing a sensing element. The distinction between some product lines is hence becoming more and more blurred.

Additionally, next to keeping responsibility over a combination of product lines which may vary over time, our Business Unit Managers increasingly cover the global Melexis offering, either focused on markets or customer types.

As a result of both above facts, Melexis will continue to give color on the evolution of our most important technologies, product lines and different markets which we are operating in, but will no longer report its top line per business unit.