



Press release:

Melexis Q2 2014 results – Full year guidance raised again

Intermediate declaration by the Board of Directors.

leper, Belgium – July 30th, 2014, 07.00 hrs CET

Half-year sales were 157.6 million EUR, an increase of 22% compared to the first half year of 2013. Gross margin was 74.5 million EUR, an increase of 26% compared to the same period last year. The operating result was 41.0 million EUR, compared to 28.1 million EUR in the same half year of 2013, an increase of 46%. Net income was 40.1 million EUR, compared to 24.3 million EUR in the first half year of 2013, an increase of 65%.

Sales for the second quarter of 2014 were 82.1 million EUR, an increase of 22% compared to the same quarter of the previous year and an increase of 9% versus the previous quarter. The EUR/USD exchange rate evolution had a negative impact of 1% compared to the previous quarter and a negative impact of 3% compared to the same quarter of the previous year.

Gross margin was 39.3 million EUR, an increase of 26% compared to the same quarter of last year and an increase of 12% versus the previous quarter.

R&D expenses were at 13.3% of sales, G&A was at 4.8% and Selling was at 2.4% of sales. The operating result was 22.4 million EUR, compared to 15.3 million EUR in the same quarter of 2013 and 18.6 million EUR in the previous quarter.

Net income was 21.2 million EUR, 52 cent per share, up from 33 cent per share in the second quarter of 2013 and 47 cent in the previous quarter.

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Dividend

The Board of Directors decided to pay out an interim dividend of 1.00 EUR gross per share, an increase of 43% compared with last year. The Melexis shares will start trading ex coupon on October 20, 2014 (opening of the market). The record date is October 22, 2014 (closing of the market) and the dividend will be payable as from October 23, 2014.

Outlook

We expect in the third quarter of 2014 a low single digit sales growth versus the second quarter of 2014. For full year 2014, Melexis now expects sales growth to be between 17% and 20%, a gross profit margin above 47% and an operating margin above 25%, all taking into account a EUR/USD exchange rate of 1.35.

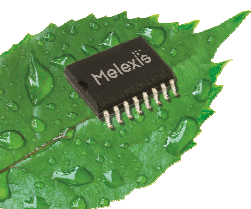
Business comment – Françoise Chombar, CEO:

"On the back of positive customer and market sentiment, Melexis achieved a 22% year-over-year sales growth, better than anticipated. Melexis equally benefited from a favorable product mix, which we expect to sustain for the remainder of the year. All this allows us to increase our sales guidance and profit margins again for full year 2014.

In the second quarter of 2014, in line with the first quarter, the main contributors for growth were magnetic sensors, sensor interfaces and, outside of the sensor space, motor control drivers. In addition we saw an above average performance for pressure sensors and tire pressure monitoring systems (TPMS).

Sales to automotive customers represented 87% of total sales. Year-over-year outside automotive sales growth accelerated from 7% in the first quarter to 13% in the second quarter.

The portion of ASSP sales in the second quarter of 2014 represented 56%, the same level as the first quarter of 2014".



The statutory auditors BDO Bedrijfsrevisoren Burg. Ven. CVBA, have confirmed that their review procedures, which have been substantially completed, have not revealed material adjustments which would have to be made to the accounting information included in this press release.

Financial Calendar

- Publication Q3 2014 Results: October 22, 2014
- Publication FY 2014 Results: February 4, 2015

The company's results will be discussed in a **conference call** on Wednesday, July 30th, 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=190865>

Conference ID: 946397

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: 946397.

For further information:

Investor Relations

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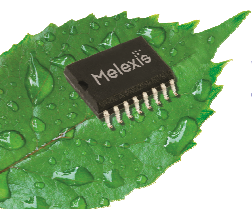
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About Melexis

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 are the essential element in nearly every one of our customers' extraordinary systems. At Melexis we engineer the sustainable future. 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>.



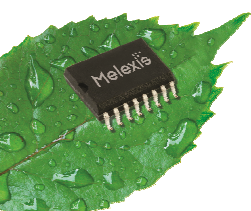


Consolidated Income Statement

CONFORM IFRS		Quarter ended 30/06/2014	Quarter ended 30/06/2013	Half Year ended 30/06/2014	Half Year ended 30/06/2013	Year ended 31/12/2013 audited
in k EUR						
Sales		82,076	67,088	157,629	128,945	275,352
	Cost of sales	-42,815	-35,989	-83,161	-69,674	-147,823
Gross Margin		39,262	31,099	74,467	59,272	127,529
	R&D	-10,913	-10,124	-21,641	-20,438	-41,373
	G&A	-3,956	-3,795	-7,735	-7,281	-14,925
	Selling	-1,991	-1,831	-4,082	-3,479	-7,518
	Other operating result					
Operating result		22,401	15,349	41,009	28,074	63,713
	Financial result	-43	-333	1,459	-675	-495
Income before taxes		22,358	15,016	42,468	27,399	63,218
	Income taxes	-1,168	-1,868	-2,374	-3,054	-8,004
Net income		21,190	13,148	40,094	24,345	55,214
Net income per share in EUR		0.52	0.33	0.99	0.60	1.37

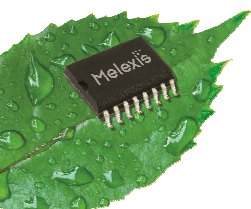
Consolidated Statement of Financial Position

CONFORM IFRS		Half Year ended 30/06/2014	Half Year ended 30/06/2013	Year ended 31/12/2013 audited
in k EUR				
Current Assets :				
	Cash and cash equivalents	53,334	16,426	27,722
	Current investments		4,698	3,827
	A/R Trade	43,847	39,387	39,466
	A/R from related parties	6,968	9,254	1,637
	Advance related parties			
	Assets for current tax	983	4,641	4,803
	Other current assets	5,889	6,978	6,466
	Inventories	50,268	38,625	44,265
Total current assets		161,288	120,009	128,187
Non current assets :				
	Costs of incorporation			
	Property, plant and equipment	67,634	65,540	66,324
	Financial assets	6	30	6
	Intangible fixed assets	4,964	1,691	4,727
	A/R directors			
	Other non-current assets	1,476	5,336	1,477
	Deferred tax assets	14,187	14,233	14,096
Total non current assets		88,267	86,831	86,630
Total assets		249,555	206,840	214,817



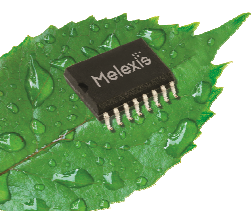


CONFORM IFRS in k EUR	Half Year ended 30/06/2014	Half Year ended 30/06/2013	Year ended 31/12/2013 audited
Liabilities and shareholders Equity			
Current liabilities :			
Bank loans and overdrafts			
Derivative financial instruments	1,585	869	1,146
Current portion of LT debt	4,148	4,147	4,147
A/P trade	12,787	11,523	13,896
Affiliated companies	8,752	6,160	7,461
Accrued taxes	3,536	2,758	3,681
Accrued expenses and payroll	5,141	5,020	5,171
Other current liabilities	1,259	1,120	1,251
Deferred income	536	749	549
Total current liabilities	37,743	32,346	37,302
Non current liabilities :			
LT debt less current portion	14,084	18,229	18,177
Deferred tax liabilities			
Other non-current liabilities	1,745	1,583	1,700
Total non current liabilities	15,830	19,812	19,877
Shareholders' equity :			
Shareholders' capital	565	565	565
Share premium			
Treasury shares	-3,818	-3,818	-3,818
Revaluation reserve Hedge	-437	-240	-261
Revaluation reserve Fair value		865	1,304
Legal reserve	57	57	57
Retained earnings	160,438	133,262	105,224
Current period's profit	40,094	24,345	55,214
Cumulative translation adjustment	-927	-365	-657
Equity attributable to company owners	195,971	154,671	157,628
Non controlling interests	10	10	10
Total shareholders equity	195,982	154,682	157,638
Total liabilities, shareholders' equity and minority interests	249,555	206,840	214,817



Consolidated Statements of Cash Flow

CONFORM IFRS (in k EUR)	Quarter ended 30/06/2014	Half Year ended 30/06/2014	Half Year ended 30/06/2013	Year ended 31/12/2013 audited
Cash flow from operating activities				
Net income	21,190	40,094	24,345	55,214
Adjustments for :				
Operating activities	6,376	9,082	8,474	17,103
Deferred taxes	-44	-91	740	709
Capital grants	175	305	520	1,161
Depreciation and amortisation	5,990	10,389	7,026	15,509
Unrealized exchange results	-185	-143	-297	-226
Financial result	441	-1,379	485	-51
Operating profit before working capital changes	27,566	49,176	32,819	72,316
A/R, Trade	-4,273	-5,408	-4,080	-4,847
A/R, affiliates	3,507	-5,331	-8,618	-1,000
Other current assets	5,075	3,917	2,646	2,604
Other non current assets	-5	-6	213	4,074
Inventories	-3,400	-7,916	-1,112	-7,544
A/P	2,032	-1,122	-1,273	1,575
A/P affiliates	-3,508	1,291	1,950	2,781
Accrued expenses	-545	1,903	1,811	5,370
Other current liabilities	-1,594	35	-250	74
Other non current liabilities	179	472	-66	286
Interest paid	-75	-213	-323	-519
Income tax	-1,181	-2,079	-1,860	-4,347
Cash flow from operating activities	23,776	34,718	21,858	70,825
Cash flow from investing activities				
Acquisition of subsidiary, net of cash acquired				
Financial fixed assets				
Purchase of PPE and intangible assets (netted)	-5,006	-9,194	-11,522	-22,532
Interest received	17	26	148	690
Investments/proceeds/ from current investments (incl. financial instruments)	0	4,324	-770	125
Cash provided from investing activities	-4,989	-4,845	-12,143	-21,717
Cash flows from financing activities				
Payment to acquire own shares				
Proceeds/Repayment of long-and short-term debt	-32	-4,094	-14,599	-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	-32	-4,094	-14,599	-42,686
CTA	-168	-168	-6	-16
Increase/decrease in cash and cash equivalents	18,587	25,612	-4,891	6,405
Cash at beginning of the period	34,747	27,722	21,317	21,317
Cash at the end of the period	53,334	53,334	16,426	27,722





Sales per Geography

	Q2/14	Q2/13	Q1/14	HY 2014	HY 2013
APAC Asia Pacific	43%	38%	40%	42%	39%
EMEA Europe - Middle-East - Africa	41%	45%	44%	42%	44%
NALA North America - Latin America	16%	17%	16%	16%	17%
TOTAL	100%	100%	100%	100%	100%

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.

