



Press release: 2010 a record year for Melexis

Declaration by the Board of Directors.

leper, Belgium – February 10th, 2011 at 07.00 hrs CET

Melexis announces annual results 2010

The statutory auditors BDO Bedrijfsrevisoren BCV, have confirmed that their audit 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.

For the year 2010, sales were 219.4 million euro, an increase of 70% compared to the previous year. Gross margin was 102.3 million euro, an increase of 112% compared to 2009. The operating result was 56.3 million euro, up from 7.0 million euro last year. Net income was 48.6 million euro, compared to a net loss of 4.0 million euro in 2009.

Sales in the 4th quarter of 2010 were 58.1 million euro, an increase of 37% year-over-year and a decrease of 2% compared to the previous quarter. On a constant currency basis, sales increased by 2% compared to the previous quarter. In absolute figures, both sales in EUR and USD increased slightly compared to the previous quarter.

Gross margin was 27.4 million euro, an increase of 62% compared to the same quarter of 2009.

Operating result was 14.9 million euro or 26% of total sales.

R&D expenses were at 14% of sales, while SG&A expenses were at 8% of sales.

Net income was 13.2 million euro, up from 6.1 million euro net profit the same quarter last year.

Melexis purchased 349.602 shares during 2010 at an average price of 11.47 EUR. As a result, the total number of treasury shares at the end of 2010 was 2.075.545, representing 4.80% of shares outstanding.

Effective February 14th, Françoise Chombar will take up the role as single CEO for Melexis, allowing Rudi De Winter to pursue another responsibility in the Xtrion n.v. holding. Rudi De Winter will remain a member of the Melexis Board of Directors and in this role he will hence continue to participate in setting the strategic direction for Melexis.

Karen van Griensven, CFO of Melexis commented:

We are proud that Melexis broke multiple records in 2010: we achieved the highest ever annual sales and reached a record gross margin and operating margin. Also, in absolute figures, we were able to set new records in operating and net result. Asia is now our top market, representing 93 million euro in sales.

Rudi De Winter, CEO of Melexis stated:

It has been one of the founders' credos that we must work towards making ourselves dispensable in the long-term interest of the company. Melexis has meanwhile built an effective management team that has the necessary complementary competencies to make Melexis thrive further under the leadership of Françoise Chombar.

Françoise Chombar, CEO of Melexis added:

Melexis' past year results validate that the company has come out of the crisis more robust than before. Our year-long strategy to focus on innovation in the automotive sector proves more valid than ever before. Melexis products enable our customers to reduce their vehicles' energy consumption and at the same time increase both safety and comfort of driver and passengers. Thus Melexis is helping to resolve one of the greatest challenges our world is facing today and tomorrow.





Outlook

We expect sales in the first quarter of 2011 to be at about the same level as Q4 2010.

For 2011, we expect high single digit growth in sales, our gross profit margin to solidify above 45% and operating margin to remain above 23% taking into account a EUR/USD exchange rate of 1.40.

Financial Calendar

- Annual Shareholders Meeting: April 20, 2011
- Publication Q1 2011 Results: April 28, 2011
- Analyst Meeting: May 25, 2011
- Publication Q2/HY1 2011 Results: July 28, 2011
- Publication Q3 2011 Results: October 20, 2011
- Publication FY 2011 Results: February 9, 2012

The company's results will be discussed in a conference call on Thursday February 10th, 2011 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 in the requested information: <https://eventreg1.conferencing.com/webportal3/reg.html?Acc=184341&Conf=176918>.

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 (0) 22901705, access code: 886796.

For further information, please contact:

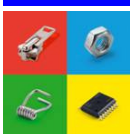
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About Melexis

Melexis Microelectronic Integrated Systems N.V. (Euronext Brussels:MELE) imagines, creates and delivers innovative mixed signal integrated circuits. Melexis ICs are driving green solutions that enable our customers to bring more energy efficient automotive systems to market. Melexis product portfolio addresses 4 classes of ICs; Sensor, Optoelectronic, Wireless and Actuators. Sensors include magnetic, MEMs, and sensor interface ICs. Optoelectronic products encompass linear arrays, single point sensors, infrared thermometers and CMOS wide dynamic range and night vision cameras. Wireless ICs focus on RKE, TPMS, ISM band applications, NFC, RFID reader and smart tag solutions. Actuator ICs cover LIN and CAN bus networking ICs and advanced BLDC motor driver technology. Melexis is proud of its participation toward reducing the human race's global environmental footprint. For more information visit <http://www.melexis.com>.

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 Profit & Loss

CONFORM IAS in k EUR	Quarter ended 31/12/2010	Quarter ended 31/12/2009	Year ended 31/12/2010 audited	Year ended 31/12/2009 audited
Sales	58,112	42,292	219,427	128,890
Cost of sales	-30,723	-25,406	-117,176	-80,675
Gross Margin	27,389	16,886	102,251	48,215
R&D	-8,030	-6,624	-29,701	-26,122
G&A	-2,947	-2,280	-10,519	-9,790
Selling	-1,495	-1,230	-5,741	-4,717
Other operating result				-600
Income from operations	14,918	6,753	56,290	6,986
Other expenses (net)	-345	-603	-2,126.3	-13,651
Income before taxes	14,573	6,150	54,163	-6,665
Income taxes	-1,417	-20	-5,551.2	2,676
Net income	13,156	6,130	48,612	-3,989
Net income per share in EURO	0.30	0.14	1.12	-0.09

Consolidated Balance Sheet

CONFORM IAS in k EUR	Year ended 31/12/2010 audited	Year ended 31/12/2009 audited
Current Assets :		
Cash and cash equivalents	21,180	22,247
Current investments	5,729	3,990
A/R Trade	27,933	20,733
A/R from related parties	8,796	8,012
Advance related parties		
Other current assets	7,504	8,443
Inventories	39,217	26,395
Total current assets	110,359	89,820
Non current assets :		
Costs of incorporation		
Property, plant and equipment	48,760	43,918
Financial assets	30	24
Intangible fixed assets	1,750	1,823
A/R directors		
Other non-current assets	4,344	3,089
Deferred tax assets	15,235	15,578
Total non current assets	70,120	64,432
Total assets	180,479	154,252





Liabilities and shareholders Equity		
Current liabilities :		
Bank loans and overdrafts		
Derivative financial instruments	1,599	2,856
Current portion of LT debt	19,647	15,168
A/P trade	7,274	6,528
Affiliated companies	6,603	4,931
Accrued expenses, payroll and taxes	7,159	5,989
Other current liabilities	1,707	1,141
Deferred income	793	905
Total current liabilities	44,782	37,518
Non current liabilities :		
LT debt less current portion	37,115	55,332
Deferred tax liabilities	382	285
Other non-current liabilities	2,746	1,262
Total non current liabilities	40,242	56,880
Shareholders' equity :		
Shareholders' capital	565	565
Share premium		
Treasury shares	-21,886	-17,878
Revaluation reserve Hedge	-896	-1,636
Revaluation reserve Fair value	1,378	-183
Legal reserve	57	57
Retained earnings	67,923	84,299
Current period's profit	48,612	-3,989
Cumulative translation adjustment	-308	-1,390
Equity attributable to company owners	95,445	59,844
Non controlling interests	10	10
Total shareholders equity	95,455	59,854
Total liabilities, shareholders' equity	180,479	154,252





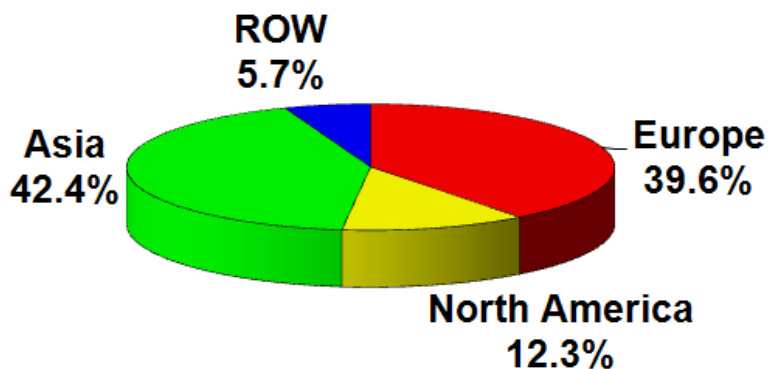
Consolidated statements of cash flow

CONFORM IAS/IFRS (in k EUR)	Year ended 31/12/2010 audited	Year ended 31/12/2009 audited
Cash flow from operating activities		
Net income	48,612	-3,989
Adjustments for :		
Operating activities	16,168	12,596
- Deferred taxes	343	-4,114
- Capital grants	955	2,520
- Minority interest		
- Depreciation and amortisation	11,510	11,796
- Unrealized exchange results	1,159	-635
- Financial result	2,201	3,028
Operating profit before working capital changes :	64,780	8,607
- A/R, Trade	-7,131	7,309
- A/R, affiliates	-783	-927
- Other current assets	2,285	-1,189
- Other non current assets	-1,256	-3,029
- Inventories	-14,063	7,749
- A/P	734	-34
- A/P affiliates	1,670	2,457
- Accrued expenses	2,589	1,675
- Other current liabilities	566	-255
- Other non current liabilities	210	1,262
- Interest paid	-3,417	-3,263
- Income tax	-1,137	-660
Cash flow from operating activities	45,047	19,702
Cash flow from investing activities		
Acquisition of subsidiary, net of cash acquired		10,750
Financial fixed assets		-10,972
Purchase of PPE and intangible assets (netted)	-15,377	870
Interest received	1,139	1,473
Investments/proceeds/ from current investments (incl. financial instruments)	-1,739	
Cash provided from investing activities	-15,977	2,121
Cash flows from financing activities		
Payment to acquire own shares	-4,013	-121
Proceeds/Repayment of long-and short-term debt	-13,739	-7,642
Proceeds/Repayment of bank loans and overdrafts		
Proceeds from (repayment of) related party financing		
Proceeds from (repayment of) A/P to directors		
Interim dividend payment	-12,387	
Capital Decrease		
Minority		
Cash provided from financing activities	-30,139	-7,763
CTA	3	57
Increase/decrease in cash and cash equivalents	-1,067	14,117
Cash at beginning of the period	22,247	8,129
Cash at the end of the period	21,180	22,247





Sales per geography:



Sales per Division:

(in k EUR)	Q4/10	Q4/09	% CHANGE (Y-O-Y)
Sensors	33,090	20,923	58%
Wireless	4,091	2,435	68%
Actuators	16,115	13,511	19%
Opto	3,923	4,765	-18%
Other	893	658	36%
TOTAL	58,112	42,292	37%

(in k EUR)	2010	2009	% CHANGE (Y-O-Y)
Sensors	120,183	57,222	110%
Wireless	13,907	8,624	61%
Actuators	62,910	43,770	44%
Opto	19,149	15,912	20%
Other	3,278	3,363	-3%
TOTAL	219,427	128,890	70%

