



leper, Belgium - November 8th 2006

Melexis reports results for the third quarter 2006.

Revenues for the third quarter were 49.8 million EUR, an increase of 16 % compared to the same quarter of the previous year.

Gross margin was 20.9 million EUR, an increase of 17 % compared to the same quarter last year.

The operating result was at 10,7 million EUR, an increase of 23 % compared to the same quarter in the previous year.

Net profit was 8.5 million EUR, 20 cent per share, an increase of 27 % over the same quarter 2005.

R&D expenses were at 13.4 % of sales, Selling and G&A were stable at 7 % of sales.

For the full year 2006, we expect a sales growth of 16-17 % compared to 2005. The net profit margin will be approximately 17 %.

For 2007, we expect an increase in revenues of 10-15 %, with a net profit margin in the range of 16-18 %.

Rudi De Winter comments: "Growth in Q3 is mainly driven by sales of ASSPs (Application Specific Standard Product). Sales in ASSPs amounted to 45 % of total sales in Q3, compared to 37 % in the same quarter in 2005, proving Melexis' strategy to enter the automotive ASSP market 10 years ago to be very successful."

Financial calendar

- Release of annual results: February 7, 2007
- Shareholders Meeting: April 20, 2007
- Release of Q1-results: April 25, 2007
- Release of H1-results: July 31, 2007
- Release of Q3-results: October 24, 2007

The company's results will be discussed in a conference call on Wednesday November 8 at 17h CET. You can call in at the following number: +32 (0)2 290 14 07 and quote 'Melexis'. A replay number for this call is available for 5 days after the end of the meeting. The replay number for this call is: +32 (0)2 290 17 05, access code: 726347

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Except for those statements that report the Company's historical results, the statement 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, price and availability of silicon foundry, 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

About Melexis

Melexis Microelectronic Integrated Systems N.V. (Euronext Brussels: MELE) is a mixed signal semiconductor manufacturer. 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>

CONFORM IAS	Quarter ended	Quarter ended	line months ended	line months ended	Year ended
in 1,000 EURO	30/09/06	30/09/05	30/09/06	30/09/05	31/12/05
	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Sales	49,803	43,081	151,132	125,813	173,674
Cost of sales	-28,869	-25,137	-87,679	-73,388	-101,393
Gross Margin	20,934	17,944	63,453	52,425	72,281
Goodwill amortization					
R&D	-6,688	-6,303	-20,302	-18,470	-24,988
G&A	-2,449	-1,953	-7,189	-5,590	-7,898
Selling	-1,136	-1,030	-3,497	-3,287	-4,599
Income from operations	10,661	8,658	32,465	25,078	34,796
Other expenses (net)	-659	-282	-1,848	-677	-721
Income before taxes	10,002	8,376	30,617	24,401	34,075
Income taxes	-1,476	-1,671	-4,866	-4,068	-5,918
Net income	8,526	6,705	25,751	20,333	28,157
Net income per share in EURO	0.20	0.16	0.60	0.47	0.65

Consolidated Balance Sheets

CONFORM IAS in 1,000 EURO	Nine months ended 30/09/06 Unaudited	Nine months ended 30/09/05 Unaudited	Year ended 31/12/05 Audited
Current Assets :			
Cash and cash equivalents	33,185	9,631	11,376
Current investments	32,474		
A/R Trade	31,761	25,194	25,439
A/R from related parties	11,503	9,456	2,526
Advance related parties			
Other current assets	5,650	5,269	5,635
Inventories	28,878	28,677	28,245
Total current assets	143,451	78,227	73,220
Non current assets :			
Costs of incorporation			
Property, plant and equipment	35,008	35,520	35,901
Financial fixed assets			
Intangible fixed assets	2,744	3,984	3,587
A/R directors			
Other non-current assets	75	100	83
Goodwill			
Deferred tax assets	6,148	5,858	6,154
Total non current assets	43,975	45,462	45,726
Total assets	187,426	123,689	118,946
Liabilities and shareholders Equity			
Current liabilities :			
Bank loans and overdrafts			
Current portion of LT debt	15,280	16,367	16,796
A/P trade	8,790	3,799	7,128
Affiliated companies	8,503	7,203	5,784
Accrued expenses, payroll and taxes	8,347	5,424	5,441
Other current liabilities	227	63	145
Deferred income	632	933	1,034
Total current liabilities	41,779	33,789	36,328
Non current liabilities :			
LT debt less current portion	63,227	13,884	20,829
Deferred tax liabilities			
Minority interests	10	1	10
Total non current liabilities	63,237	13,885	20,839
Shareholders' equity :			
Shareholders' capital	565	565	565
Share premium			
Treasury shares	-5,488		-514
Legal reserve	57	57	57
Retained earnings	62,245	55,709	34,088
Current period's profit	25,751	20,333	28,157
Dividend paid			
Cumulative translation adjustment	-720	-649	-574
Total shareholders equity	82,410	76,015	61,779
Total liabilities, shareholders' equity and minority interests	187,426	123,689	118,946

Consolidated Statements of cash flow

CONFORM IAS (in 1,000 EURO)	Quarter ended 30/09/06 Unaudited	Quarter ended 30/09/05 Unaudited	line months ended 30/09/06 Unaudited
Cash flow from operating activities			
Net income	8,526	6,705	25,751
Adjustments for :			
Operating activities			
- Depreciation	2,774	2,790	8,450
- Amortization goodwill			
Operating profit before working capital changes	11,300	9,495	34,201
capital changes			
- A/R, Trade	-2,751	-257	-6,339
- A/R, affiliates	-1,134	-1,822	-4,834
- Inventories	1,313	2,380	-691
- A/P	737	-693	1,663
- Accrued expenses	1,535	524	2,918
- Other	39	1,874	-1,486
Net cash from operating activities	11,039	11,501	25,432
Cash flow from investing activities			
Acquisition of subsidiary, net of cash acquired			-4,974
Financial fixed assets (incl. own shares)			-6,714
Purchase of PPE and intangible assets	-2,541	-1,894	
Interest received	622	86	1,155
Proceeds from current investments	-7,347		-32,474
Acquisition of current investments			
Net cash provided from investing act	-9,266	-1,808	-43,007
Cash flows from financing activities			
Repayment of long-term debt	-33	-8,481	40,881
Proceeds from bank loans and overdrafts			
Repayment of bank loans and overdrafts			
Proceeds from (repayment of) related party financing	771	1,979	-1,419
Interim dividend payment			
Other			
Capital Decrease			
Minority			
Net cash provided from financing act	738	-6,502	39,462
CTA	-22	21	-78
Increase/decrease in cash and cash equivalents	2,489	3,212	21,809
Cash at beginning of the period	30,696	6,419	11,376
Cash at the end of the period	33,185	9,631	33,185