



Press release: Melexis reports results for the third quarter 2008.
Intermediate declaration by the Board of Directors.

Leper, Belgium – October 23rd, 2008 at 07.00 hrs CET

Revenues for the third quarter were 48.8 million EUR, a decrease of 4% compared to the same quarter of the previous year.

(in k EURO)	Q3/08	Q3/07	% CHANGE (Y-O-Y)
Sensors	24,178	21,889	10%
Wireless	3,174	3,075	3%
Actuators	14,318	17,912	-20%
Opto	6,102	7,491	-19%
Other	995	562	77%
TOTAL	48,767	50,929	-4%

Gross margin was 21 million EUR, a decrease of 1% compared to the same quarter last year.

The operating result was 10 million EUR, an increase of 2% compared to the same quarter of the previous year.

Net profit was 8.5 million EUR, 20 cent per share, at the same level as the same quarter 2007.

R&D expenses were stable at 15% of sales, Selling was 3% of sales and G&A were stable at 5% of sales.

Melexis purchased 108.700 own shares during the third quarter of 2008 at an average price of 10,36 EUR. As a result the total amount of purchased shares was 1.458.378 on 30th September 2008.

Rudi De Winter, CEO of Melexis comments:

With an average growth of 2% per year, the automotive market is one of the most stable markets in the world. During the previous market downturn in 2001, automotive sales went down by only 0,4% compared to 2000 according to a study from IMF.

Outlook 2008

Due to the high volatility in the markets, Melexis is currently unable to give a clear guidance on its fourth quarter results.

Financial Calendar

- Release of annual results on February 12th 2009





The company's results will be discussed in a conference call on Thursday October 23rd, 2008 at 17 hrs CET. **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=539646&Conf=161389>

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: 811651.

For further information, please contact:

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About Melexis

Melexis Microelectronic Integrated Systems N.V. (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>.

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

in 1.000 EURO		Quarter ended 30/09/2008 unaudited	Quarter ended 30/09/2007 unaudited	Nine months 30/09/2008 unaudited	Nine months 30/09/2007 unaudited	Year ended 31/12/2007 audited
Sales		48,767	50,929	151,851	152,064	204,055
	Cost of sales	-27,778	-29,748	-88,434	-88,906	-119,253
Gross Margin		20,990	21,181	63,417	63,159	84,802
	Goodwill amortization					
	R&D	-7,089	-7,313	-22,236	-21,947	-29,792
	G&A	-2,621	-2,678	-7,729	-7,855	-11,004
	Selling	-1,245	-1,389	-4,030	-4,158	-6,024
	Other operating income					2,886
Income from operations		10,034	9,802	29,421	29,199	40,869
	Other expenses (net)	-470	-815	-779	-1,691	-1,583
Income before taxes		9,564	8,987	28,642	27,508	39,285
	Income taxes	-1,053	-450	-3,155	-1,990	-2,201
Net income		8,511	8,537	25,487	25,518	37,084
Net income per share in EURO		0.20	0.20	0.59	0.59	0.86

Consolidated Balance Sheet

in 1.000 EURO		Nine months 30/09/2008 unaudited	Nine months 30/09/2007 unaudited	Year ended 31/12/2007 audited
Current Assets :				
	Cash and cash equivalents	11,921	10,527	15,265
	Current investments	16,829	23,605	18,838
	A/R Trade	37,695	34,004	34,423
	A/R from related parties	5,057	8,330	3,426
	Advance related parties			
	Other current assets	8,084	9,648	6,258
	Inventories	31,315	38,325	34,891
Total current assets		110,901	124,439	113,101
Non current assets :				
	Costs of incorporation			
	Property, plant and equipment	45,201	47,511	46,412
	Financial fixed assets			
	Intangible fixed assets	548	1,456	1,101
	A/R directors			
	Other non-current assets	73	94	67
	Deferred tax assets	9,470	7,373	8,307
Total non current assets		55,291	56,433	55,887
Total assets		166,192	180,872	168,988





Liabilities and shareholders Equity			
Current liabilities :			
Bank loans and overdrafts	5,605		7,650
Current portion of LT debt	15,149	15,069	15,072
A/P trade	4,774	7,856	8,450
Affiliated companies	5,702	8,506	4,972
Accrued expenses, payroll and taxes	4,831	5,640	4,463
Other current liabilities	1,029	884	1,352
Deferred income	426	493	703
Total current liabilities	37,515	38,449	42,662
Non current liabilities :			
LT debt less current portion	40,497	47,979	48,170
Deferred tax liabilities			
Minority interests	10	10	10
Total non current liabilities	40,507	47,989	48,180
Shareholders' equity :			
Shareholders' capital	565	565	565
Share premium			
Treasury shares	-16,090	-5,586	-5,586
Revaluation reserve	-7,342		-1,429
Legal reserve	57	57	57
Retained earnings	86,804	75,390	49,720
Current period's profit	25,487	25,518	37,084
Cumulative translation adjustment	-1,310	-1,509	-2,264
Total shareholders equity	88,170	94,434	78,147
Total liabilities, shareholders' equity and minority interests	166,192	180,872	168,988

Consolidated statements of cash flow

(in 1,000 EURO)	Quarter ended 30/09/2008 unaudited	Quarter ended 30/09/2007 unaudited	Nine months 30/09/2008 unaudited
Cash flow from operating activities			
Net income	8,511	8,537	25,487
Adjustments :			
- Depreciation	2,990	2,879	8,877
- A/R, Trade	-4,749	578	-3,272
- Due to affiliated companies	-972	1,428	-901
- Inventories	2,807	-271	3,577
- A/P	-1,253	-299	-3,676
- Accrued expenses	-47	378	368
- Other	1,739	185	-4,142
Net cash from operating activities	9,025	13,415	26,317





Cash flow from investing activities			
Acquisition of subsidiary, net of cash acquired			
Financial fixed assets (incl. own shares) (*)	-1,615		-10,503
Purchase of PPE and intangible assets	-2,923	-6,189	-7,556
Interest received	727	616	1,515
Proceeds from current investments	-1,951	-7,924	-3,904
Acquisition of current investments			
Net cash provided from investing activities	-5,763	-13,497	-20,449
Cash flows from financing activities			
Proceeds/Repayment of long-and short-term debt	-1,914	-36	-9,640
Proceeds from bank loans and overdrafts			
Repayment of bank loans and overdrafts			
Proceeds from (repayment of) related party financing	0	1,858	
Proceeds from (repayment of) A/P to directors			
Interim dividend payment			
Other			
Capital Decrease			
Minority			
Net cash provided from financing activities	-1,914	1,822	-9,640
CTA	450	88	428
Increase/decrease in cash and cash equivalents	1,798	1,828	-3,344
Cash at beginning of the period	10,123	8,699	15,265
Cash at the end of the period	11,921	10,527	11,921

Sales per geography:

