



Press release: Melexis announces annual results 2008.

leper, Belgium – February 12th, 2009, at 07.00 CET

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

For the year 2008, revenues were 185.5 million EUR, a decrease of 9% compared to the previous year. Currency fluctuations had a negative effect of 5%. Gross margin was 76 million EUR, a decrease of 10.5% compared to the previous year. The operating result was 29.6 million EUR, a decrease of 28% compared to last year. Net profit was 22.5 million EUR, 39.5% less than the previous year.

Revenues in the 4th quarter of 2008 were 33.7 million EUR, 35% less than the 4th quarter of 2007. Currency fluctuations had a positive effect of 2%. Gross margin was 12.5 million EUR, a decrease of 42% compared to 2007. The operating result was 137 k EUR, compared to 11.7 million EUR in the same quarter last year. R&D expenses were at 22% of sales, while SG&A expenses rose to 13% of sales. The other operating expense of 0.8 million EUR is the result of a restructuring provision. Net loss was 3 million EUR, compared to a net profit of 11.6 million EUR in the same quarter last year.

A different accounting valuation (IFRS39 lite) resulted in 4.25 million EUR impairment charges of the CDO-portfolio and the reclassification of the remaining 10.75 million EUR from current assets to non-current assets (total 15 million EUR CDO's was purchased from a Belgian Bank in 2006). The old valuation until September 30, 2008 was based on market to market valuation and the difference was recorded in revaluation reserves. Up and until today the invested capital is still intact and the portfolio still fully generates its interests.

During the year 2008, the company purchased 1.245.335 additional shares at an average price of 9.78 EUR bringing the total number of own shares at 1.703.713.

Rudi De Winter, CEO of Melexis comments:

“Despite the fact that all our customers run their operations with a tighter budget as before, no development programs have been cancelled. On the contrary, for example, the German automotive industry, being already the highest R&D investor in the country, intends to maintain and even increase their high level of investment in 2009 according to the VDA, the German automobile association (Verband der Automobilindustrie). There is no doubt that the innovation to make cars greener is fully launched and it fits perfectly with the Melexis product offering.”

Françoise Chombar, CEO of Melexis comments:

“Inventory corrections seem to last longer than the 2 months we anticipated, but we still believe in a strong rebound of demand, once inventory levels have bottomed out. Therefore we keep inventory at current levels or even allow them to slightly increase. There are already cautious signs of recovery. Amidst the turmoil, German car manufacturers recorded an increase in incoming orders of 16% in the last week of January, the first rise since September 2008, according to VDA.”





Outlook

Melexis expects sales for the first quarter of 2009 to further decrease with 20-35% compared to the previous quarter, mainly due to further re-active inventory reductions and the frantic search by many of our upstream customers for positive working capital changes.

For the full year Melexis expects revenues to be minimum 155 million EUR and EBIT to be minimum 22 million EUR.

Current budget control and cost reduction programs will result in min. 8 million EUR cost savings in 2009. These savings relate to 4 million EUR savings in operational expenses and another 4 million EUR related to manufacturing operations.

Furthermore, Melexis does not expect to violate any of its bank covenants in 2009.

Financial Calendar

The BOD also agreed to organize an extraordinary shareholders' meeting on April 20th, 2009. The agenda will be published at a later date.

- Shareholders Meeting on April 20th 2009.
- Release of Q1-results on April 23rd 2009.
- Release of H1-results on July 30th 2009.
- Release of Q3-results on October 22nd 2009

The company's results will be discussed in a conference call on Thursday, February 12th, 2009 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=539646&Conf=163988>

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: 824435.

For further information, please contact:

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About Melexis

Melexis 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>.





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

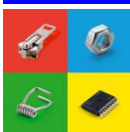
CONFORM IAS	Quarter ended	Quarter ended	Year ended	Year ended
in k EUR	31/12/2008	31/12/2007	31/12/2008	31/12/2007
Sales	33,698	51,991	185,549	204,055
Cost of sales	-21,199	-30,348	-109,633	-119,253
Gross Margin	12,499	21,643	75,917	84,802
R&D	-7,289	-7,845	-29,525	-29,792
G&A	-3,015	-3,149	-10,744	-11,004
Selling	-1,224	-1,866	-5,255	-6,024
Other operating result	-834	2,886	-834	2,886
Income from operations (EBIT)	137	11,669	29,559	40,869
Other expenses (net)	-5,909	108	-6,689	-1,583
Income before taxes	-5,772	11,777	22,870	39,285
Income taxes	2,737	-211	-419	-2,201
Net income	-3,035	11,566	22,451	37,084
Net income per share in EURO	-0.07	0.27	0.52	0.86





Consolidated Balance Sheet

CONFORM IAS in k EUR	Year ended 31/12/2008	Year ended 31/12/2007
Current Assets :		
Cash and cash equivalents	8,129	15,265
Current investments	2,145	18,838
A/R Trade	28,112	34,423
A/R from related parties	7,086	3,426
Advance related parties		
Other current assets	9,744	6,258
Inventories	34,371	34,891
Total current assets	89,586	113,101
Non current assets :		
Costs of incorporation		
Property, plant and equipment	45,029	46,412
Financial assets	10,750	
Intangible fixed assets	466	1,101
A/R directors		
Other non-current assets	60	67
Deferred tax assets	11,550	8,307
Total non current assets	67,854	55,887
Total assets	157,441	168,988





Liabilities and shareholders Equity		
Current liabilities :		
Bank loans and overdrafts		7,650
Derivative financial instruments	2,483	
Current portion of LT debt	15,152	15,072
A/P trade	5,737	8,450
Affiliated companies	2,343	4,972
Accrued expenses, payroll and taxes	5,233	4,463
Other current liabilities	1,396	1,352
Deferred income	570	703
Total current liabilities	32,914	42,662
Non current liabilities :		
LT debt less current portion	62,990	48,170
Deferred tax liabilities		
Minority interests	10	10
Total non current liabilities	63,000	48,180
Shareholders' equity :		
Shareholders' capital	565	565
Share premium		
Treasury shares	-17,757	-5,586
Revaluation reserve Hedge	-957	
Revaluation reserve Fair value	-3,525	-1,429
Legal reserve	57	57
Retained earnings	61,847	49,720
Current period's profit	22,451	37,084
Cumulative translation adjustment	-1,153	-2,264
Total shareholders equity	61,527	78,147
Total liabilities, shareholders' equity and minority interests	157,441	168,988





Consolidated Statements of Cash Flow

CONFORM IAS/IFRS (in k EUR)	Year ended 31/12/2008	Year ended 31/12/2007
Cash flow from operating activities		
Net income	22,451	37,084
Adjustments for :		
Operating activities	14,697	12,081
- Deferred taxes	-3,244	-922
- Provisions	3,209	8
- Capital grants	768	255
- Minority interest		
- Depreciation	11,782	11,693
- Unrealized exchange results	772	-329
- Financial result	1,410	1,376
Operating profit before working capital changes :	37,148	49,165
- A/R, Trade	6,938	-5,847
- A/R, affiliates	-2,629	
- Other current assets	-4,195	-310
- Other non current assets	7	14
- Inventories	-1,211	-5,917
- A/P	-2,861	1,230
- A/P affiliates	-3,659	
- Accrued expenses	3,019	966
- Other current liabilities	1,569	1,099
- Interest paid	-3,653	-3,230
- Income tax	-3,583	-3,817
Net cash from operating activities	26,890	33,238
Cash flow from investing activities		
Acquisition of subsidiary, net of cash acquired		
Financial fixed assets (incl. own shares)	-12,171	
Purchase of PPE and intangible assets (netted)	-9,510	-15,141
Interest received	1,471	2,183
Investments/proceeds/ from current investments (incl. financial assets)	3,846	12,099
Net cash provided from investing activities	-16,364	-859
Cash flows from financing activities		
Proceeds/Repayment of long-and short-term debt	14,900	-14,942
Proceeds/Repayment of bank loans and overdrafts	-7,650	7,650
Proceeds from (repayment of) related party financing		
Proceeds from (repayment of) A/P to directors		
Interim dividend payment	-24,956	-25,670
Capital Decrease		
Minority		1
Net cash provided from financing activities	-17,706	-32,961
CTA	44	-50
Increase/decrease in cash and cash equivalents	-7,136	-632
Cash at beginning of the period	15,265	15,898
Cash at the end of the period	8,129	15,265





Sales per Division:

(in EURO)	2008	2007	% CHANGE (Y-O-Y)
Sensors	84,827,702	86,046,365	-1%
Wireless	12,548,810	13,318,918	-6%
Actuators	58,474,446	71,451,224	-18%
Opto	26,674,591	29,914,294	-11%
Other	3,023,796	3,324,368	-9%
TOTAL	185,549,344	204,055,168	-9%

Sales per geography:

