

## Press release - Regulated Information

### Melexis Q1 2018 results – First quarter sales growth of 13%

#### Intermediate declaration by the Board of Directors

Ieper, Belgium – April 20<sup>th</sup>, 2018, 07.00 hrs CET

CONFORM IFRS <i>in k EUR</i>	Q1 2018	Q1 2017	YOY growth (%)	Q4 2017	SEQ growth (%)
<b>Sales</b>	139,322	123,561	13%	132,683	5%
<b>Gross result</b>	63,110	56,606	11%	61,135	3%
<i>Gross Margin</i>	<i>45.3%</i>	<i>45.8%</i>		<i>46.1%</i>	
<b>EBIT</b>	34,335	31,525	9%	35,981	-5%
<i>EBIT in %</i>	<i>24.6%</i>	<i>25.5%</i>		<i>27.1%</i>	
<b>EBITDA</b>	42,542	38,745	10%	45,038	-6%
<i>EBITDA in %</i>	<i>30.5%</i>	<i>31.4%</i>		<i>33.9%</i>	
<b>Net result</b>	28,786	25,442	13%	26,597	8%
<b>Net result per share (EPS)</b>	0.71	0.63		0.66	
<b>CAPEX</b>	20,436	6,390		13,252	

Sales for the first quarter of 2018 were 139.3 million EUR, an increase of 13% compared to the same quarter of the previous year and an increase of 5% compared to the previous quarter.

The EUR/USD exchange rate evolution had a negative impact of 7% compared to the same quarter of last year and a negative impact of 2% compared to the previous quarter.

The gross result was 63.1 million EUR or 45.3% of sales, an increase of 11% compared to the same quarter of last year and an increase of 3% compared to the previous quarter.

R&D expenses were 13.3% of sales, G&A was at 4.9% of sales and Selling was at 2.4% of sales. The operating result was 34.3 million EUR or 24.6% of sales, an increase of 9% compared to the same quarter of last year and a decrease of 5% compared to the previous quarter.

The net result was 28.8 million EUR or 0.71 EUR per share, an increase of 13% compared to 25.4 million EUR or 0.63 EUR per share in the first quarter of 2017 and an increase of 8% compared to the previous quarter.

#### Outlook

Melexis expects sales in the second quarter of 2018 to be around the same level as the first quarter. For the full year 2018, Melexis expects sales growth to be between 12% and 15%, a gross profit margin around 45% and an operating margin around 25%, all taking into account a EUR/USD exchange rate of 1.23.

**Business comment – Françoise Chombar, CEO:**

"The first quarter of the year 2018 progressed according to expectations. Year over year sales growth was at 13%. Excluding the negative currency impact of the EUR/USD exchange rate, sales growth year over year would have been above 20%. Customer sentiment continues to be positive.

The main growth drivers in the first quarter were pressure sensors, temperature sensors, latch and switch sensors and our embedded lighting products. Also our magnetic position sensors continue to grow well. In March, Melexis launched a next-generation monolithic magnetic sensor family, which provides robust absolute position sensing for automotive applications including powertrain actuators, pedals, and gear shifters. A key feature is the robustness against stray fields that are increasingly present due to the electrification of modern vehicles, especially EV and HEV. It is a typical example of Melexis' ability to continue to innovate, to address new and growing challenges of our customers and to offer performance enhancements.

Sales to automotive customers represented 90% of total sales. The portion of standard product (ASSPs) sales represented 64% of total sales."

**Financial Calendar**

- Dividend pay date: April 26, 2018 (ex coupon on April 24, 2018)
- Publication Q2/HY1 2018 Results: August 1, 2018
- Publication Q3 2018 Results: October 24, 2018
- Publication FY 2018 Results: February 6, 2019

The company's results will be discussed in a **conference call** on Friday, April 20<sup>th</sup>, 2018 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:

<http://emea.directeventreg.com/registration/7855169>

Conference ID: 7855169.

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 +44 14 52 55 00 00, access code: 7855169.

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**About Melexis**

Combining a passion for technology with truly inspired engineering, Melexis designs, develops and delivers innovative micro-electronic solutions that enable designers to turn ideas into applications that support the best imaginable future. The company's advanced mixed-signal semiconductor sensor and actuator components address the challenges of integrating sensing, driving and communication into next-generation products and systems that improve safety, raise efficiency, support sustainability and enhance comfort. Melexis is headquartered in Belgium and employs over 1,400 people in 19 locations worldwide. The company is publicly traded on Euronext Brussels (MELE). For more information, visit [www.melexis.com](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 Income Statement

CONFORM IFRS in k EUR	Quarter ended 31/03/2018	Quarter ended 31/03/2017	Quarter ended 31/12/2017	Year ended 31/12/2017 audited
Sales	139,322	123,561	132,683	511,661
Cost of sales	-76,212	-66,954	-71,548	-276,265
<b>Gross result</b>	<b>63,110</b>	<b>56,606</b>	<b>61,135</b>	<b>235,396</b>
R&D	-18,520	-16,948	-17,852	-69,483
G&A	-6,880	-5,572	-6,319	-23,835
Selling	-3,375	-2,561	-3,174	-11,660
Other operating result			2,190	2,190
<b>Operating result (EBIT)</b>	<b>34,335</b>	<b>31,525</b>	<b>35,981</b>	<b>132,608</b>
Financial result	1,114	-1,276	187	3,379
<b>Result before taxes</b>	<b>35,449</b>	<b>30,249</b>	<b>36,167</b>	<b>135,986</b>
Income taxes	-6,663	-4,806	-9,570	-25,032
<b>Net result</b>	<b>28,786</b>	<b>25,442</b>	<b>26,597</b>	<b>110,955</b>
<b>Net result per share in EUR</b>	<b>0.71</b>	<b>0.63</b>	<b>0.66</b>	<b>2.75</b>

## Consolidated Statement of Financial Position

CONFORM IFRS in k EUR	Quarter ended 31/03/2018	Quarter ended 31/03/2017	Year ended 31/12/2017 audited
Current Assets :			
Cash and cash equivalents	71,798	92,045	75,478
Current investments	2		415
A/R Trade	72,786	60,517	68,753
A/R from related parties	201	9,194	357
Advance related parties			
Assets for current tax	1,315	576	1,589
Assets held for sale			
Other current assets	11,158	12,298	10,121
Inventories	100,771	79,702	97,625
<b>Total current assets</b>	<b>258,032</b>	<b>254,332</b>	<b>254,338</b>
Non-current assets :			
Costs of incorporation			
Property, plant and equipment	129,078	97,591	116,780
Financial assets		6	
Intangible fixed assets	5,610	6,042	5,556
A/R directors			
Other non-current assets	5	8	5
Deferred tax assets	26,070	24,727	26,682
<b>Total non current assets</b>	<b>160,762</b>	<b>128,374</b>	<b>149,022</b>
<b>Total assets</b>	<b>418,794</b>	<b>382,706</b>	<b>403,361</b>

CONFORM IFRS in k EUR	Quarter ended 31/03/2018	Quarter ended 31/03/2017	Year ended 31/12/2017 audited
<b>Liabilities and shareholders Equity</b>			
Current liabilities :			
Bank loans and overdrafts			
Derivative financial instruments	24	1,261	160
Current portion of LT debt	42	4,005	6,043
A/P trade	23,017	18,578	22,262
Affiliated companies	17,005	16,969	17,449
Accrued taxes	20,216	25,965	36,434
Accrued expenses and payroll	13,870	10,104	10,716
Other current liabilities	4,735	2,808	4,055
Deferred income	1,745	2,247	2,896
<b>Total current liabilities</b>	<b>80,655</b>	<b>81,937</b>	<b>100,015</b>
Non current liabilities :			
LT debt less current portion	15,000	11,093	9,043
Deferred tax liabilities			
Other non-current liabilities		2,101	
<b>Total non current liabilities</b>	<b>15,000</b>	<b>13,195</b>	<b>9,043</b>
Shareholders' equity :			
Shareholders' capital	565	565	565
Share premium			
Treasury shares	-3,818	-3,818	-3,818
Revaluation reserve Hedge		-182	-49
Revaluation reserve Fair value			
Legal reserve	57	57	57
Retained earnings	303,381	272,534	192,427
Current period's profit	28,786	25,442	110,955
Cumulative translation adjustment	-5,842	-7,034	-5,844
Equity attributable to company owners	<b>323,129</b>	<b>287,564</b>	<b>294,292</b>
Non controlling interests	10	10	10
<b>Total shareholders equity</b>	<b>323,140</b>	<b>287,574</b>	<b>294,303</b>
<b>Total liabilities, shareholders' equity and minority interests</b>	<b>418,794</b>	<b>382,706</b>	<b>403,361</b>

## Consolidated Statements of Cash Flow

CONFORM IFRS (in k EUR)	Quarter ended 31/03/2018	Quarter ended 31/03/2017	Year ended 31/12/2017 audited
<b>Cash flow from operating activities</b>			
Net income	28,786	25,442	110,955
<b>Adjustments for :</b>			
<b>Operating activities</b>	<b>7,125</b>	<b>6,200</b>	<b>18,694</b>
Deferred taxes	612	-757	-2,712
Capital grants	14	121	1,447
Depreciation and amortisation	8,206	7,220	32,357
Unrealized exchange results	-2,010	1,630	-6,199
Financial result	302	-2,014	-6,199
<b>Operating profit before working capital changes</b>	<b>35,911</b>	<b>31,642</b>	<b>129,649</b>
A/R, Trade	-4,022	5,778	-2,560
A/R, affiliates	157	-8,775	61
Other current assets	-731	-1,932	-1,990
Other non current assets	0	-1	2
Inventories	-3,268	-3,665	-25,352
A/P	751	-978	2,833
A/P affiliates	-444	2,418	2,898
Accrued expenses	8,187	2,674	25,613
Other current liabilities	684	232	1,714
Other non current liabilities	-1,287	485	-2,069
Interest paid	-53	-94	-268
Income tax paid	-21,251	-5,368	-17,226
<b>Cash flow from operating activities</b>	<b>14,634</b>	<b>22,413</b>	<b>113,306</b>
<b>Cash flow from investing activities</b>			
Acquisition of subsidiary, net of cash acquired			6
Financial fixed assets			
Purchase of PPE and intangible assets (netted)	-20,436	-6,390	-46,417
Interest received	3	3	102
Investments/proceeds/ from current investments	412	158	-256
Investments/proceeds/ from non current investments (incl. financial instruments)			2,190
<b>Cash provided from investing activities</b>	<b>-20,020</b>	<b>-6,229</b>	<b>-44,376</b>
<b>Cash flows from financing activities</b>			
Payment to acquire own shares			
Proceeds/Repayment of long-and short-term debt	-43	-42	-50
Proceeds/Repayment of bank loans and overdrafts			
Proceeds from (repayment of) related party financing			
Impact of exchange results on financing items	1,723	115	11,153
Dividend payment			-80,108
Capital Decrease			
Non controlling interests			
<b>Cash provided from financing activities</b>	<b>1,680</b>	<b>73</b>	<b>-69,005</b>
CTA	27	-2	-237
Increase/decrease in cash and cash equivalents	-3,679	16,255	-312
<b>Cash at beginning of the period</b>	<b>75,478</b>	<b>75,789</b>	<b>75,789</b>
<b>Cash at the end of the period</b>	<b>71,798</b>	<b>92,045</b>	<b>75,478</b>

## Sales per Geography

	Q1/18	Q1/17	Q4/17	FY 2017
APAC Asia Pacific	49%	48%	49%	49%
EMEA Europe - Middle-East - Africa	39%	40%	39%	39%
NALA North America - Latin America	12%	12%	12%	12%
<b>TOTAL</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>