



Press release :

Melexis Q4 and FY 2014 results – highest sales growth since 2000

Intermediate declaration by the Board of Directors

Ieper, Belgium – February 4th, 2015, 07.00 hrs CET

For the year 2014, sales were 332.4 million EUR, an increase of 21% compared to the previous year. The EUR/USD exchange rate evolution had a negative impact of 2% compared to 2013. Gross margin was 161.3 million EUR, an increase of 26% compared to 2013. R&D expenses were 13.7% of sales, G&A was at 4.9% of sales and Selling was at 2.4% of sales. The operating result was 89.2 million EUR, an increase of 40% compared to last year. Net income was 85.0 million EUR, 2.10 EUR per share, an increase of 54% compared to 55.2 million EUR or 1.37 EUR per share in 2013.

Sales for the fourth quarter of 2014 were 88.1 million EUR, an increase of 17% compared to the same quarter of the previous year and an increase of 2% versus the previous quarter. The EUR/USD exchange rate evolution had a positive impact of 3% compared to the same quarter of the previous year and a positive impact of 3% compared to the previous quarter. Gross margin was 43.8 million EUR, an increase of 25% compared to the same quarter of last year. R&D expenses were 14.5% of sales, G&A was at 5.3% of sales and Selling was at 2.3% of sales. The operating result was 22.0 million EUR, an increase of 22% compared to the same quarter of 2013. Net income was 20.2 million EUR, 0.50 EUR per share, an increase of 28% compared to 15.8 million EUR or 0.39 EUR per share in the fourth quarter of 2013.

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Outlook

Melexis expects sales in the first quarter of 2015 to be around the level of 94 million EUR. Assuming a stable EUR/USD exchange rate versus 2014, Melexis expects sales growth in 2015 to be between 8% and 14%, a gross profit margin above 47% and an operating margin above 25%. Taking into account a EUR/USD exchange rate of 1.15, the sales growth is expected to be between 18% and 24% with an operating margin above 26%.

Business comment – Françoise Chombar, CEO:

"2014 is the first year since 2000 that Melexis experienced a sales growth of over 20%, except of course for the post-crisis year 2010 which was by all means very exceptional.

For the full year 2014, the main contributors for growth were magnetic sensors and sensor interfaces.

A more than average sales growth was equally noted for temperature sensors, pressure sensors and micro-actuators.

The same product lines were the ones to show an above average performance in the fourth quarter. We saw a better than expected demand in the last weeks of 2014. Combined with a stronger USD rate, this resulted in another quarterly record sales number.

Sales to automotive customers were 89% of sales in the fourth quarter and 88% of sales in 2014.

The portion of ASSP sales in the fourth quarter and full year represented 56%, 3% higher than in the full year 2013."



The statutory auditor BDO Bedrijfsrevisoren Burg. Ven. CVBA, has 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.

Financial Calendar

- Annual Shareholders Meeting: April 20, 2015
- Publication Q1 2015 Results: April 23, 2015
- Publication Q2/HY1 2015 Results: July 29, 2015
- Publication Q3 2015 Results: October 21, 2015
- Publication FY 2015 Results: February 10, 2016

The company's results will be discussed in a **conference call** on Wednesday, February 4th, 2015 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:

<https://eventreg1.conferencing.com/webportal3/reg.html?Acc=228198&Conf=192029>

Conference ID: 950662.

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: 950662.

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About Melexis

Melexis NV (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 are the essential element in nearly every one of our customers' extraordinary systems. At Melexis we engineer the sustainable future. 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 Income Statement

CONFORM IFRS		Quarter ended	Quarter ended	Year ended	Year ended
in k EUR		31/12/2014	31/12/2013	31/12/2014	31/12/2013
				audited	audited
Sales		88,133	75,122	332,408	275,352
	Cost of sales	-44,315	-40,185	-171,102	-147,823
Gross Margin		43,819	34,937	161,306	127,529
	R&D	-12,805	-10,653	-45,434	-41,373
	G&A	-4,654	-4,087	-16,381	-14,925
	Selling	-2,035	-2,112	-7,976	-7,518
	Other operating result	-2,340		-2,340	
Operating result		21,984	18,086	89,175	63,713
	Financial result	1,099	522	2,908	-495
Income before taxes		23,083	18,607	92,083	63,218
	Income taxes	-2,843	-2,761	-7,089	-8,005
Net income		20,240	15,846	84,994	55,214
Net income per share in EUR		0.50	0.39	2.10	1.37

Consolidated Statement of Financial Position

CONFORM IFRS		Year ended	Year ended
in k EUR		31/12/2014	31/12/2013
		audited	audited
Current Assets :			
	Cash and cash equivalents	59,610	27,722
	Current investments	17	3,827
	A/R Trade	40,382	39,467
	A/R from related parties	1,584	1,636
	Advance related parties		
	Assets for current tax	978	4,803
	Assets held for sale	1,210	
	Other current assets	5,911	6,466
	Inventories	56,412	44,265
	Total current assets	166,103	128,187
Non-current assets :			
	Costs of incorporation		
	Property, plant and equipment	71,733	66,324
	Financial assets	6	6
	Intangible fixed assets	4,723	4,727
	A/R directors		
	Other non-current assets	964	1,477
	Deferred tax assets	13,245	14,096
	Total non current assets	90,671	86,630
Total assets		256,773	214,817





CONFORM IFRS in k EUR	Year ended 31/12/2014 audited	Year ended 31/12/2013 audited
Liabilities and shareholders Equity		
Current liabilities :		
Bank loans and overdrafts		
Derivative financial instruments	2,050	1,146
Current portion of LT debt	4,148	4,147
A/P trade	13,863	13,896
Affiliated companies	6,159	7,461
Accrued taxes	4,894	3,681
Accrued expenses and payroll	6,585	5,171
Other current liabilities	1,343	1,251
Deferred income	436	549
Total current liabilities	39,480	37,302
Non current liabilities :		
LT debt less current portion	14,033	18,177
Deferred tax liabilities		
Other non-current liabilities	1,899	1,700
Total non current liabilities	15,932	19,877
Shareholders' equity :		
Shareholders' capital	565	565
Share premium		
Treasury shares	-3,818	-3,818
Revaluation reserve Hedge	-453	-261
Revaluation reserve Fair value	0	1,304
Legal reserve	57	57
Retained earnings	120,384	105,224
Current period's profit	84,994	55,214
Cumulative translation adjustment	-379	-657
Equity attributable to company owners	201,351	157,628
Non controlling interests	10	10
Total shareholders equity	201,361	157,638
Total liabilities, shareholders' equity and minority interests	256,773	214,817





Consolidated Statements of Cash Flow

CONFORM IFRS (in k EUR)	Year ended 31/12/2014 audited	Year ended 31/12/2013 audited
Cash flow from operating activities		
Net income	84,994	55,214
Adjustments for :		
Operating activities	21,167	17,103
Deferred taxes	851	709
Capital grants	677	1,161
Depreciation and amortisation	22,115	15,509
Unrealized exchange results	995	-226
Financial result	-3,471	-51
Operating profit before working capital changes	106,161	72,316
A/R, Trade	-1,957	-4,847
A/R, affiliates	53	-1,000
Other current assets	3,512	2,604
Other non current assets	484	4,074
Inventories	-15,225	-7,544
A/P	-32	1,575
A/P affiliates	-1,302	2,781
Accrued expenses	6,903	5,370
Other current liabilities	95	74
Other non current liabilities	991	286
Interest paid	-412	-519
Income tax	-4,276	-4,347
Cash flow from operating activities	94,994	70,825
Cash flow from investing activities		
Acquisition of subsidiary, net of cash acquired		
Financial fixed assets		
Purchase of PPE and intangible assets (netted)	-23,694	-22,532
Interest received	482	690
Investments/proceeds/ from current investments (incl. financial instruments)	4,307	125
Cash provided from investing activities	-18,905	-21,717
Cash flows from financing activities		
Payment to acquire own shares		
Proceeds/Repayment of long-and short-term debt	-4,146	-14,648
Proceeds/Repayment of bank loans and overdrafts		
Proceeds from (repayment of) related party financing		
Dividend payment	-40,054	-28,038
Capital Decrease		
Non controlling interests		
Cash provided from financing activities	-44,200	-42,686
CTA	-487	-16
Increase/decrease in cash and cash equivalents	31,888	6,405
Cash at beginning of the period	27,722	21,317
Cash at the end of the period	59,610	27,722





Sales per Geography

	Q4/14	Q4/13	Q3/14	2014	2013
APAC Asia Pacific	47%	43%	46%	44%	41%
EMEA Europe - Middle-East - Africa	39%	41%	38%	41%	42%
NALA North America - Latin America	14%	16%	16%	15%	17%
TOTAL	100%	100%	100%	100%	100%

