



Press release:

Melexis Q4 and FY 2015 results – Melexis sales exceed 400 million euro

Intermediate declaration by the Board of Directors

leper, Belgium – February 10th, 2016, 07.00 hrs CET

For the year 2015, sales were 400.1 million EUR, an increase of 20% compared to the previous year. The EUR/USD exchange rate evolution had a positive impact of 11% compared to 2014. Gross margin was 192.1 million EUR, an increase of 19% compared to 2014. R&D expenses were 14.2% of sales, G&A was at 4.8% of sales and Selling was at 2.2% of sales. The operating result was 107.6 million EUR, an increase of 21% compared to last year. Net income was 99.1 million EUR, 2.45 EUR per share, an increase of 17% compared to 85.0 million EUR or 2.10 EUR per share in 2014.

Sales for the fourth quarter of 2015 were 102.4 million EUR, an increase of 16% compared to the same quarter of the previous year and an increase of 1% compared to the previous quarter. The EUR/USD exchange rate evolution had a positive impact of 9% compared to the same quarter of last year and no impact compared to the previous quarter. Gross margin was 47.5 million EUR, an increase of 8% compared to the same quarter of last year. R&D expenses were 15.8% of sales, G&A was at 5.1% of sales and Selling was at 2.2% of sales. The operating result was 23.9 million EUR, an increase of 9% compared to the same quarter of the previous year. Net income was 22.0 million EUR or 0.54 EUR per share, an increase of 9% compared to 20.2 million EUR or 0.50 EUR per share in the fourth quarter of 2014.

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Dividend

The Board of Directors approved on February 8th 2016 to propose to the Annual Shareholder meeting to pay out over the result of 2015 a total dividend of EUR 1.90 gross per share. This amount contains an interim dividend of EUR 1.30 per share which was paid in October 2015 and a final dividend of EUR 0.60 per share which will be payable after approval of the Annual Shareholders meeting. The Melexis shares will start trading ex coupon on April 26, 2016 (opening of the market). The record date is April 27, 2016 (closing of the market) and the dividend will be payable as from April 28, 2016.

Outlook

Melexis expects sales in the first quarter of 2016 to be around the level of 105 million EUR. For full year 2016, Melexis expects sales growth to be between 8% and 12%, a gross profit margin around 47% and an operating margin around 25%, all taking into account a EUR/USD exchange rate of 1.10.





Business comment – Françoise Chombar, CEO:

“With a year over year sales growth of more than 20%, a gross profit margin of 48% and an operating margin close to 27%, Melexis successfully accomplishes its 2015 full year guidance. We are extremely proud to achieve this result in a year which was, especially in the second half, marked by increased economic uncertainty resulting in cautious order behavior and inventory management by a number of customers. This performance clearly demonstrates that the Melexis product portfolio is able to address its customer challenges to build the car of the future: smart, safe, sustainable and stylish.

Sales in the fourth quarter increased slightly versus the third quarter, mainly due to a stronger USD currency versus the EUR. Also end of year order behavior was a touch stronger than anticipated. Melexis continues to invest in new equipment and research and development, confidently preparing the company for continued growth.

In line with the October announcement, we observe improved momentum in the beginning of 2016.

In 2015, the main contributors for growth were magnetic sensors and sensor interfaces. Other product lines outperforming company growth were wireless sensing, far infrared (FIR) and local interconnect network (LIN).

Sales to automotive customers represented 89% of total sales, both in the fourth quarter and full year 2015. The portion of standard product (ASSPs) sales represented 60% of total sales in the fourth quarter and 58% of sales for the full year 2015.”

Financial comment – Karen van Griensven, CFO

“The full year 2015 results demonstrated the ability of Melexis to combine an increased R&D spending with a record cash flow generation. We have confidence in the future. As a consequence, the Board of Directors proposed to pay out an additional final dividend to bring net cash in line with future business needs.”

Financial Calendar

- Annual Shareholders Meeting: April 20, 2016
- Publication Q1 2016 Results: April 22, 2016
- Dividend pay date: April 28, 2016 (ex coupon on April 26, 2016)
- Publication Q2/HY1 2016 Results: July 27, 2016
- Publication Q3 2016 Results: October 26, 2016
- Publication FY 2016 Results: February 8, 2017

The company’s results will be discussed in a **conference call** on Wednesday, February 10th, 2016 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=713722&Conf=194138>

Conference ID: 957184.

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: 954379.

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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		31/12/2015	31/12/2014	31/12/2015	31/12/2014
				audited	audited
Sales		102,396	88,133	400,136	332,408
	Cost of sales	-54,904	-44,315	-208,015	-171,102
Gross Margin		47,492	43,819	192,121	161,306
	R&D	-16,136	-12,805	-56,737	-45,434
	G&A	-5,237	-4,654	-19,090	-16,381
	Selling	-2,216	-2,035	-8,690	-7,976
	Other operating result		-2,340		-2,340
Operating result		23,904	21,984	107,604	89,175
	Financial result	249	1,099	1,869	2,908
Income before taxes		24,154	23,083	109,473	92,083
	Income taxes	-2,138	-2,843	-10,402	-7,089
Net income		22,016	20,240	99,071	84,994
Net income per share in EUR		0.54	0.50	2.45	2.10

Consolidated Statement of Financial Position

CONFORM IFRS		Year ended	Year ended
in k EUR		31/12/2015	31/12/2014
		audited	audited
Current Assets :			
	Cash and cash equivalents	73,838	59,610
	Current investments	49	17
	A/R Trade	51,243	40,382
	A/R from related parties	1,999	1,584
	Advance related parties		
	Assets for current tax	1,384	978
	Assets held for sale	289	1,210
	Other current assets	5,237	5,911
	Inventories	64,099	56,412
	Total current assets	198,140	166,103
Non-current assets :			
	Costs of incorporation		
	Property, plant and equipment	90,300	71,733
	Financial assets	6	6
	Intangible fixed assets	7,440	4,723
	A/R directors		
	Other non-current assets	8	964
	Deferred tax assets	10,877	13,245
	Total non current assets	108,630	90,671
Total assets		306,770	256,773





CONFORM IFRS in k EUR	Year ended 31/12/2015 audited	Year ended 31/12/2014 audited
Liabilities and shareholders Equity		
Current liabilities :		
Bank loans and overdrafts		
Derivative financial instruments	1,627	2,050
Current portion of LT debt	7,046	4,148
A/P trade	15,247	13,863
Affiliated companies	10,791	6,159
Accrued taxes	6,543	4,894
Accrued expenses and payroll	7,135	6,585
Other current liabilities	3,258	1,343
Deferred income	2,358	436
Total current liabilities	54,005	39,480
Non current liabilities :		
LT debt less current portion	8,138	14,033
Deferred tax liabilities		
Other non-current liabilities	2,116	1,899
Total non current liabilities	10,254	15,932
Shareholders' equity :		
Shareholders' capital	565	565
Share premium		
Treasury shares	-3,818	-3,818
Revaluation reserve Hedge	-372	-453
Revaluation reserve Fair value		0
Legal reserve	57	57
Retained earnings	153,308	120,384
Current period's profit	99,071	84,994
Cumulative translation adjustment	-6,311	-379
Equity attributable to company owners	242,500	201,351
Non controlling interests	10	10
Total shareholders equity	242,511	201,361
Total liabilities, shareholders' equity and minority interests	306,770	256,773





Consolidated Statements of Cash Flow

CONFORM IFRS (in k EUR)	Year ended 31/12/2015 audited	Year ended 31/12/2014 audited
Cash flow from operating activities		
Net income	99,071	84,994
Adjustments for :		
Operating activities	26,017	21,167
Deferred taxes	2,368	851
Capital grants	806	677
Depreciation and amortisation	22,809	22,115
Unrealized exchange results	148	995
Financial result	-114	-3,471
Operating profit before working capital changes	125,089	106,161
A/R, Trade	-10,890	-1,957
A/R, affiliates	-415	53
Other current assets	-421	3,512
Other non current assets	956	484
Inventories	-10,551	-15,225
A/P	1,342	-32
A/P affiliates	4,632	-1,302
Accrued expenses	6,505	6,903
Other current liabilities	1,727	95
Other non current liabilities	1,714	991
Interest paid	-383	-412
Income tax	-4,307	-4,276
Cash flow from operating activities	114,998	94,994
Cash flow from investing activities		
Acquisition of subsidiary, net of cash acquired		
Financial fixed assets		
Purchase of PPE and intangible assets (netted)	-40,281	-23,694
Interest received	361	482
Investments/proceeds/ from current investments (incl. financial instruments)	-33	4,307
Cash provided from investing activities	-39,953	-18,905
Cash flows from financing activities		
Payment to acquire own shares		
Proceeds/Repayment of long-and short-term debt	-3,010	-4,146
Proceeds/Repayment of bank loans and overdrafts		
Proceeds from (repayment of) related party financing		
Impact of exchange results on financing items	-5,738	
Dividend payment	-52,070	-40,054
Capital Decrease		
Non controlling interests		
Cash provided from financing activities	-60,818	-44,200
CTA	0	-487
Increase/decrease in cash and cash equivalents	14,227	31,888
Cash at beginning of the period	59,610	27,722
Cash at the end of the period	73,838	59,610





Sales per Geography

	Q4/15	Q4/14	Q3/15	2015	2014
APAC Asia Pacific	46%	47%	45%	46%	44%
EMEA Europe - Middle-East - Africa	40%	39%	41%	40%	41%
NALA North America - Latin America	14%	14%	14%	14%	15%
TOTAL	100%	100%	100%	100%	100%

