



MEMSCAP
The Power of a Small World™

MEMSCAP FURTHER OPTIMISES ITS COST STRUCTURE

The Group cancels its Bernin offices lease ahead of the term

Grenoble, France and Durham, North Carolina, December 12, 2006 – MEMSCAP (Euronext: MEMS), the leading provider of innovative solutions based on MEMS (micro-electro-mechanical systems) technology, today announces it has cancelled its Bernin offices commercial lease ahead of the planned term.

This operation is part of the Group cost and financial commitments reduction momentum. Combined with the internal growth, this had already enabled the Company to reach a positive net consolidated result in the 3rd quarter 2006.

MEMSCAP had announced in October 2005 the sale of its Bernin offices building, followed by the sale, in July 2006, of its Bernin industrial site, leading to a total annulment of the Group financial liabilities as well as to a cash increase.

The sale of the offices building was made in parallel to a 6 years lease commitment by MEMSCAP. The early cancellation of this lease will enable a reduction of the operational expenses by more than 122 000 euros per quarter.

The total economy thus realized by MEMSCAP, and corresponding, over the lease period, to the termination of the financial commitment linked to the lease (including associated costs and taxes), amounts to 2.2 million euros.

The Company will relocate its teams as well as its French R&D and manufacturing activities, in the same geographic area, right in the heart of the Rhône-Alpes micro-electronics valley.

With an equivalent perimeter over fiscal year 2007, MEMSCAP expects a reduction of its operational expenses around 0.4 million euros.

About MEMSCAP

MEMSCAP is the leading provider of innovative micro-electro-mechanical systems (MEMS)-based solutions. MEMSCAP standard and custom products and solutions include components, component designs (IP), manufacturing and related services. MEMSCAP customers include Fortune 500 businesses, major research institutes and universities. The company's shares are traded on the Eurolist of Euronext Paris S.A (ISIN: FR0010298620-MEMS), where MEMSCAP belongs to the Next Economy segment. More information on the company's products and services can be obtained at www.memscap.com.

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