



MEMSCAP
The Power of a Small World™

Q1 2012 EARNINGS: 29% INCREASE IN SALES

Operating earnings at break-even level

Grenoble, France and Durham, North Carolina, April 25, 2012 - MEMSCAP (NYSE Euronext: MEMS), the leading provider of innovative solutions based on MEMS (micro-electro-mechanical systems) technology, today announced its earnings for the first quarter ending March 31, 2012.

Consolidated revenue for the first quarter 2012 was 3.2 million euros (4.2 million US dollars) compared to 2.5 million euros (3.4 million US dollars) for the first quarter 2011 and 3.0 million euros (4.1 million dollars) for the fourth quarter 2011. The revenue of the first quarter 2012 is therefore increasing by 29% compared to Q1 2011 and confirms the sales recovery of the Group that was initiated during the previous quarter.

Consolidated revenue distribution by market segment, over the first quarter 2012, is as follows:

Market Segments	Revenue (M€)	%
Aerospace	1.3	40%
Optical Communications / Adaptive Optics	0.8	25%
Medical / Biomedical	0.6	20%
Other Applications	0.5	15%
Total	3.2	100%

(Any apparent discrepancies in totals are due to rounding.)

In accordance with the level of sales volume, MEMSCAP's gross margin rate for the first quarter 2012 ended at 35% of the revenue, compared to 30% for the first quarter 2011 and 35% for the fourth quarter 2011.

For the first quarter 2012, MEMSCAP reported operating earnings at break-even point, at the same level than the fourth quarter 2011, and showing a strong increase compared to the (0.4) million euro operating loss reported for the first quarter 2011.

Net loss for the quarter amounted to (0.1) million euros, which is similar to the fourth quarter 2011 net result and is to be compared to the (0.4) million euro net loss for the first quarter 2011.

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MEMSCAP's consolidated earnings for the first quarter of 2012 are given by the following table:

<i>In million euros – Non audited</i>	Q4 11	Q1 12	Q1 11
Revenue	3.0	3.2	2.5
- Standard Products	1.8	1.8	1.6
- Custom Products	1.2	1.4	0.9
Cost of revenue	(2.0)	(2.1)	(1.7)
Gross margin	1.1	1.1	0.7
% of revenue	35%	35%	30%
Other income	--	--	0.1
Operating expenses	(1.1)	(1.2)	(1.3)
Operating profit / (loss)	0.0	0.0	(0.4)
Financial profit / (loss)	(0.1)	(0.1)	--
Income tax expense	--	--	--
Net profit / (loss)	(0.1)	(0.1)	(0.4)

(Any apparent discrepancies in totals are due to rounding.)

Analysis and perspectives

MEMSCAP's earnings for the first quarter of 2012 validate sales recovery observed during the fourth quarter of 2011, especially on both avionics and optical communications market segments. The consolidated revenue experiences a sequential quarterly growth thanks to the development of new applications.

In addition, the success of the rights issue transaction, finalized on February 7 2012 for an amount of 1.2 million euros, allows the Group to accelerate its current development programs in its core businesses.

MEMSCAP general shareholders' meeting will take place on June 28 2012, at 4:00 PM, in Bernin (38 - France)

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 NYSE Euronext Paris S.A (ISIN: FR0010298620-MEMS) and belong to the CAC small, CAC Mid & Small, CAC All-Tradable and CAC All-Share indexes. More information on the company's products and services can be obtained at www.memscap.com.

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