



MEMSCAP ANNOUNCES THE EXERCISE BY ITS SHAREHOLDERS OF 9 926 088 WARRANTS LEADING TO 1 654 348 NEW COMPANY SHARES

An important participation of the float

Grenoble, France and Durham, North Carolina, March 4, 2004 – MEMSCAP (Euronext: MEN), the leading provider of innovative solutions based on MEMS (micro-electro-mechanical systems) technology, today announces that, following the issuance of warrants reserved to the shareholders, 9 926 088 warrants have been exercised leading to 1 654 348 new company shares. The subscription amount resulting from this operation has generated for the Company a contribution in cash of 595 565 euros.

In the scope of the capital increase of December 29, 2003, MEMSCAP had opened to its shareholders the possibility of participating to the capital increase through the exercise of warrants. Each shareholder had then received a free warrant for each share of the Company held on December 29, 2003. The time frame to exercise the warrants was expiring on February 7, 2004, with six warrants held giving right to purchase one MEMSCAP share at a price of 0.36€.

Realized under the control of the French Commission for Stock-Exchange Operations (A.M.F), this operation was widely followed by the float, as was the first operation made in November 2003.

«2003 was a year focused around a major project so as to set the path to growth and profitability. We made strategic choices designed to build good foundations for 2004, and we acted upon these. » states Jean Michel Karam, Chairman and Chief Executive Officer of MEMSCAP. « The important participation of our shareholders represents a strong encouragement for our teams and I would like to thank them for that ».

Further to this operation, the Share Capital of MEMSCAP will be composed of 107 883 409 shares.

About MEMSCAP

MEMSCAP is the leading provider of innovative micro-electro-mechanical systems (MEMS)-based solutions. MEMSCAP solutions include components, component designs (IP), design software, manufacturing and related services. MEMSCAP customers include Fortune 500 businesses, major research institutes and universities. The company's shares are traded on Euronext (FR0004155455-MEN), where MEMSCAP belongs to the Next Economy segment, to the SBF250 and ITCAC50 indexes. More information on the company's products and services can be obtained at <http://www.memscap.com>

For more information contact:

Aurore Foulon
Vice-President Corporate Communications,
Corporate Counsel
MEMSCAP
Tel. : +33 (0)4 76 92 85 00
aurore.foulon@memscap.com

Philippe Bringuier
Chief Financial Officer
MEMSCAP
Tel. : +33 (0) 4 76 92 85 00
philippe.bringuier@memscap.com