



**MEMSCAP**  
*The Power of a Small World™*

## Q3 2013 EARNINGS: CONSOLIDATED REVENUE GROWTH OF 5%

**EUR.3.2 million euros consolidated revenue**

**Grenoble, France and Durham, North Carolina, October 25, 2013** - MEMSCAP (NYSE Euronext: MEMS), the leading provider of innovative solutions based on MEMS (micro-electro-mechanical systems) technology, today announced its earnings for the third quarter ending September 30, 2013.

Consolidated revenue for the third quarter 2013 increased by 5% at 3.2 million euros (4.2 million US dollars) compared to 3.0 million euros (3.8 million US dollars) for the third quarter 2012.

The sales growth amounts to 16% for the nine-month period ending September 30, 2013 compared to the previous period in 2012.

Consolidated revenue distribution by market segment, over the third quarter 2013, is as follows:

Market Segments	Revenue (M€)	%
Aerospace	1.5	49%
Medical / Biomedical	0.5	16%
Mass market	0.5	15%
Optical Communications / Adaptive Optics	0.5	14%
Other Applications	0.2	6%
<b>Total</b>	<b>3.2</b>	<b>100%</b>

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

The sales related to the mass market segment decreased compared to Q2 2013 due to high inventory levels within the supply chain.

The consolidated gross margin rate remained stable at 21% of the Group's revenue. Operating expenses amounted to 1.1 million euros, in line with the previous quarters. The operating loss amounted to (0.4) million euros versus (0.5) million euros for Q3 2012.

Including a 0.1 million euros financial gain, the net loss amounted to (0.3) million euros at a similar level than Q2 2013 and to be compared to (0.5) million euros for Q3 2012.

Group's available liquidities amount to 2.7 million euros at the end of September 2013.

\* \* \*

MEMSCAP's consolidated earnings for the third quarter of 2013 are given by the following table:

<i>In million euros – Non audited</i>	<b>Q1 13</b>	<b>Q2 13</b>	<b>Q3 13</b>	<b>Q3 12</b>
Revenue	3.7	4.0	3.2	3.0
- Standard Products	2.0	2.2	2.0	1.7
- Custom Products	1.7	1.8	1.2	1.3
Cost of revenue	(2.9)	(3.2)	(2.5)	(2.4)
Gross margin	0.7	0.8	0.7	0.6
% of revenue	20%	20%	21%	21%
Operating expenses	(1.1)	(1.1)	(1.1)	(1.1)
Operating profit / (loss)	(0.4)	(0.3)	(0.4)	(0.5)
Financial profit / (loss)	--	--	0.1	--
Income tax expense	--	--	--	--
Net profit / (loss)	(0.4)	(0.3)	(0.3)	(0.5)

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

### **Analysis and perspectives**

In the coming months, the available inventories of parts dedicated to the mass market segment shall remain high within the supply chain. However, MEMSCAP forecasts sustainable demand on the avionics and medical market segments.

### **Q4 2013 Earnings: January 28, 2014**

#### **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](http://www.memscap.com).

*For more information, please contact:*

Yann Cousinet  
 CFO  
 Ph: +33 (0) 4 76 92 85 00  
 Email: [yann.cousinet@memscap.com](mailto:yann.cousinet@memscap.com)