



MEMSCAP SHAREHOLDER MEETING-DECEMBER 21, 2004

*The Company presents its shareholders a text of resolutions that
Mirrors a year of numerous achievements*

Grenoble, France and Durham, North Carolina, November 18, 2004 – MEMSCAP (Euronext: MEN), MEMSCAP (Euronext: MEN), the leading provider of innovative solutions based on MEMS (micro-electro-mechanical systems) technology, today announces the date of its next Extraordinary Shareholder Meeting.

Convened to ratify the acquisition of company Optogone, this shareholder meeting will also vote on some majors points in the Group strategy, planned to maintain its growth and reinforce its financial fundamentals.

1. ACQUISITION FINANCED THROUGH STOCK

As previously announced, MEMSCAP will propose its shareholders the acquisition of Optogone for 3.8 millions euros, by issuing 12 961 952 MEMSCAP common shares. In addition, MEMSCAP may issue 3 030 303 additional shares as consideration, contingent on Optogone achieving certain revenue targets over the 24 months period after closing.

2. CAPITAL INCREASE THROUGH INCORPORATION OF SHAREHOLDERS' CURRENT ACCOUNTS

The Shareholder meeting will also vote on a reserved capital increase, for the incorporation of all the shareholders current accounts ("*comptes courants d'associés*"), mainly originating from Executives and Board Members and thus converting into shares a MEMSCAP debt of 964.731 euros.

3. CAPITAL INCREASE THROUGH INCORPORATION OF PART OF AN ACCOUNT PAYABLE

MEMSCAP has signed an agreement that puts an end to a litigation with a provider, bringing the amount claimed from 2.1 million Euros tax included, to 1.5 million euros tax included, for which payment will be made with 500.000 euros in cash and 1 million euros in shares.

This agreement will enable to reduce the Company debt by 2 million euros and to generate an exceptional profit of 419.000 euros over the fourth quarter.

Furthermore, the Company has signed an agreement with one of its clients, enabling the payment of a litigious debt and generating an exceptional profit for 800.000 dollars over the fourth quarter.

These two agreements will enable the Company to generate over the fourth quarter an exceptional profit exceeding one million euro.

4. SPIN-OFF OF THE ‘SKIN STATION ‘ ACTIVITY : INTUISKIN

After a first phase dedicated to development, design, and prototyping, 2004 enabled MEMSCAP to validate with the medical community the scientific value of the Skin Station. Machines were sold, via Laboratoires La Licorne, to selected dermatologists who wrote White Papers on the scientific advantages of the Skin Station. The scientific and medical foundations of the Skin station being established and the patents allowed, MEMSCAP is starting a new phase towards the spread of the Skin Station and the diversification of its version and applications (i.e cosmetic industry, consumers,...)

The Shareholder meeting will therefore vote on the spin-off of this activity into an entity, IntuiSkin, fully owned by the Group, in order to offer this activity the means to find the financial and commercial partners that are necessary for its industrial expansion.

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>

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