



For Release October 31, 2002

**MEMSCAP FINALIZES JDSU/CRONOS ACQUISITION AND FAB FINANCING;
ANNOUNCES Q3 REVENUE**

GRENOBLE, France and SAN JOSE, California, Oct. 31, 2002 -- MEMSCAP (Euronext: MEMS), the leading provider of innovative solutions based on MEMS (micro-electromechanical systems), today announced revenues for the third quarter ending September 30, 2002. Additionally, the company announced that its stockholders have approved the acquisition of JDS Uniphase's Cronos MEMS division and that it has completed the financing of its new MEMS fabrication facility in Bernin, France.

Finalization of the Cronos Acquisition from JDS Uniphase

In a general shareholders meeting held today, MEMSCAP shareholders approved by a large majority all the proposed resolutions relating to the acquisition by MEMSCAP of U.S.-based JDS Uniphase's Cronos MEMS division. At a subsequent board meeting, the directors verified that all contingent conditions specified in the acquisition agreement of August 2002 had been met, and finalized the increase in capitalization to 65,010,311 shares through the issue to JDS Uniphase of 4,000,000 common shares and 6,500,000 shares of common stock with warrants. The increase will take effect October 31.

The assets acquired by MEMSCAP from JDS Uniphase include existing contracts, current customers, and manufacturing equipment as well as a large patent portfolio. The acquisition reinforces MEMSCAP's presence in North America and brings the company a fully operational organization that is well established in MEMS design and foundry services as well as in the fiber optic MEMS business. By integrating Cronos and its new fabrication facility in Bernin, MEMSCAP expects to expand its technical capabilities, offering a significant contribution to 2003 revenues.

Third Quarter Revenues

Revenues for the third quarter of 2002 were 1.3 million Euros (compared with 1.0 million Euros for the same period in 2001), marked by the beginning of sales revenue for optical MEMS components produced at the company's new facility. Twenty customers (3 in Europe, 3 in Asia and 14 in the United States) have submitted orders for small numbers of optical switches, with the potential for significant volume orders beginning in 2003. As President and CEO Jean-Michel Karam has emphasized since July, "manufacturing and the normal sales cycle entail certain unavoidable delays for any organization, even with the strong performance of our teams and our technology."

Sales activity within MEMSCAP's sensor solutions business unit (formerly Capto) has accelerated in the last few weeks and new contracts have been signed, with revenue showing up in fourth quarter numbers.

The company also expects an increase in computer-aided design and in wireless communications revenue for the fourth quarter, fueled by orders booked in October.

Cash Reserves

As reported in the half year communiqué, MEMSCAP has finalized two lease back agreements with two banking syndicates for equipment and facilities refinancing. MEMSCAP has recently drawn the complete payment for the lease back related to the facilities totaling 23.3 million Euros (including taxes), as well as the first amount under the sale and lease back agreement related to the equipment totaling 8.4 million Euros (including taxes). As of September 30, the company had 35 million Euros in its treasury, including proceeds from from above described operations. Additionally, the company plans to draw the balance under the sale and lease back agreement related to the equipment, a total of 13.2 million Euros (including taxes).

About MEMSCAP

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

For more information contact :

Vincent Tempelaere
Investor Relations and M&A
MEMSCAP
Tél. : +33 (0)4 76 92 85 00
vincent.tempelaere@memscap.com

Aurore Foulon
Corporate Communications
MEMSCAP
Tél. : +33 (0)4 76 92 85 00
aurore.foulon@memscap.com

Tom Breunig
Marketing Communications
MEMSCAP
Tél. : +1 408 392-7570
tom.breunig@memscap.com

EURO RSCG OMNIUM
Laure Chabert
Tel. : + 33 (0)1 41 34 48 55
Laure.chabert@eurorscg.fr