



MEMSCAP
The Power of a Small World™

MEMSCAP Q2 2015: NET PROFIT OF 10%

Strong net profit increase in HY 2015 following the return to profitability in FY 2014

Grenoble, France and Durham, North Carolina, July 23, 2015 - MEMSCAP (NYSE Euronext: MEMS), the leading provider of innovative solutions based on MEMS (micro-electro-mechanical systems) technology, today announced its earnings for the second quarter ending June 30, 2015.

Consolidated revenue for the second quarter of 2015 was 3.5 million euros (3.8 million US dollars) compared to 3.4 million euros (3.8 million US dollars) for the first quarter of 2015 and 3.5 million euros (4.7 million US dollars) for the second quarter of 2014. During the second quarter of 2015, the consolidated revenue benefited from the strength of the optical communications segment.

Consolidated revenue distribution by market segment, over the second quarter of 2015, is as follows:

Market Segments	Revenue (M€)	%
Aerospace	1.3	38%
Optical Communications / Adaptive Optics	1.1	30%
Medical / Biomedical	0.9	26%
Mass Market & Others	0.2	6%
Total	3.5	100%

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

MEMSCAP's consolidated earnings for the second quarter of 2015 are given by the following table:

<i>In million euros – Non audited</i>	Q1 15	Q2 15	Q2 14
Revenue	3.4	3.5	3.5
- Standard Products*	1.9	2.0	2.1
- Custom Products	1.5	1.5	1.4
Cost of revenue	(2.1)	(2.2)	(2.5)
Gross margin	1.3	1.3	1.0
% of revenue	38%	38%	29%
Operating expenses**	(1.0)	(1.0)	(1.0)
Operating profit / (loss)	0.3	0.3	0.0
Financial profit / (loss)	(0,1)	--	--
Income tax expense	--	--	--
Net profit / (loss)	0.2	0.3	0.0

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

* Including the dermo-cosmetic segment.

** Net of research & development grants.

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The Group's gross margin rate for the second quarter of 2015 was 38% of the quarterly consolidated sales, an increase of 9 points compared to the second quarter of 2014. The amount of the operating expenses during the second quarter of 2015, net of research & development grants, remained similar to the second quarter of 2014 at 1 million euros.

The consolidated operating profit for the second quarter of 2015 amounted to 0.3 million euros due to the significant increase in the gross margin which results from the business strategy focused on high-value markets. This operating profit represents 8% of the quarterly consolidated sales compared to operating earnings at break-even level for the second quarter of 2014.

Finally, the Group's net profit for the second quarter of 2015 amounted to EUR 0.3 million, representing 10% of the quarterly consolidated revenue, versus net earnings at break-even level for the second quarter of 2014.

Analysis and perspectives

MEMSCAP financial performance over the second quarter of 2015 confirmed the growth of the Group's profitability and the generation of operational and positive net cash flow. The Group intends to pursue its business strategy focused on its high-value markets.

Half-year 2015 revenue and earnings: August 31, 2015

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 (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.

For more information, please contact:

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