



MEMSCAP
The Power of a Small World™

MEMSCAP 4th Quarter 2007: PROFITABILITY OVER 9 CONSECUTIVE MONTHS

A quarter of very strong growth for IntuiSkin

Grenoble, France and Durham, North Carolina, January 21, 2008 – MEMSCAP (NYSE Euronext: MEMS), the leading provider of innovative solutions based on MEMS (micro-electro-mechanical systems) technology, today announces its earnings for the fourth quarter ending December 31, 2007.

Main quarter achievements are :

- Highest quarterly revenue in US dollars of the whole Group history;
- Profitability over 9 consecutive months;
- Second quarter in a row of operational profitability;
- IntuiSkin annual revenue multiplied by 4 year to year;
- Net profitability for IntuiSkin over fiscal year 2007;
- Quarterly consolidated gross margin representing over 50% of the revenue.

Profitability over 9 consecutive months

The consolidated revenue for the fourth quarter amounts to 4.5 million euros (6.5 million US dollars) compared to 4 million euros (5.1 million US dollars) in the fourth quarter 2006 and 4.6 million euros (6.3 million US dollars) for the third quarter 2007.

This is the highest quarterly revenue in dollars of the whole Group history, mostly due to the strong increase of IntuiSkin and Standard Products business activity. Year to year, the revenue- in US dollars- has significantly increased by 27.5%.

The gross margin is at 2.3 million euros and represents 50.2 % of the consolidated revenue, thus increasing by 3 points compared to 3rd quarter 2007.

In parallel to this growth, the Group has controlled and maintained its level of operating expenses, that remain constant all over fiscal year, at 2.1 million euros per quarter. Operational consolidated result for this 4th quarter is definitively improving at 0.2 million euros compared to 0.1 million euros for the third quarter 2007 and (0.1) million euros for the fourth quarter 2006.

This result, that also is the best ever known by the Group, shows the constant efforts made by the MEMSCAP teams all throughout the year, and validates the operational profitability trend of the Group.

Net consolidated earnings amount to 0.1 million euros, despite the negative impact of the financial result affected by a financial asset performance weaker than over previous quarters.

The Company's two core activities, Standard Products and Custom Products, contribute to the revenue and results as follows:

<i>In million euros</i>	Q4 06	Q3 07	Q4 07
	IFRS	IFRS	IFRS
Revenue			
Standard Products	1.9	2.4	3.0*
Custom Products	2.1	2.2	1.5
Total Revenue	4.0	4.6	4.5
Cost of Revenue	(2.0)	(2.4)	(2.2)
Gross Margin	2.0	2.2	2.3
<i>% of Revenue</i>	<i>50%</i>	<i>47%</i>	<i>50%</i>
Operating Expenses	(2.1)	(2.1)	(2.1)
Profit / (Loss) from operations	(0.1)	0.1	0.2
Financial Profit / (Loss)	0.1	0.0	(0.2)
Tax	0.1	0.1	0.1
Net Profit / (Loss)	0.1	0.2	0.1

**Including IntuiSkin*

A strong growth and profitability quarter for IntuiSkin

IntuiSkin contribution to this quarter revenue is superior to 1 million euros, thus bringing the total yearly revenue for IntuiSkin to 2 million euros compared to less than 0.5 million euros for the overall fiscal year 2006. The revenue is therefore multiplied by 4 year to year.

This revenue increase has taken speed over the 4th quarter, that is the sum of the first 3 quarters of year 2007 for IntuiSkin.

Furthermore, the most important events of the activity of the Group subsidiary dedicated to innovative systems, products and solutions for the skin are:

- The acquisition of French company Laboratoires La Licorne. The skin care range developed with MEMCAP Group systems will complete and broaden the IntuiSkin solutions ;
- The set up of the production tools and methods;
- The strengthening of the commercial prospectation ;
- The initiation of new products and systems that should become available as soon as the second quarter.

It should be noted that IntuiSkin is profitable over the whole fiscal year 2007.

Other achievements of the quarter

- The selection of MEMSCAP by Diehl Aerospace for the Airbus Military A400M airlifter. MEMSCAP will supply the A400M with its Digital Pressure Transducers that is a key element of the Doors Control and Monitoring System (DCMS) embarked by Diehl onboard the A400M, a military transport aircraft which is characterised through its very high payload, its cruising speed and its range. (*cf. Press Release November 5, 2007*)

- The acquisition acquisition by MEMSCAP of 100% of the share capital and voting rights of French company Laboratoires La Licorne, the skin biodermatological treatment specialist. This acquisition that strengthens MEMSCAP skin technology cluster organized around its subsidiary IntuiSkin, will give the Group a complete range offering for all skin and beauty professionals, by offering each of them as well as their patient/clients, products and technological developments specially tailored to answer their specific needs. (*cf. Press Release November 25, 2007*)

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), where MEMSCAP belongs to the Next Economy segment. More information on the company's products and services can be obtained at www.memscap.com. *For more information, please contact:*

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

Yann Cousinet
Chief Financial Officer
Tel.: +33 (0) 4 76 92 85 00
yann.cousinet@memscap.com