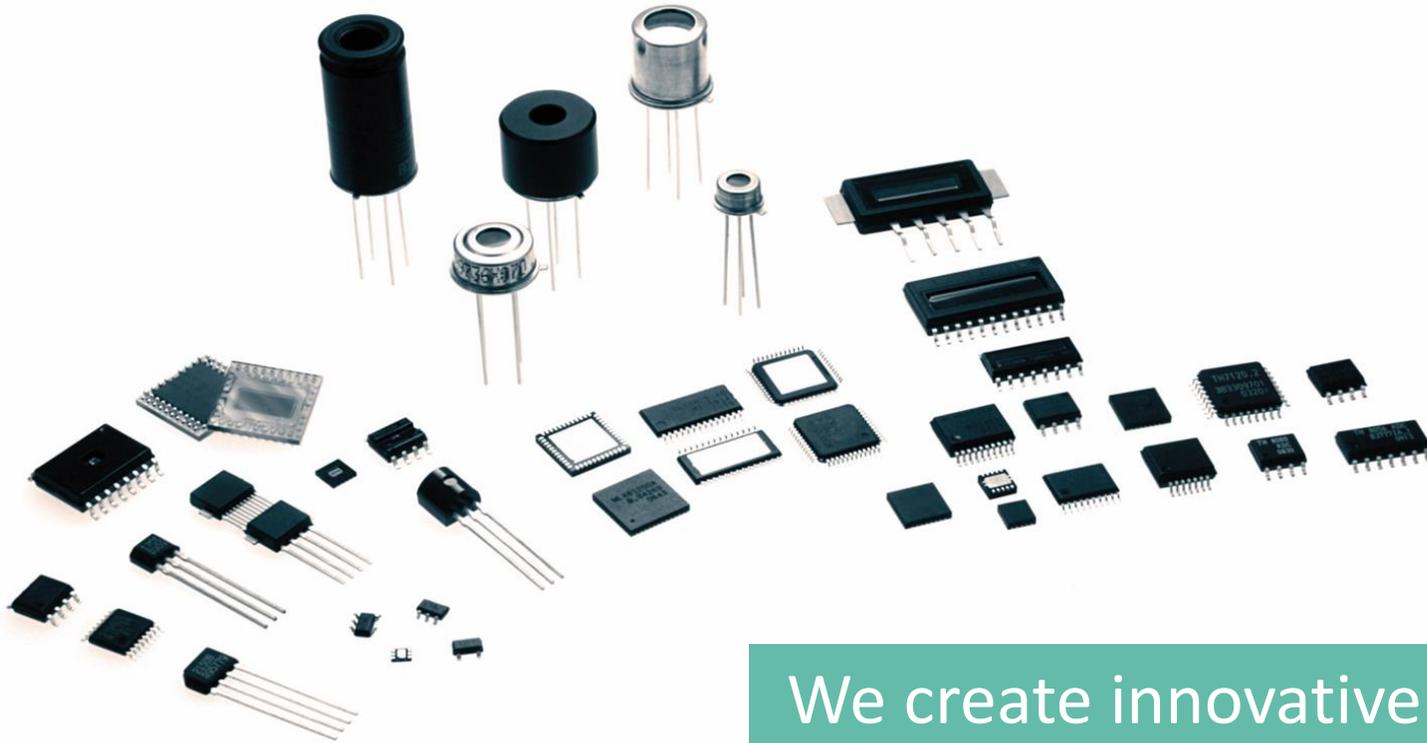




## Presentation results FY18

# What do we do?



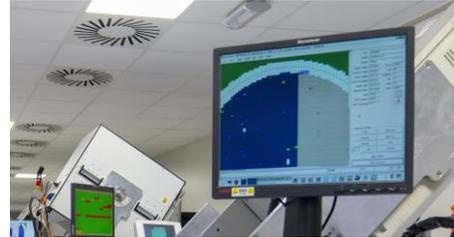
We create innovative  
micro-electronic solutions  
for the best imaginable future

# Typical process flow

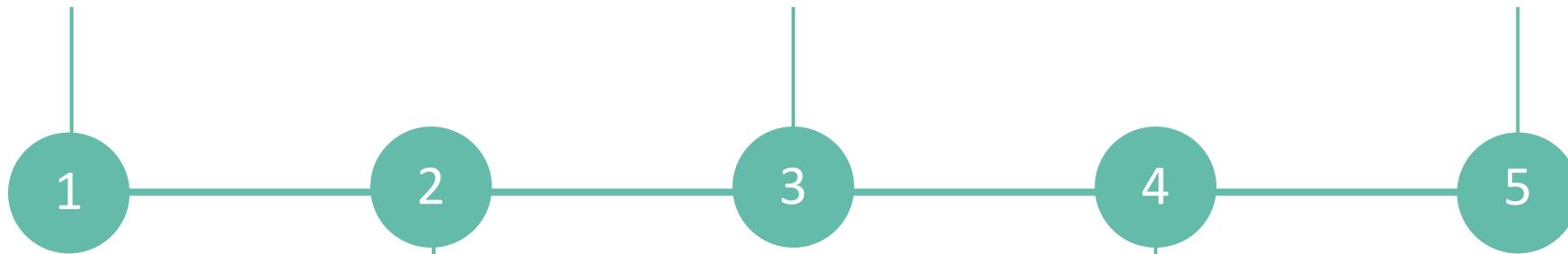
Chip design



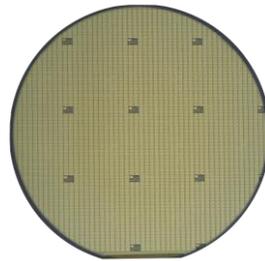
Wafer probe



Final test



Idea



Wafer fab



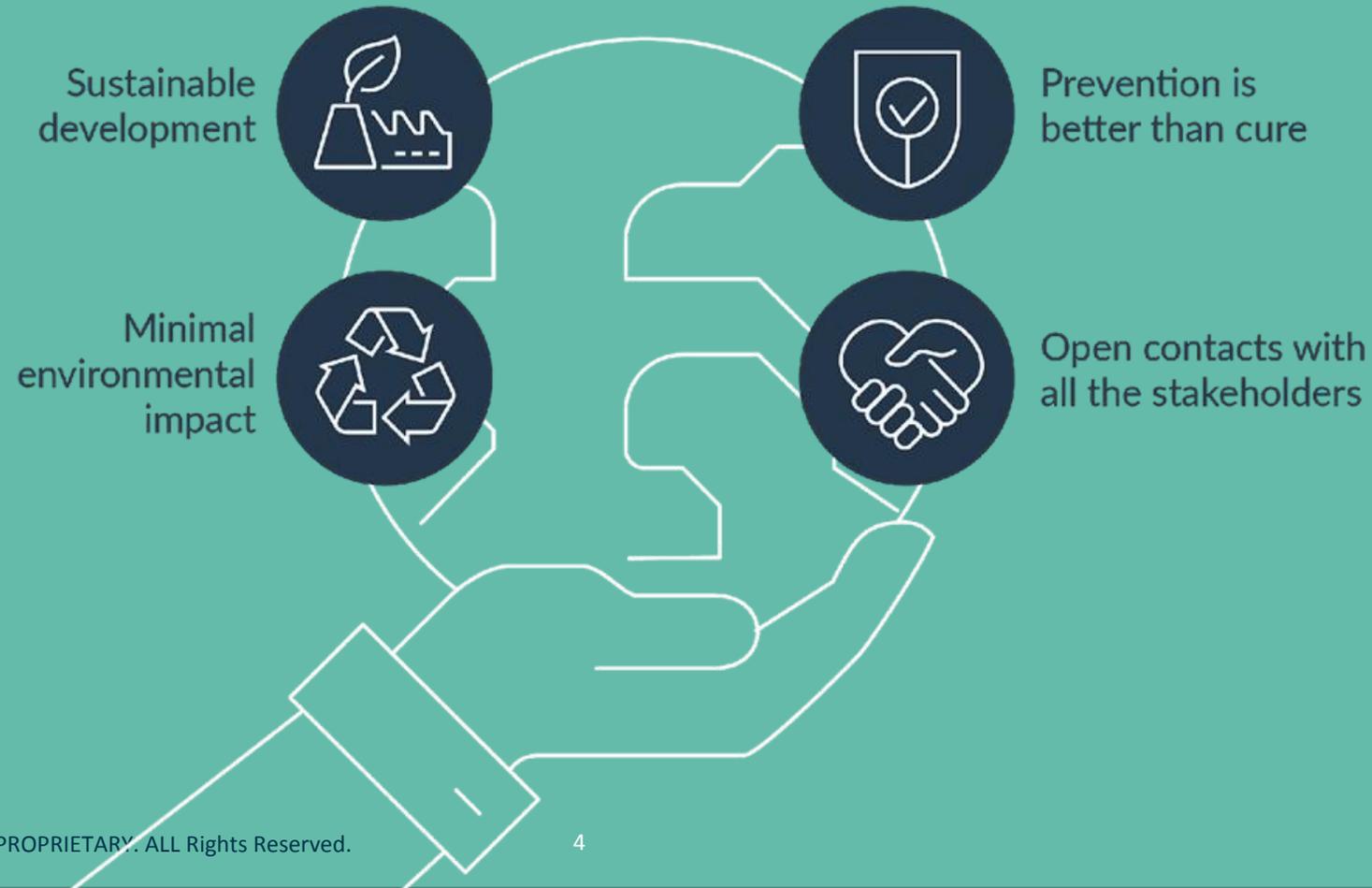
Assembly



Customer

# SUSTAINABILITY AT HEART

Our environmental policy is based on **four principles**



# Melexis strategy

Focus on  
*innovation* in  
automotive and  
adjacent  
markets

Leadership in  
*sensing and  
driving  
solutions*  
to our  
customers'  
advantage

*Organic  
growth,  
selective  
acquisitions*

# Common denominator: sensing & driving is everywhere



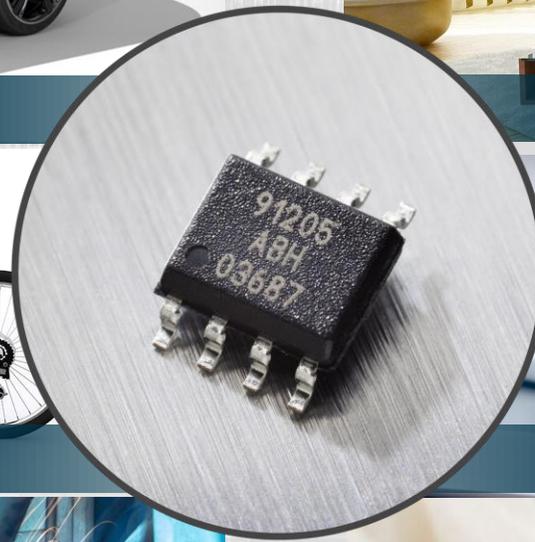
Automotive



Home



Motorcycles and e-bikes



Consumer



Industry



Healthcare

Melexis supplied in 2018 worldwide > **1.4 billion ICs** with an average of 11 ICs / car

## Sense & Drive

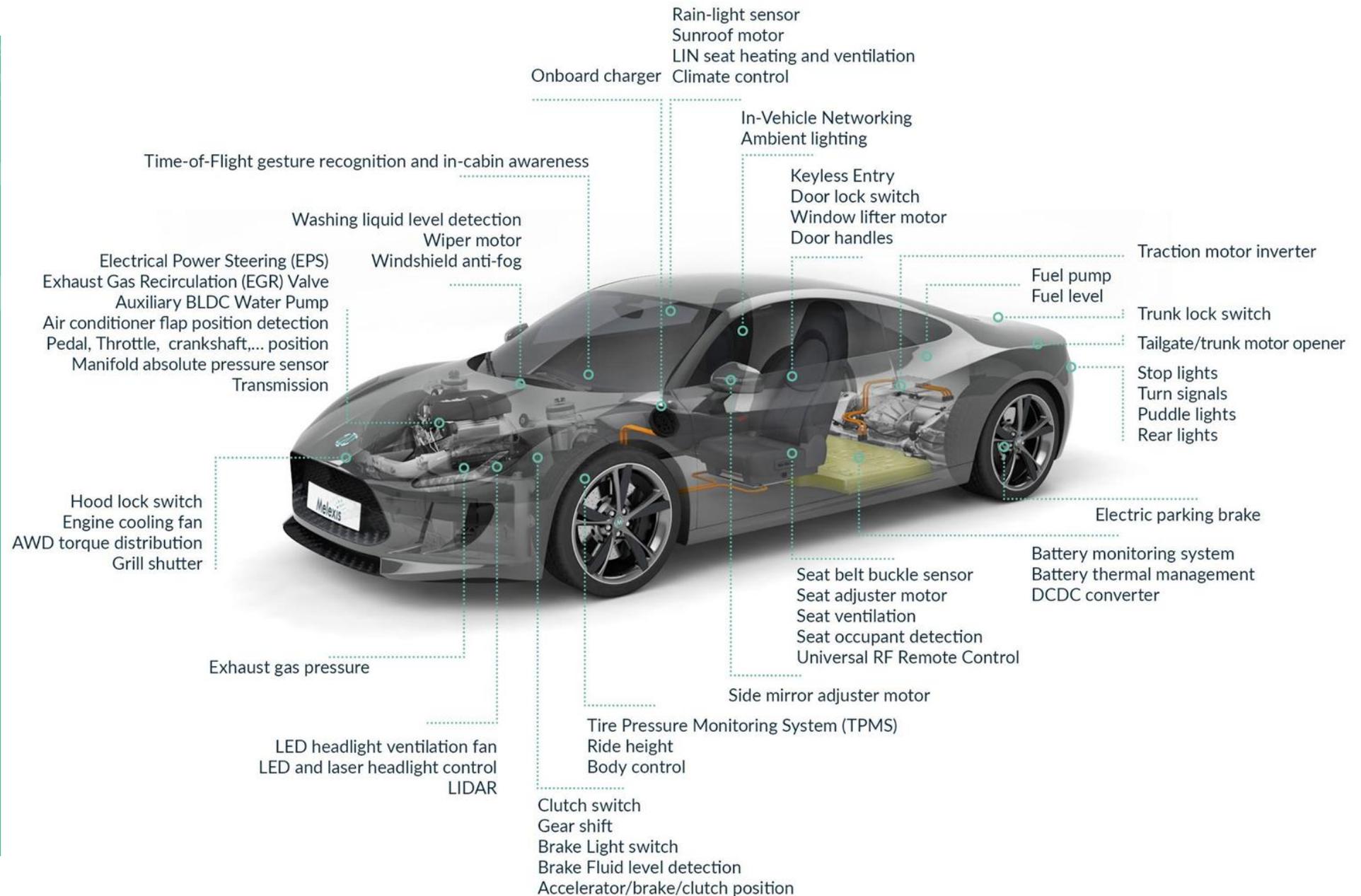
- Magnetic position sensors
- Inductive position sensors
- Current sensors
- Latch & switch
- Embedded drivers
- Smart drivers



## Sense & Light

- Pressure sensors
- Tire monitoring sensors
- Temperature sensors
- Optical sensors
- Sensor interfaces
- Embedded lighting

# 11 chips in every new car



# Over 1500 people on 3 continents



## Sales & Applications

- Belgium – Ieper, Tessenderlo
- Greater China – Shanghai
- France – Grasse, Paris
- Germany – Erfurt, Dresden
- Japan – Yokohama
- USA – Nashua, Detroit, San Jose
- South Korea – Seoul
- Switzerland - Bevaix



## Manufacturing

- Belgium – Ieper
- Bulgaria – Sofia
- France – Corbeil-Essonnes
- Germany – Erfurt
- Malaysia – Kuching



## Research & Development

- Belgium – Ieper, Tessenderlo
- Philippines – Manila
- Bulgaria – Sofia
- Switzerland - Bevaix
- France – Grasse, Paris
- Ukraine – Kiev
- Germany – Erfurt, Dresden, Düsseldorf
- USA – Nashua



# Automotive market trends 2018-2022

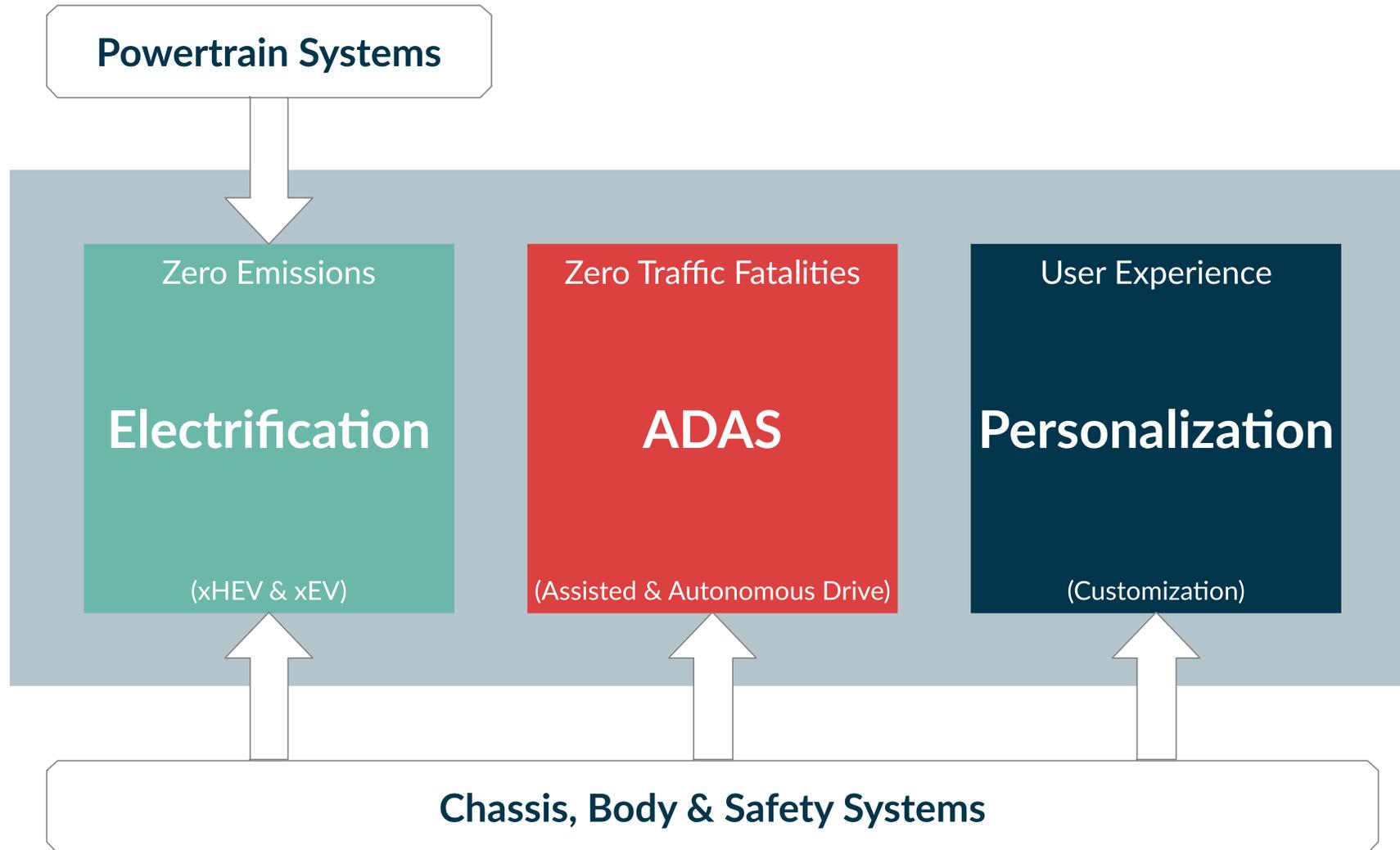


# Melexis vs Automotive Trends

Melexis enables  
**edge sensing & edge driving**

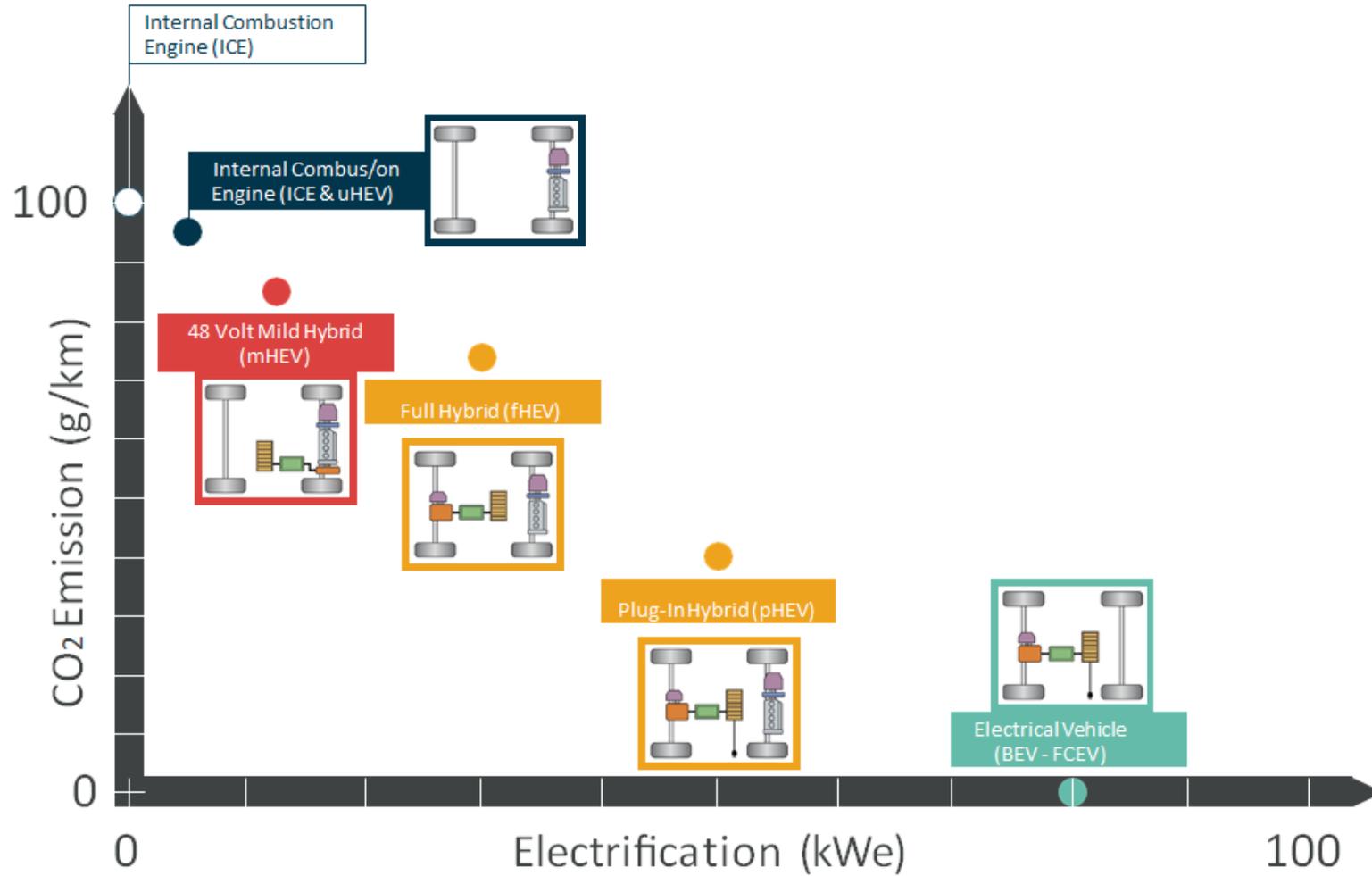
Melexis engineers small, smart  
**Sensing** and **Driving** nodes  
supporting  
in-vehicle edge computing systems

# Melexis vs Automotive Trends



# Powertrain Systems

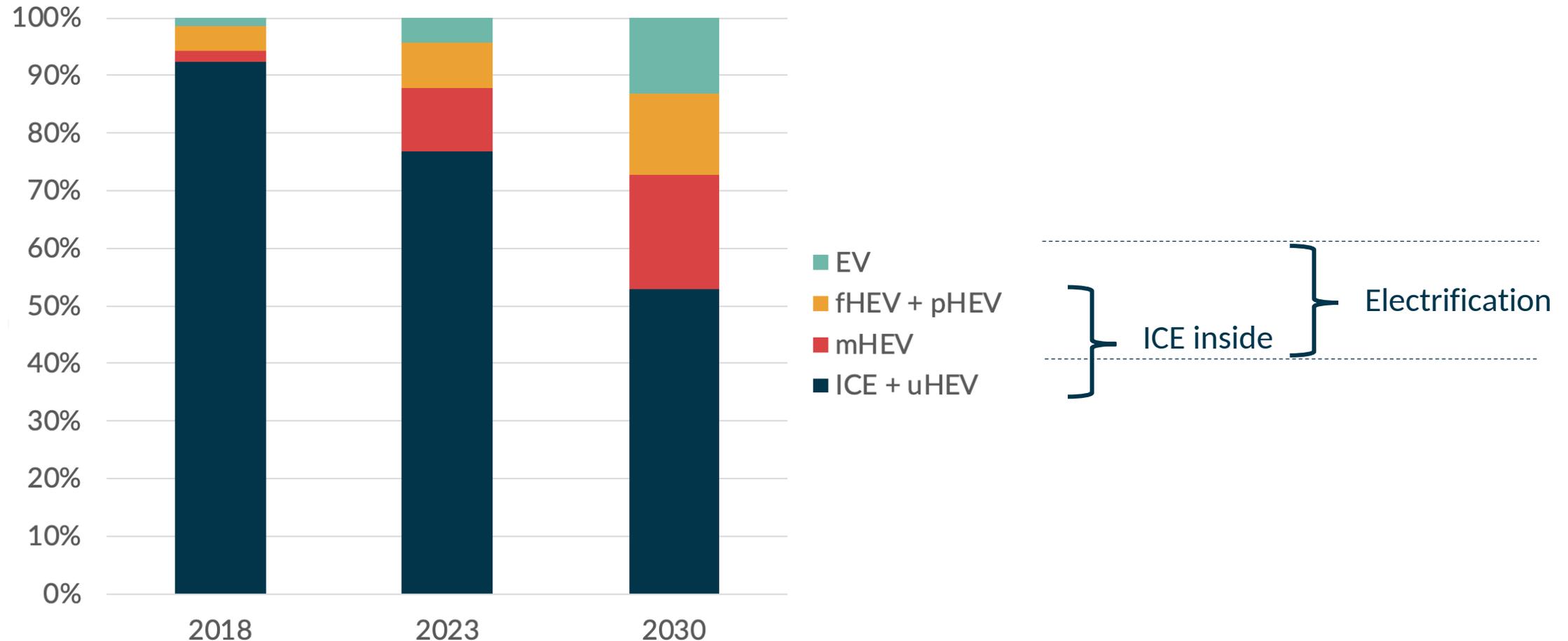
## Levels of Electrification



# Powertrain Systems



## Electrification – Segmentation – Market Split

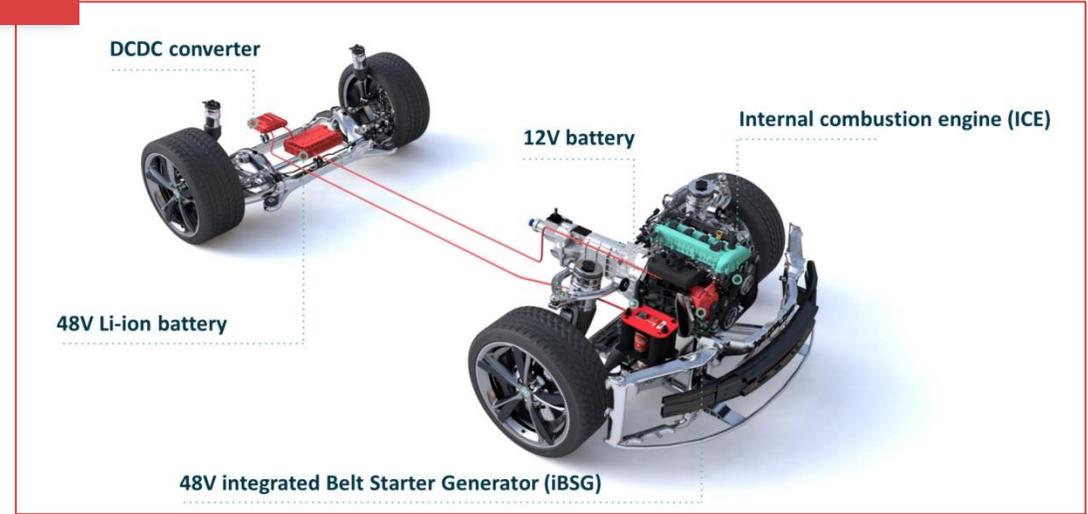


Source: Strategy Analytics and Melexis estimates

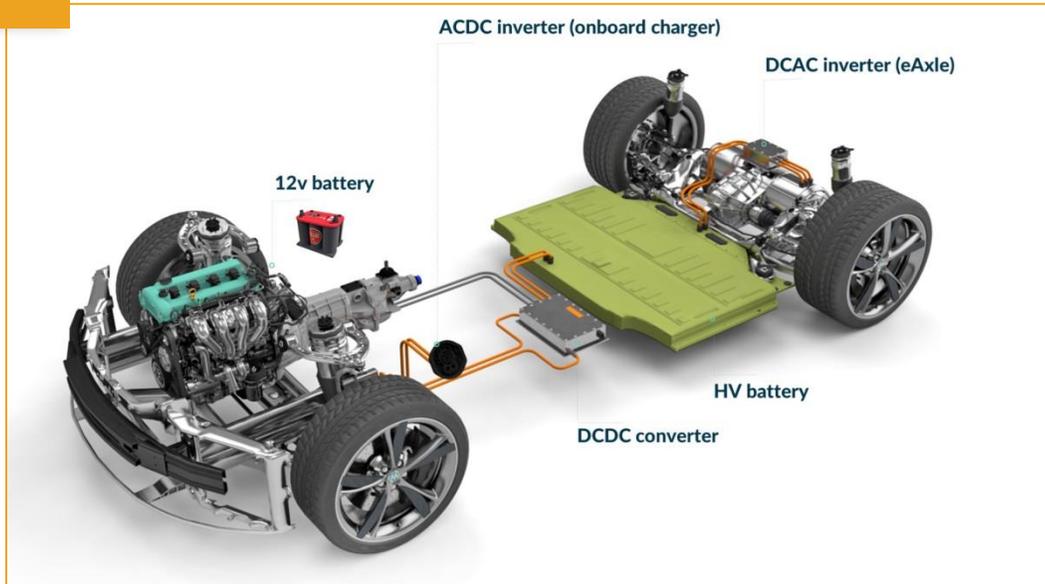
## Internal Combustion Engine (ICE + uHEV)



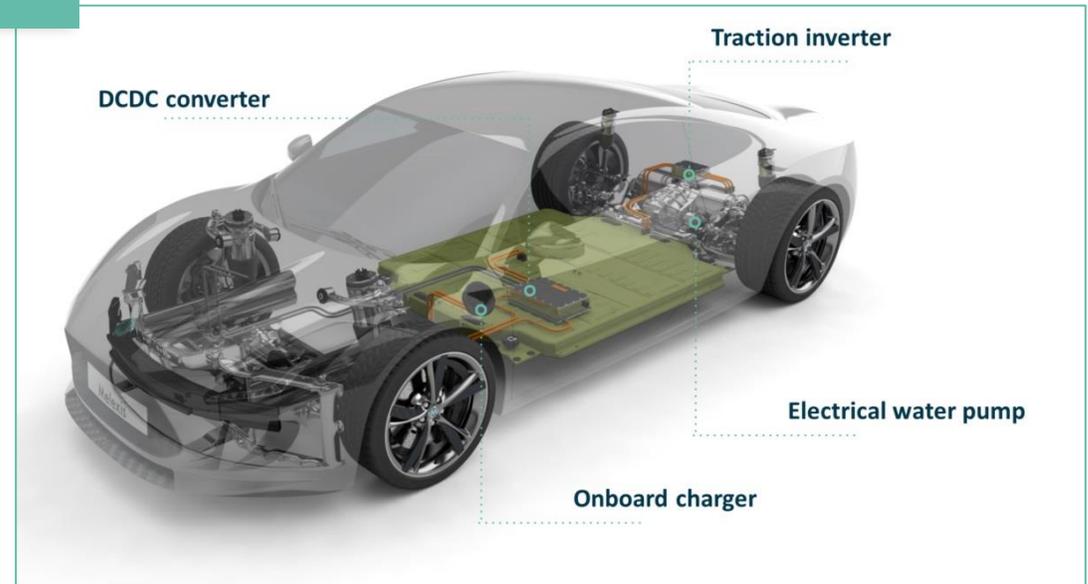
## 48 Volt Mild Hybrid (mHEV)



## Full Hybrid (fHEV) - Plug-In Hybrid (pHEV)



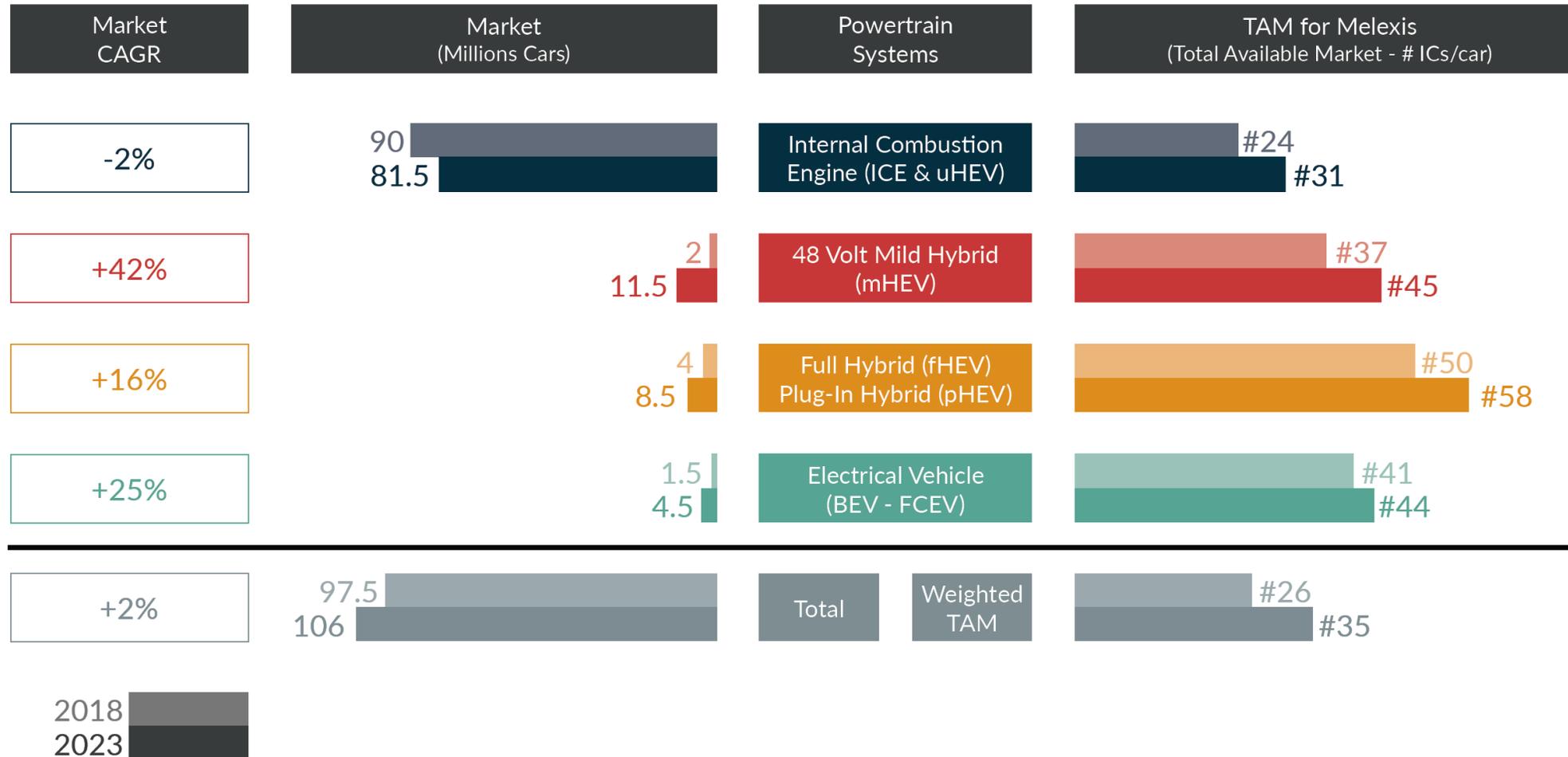
## Electrical Vehicle (BEV – FCEV)



# Powertrain Systems



## Electrification – Segmentation – TAM



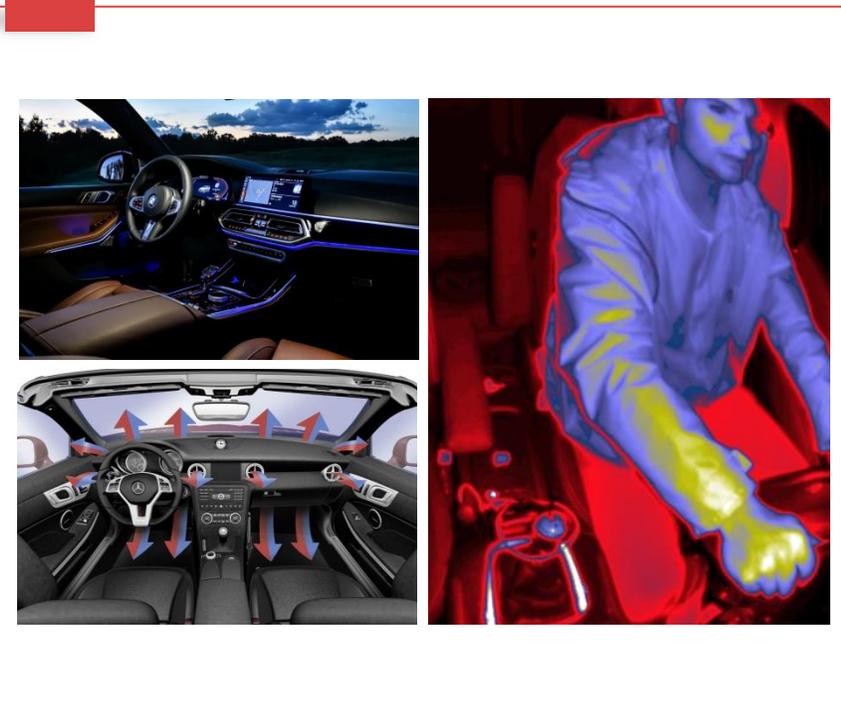
## Chassis

Breaking – Steering – Suspension



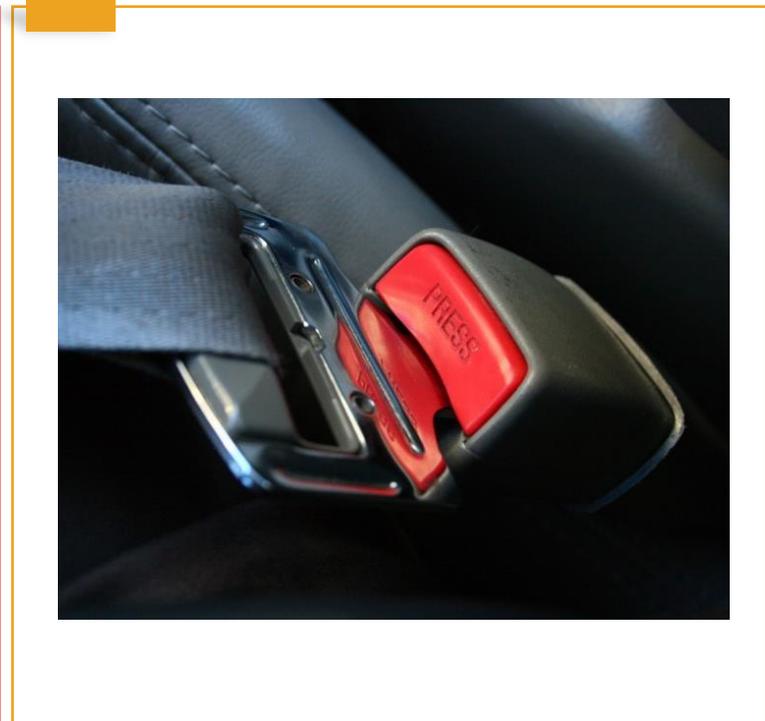
## Body

Lighting – HVAC - Others



## Safety

(Passive)



Source visuals: BMW  
<https://www.autozeitung.de/klimaanlage-auto-wartung-funktion-187651.html>  
<http://fertyimg.pw/Cremallera-de-direccin-hidraulica-Nissan-Tecnologia-t.html>

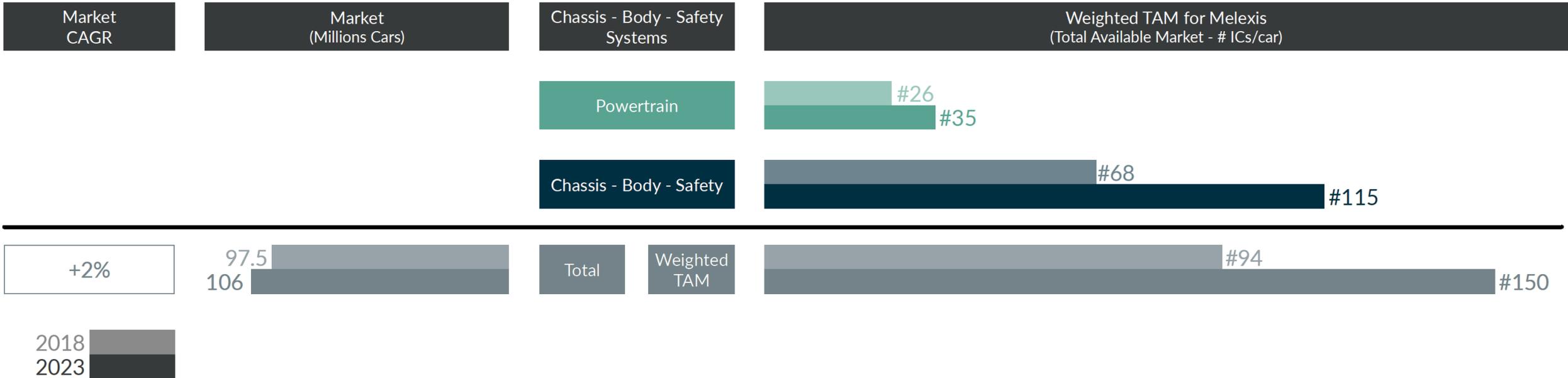
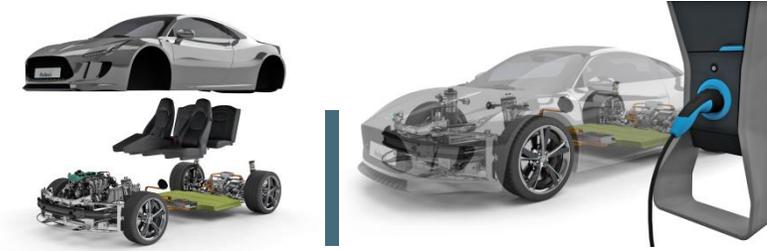


# Chassis – Body – Safety Systems

## Segmentation - TAM



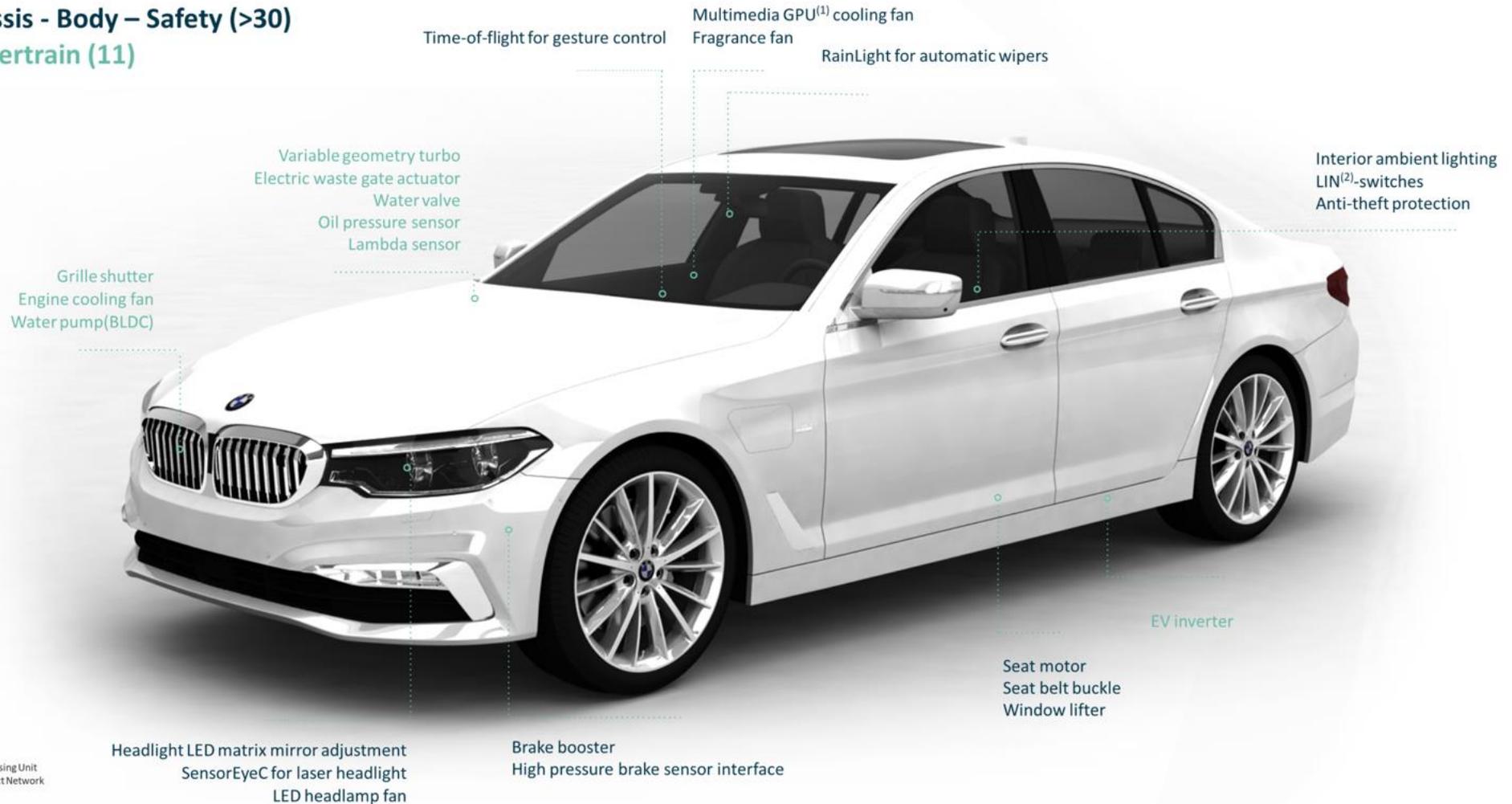
# Melexis in automotive



# BMW 530e

\* Chassis - Body – Safety (>30)

\* Powertrain (11)



(1)GPU – Graphics Processing Unit  
(2)LIN – Local Interconnect Network

# Melexis beyond automotive

## Sensors & drivers for similar challenges

- White goods – Focus on CO2
- Motorcycles and e-bikes
- Industry 4.0 – Closed loop control
- Robotics – Focus on autonomy
- Drones
- Thermal information – People detection
- Environmental imaging
- Industrial position sensing
- Power monitoring & motor control



# Our market position



Automotive  
semiconductors

**# 14**



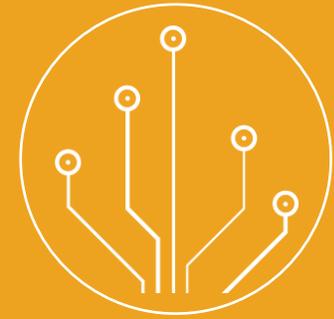
Automotive sensors

**# 4**



Magnetic sensors

**# 3**



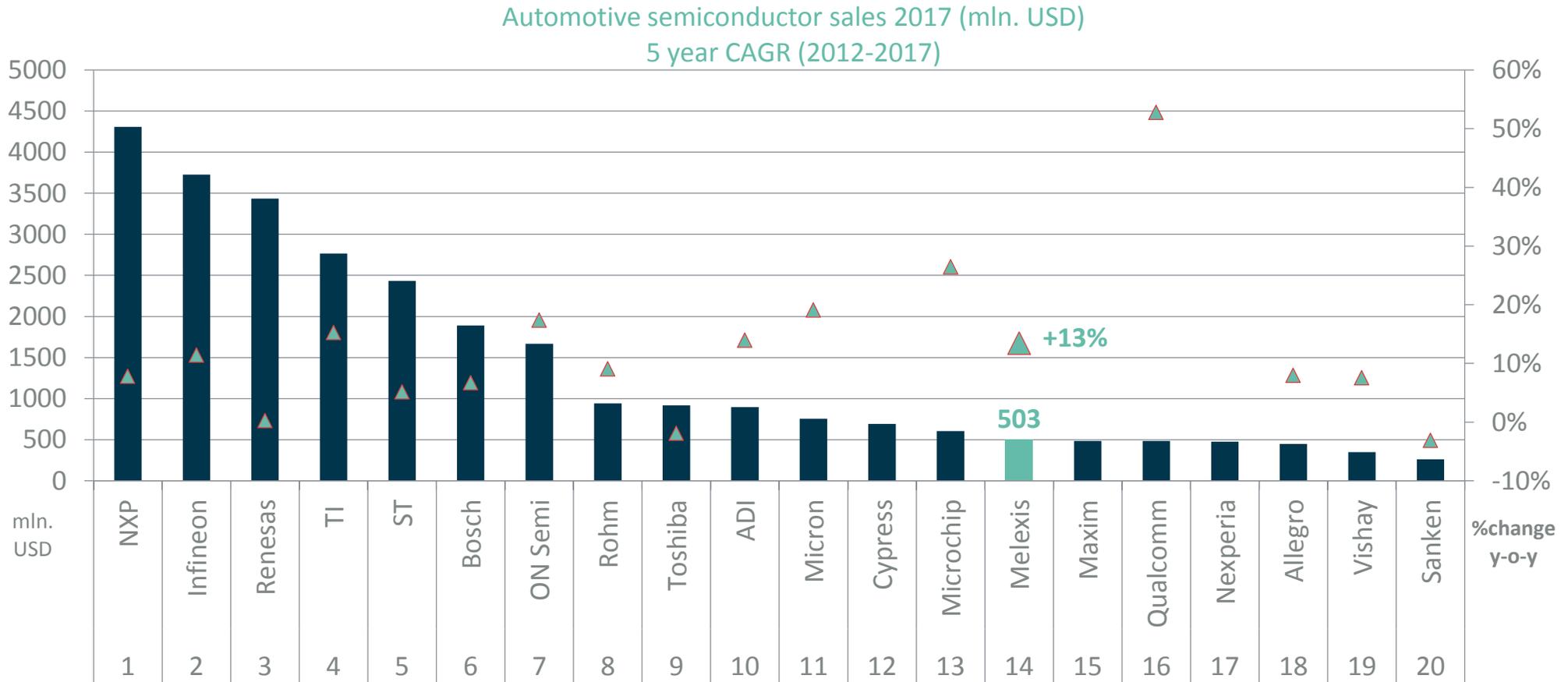
Magnetic position  
sensors

Latch & switch

Ambient lighting

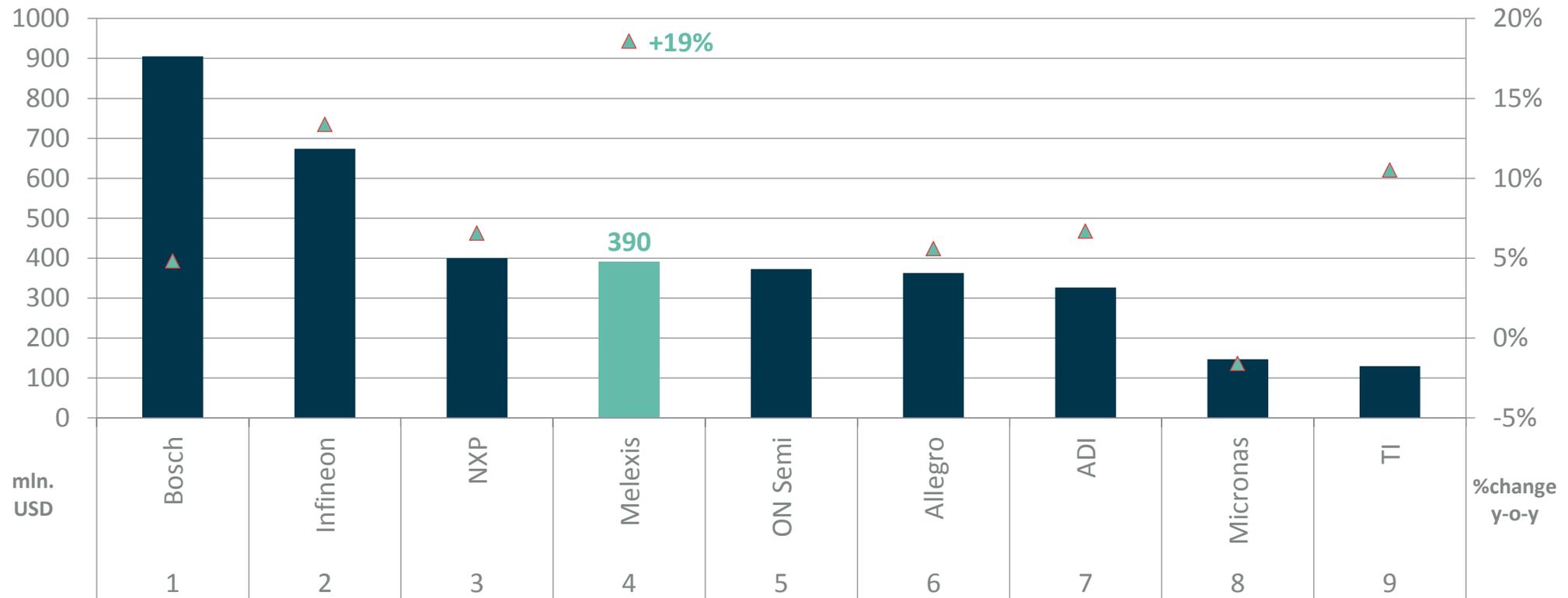
**# 1**

# Melexis ranking 14<sup>th</sup> in automotive semiconductor



# Melexis ranking 4<sup>th</sup> in automotive sensors

Automotive sensor sales 2017 (mln. USD)  
5 year CAGR (2012-2017)

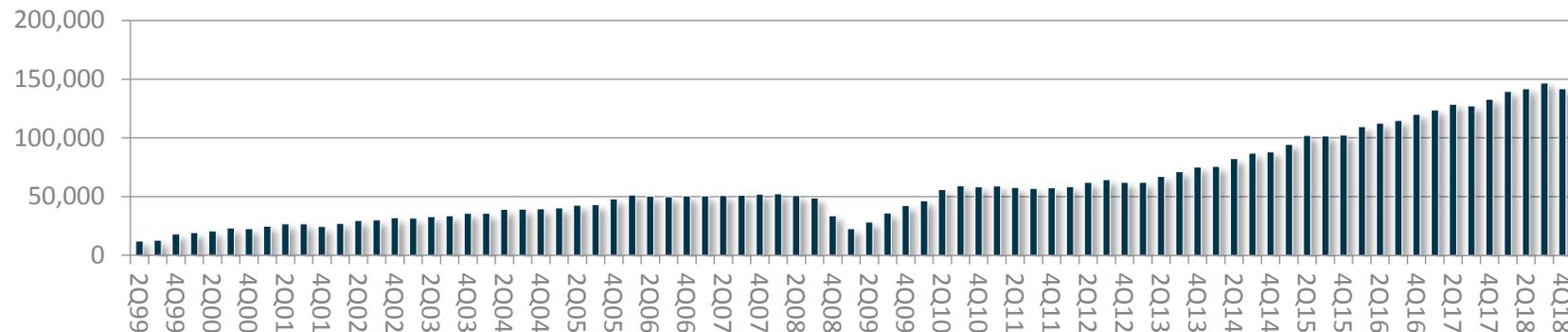


# Evolution financials 2000-2018

## Turnover

Q4 2018: 141.6 mln EUR

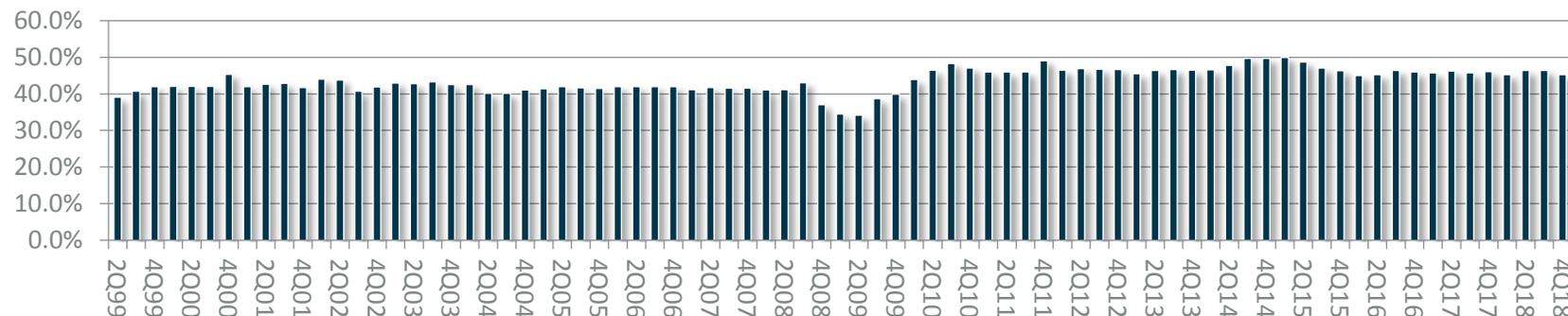
FY 2018: 569.4 mln EUR



## Gross profit margin

Q4 2018: 45.3%

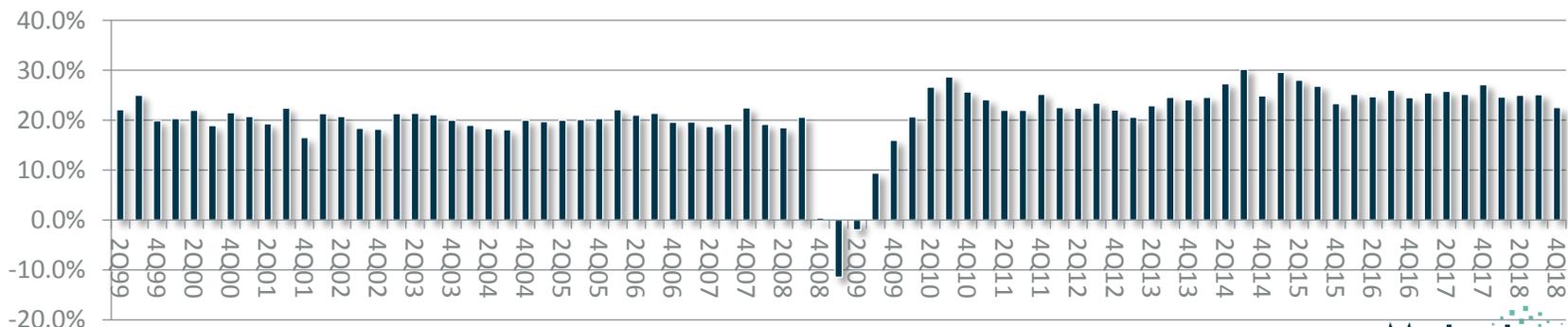
FY 2018: 45.9%



## Operating margin

Q4 2018: 22.5%

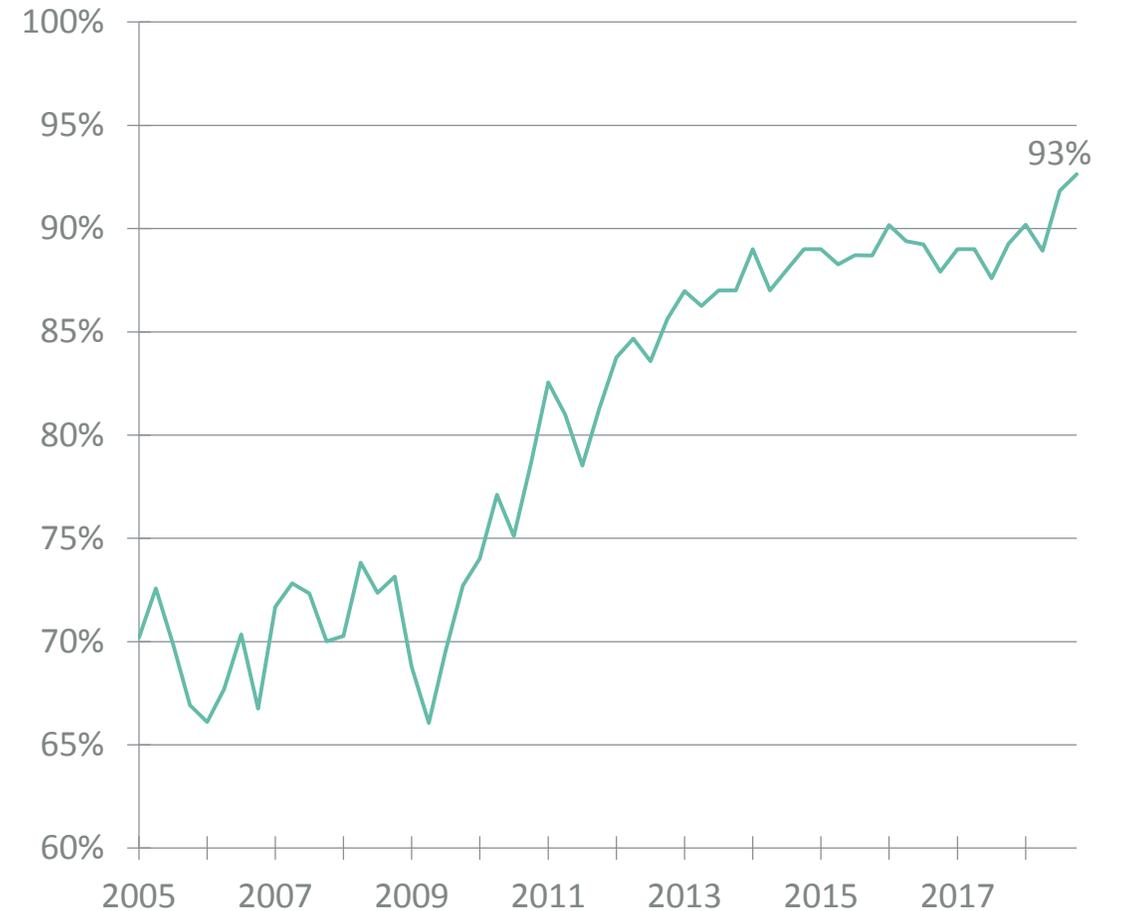
FY 2018: 24.3%



# % ASSP sales



# % automotive sales



# FY 2018 results at a glance

**Sales**  
569.4m EUR  
+11% Y-o-Y

**Gross margin**  
45.9%  
261.1m EUR  
+11% Y-o-Y

**Operating result**  
24.3%  
138.5m EUR  
+4% Y-o-Y

**Net result**  
2.86 EPS  
115.5m EUR  
+4% Y-o-Y

**Oper. cash flow**  
(before wcap change)  
175.3m EUR  
+14% Y-o-Y

**Net debt**  
0.4m EUR

## Outlook

Melexis expects sales in the first quarter of 2019 to be in the range of 112-118 million euro, with a gross profit margin around 41% and an operating margin around 13% at the midpoint of the sales guidance.

Melexis expects its full year 2019 sales level to remain below the previous year. Gross profit margin is expected to be around 43% taking into account a EUR/USD exchange rate of 1.15.

# Profit & loss

## FY 2018 versus FY 2017

P&L account (in million EUR)	FY 2018	% of Sales	FY 2017	% of Sales
<b>Sales</b>	569.37	100.0%	511.66	100.0%
Cost of goods sold	-308.23	-54.1%	-276.27	-54.0%
<b>Gross margin</b>	261.14	45.9%	235.40	46.0%
R&D	-78.01	-13.7%	-69.48	-13.6%
G&A	-30.07	-5.3%	-23.84	-4.7%
Selling	-14.58	-2.6%	-11.66	-2.3%
Other operating result		0.0%	2.19	0.4%
<b>EBIT</b>	138.49	24.3%	132.61	25.9%
Net financial result	0.25	0.0%	3.38	0.7%
Income taxes	-23.29	-4.1%	-25.03	-4.9%
<b>Net profit</b>	115.45	20.3%	110.96	21.7%
<b>Earnings per share</b>	2.86		2.75	

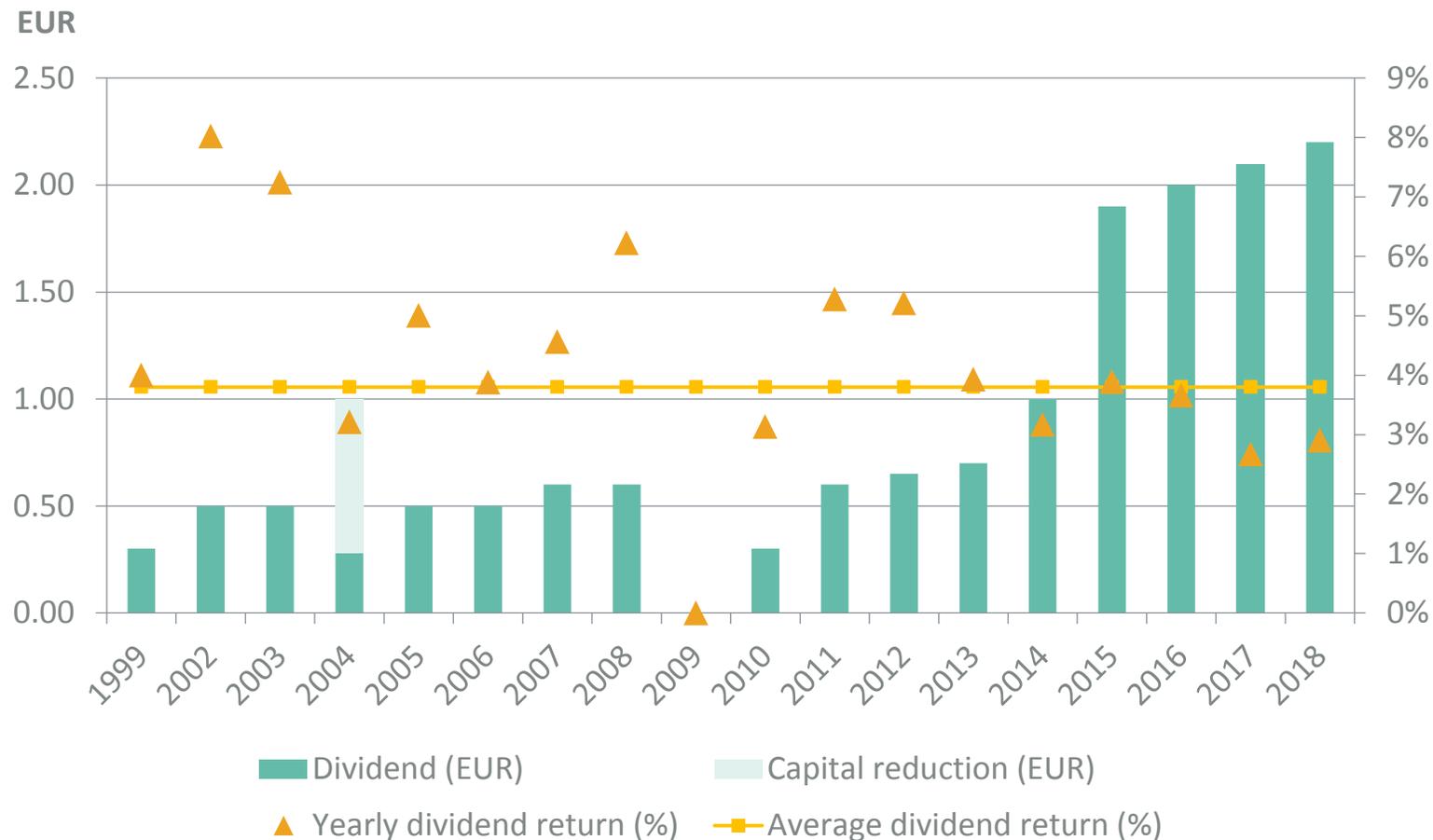
# Balance sheet

## Q4 2018 versus Q4 2017

Balance Sheet	4Q 2018	4Q 2017
<b>Total assets</b>	428.0	403.4
<b>Current assets</b>	240.4	254.3
Cash	34.5	75.5
Inventory	120.6	97.6
A/R Trade	75.2	68.8
A/R from related parties	0.2	0.4
<b>Non-current assets</b>	187.6	149.0
<b>Shareholders' equity</b>	326.1	294.3
<b>Interest bearing debt</b>	35.0	15.1
Long term	34.0	9.0
Short term	1.0	6.1

# Dividend yield

Based on average share price



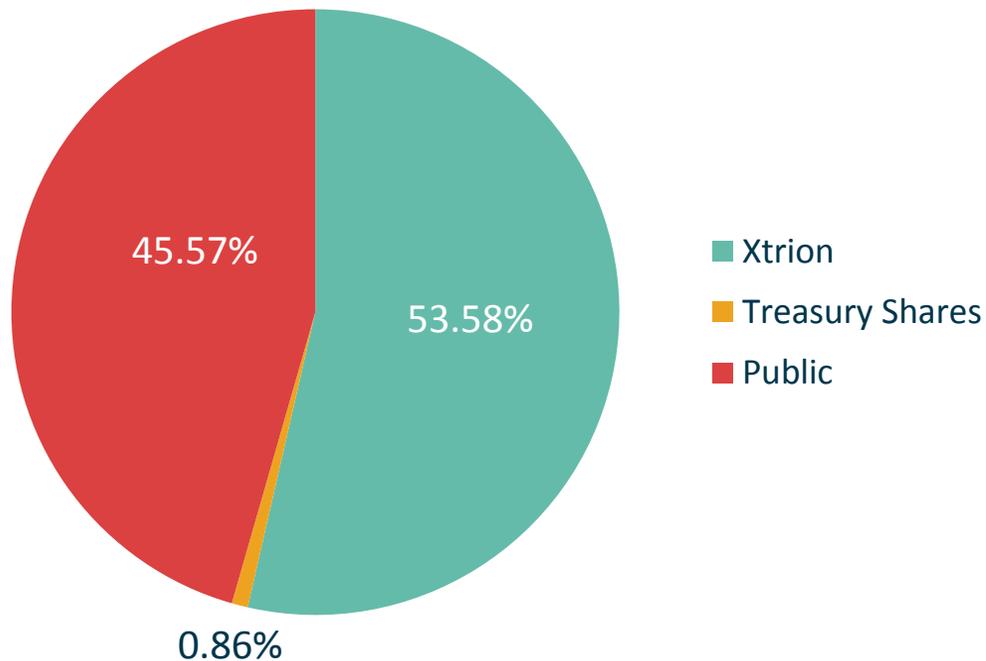
## Gross dividend per share (EUR)

2002	0.50
2003	0.50
(*) 2004	1.00
2005	0.50
2006	0.50
2007	0.60
2008	0.60
2009	0.00
2010	0.30
2011	0.60
2012	0.65
2013	0.70
2014	1.00
2015	1.90
2016	2.00
2017	2.10
(**) 2018	2.20

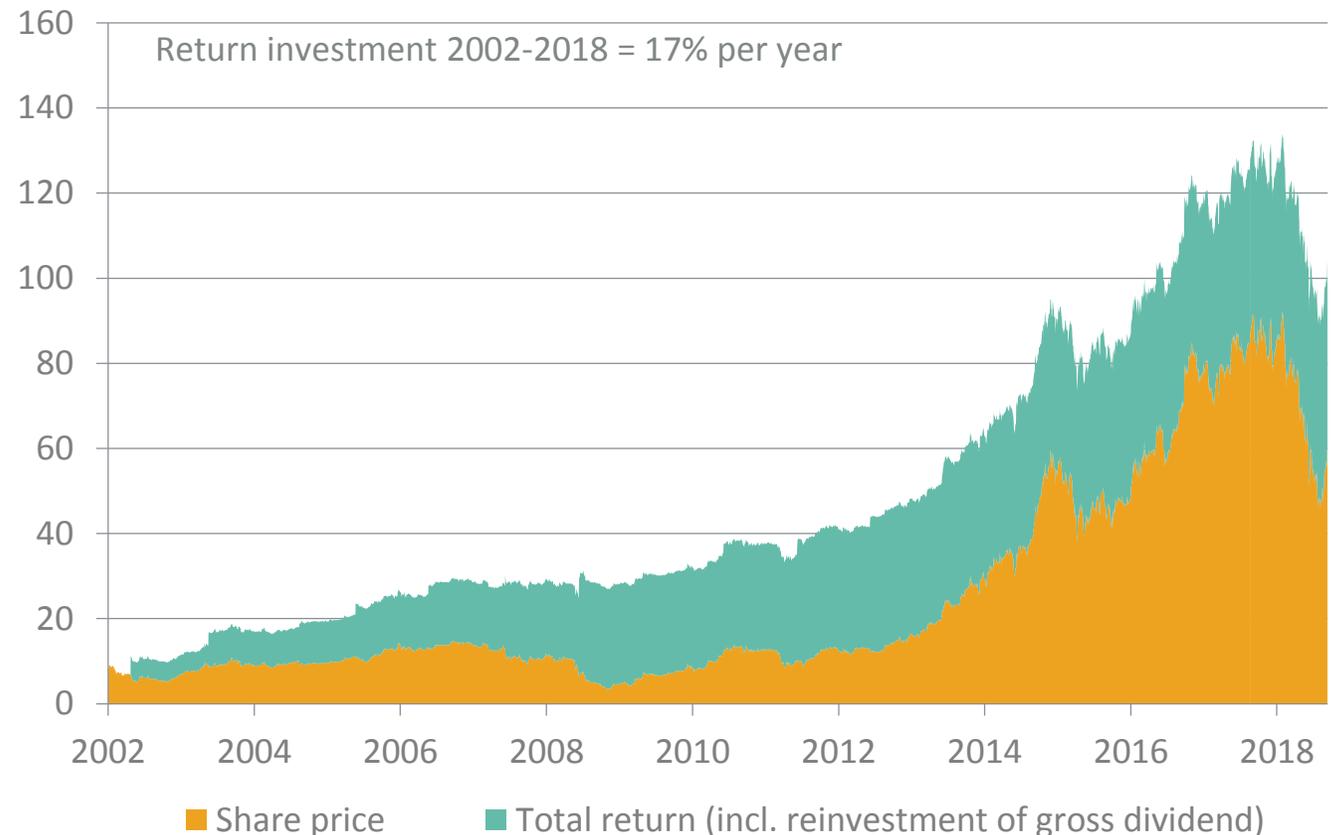
(\*) incl. 0.72 cap.decr  
 (\*\*) 0.90 final dividend payable as from April 26, 2019

# Shareholders structure & shareholder return

## Shareholder structure on 31 Dec 2018



## Shareholder Return 2002-2018



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