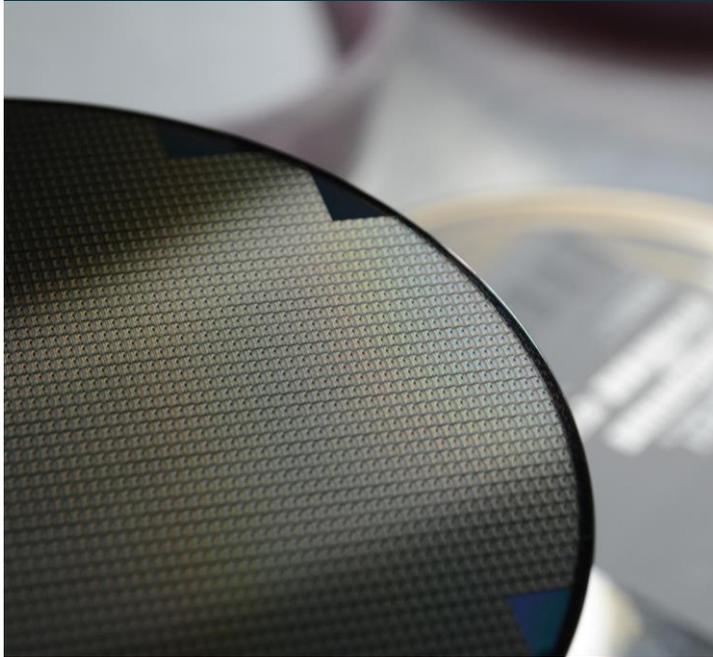


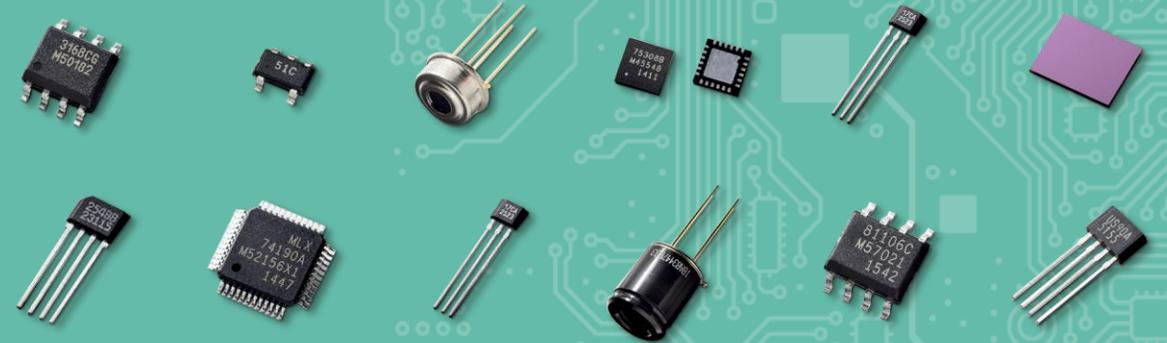


Presentation results Q3 2019

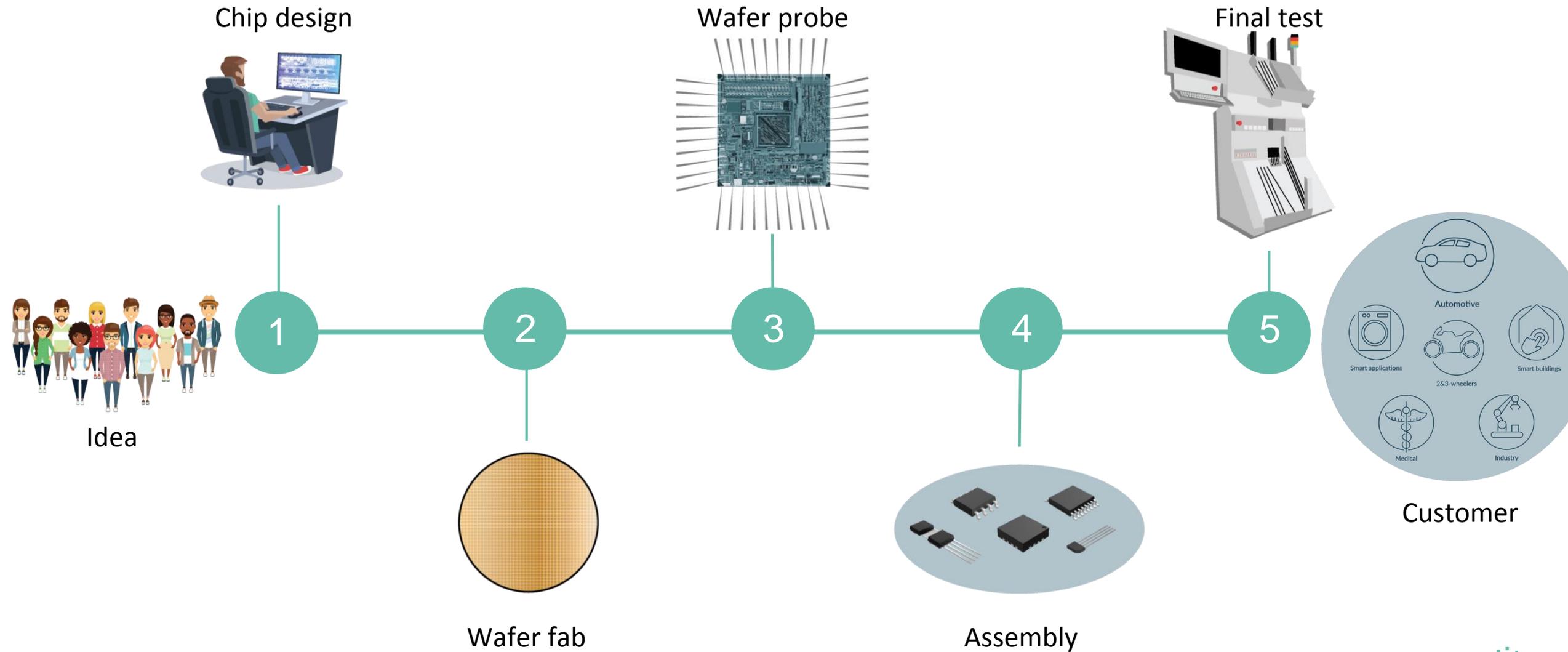
What do we do?



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

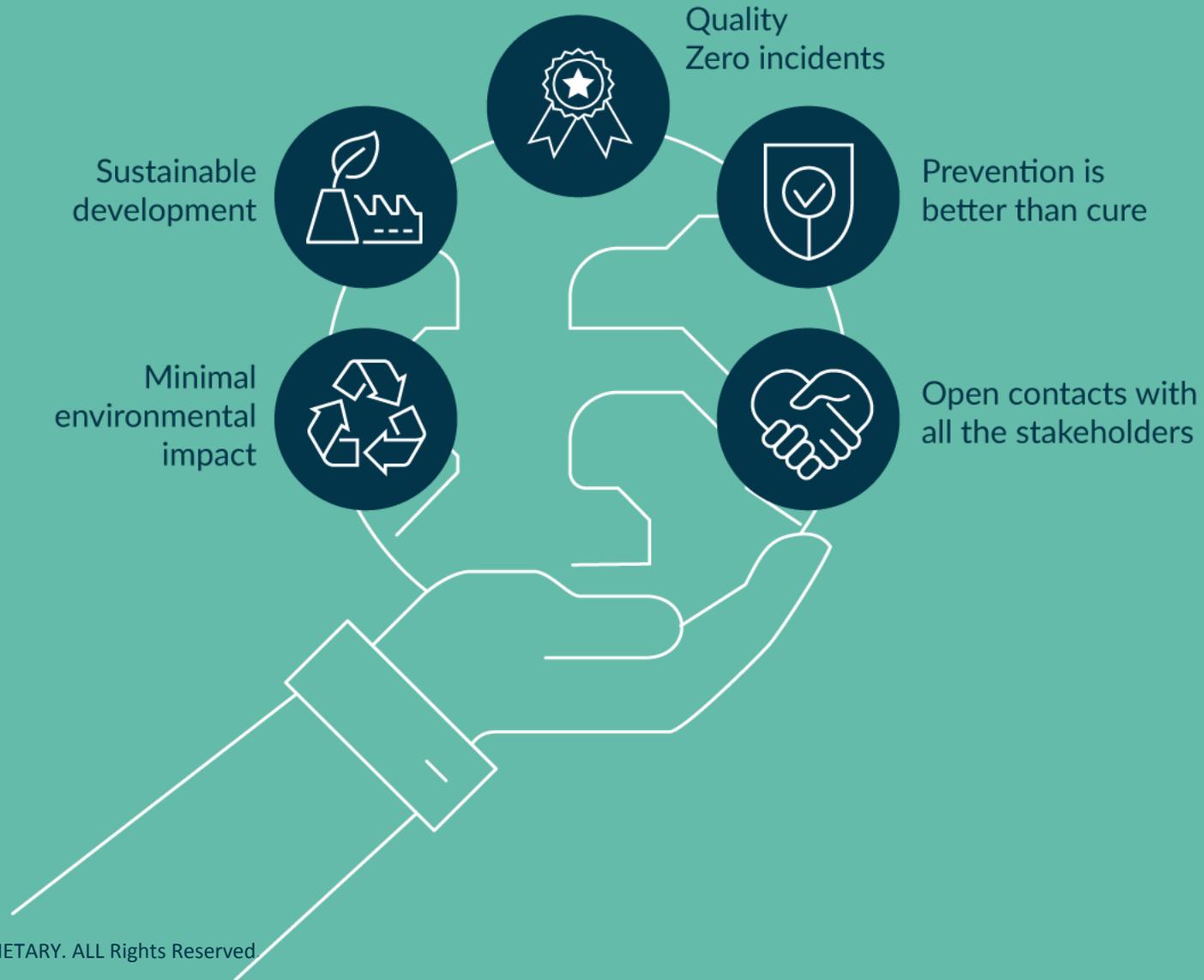


Process flow



SUSTAINABILITY AT HEART

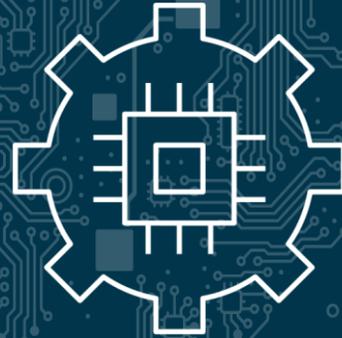
Our environmental policy is based on five principles



Melexis strategy



Focus on
innovation in
automotive and
adjacent
markets

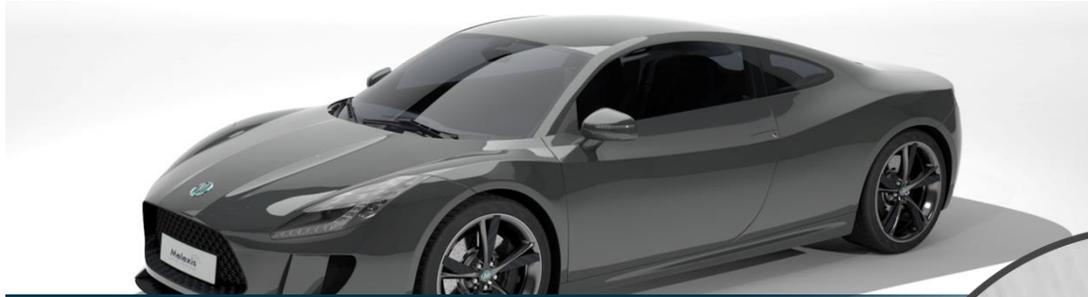


Leadership in
*sensing and
driving solutions*
to our
customers'
advantage



Organic growth,
selective
acquisitions

Common denominator: sensing & driving is everywhere



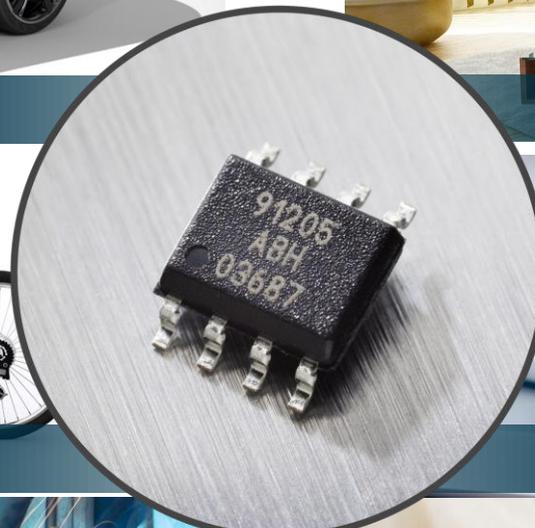
Automotive



Home



Motorcycles and e-bikes



Consumer



Industry



Healthcare

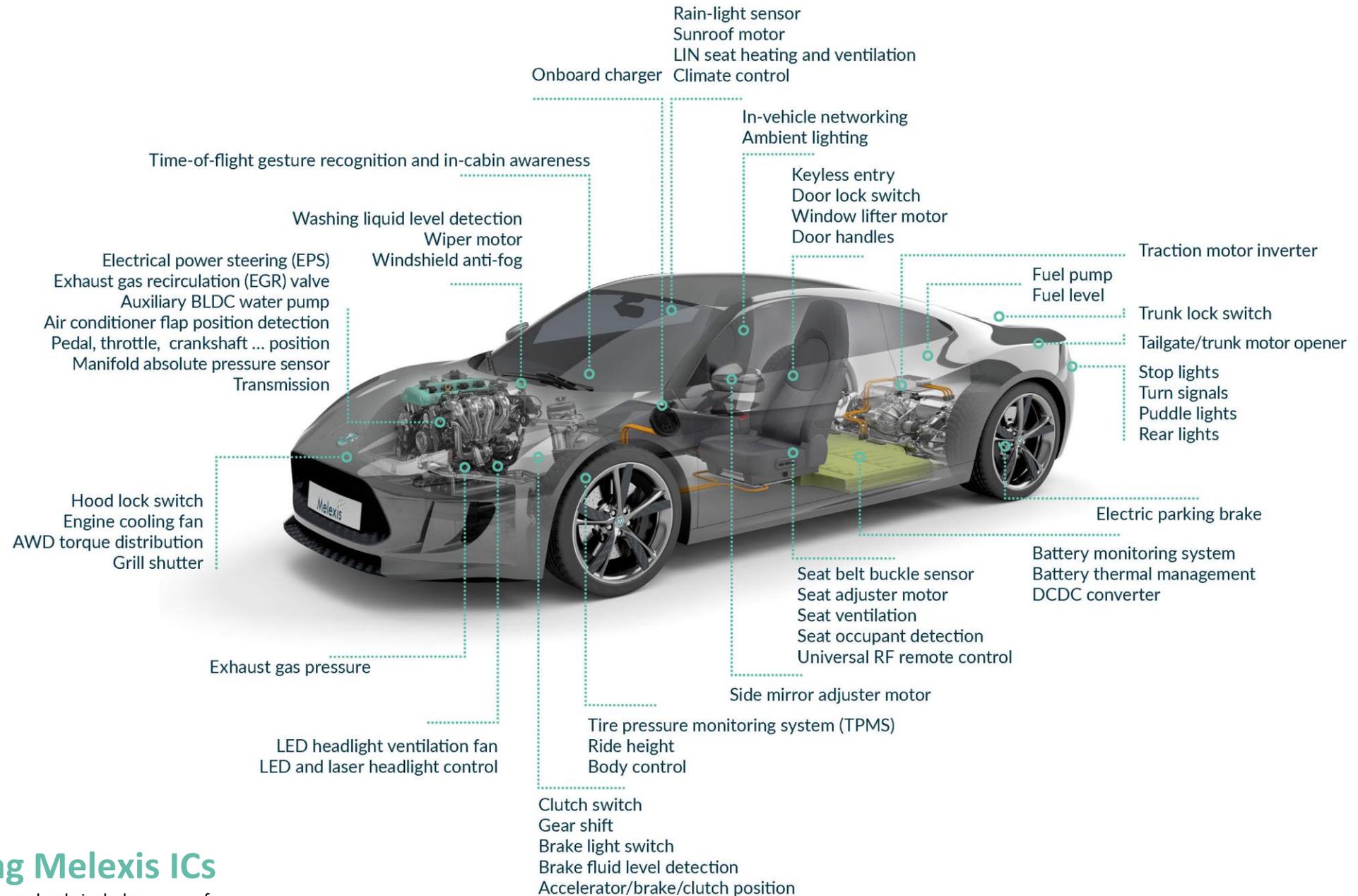
Melexis supplied > 1.4 billion ICs worldwide in 2018



- Magnetic position sensors • Pressure sensors
- Inductive position sensors • Tire monitoring sensors
- Current sensors • Temperature sensors
- Latch & switch • Optical sensors
- Embedded drivers • Sensor interfaces
- Smart drivers • Embedded lighting



11 chips in every new car



Applications containing Melexis ICs

Disclaimer: Please note this list is not exhaustive and only includes some of the most common applications containing Melexis ICs.

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



Melexis vs Automotive Trends

Melexis enables
edge sensing & edge driving

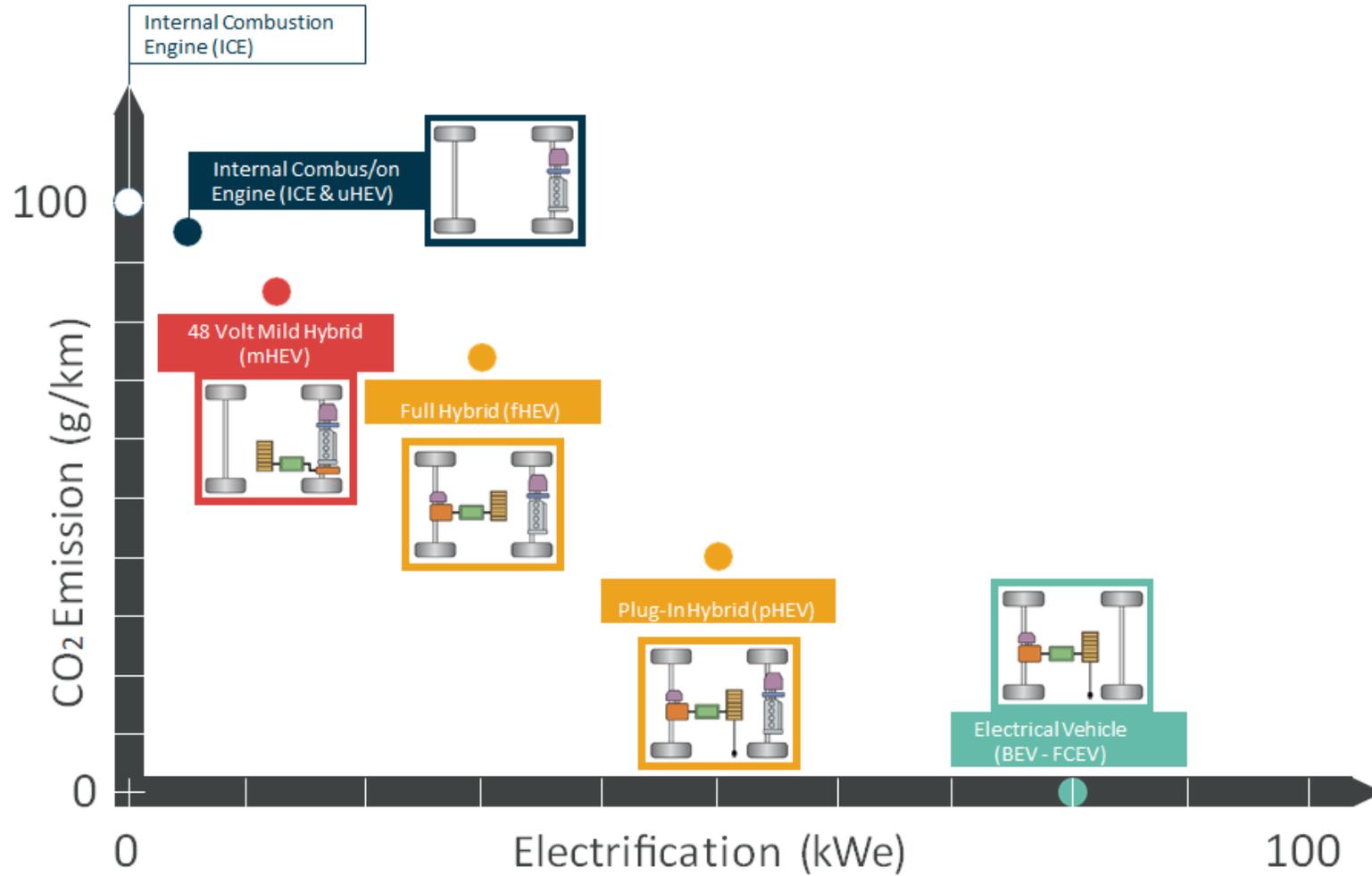
Melexis engineers small, smart
Sensing and **Driving** nodes
supporting
in-vehicle edge computing systems

Melexis vs automotive trends



Powertrain Systems

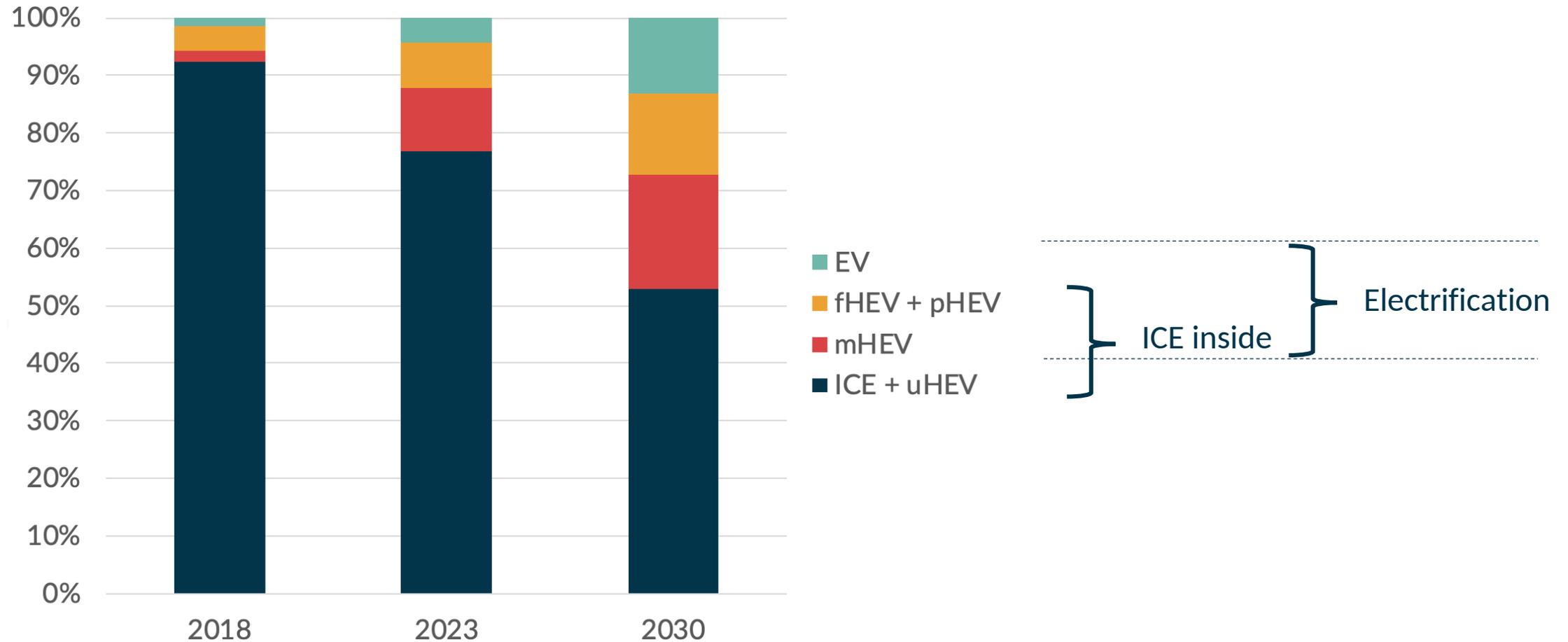
Levels of Electrification



Powertrain Systems



Electrification – Segmentation – Market Split

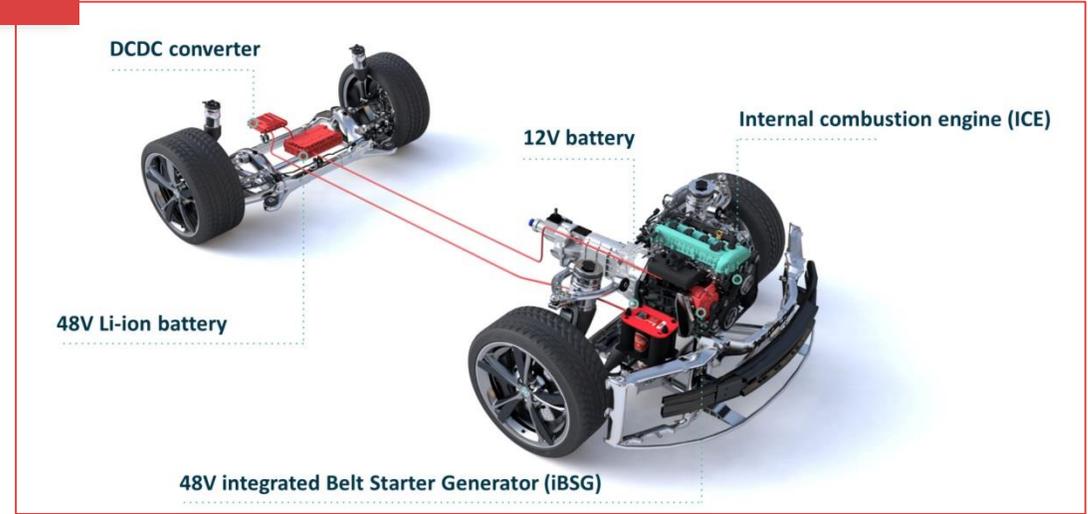


Source: Strategy Analytics and Melexis estimates

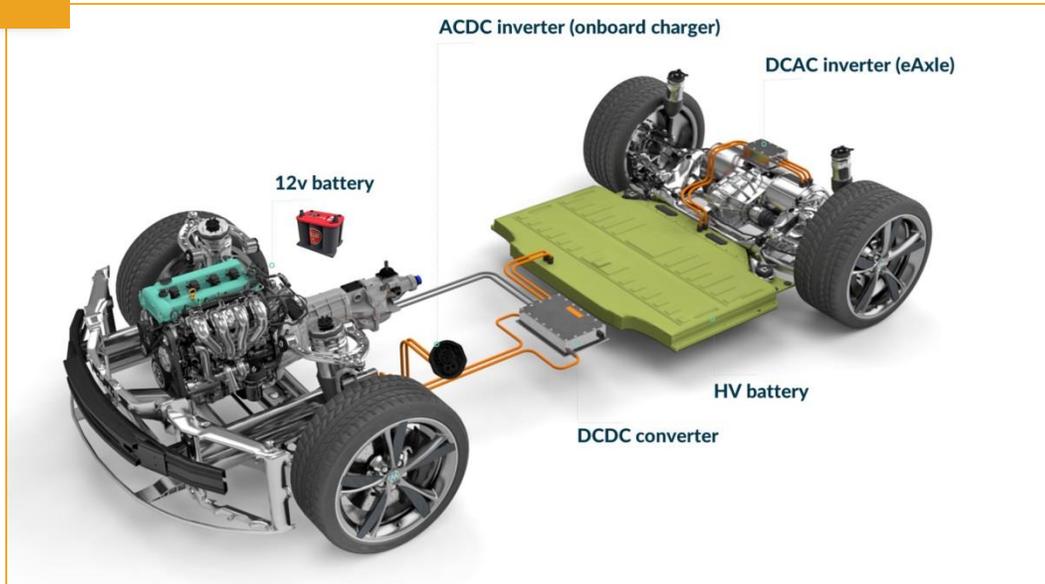
Internal Combustion Engine (ICE + uHEV)



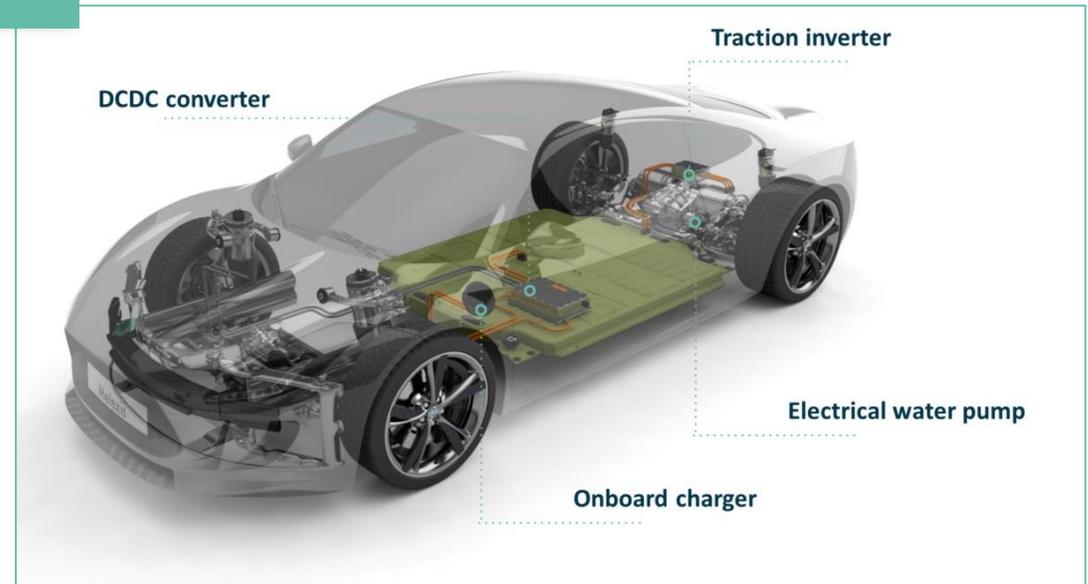
48 Volt Mild Hybrid (mHEV)



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



Electrical Vehicle (BEV – FCEV)



Chassis

Breaking – Steering – Suspension



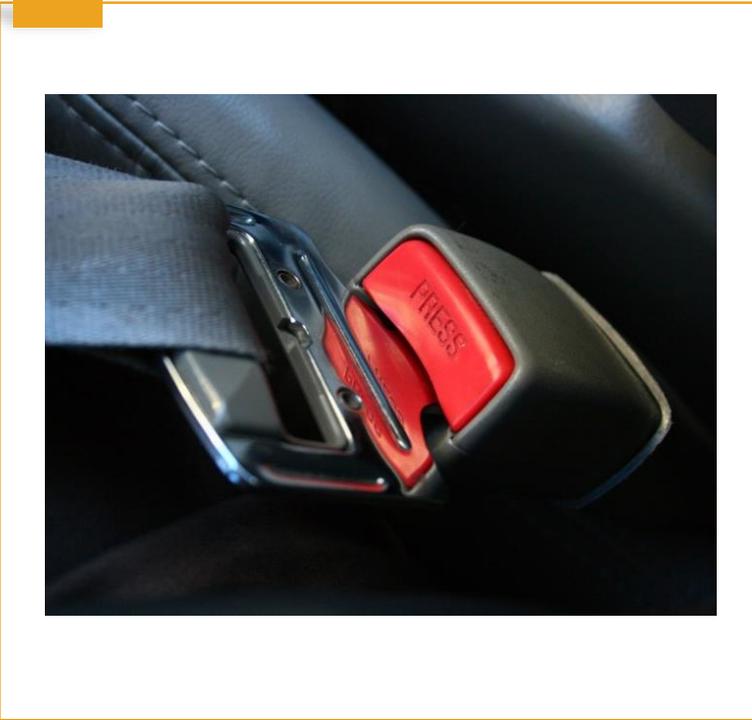
Body

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>

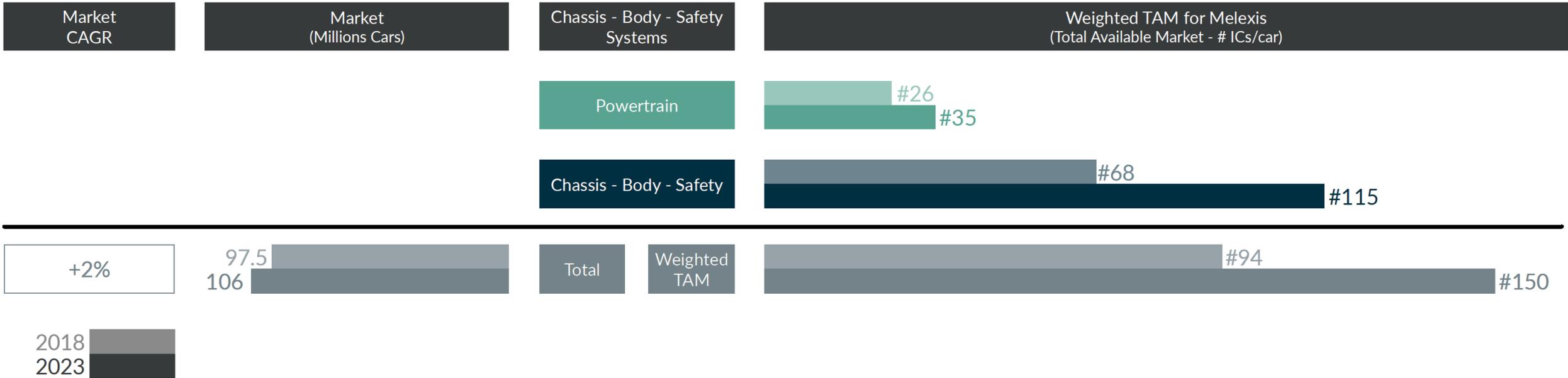
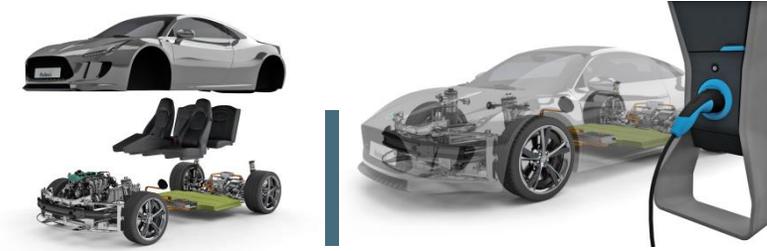


Chassis – Body – Safety Systems

Segmentation - TAM



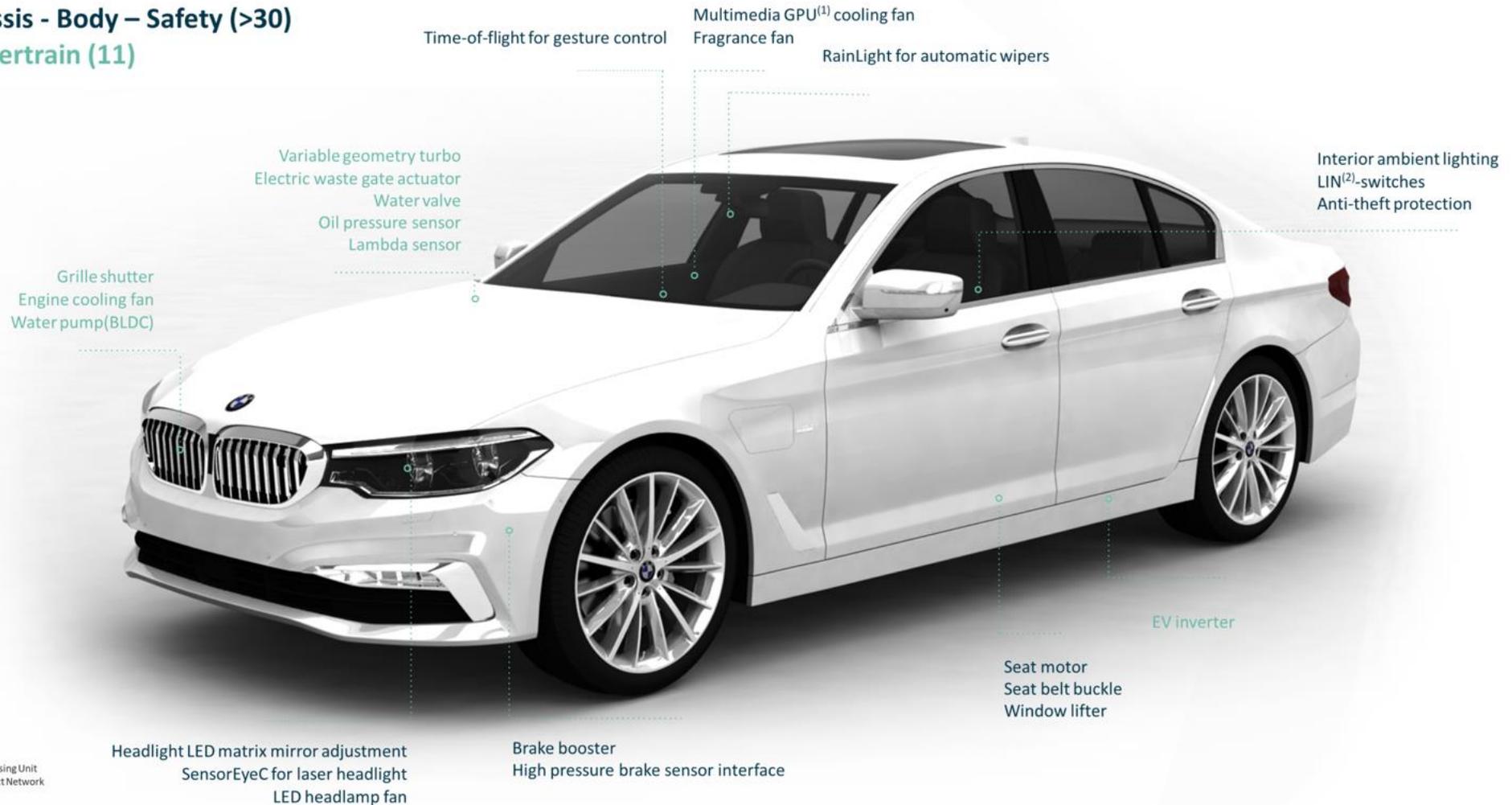
Melexis in automotive



BMW 530e

* Chassis - Body – Safety (>30)

* Powertrain (11)



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

Melexis beyond automotive

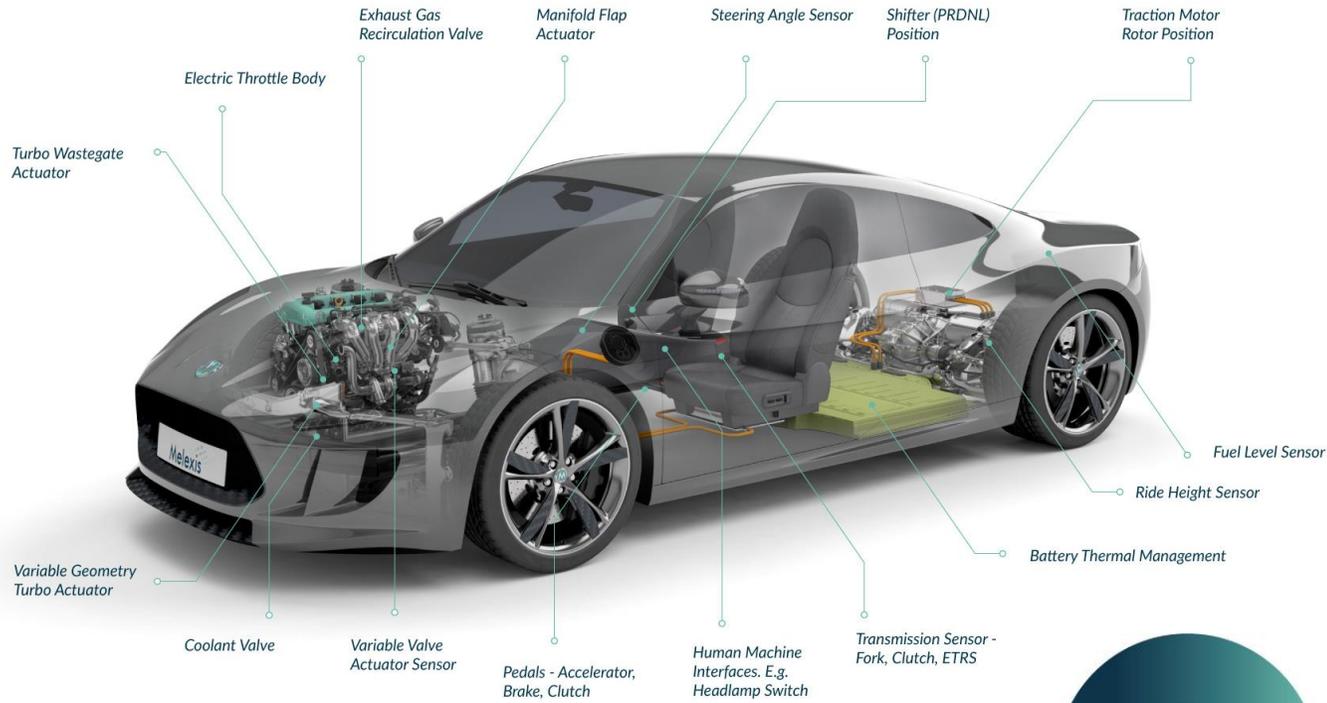
Sensors & drivers for similar challenges

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



Milestones

1
Triaxis® by Melexis
BILLION
 SENSORS SHIPPED



SIL | READY
 BY MELEXIS

2
Melexis
BILLION
 SWITCHES SHIPPED



Our market position



Automotive
semiconductors

#14



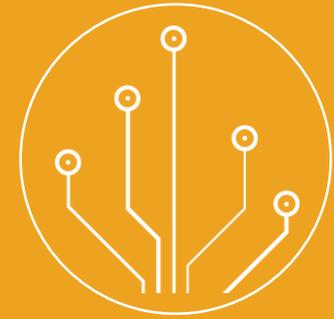
Automotive sensors

#3



Magnetic sensors

#3



Magnetic position
sensors

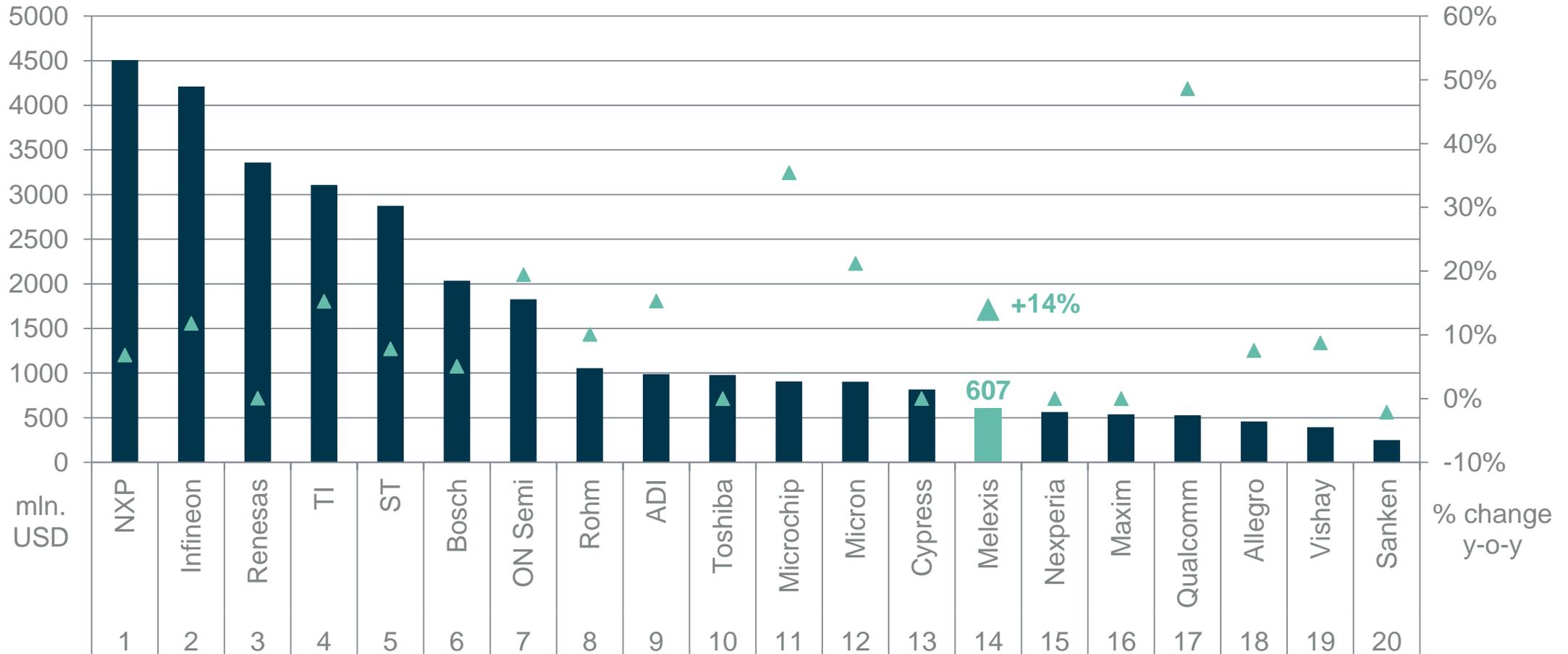
Latch & switch

Ambient lighting

#1

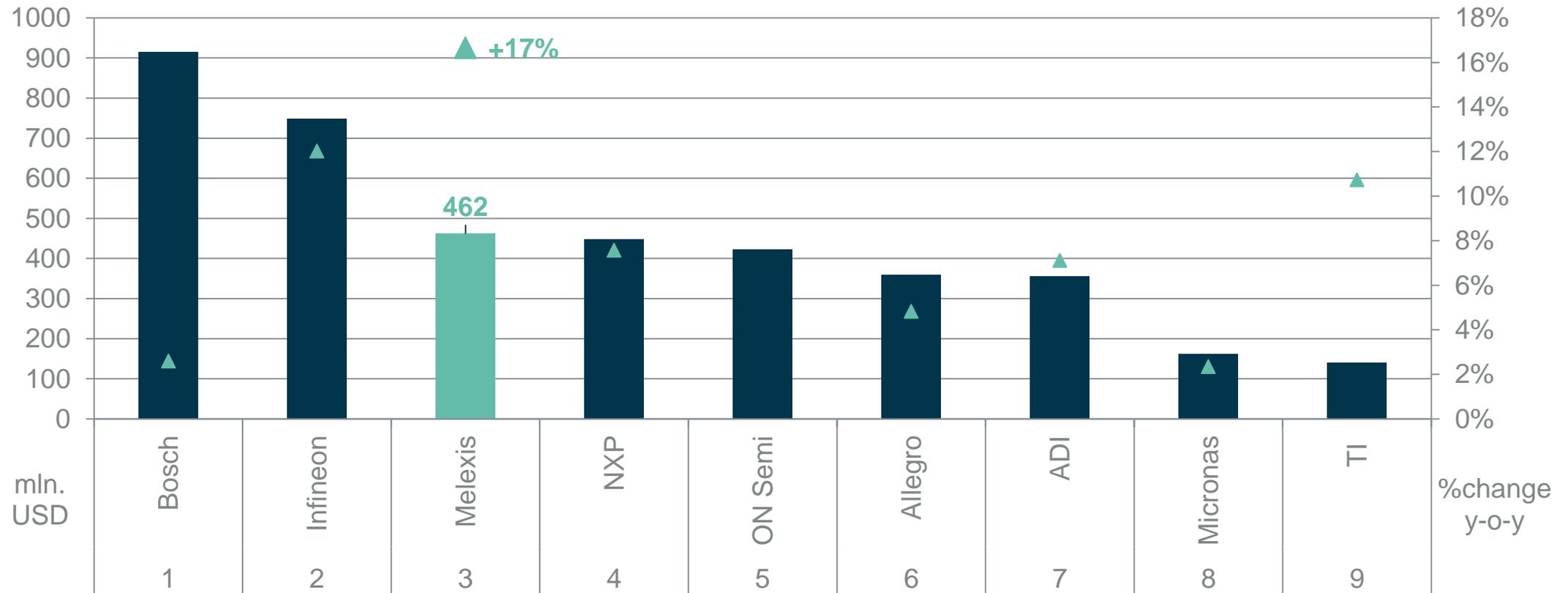
Melexis ranking 14th in automotive semiconductor

Automotive semiconductor sales 2018 (mln. USD)
5 year CAGR (2013-2018)



Melexis ranking 3rd in automotive sensors

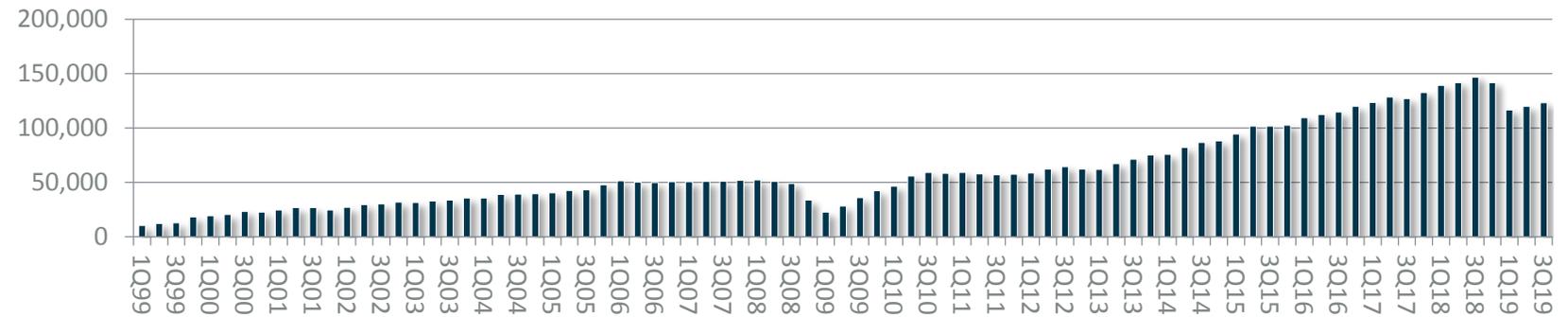
Automotive sensor sales 2018 (mln. USD)
5 year CAGR (2013-2018)



Evolution financials 2000-2019

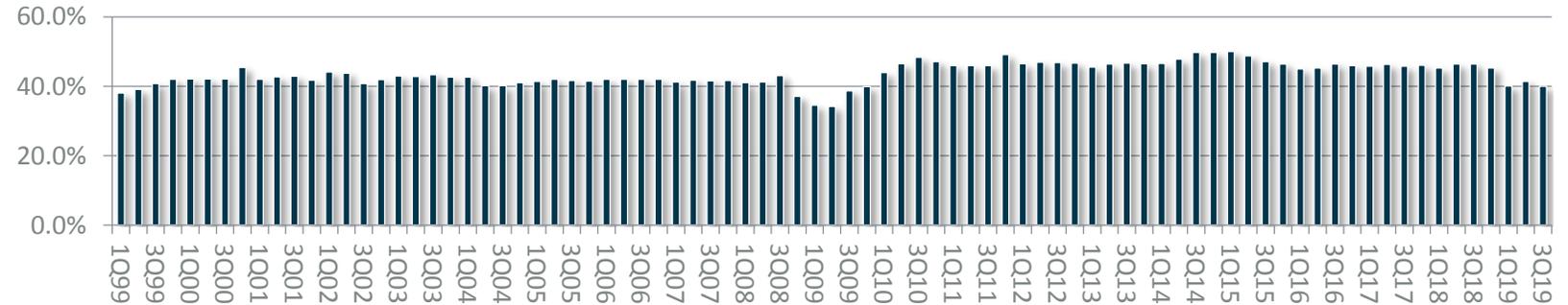
Turnover

Q3 2019: 123.3 mln EUR
9M 2019: 359.8 mln EUR



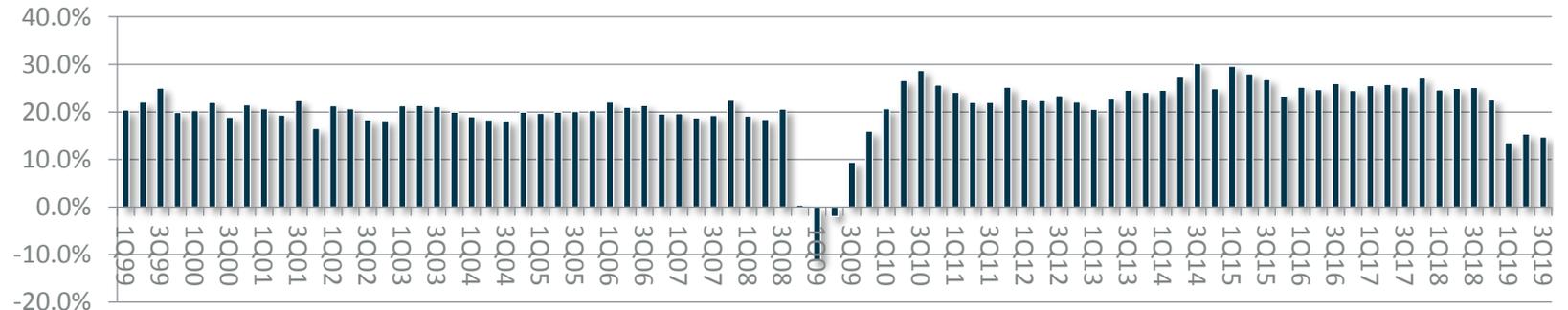
Gross profit margin

Q3 2019: 40.0%
9M 2019: 40.5%

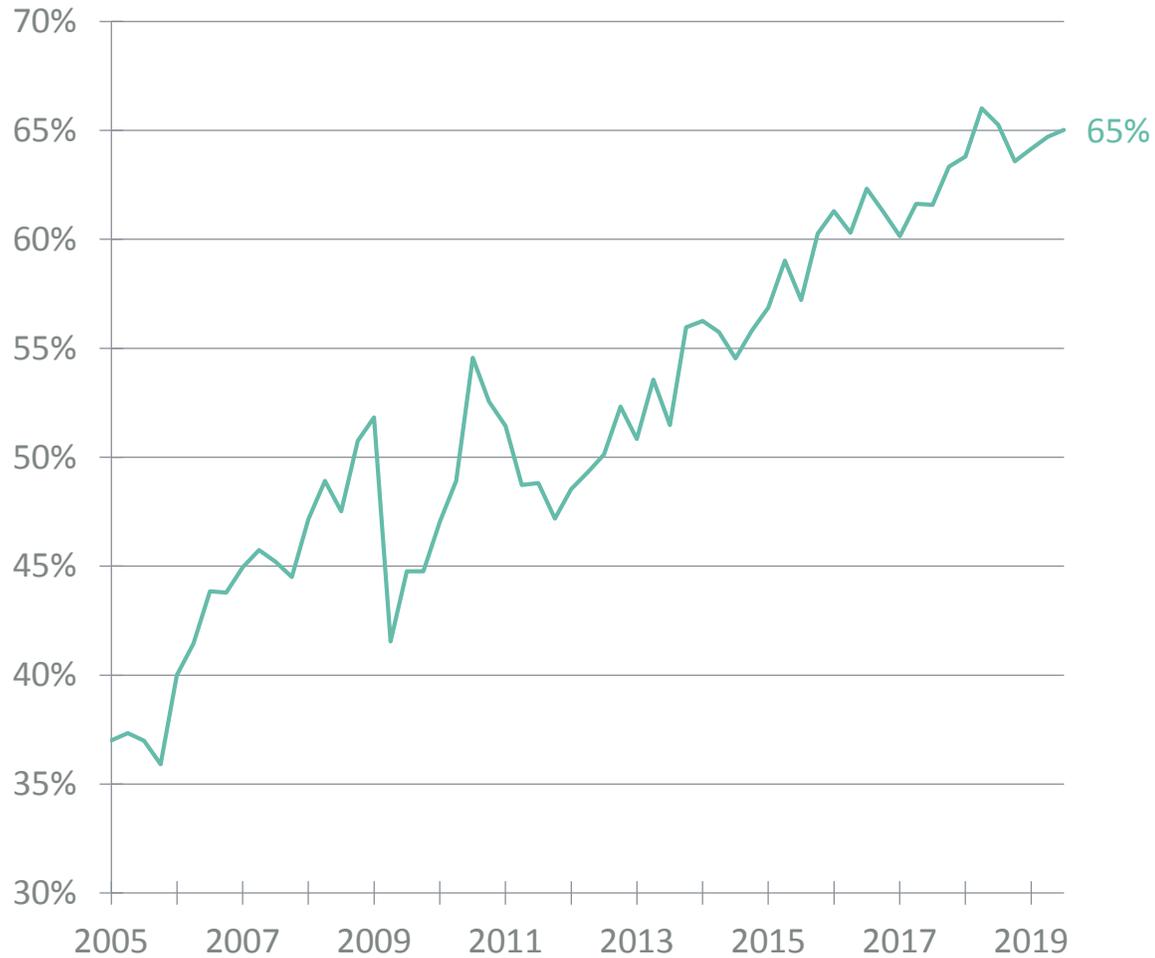


Operating margin

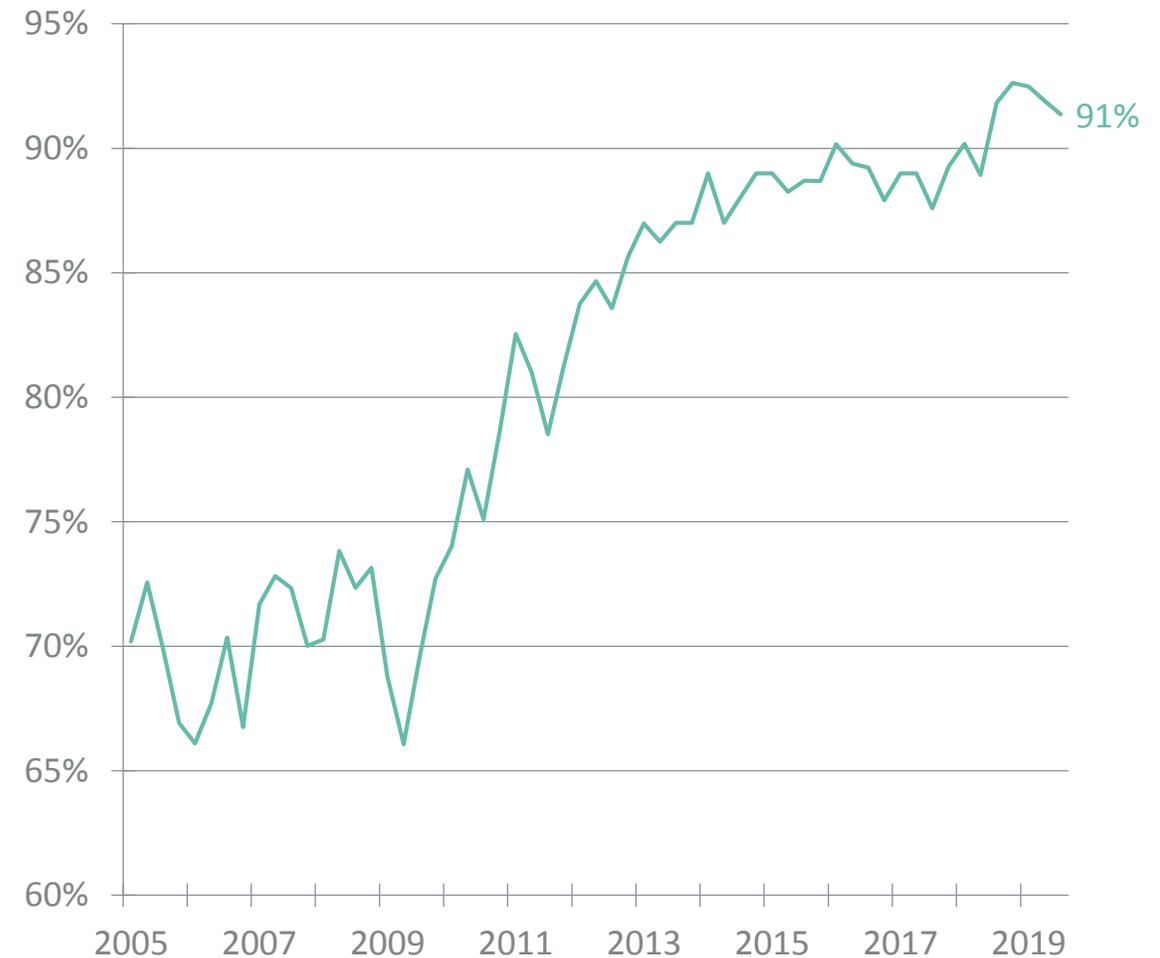
Q3 2019: 14.7%
9M 2019: 14.5%



% ASSP sales



% automotive sales



Q3 2019 results at a glance

Sales

123.3m EUR

-16% Y-o-Y

Gross margin

40.0%

49.3m EUR

-28% Y-o-Y

Operating result

14.7%

18.2m EUR

-51% Y-o-Y

Net result

0.38 EPS

15.4m EUR

-49% Y-o-Y

Oper. cash flow

(before wcap change)

32.2m EUR

-21% Y-o-Y

Net debt

1.9m EUR

Outlook

Melexis expects sales in the fourth quarter of 2019 to be in the range of 123-129 million euro, with a gross profit margin around 40% and an operating margin around 15% at the midpoint of the sales guidance.

This results in a full year 2019 sales outlook of 483-489 million euro, a gross profit margin around 40% and an operating margin around 15%.

Profit & loss

Q3 2019 versus Q3 2018 versus Q2 2019

P&L account (in million EUR)	Q3 2019	% of Sales	Q3 2018	% of Sales	Q2 2019	% of Sales
Sales	123.3	100.0%	146.7	100.0%	120.0	100.0%
Cost of goods sold	-74.0	-60.0%	-78.6	-53.6%	-70.3	-58.6%
Gross margin	49.3	40.0%	68.1	46.4%	49.8	41.4%
R&D	-19.8	-16.1%	-19.6	-13.3%	-19.5	-16.3%
G&A	-7.6	-6.2%	-7.8	-5.3%	-7.8	-6.5%
Selling	-3.7	-3.0%	-3.8	-2.6%	-4.0	-3.4%
EBIT	18.2	14.7%	36.9	25.1%	18.4	15.4%
Net financial result	-0.3	-0.2%	-0.6	-0.4%	-0.4	-0.3%
Income taxes	-2.5	-2.1%	-6.2	-4.2%	-2.5	-2.1%
Net profit	15.4	12.5%	30.1	20.5%	15.6	13.0%
Earnings per share	0.38		0.74		0.39	

9M 2019 results at a glance

Sales

359.8m EUR

-16% Y-o-Y

Gross margin

40.5%

145.8m EUR

-26% Y-o-Y

Operating result

14.5%

52.3m EUR

-51% Y-o-Y

Net result

1.11 EPS

44.9m EUR

-48% Y-o-Y

Oper. cash flow

(before wcap change)

92.7m EUR

-21% Y-o-Y

Net debt

1.9m EUR

Outlook

Melexis expects sales in the fourth quarter of 2019 to be in the range of 123-129 million euro, with a gross profit margin around 40% and an operating margin around 15% at the midpoint of the sales guidance.

This results in a full year 2019 sales outlook of 483-489 million euro, a gross profit margin around 40% and an operating margin around 15%.

Profit & loss

9M 2019 versus 9M 2018

P&L account (in million EUR)	9M 2019	% of Sales	9M 2018	% of Sales
Sales	359.8	100.0%	427.7	100.0%
Cost of goods sold	-214.0	-59.5%	-230.7	-53.9%
Gross margin	145.8	40.5%	197.0	46.1%
R&D	-59.1	-16.4%	-57.2	-13.4%
G&A	-23.0	-6.4%	-22.1	-5.2%
Selling	-11.4	-3.2%	-11.0	-2.6%
Other operating result		0.0%		0.0%
EBIT	52.3	14.5%	106.6	24.9%
Net financial result	-1.0	-0.3%	-0.3	-0.1%
Income taxes	-6.5	-1.8%	-19.3	-4.5%
Net profit	44.9	12.5%	87.0	20.3%
Earnings per share	1.11		2.15	

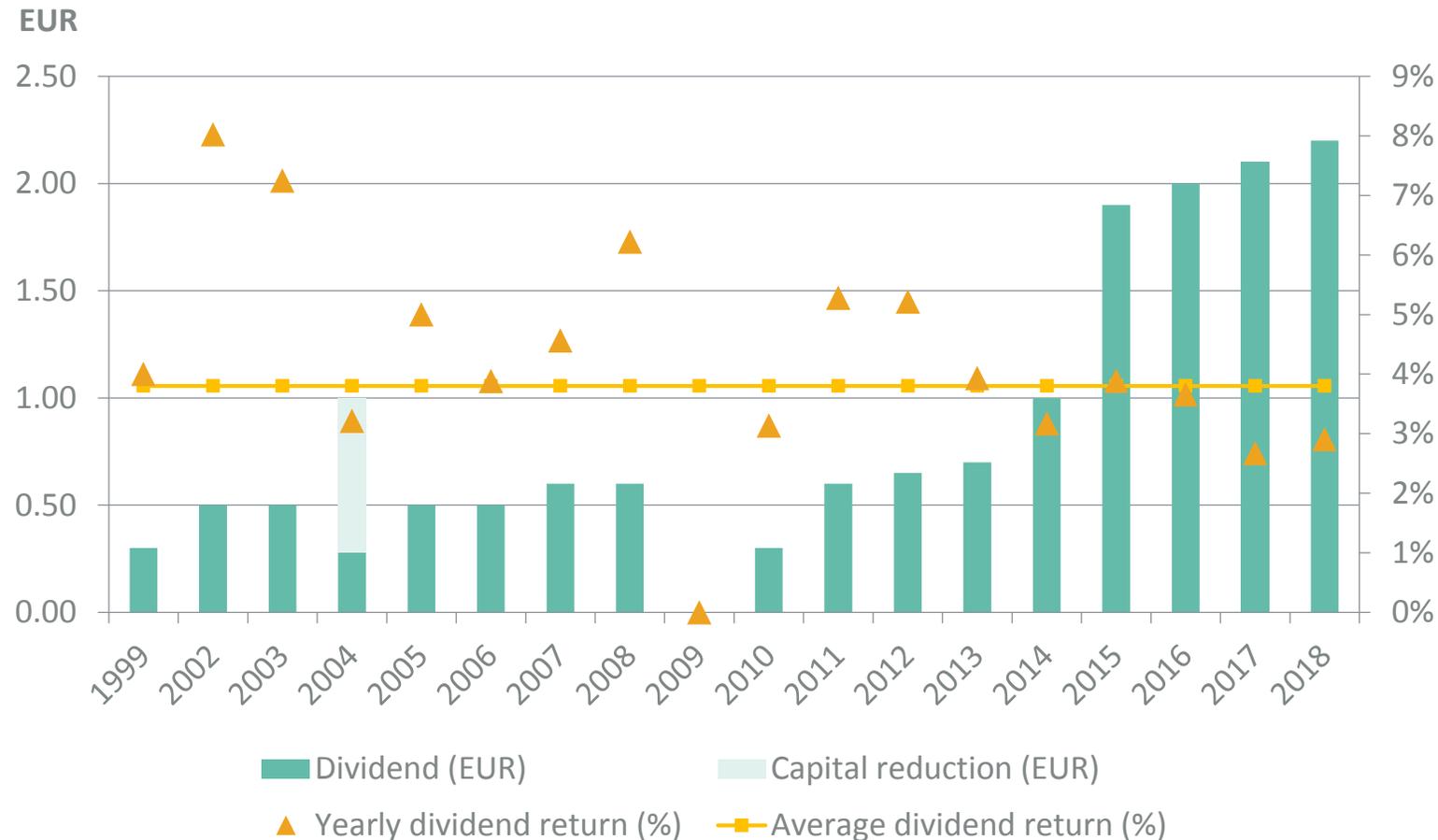
Balance sheet

Q3 2019 versus Q3 2018 versus Q2 2019

Balance Sheet	Q3 2019	Q3 2018	Q2 2019
Total assets	453.9	435.1	436.7
Current assets			
Cash	60.2	36.9	31.3
Inventory	128.0	125.9	128.9
A/R Trade	69.7	78.8	68.5
Non-current assets	182.2	180.3	185.5
Shareholders' equity	336.1	349.4	319.8
Interest bearing debt	62.0	15.0	62.0
Long term	62.0	15.0	62.0
Short term	0.0	0.0	0.0

Dividend yield

Based on average share price



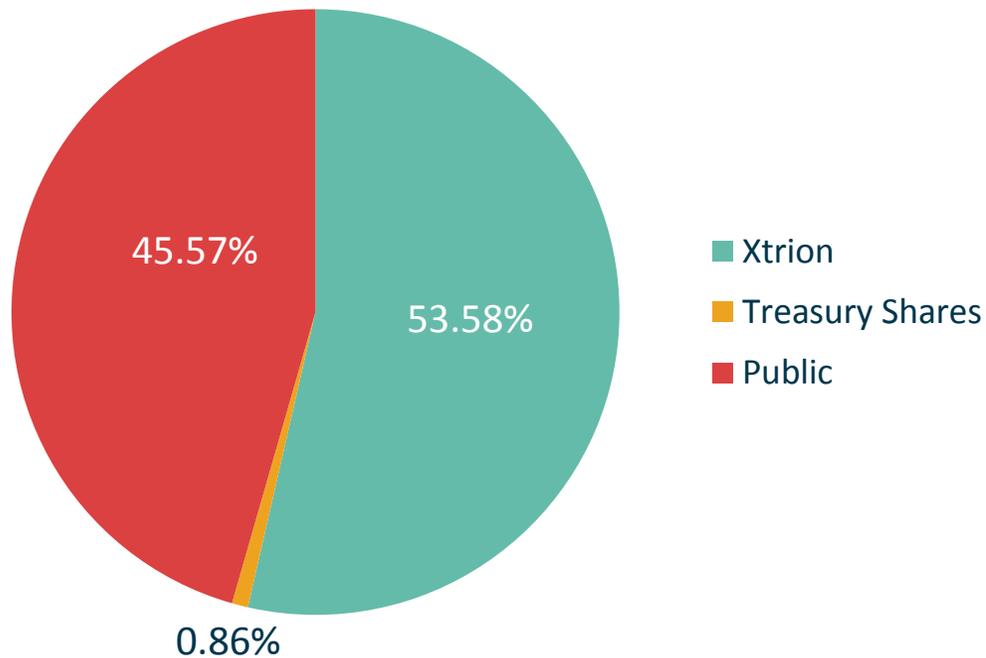
Gross dividend per share (EUR)

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
(**) YTD 2019	1.30
Interim	

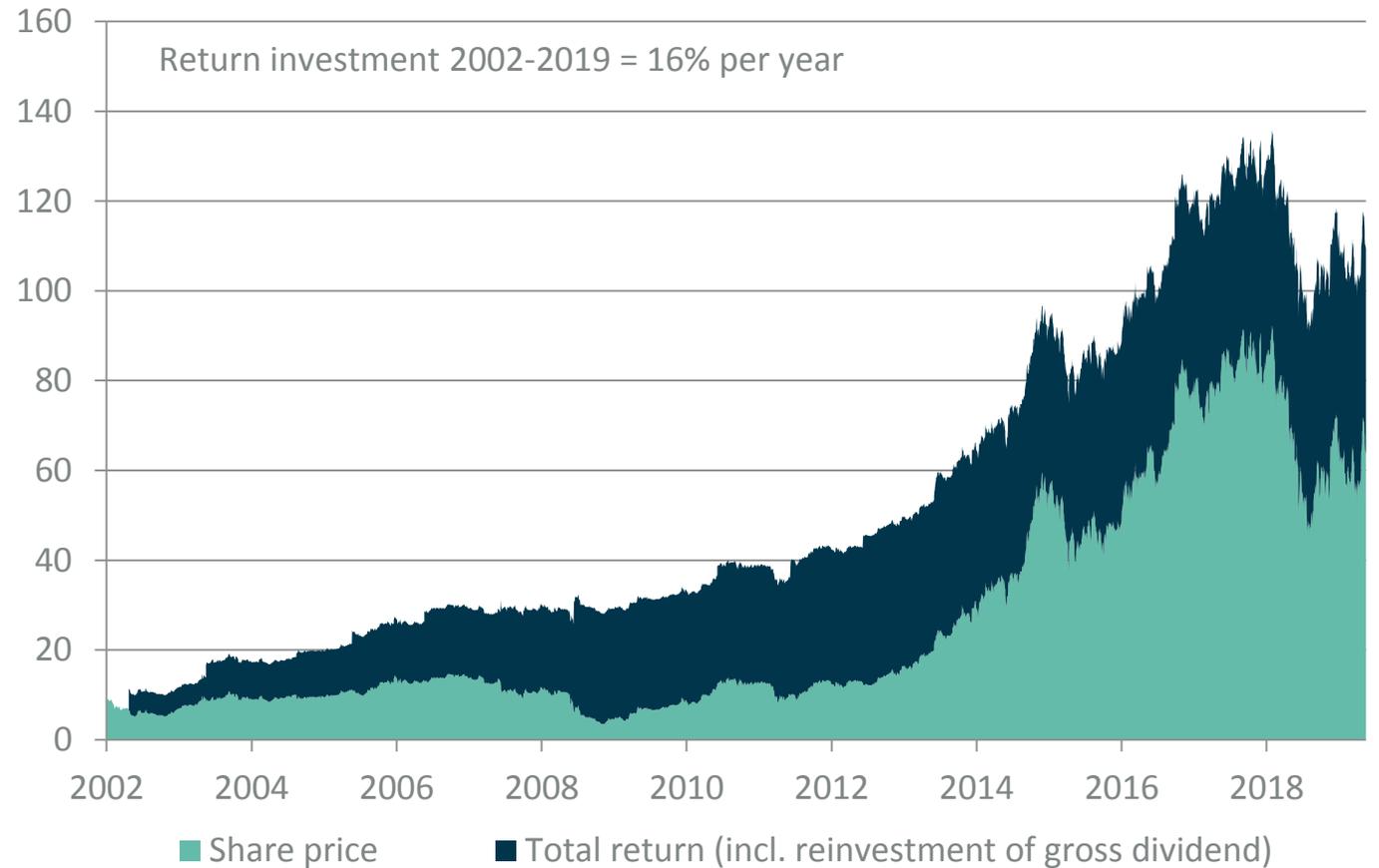
(*) incl. 0.72 cap.decr
 (**) payable 24 Oct 2019

Shareholders structure & shareholder return

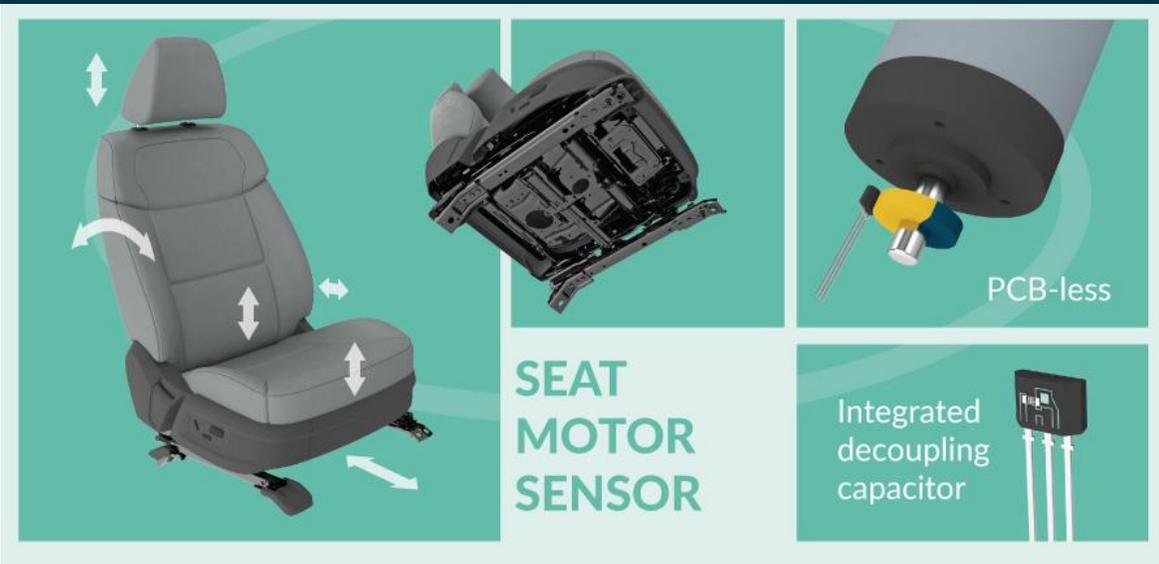
Shareholder structure on 30 Sep 2019



Shareholder Return 2002-2019



Some recent products – BU Sense & Drive

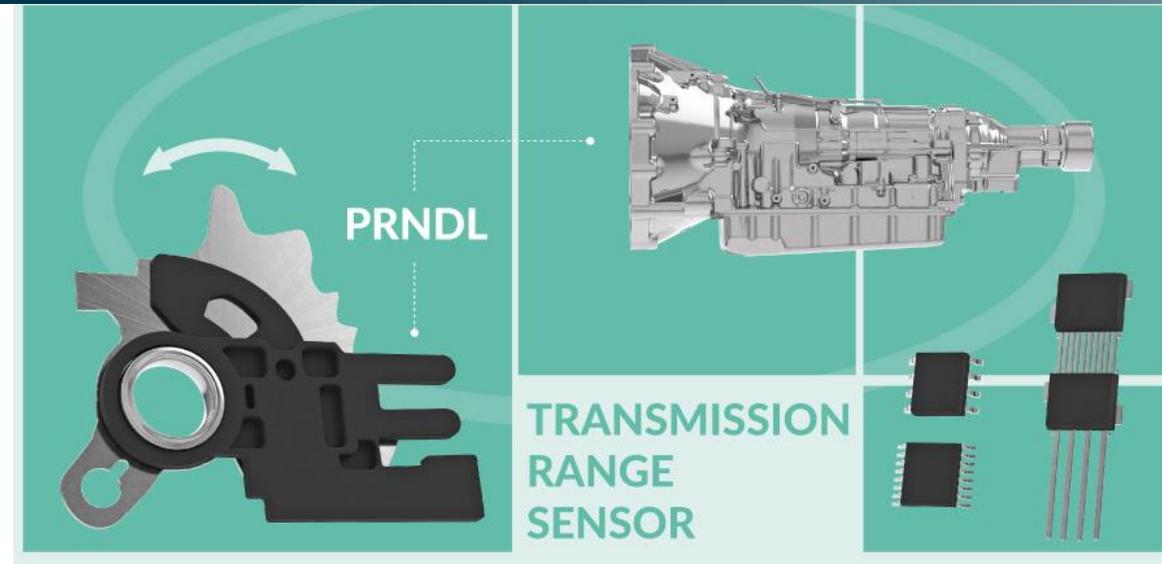


SEAT MOTOR SENSOR

PCB-less

Integrated decoupling capacitor

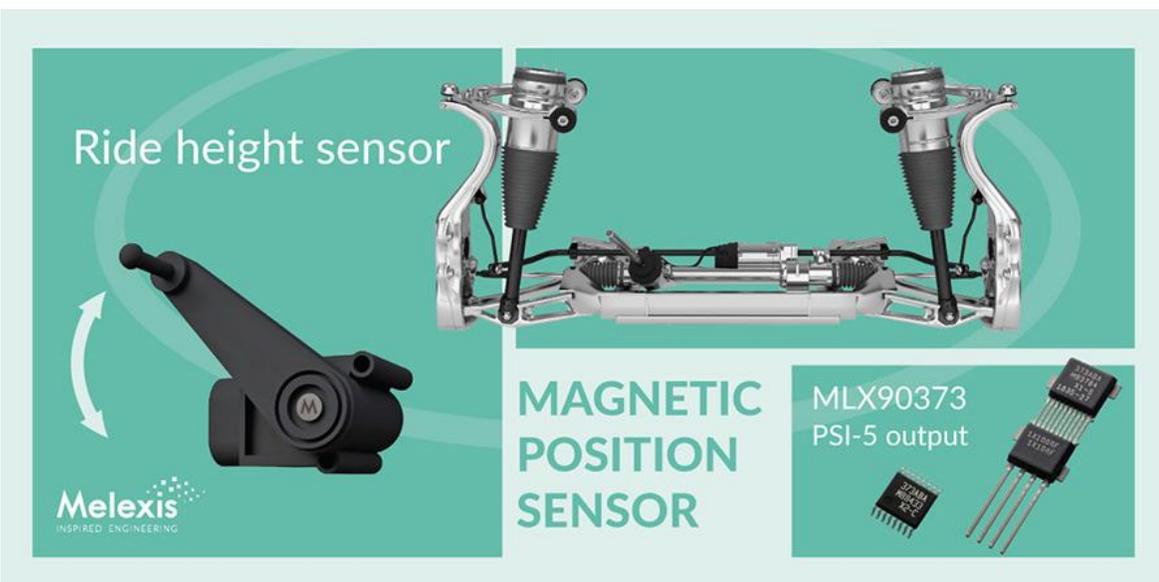
This block features three images: a car seat with arrows indicating movement, a detailed view of the seat's internal motor and sensor assembly, and a close-up of the sensor's shaft with a yellow and blue cap. Below the main image is a small inset showing a PCB-less integrated decoupling capacitor component.



PRNDL

TRANSMISSION RANGE SENSOR

This block contains three images: a gear shift knob with a PRNDL indicator, a cutaway view of a transmission assembly, and two different views of the transmission range sensor chip.



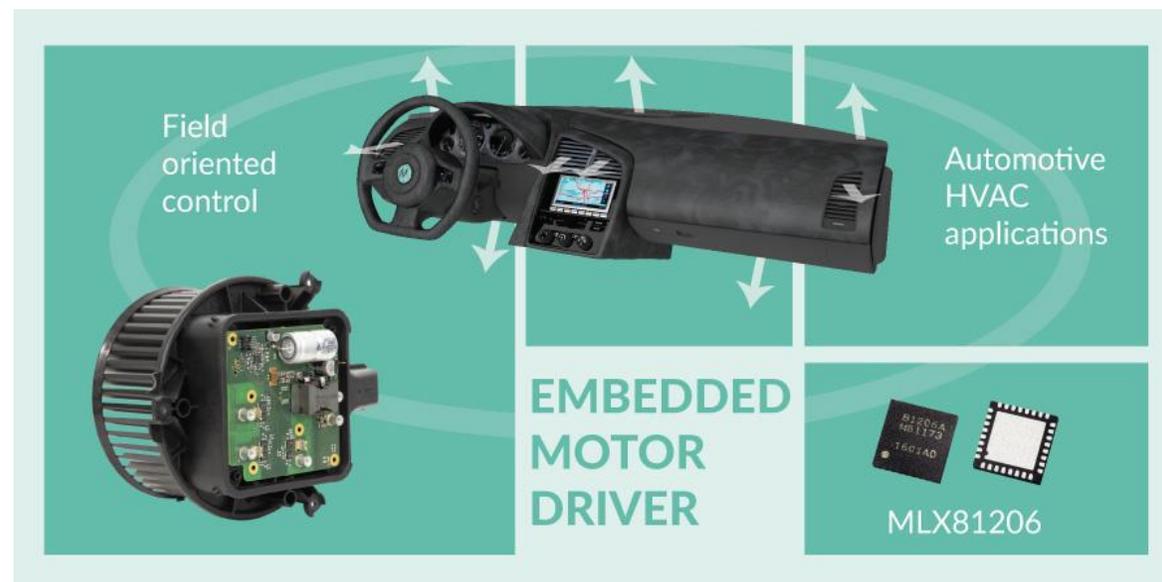
Ride height sensor

MAGNETIC POSITION SENSOR

MLX90373
PSI-5 output

Melexis
INSPIRED ENGINEERING

This block includes three images: a close-up of the magnetic position sensor, a view of the sensor installed on a vehicle's suspension system, and two views of the MLX90373 chip. The Melexis logo is in the bottom left corner.



Field oriented control

Automotive HVAC applications

EMBEDDED MOTOR DRIVER

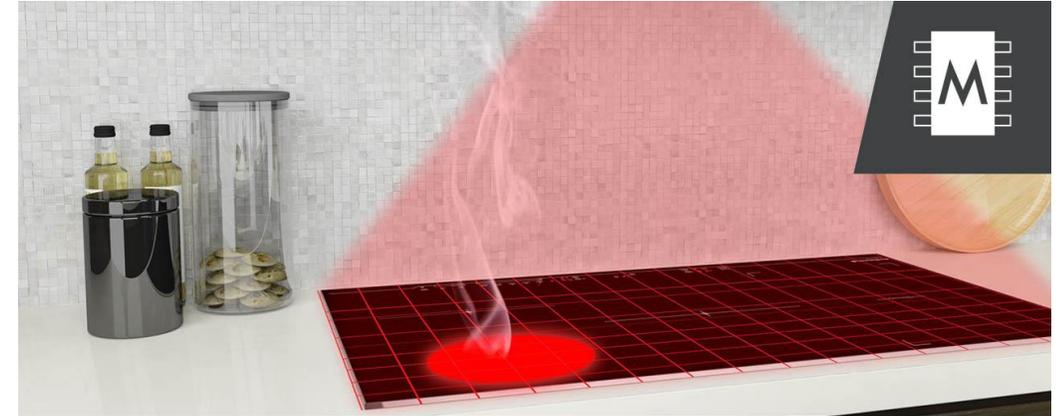
MLX81206

This block features three images: a motor with a green PCB, a car dashboard with arrows pointing to the HVAC vents, and two views of the MLX81206 chip.

Some recent products - BU Sense & Light



MLX90632
MINIATURE MEDICAL GRADE
INFRARED TEMPERATURE SENSOR



**MLX90641 THERMAL SENSOR
ARRAY 16 X 12 PIXELS**



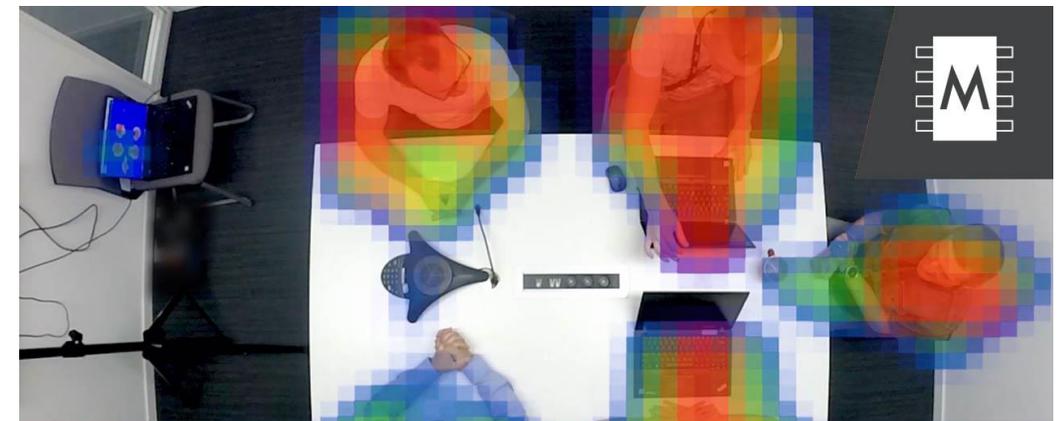
High Resolution Automotive ToF sensor



Beyond 100 Kpixel



Melexis
INSPIRED ENGINEERING



**PEOPLE DETECTION WITH
MLX90640 FIR ARRAY**

Melexis
INSPIRED ENGINEERING

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