



MEMSCAP: ELEMENTS RELATED TO NOMINAL VALUE REDUCTION PROPOSAL

Grenoble, France and Durham, NC, November 17, 2011 – As mentioned in the previous press release dated November 16, 2011, it will be proposed at the Extraordinary General Meeting convened for December 21, 2011 to proceed with the reduction of MEMSCAP capital by reducing the nominal value of the share. The current issued capital, amounting to 9,430,698 euros, divided into 4,715,349 shares with a nominal value of 2 euros, would be reduced to an amount of 1,178,837.25 euros, divided into 4,715,349 shares of a nominal value of 0.25 euro. The amount of capital reduction, i.e. 8,251,860.75 euros, would be allocated entirely to the account "Share premium".

In addition, MEMSCAP highlights the following elements:

- This capital reduction is in no way motivated by the clearance of previous accounting losses,
- There is no accounting impact on the amount of the shareholders' equity of the Group,
- The current amount of the nominal value of the security, higher than the trading share price, constitutes a legal obstacle for any potential transaction of a capital increase. The proposed amendment of the nominal value is precisely the elimination of this legal obstacle. The choice of 0.25 euro targets a multiple of about eight times between the nominal value and the recent average trading share price. This multiple is in line with the one previously considered during the last transaction affecting the nominal value, which led to 2 euros. Previously, it is recalled that the nominal value was 0.05 euro.

As mentioned in Q3 2011 earnings press release, the growth projections driven by current development programs, initiated during 2011, may require specific funding. It is in such frame that MEMSCAP' board of directors engaged the management to proceed with the analysis of the different transaction possibilities to strengthen Company cash, in order to execute the selected scheme before fiscal year end. Such selected transaction cannot be performed outside of the frame of the delegations granted by the General Meeting of June 20, 2011 to the Board and only after a decision of the latter.

Finally, it is reminded that, on September 30, 2011:

- The Company consolidated available cash amounted to 1.6 million euros,
- Despite the temporary decrease in sales during the last quarter, consolidated net cash increased by 0.1 million euros,
- Its shareholders' equity stood at 16.8 million euros.

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) 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.

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