

PRESS RELEASE

Successful closing of private placement allows Xenics to deploy market activities.

Leuven, Belgium, June 16, 2003 – Xenics, developer and producer of innovative infrared image sensors, today announced the successful increase of its capital with 1.5 million Euro. This second round of funding will allow the company to deploy its international sales network fully and to focus on establishing international partnerships.

Investors in this second round of funding include Xenics' current shareholders, Fortis Private Equity, IMEC, Xenics' staff, and a group of business angels. An important new investor is Software Holding & Finance.

Xenics is ready to introduce a range of new products and is now working on the expansion of its sales networks. "This capital increase demonstrates investors' confidence in the future of our company as an innovator in infrared detection," said Bob Grietens, CEO of Xenics.

Xenics, a spin-off company of IMEC, is Europe's premier supplier of infrared image sensors based on III-V InGaAs technology. Applications targeted are spectroscopy, telecommunication, and medical and industrial imaging where visible light offers no solution.

IMEC, Europe's largest independent microelectronics and nanotechnology research center, continues to invest in its spin-off. Xenics closely collaborates with the research center on developing new technologies to remain at the forefront of state-of-the-art infrared imaging. "The continuous support of IMEC is crucial for our company, and allows us to position ourselves with a long-term vision on the future of infrared technology," said Bob Grietens.

The new round of capital funding will allow Xenics to fully deploy new sales networks and attract international partners, while continuing to develop state-of-the-art infrared image sensors based on advanced infrared technologies.

Note to the editor

About Xenics

Xenics is the leading developer of innovative infrared detection solutions for a wide range of applications. Xenics designs, manufactures and sells infrared detectors, both linear and 2D arrays, covering the infrared wavelength ranges from 1 up to 14 micrometer. In addition, Xenics delivers custom detectors according to the agreed specification and planning. Xenics was established in 2000 as a spin-off company of the microelectronics and nanotechnology research center IMEC.

Contact:

Bob Grietens, CEO

Xenics

Kapeldreef 75

B-3001 Leuven

Belgium

Tel. +32 16 38 99 00

Fax. +32 16 38 99 01

E-mail : bob.grietens@Xenics.com

www.Xenics.com