



GSI Technology Responds to Comments by Cypress Semiconductor Regarding Pending Litigation

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SUNNYVALE, Calif., Oct 05, 2011 (BUSINESS WIRE) -- **GSI Technology, Inc. (Nasdaq: GSIT)** today responded to a press release issued by Cypress Semiconductor Corp. on October 3, 2011 regarding pending litigation between the two companies.

According to Lee-Lean Shu, President and CEO of GSI Technology, "Fearing GSI's superior and faster products, Cypress's misleading press release of October 3, 2011 is just its latest effort in its campaign to unfairly compete with GSI. In the litigation that Cypress initiated, Cypress has provided no evidence that GSI (or any of its customers) infringe any valid Cypress patent. In fact, GSI is confident that GSI does not infringe any valid patent of Cypress. Importantly, since the filing of its lawsuit, the Patent and Trademark Office has instituted a re-examination proceeding with respect to one of the Cypress patents involved in the litigation (challenging the validity of the patent) and is reviewing whether to institute a re-examination proceeding against another Cypress patent.

"Cypress is unwilling to fight the case on the merits and has elected a strategy of litigating in the press, demonstrating, we believe, its lack of confidence in the case," added Shu. "On the other hand, GSI is very confident in its position and is fully prepared to defend itself. GSI looks forward to prevailing on the merits."

According to Shu, Cypress's press release is also inaccurate with respect to what it calls "negotiations." "First, Cypress states that it filed the lawsuit in the International Trade Commission because GSI was not willing to discuss a resolution with Cypress. That is not true. At GSI's suggestion, a meeting was scheduled to discuss a resolution of Cypress' claims prior to the filing of the ITC case. Rather than discuss the merits of its claims head-on, Cypress abruptly cancelled the meeting and brought suit instead. Last week's meeting was a settlement conference mandated by ITC rules. At that meeting, Cypress refused yet again to discuss the merits of the lawsuit regarding its claims -- demonstrating, we believe, its continued lack of confidence in its position."

GSI further believes that it is inaccurate for Cypress to state that it was "required" to name GSI's customers in the ITC lawsuit. According to GSI, this was not the case. "This is clearly just another example of Cypress's marketing strategy to intimidate customers and prospective purchasers of GSI's superior products," said Didier Lasserre, GSI Vice President of Worldwide Sales. "We believe that the market understands exactly what Cypress is doing."

"This is not the first time Cypress has crossed the line in unfairly competing and in trying to manipulate the market," said Shu. "In fact, an antitrust lawsuit -- brought by GSI on July 22, 2011 -- is pending against Cypress. GSI intends to pursue this case vigorously while defending Cypress's patent claims."

About GSI Technology

Founded in 1995, GSI Technology, Inc. is a leading provider of high performance static random access memory, or SRAM, products primarily incorporated in networking and telecommunications equipment. Headquartered in Sunnyvale, California, GSI Technology is ISO 9001 certified and has worldwide factory and sales locations. For more information, please visit <http://www.gsitechnology.com>.

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