

ITC Remands Patent Infringement Case for Consideration of GSI'S Infringement and Unenforceability Arguments

December 24, 2012

ITC Will Review Initial Determination Following Judge's Further Ruling

SUNNYVALE, Calif.--(BUSINESS WIRE)--Dec. 24, 2012-- GSI Technology, Inc. (NASDAQ: GSIT) today reported that the International Trade Commission (the "ITC") has determined to review the initial determination of Chief Administrative Law Judge Charles E. Bullock in the patent litigation between GSI and Cypress Semiconductor Corp.pending before the ITC. The ITC remanded the case to Judge Bullock to consider arguments by GSI and the other respondents in the case that the patents at issue are invalid and unenforceable and to rule on these arguments prior to the Commission's review.

The ITC investigation was instituted in July 2011 in response to a complaint filed by Cypress. Cypress' complaint alleged that GSI products, including its Sigma DDR and SigmaQuad families of static random access memory ("SRAM") products, infringe four Cypress patents and sought an order excluding the allegedly infringing SRAMs, and products containing them, from entry into the United States and permanent orders directing GSI and other respondents (a customer and a distributor) to cease and desist from selling these products in the United States. An evidentiary hearing before Judge Bullock took place in March 2012.

In his initial determination, issued on October 25, 2012, Judge Bullock held that the importation of GSI's SRAM products, and products containing them, and the sale within the United States of such products, have not violated applicable federal law with respect to any of the four patents that Cypress had alleged were infringed. Because he found that the accused products do not infringe any of the asserted patent claims, Judge Bullock did not consider or rule on the additional arguments of GSI and the other respondents that the Cypress patents are invalid and unenforceable. Detailed findings in support of Judge Bullock's determination were subsequently released.

On November 7, 2012, Cypress filed a petition for review of the initial determination by the full Commission, and GSI and the other respondents filed a contingent petition for review seeking a ruling on the invalidity and unenforceability arguments as well as additional bases for finding non-infringement.

In a notice issued on December 21, 2012, the ITC announced that it had determined to review Judge Bullock's initial determination, but remanded the investigation to Judge Bullock to consider and rule on the invalidity and enforceability issues in advance of the ITC review.

Lee-Lean Shu, GSI's President and Chief Executive Officer, commented that "Commission review of initial determinations is common in ITC investigations of this type, and we believe that the Commission will uphold Judge Bullock's ruling that our products do not infringe Cypress' patents, in light of the Judge's original findings as well as the additional bases for non-infringement set forth in our petition. We also have strong arguments that the patents are invalid and unenforceable, and we are pleased that these arguments will be considered and ruled upon as well. We believe that Judge Bullock's resolution of the remanded issues will strengthen the record in our favor in advance of the Commission's review and provide alternative bases for the Commission to uphold the initial determination." On a related matter, Shu noted that "We continue to vigorously pursue our antitrust case against Cypress that is pending in the U.S. District Court for the Northern District of California."

About GSI Technology

Founded in 1995, GSI Technology, Inc. is a leading provider of high-performance 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 www.gsitechnology.com.

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