



## **GSI Technology, Inc. Board Unanimously Rejects Unsolicited Acquisition Proposal From GigOptix, Inc.**

September 8, 2014

SUNNYVALE, CA--(Marketwired - Sep 8, 2014) - **GSI Technology, Inc.** (NASDAQ: GSIT) today announced that its Board of Directors, in consultation with its financial and legal advisors, unanimously determined to reject GigOptix, Inc.'s unsolicited, non-binding and conditional proposal to acquire the Company that had been publicly announced on August 19, 2014.

GSI Technology communicated its response to GigOptix in a letter from Lee-Lean Shu, its Chairman and Chief Executive Officer, to Avi Katz, GigOptix's Chairman, Chief Executive Officer and President. The full text of Mr. Shu's letter follows:

September 8, 2014

Dr. Avi Katz  
Chairman, Chief Executive Officer  
and President  
GigOptix, Inc.  
130 Baytech Drive  
San Jose, CA 95134

Dear Dr. Katz:

Our Board of Directors has reviewed your letter of August 18, 2014 outlining a non-binding and conditional proposal to acquire all of the outstanding shares of GSI Technology, Inc. common stock for per share consideration of \$6.50 per share, consisting of a combination of GigOptix common stock and cash (including \$3.17 per share of GSI Technology's own cash paid as a special dividend).

After carefully and thoroughly reviewing your proposal, in consultation with its financial advisors, Robert W. Baird & Co. Incorporated, and legal advisors, DLA Piper LLP (US), our Board has unanimously concluded that pursuing your unsolicited proposal would be contrary to the best interests of our stockholders. The Board strongly believes that GSI Technology's prospects as a strong independent company are excellent and that our goal of continuing to build long-term stockholder value will be best served by remaining focused on the execution of our business plan.

Yours truly,

Lee-Lean Shu  
Chairman and Chief Executive Officer

### **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 [www.gsitechnology.com](http://www.gsitechnology.com).

### **Forward-Looking Statements**

The statements contained in this press release that are not purely historical are forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, including statements regarding GSI Technology's beliefs, intentions and strategies regarding the future. All forward-looking statements included in this press release are based upon information available to GSI Technology as of the date hereof, and GSI Technology assumes no obligation to update any such forward-looking statements. Forward-looking statements involve a variety of risks and uncertainties, which could cause actual results to differ materially from those projected. These risks include those associated with fluctuations in GSI Technology's operating results; GSI Technology's historical dependence on sales to a limited number of customers and fluctuations in the mix of customers and products in any period; the rapidly evolving markets for GSI Technology's products and uncertainty regarding the development of these markets; the need to develop and introduce new products to offset the historical decline in the average unit selling price of GSI Technology's products; the challenges of rapid growth followed by periods of contraction; intensive competition; the patent infringement litigation currently pending against the Company; and the substantial litigation-related expenses associated with the defense of that litigation and the prosecution of other litigation in which the Company is involved, which fluctuate significantly from quarter to quarter. Further information regarding these and other risks relating to GSI Technology's business is contained in the Company's filings with the Securities and Exchange Commission, including those factors discussed under the caption "Risk Factors" in such filings.

GSI Technology, Inc.  
Douglas Schirle  
Chief Financial Officer  
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