



MOSAID Technologies Incorporated

## **Court Denies Samsung's Appeal of Sanctions**

**OTTAWA, Ontario** – October 1, 2004 – MOSAID Technologies Incorporated (TSX:MSD) today announced that District Court Judge Martini denied an appeal by Samsung of two of the sanctions ordered by Magistrate Judge Hedges against Samsung related to Samsung's discovery deficiencies.

The Court's ruling confirms that MOSAID is permitted to choose any Samsung DRAM as a representative part. To address Samsung's concern that MOSAID might characterize PMOS DRAMs as NMOS DRAMs, the Court modified the sanctions to require MOSAID to select at least one NMOS DRAM as a representative part.

Samsung is also precluded from challenging MOSAID's expert evidence as to the operations of the representative parts insofar as such challenges rest on any assumptions made as part of performing simulations or other analyses of representative DRAMs.

The Court advised that because it seeks to expedite the case and begin trial on February 1, 2005, and since the litigation has been stayed until the Court rules on Samsung's appeal concerning representative parts and expert assumptions, the Court is only resolving the appeal with respect to those two sanctions at this time. The appeal of the remaining two sanctions, the adverse inference and attorney's fees, will be resolved in a subsequent opinion.

"We are pleased with the Court's strongly worded opinion confirming these two important sanctions against Samsung" said Jim Skippen, MOSAID's Senior Vice President Patent Licensing and General Counsel. "The Court is sending a clear message that it will not tolerate this type of conduct in a litigation. The Court stated in its opinion that these sanctions were "moderate, fair and narrowly tailored to redress Samsung's violations" and we agree with that conclusion."

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## **About MOSAID**

MOSAID Technologies Incorporated is an independent semiconductor company operating through two divisions:

- *Intellectual Property* - a developer and licensor of memory intellectual property.
- *Systems* - the leading supplier of engineering memory test and analysis systems to memory manufacturers, foundries and fabless chip companies around the world.

Founded in 1975, MOSAID is based in Ottawa, Ontario, Canada, with offices in Santa Clara, California; Newcastle upon Tyne, U.K; and Tokyo, Japan. For more information, visit the Company's web site at [www.mosaid.com](http://www.mosaid.com).

## **Forward Looking Information**

*This document may contain forward-looking statements relating to the Company's operations or to the environment in which the Company operates. Such statements are based on current expectations that are subject to a variety of risks and uncertainties that are difficult to predict and/or beyond MOSAID's control. Actual results may differ materially from those expressed in any forward-looking statements, due to factors such as customer demand and timing of purchasing decisions, product and business mix, competitive products, pricing pressures as well as general economic and industry conditions. MOSAID assumes no obligation to update these forward-looking statements, or to update the reasons why actual results could differ from those reflected in any forward-looking statements. Additional information identifying risks and uncertainties is contained in other public filings with the Ontario Securities Commission.*

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