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MPS Wins More than \$9.4 Million in Attorneys' Fees and Costs against O2 Micro

SAN JOSE, Calif., May 8, 2012 /PRNewswire/ -- Monolithic Power Systems (MPS) (Nasdaq: MPWR), a leading fabless manufacturer of high-performance analog and mixed-signal semiconductors, today announced that the United States District Court for the Northern District of California had issued an order finding O2 Micro International, Ltd. (O2 Micro) liable for approximately \$9.1 million in attorneys' fees and non-taxable costs, plus interest, in connection with the patent litigation that MPS won in 2010. This award is in addition to the approximately \$340,000 in taxable costs that the Court had earlier ordered O2 Micro to pay to MPS in connection with the same lawsuit.

O2 Micro filed complaints against MPS in both the United States International Trade Commission and the Northern District of California, alleging that MPS infringed four O2 Micro patents but then voluntarily dismissed three patents. In June 2010, the ITC found that MPS's products did not infringe O2 Micro's patent. Subsequently, O2 Micro unilaterally dismissed its infringement claims with prejudice, and granted MPS and its customers broad covenants not to sue in the district court case.

On March 3, 2011, the Court ordered O2 Micro to pay MPS \$339,315.13 in costs. The Court also found that "O2 Micro engaged in a vexatious litigation strategy and litigation misconduct," entitling MPS to its reasonable attorneys' fees. O2 Micro's vexatious litigation strategy consisted of filing lawsuits against MPS and its customers; only to dismiss them after substantial litigation had taken place. This allowed O2 Micro to damage MPS's business while avoiding trials at which the validity of its patents would be challenged.

MPS anticipates that O2 Micro will appeal the Court's orders and the final judgment.

MPS is represented in this case by Latham & Watkins LLP and Finnegan, Henderson, Farabow, Garrett & Dunner LLP. MPS trial counsel include Dean Dunlavey, Mark Flagel, Smith Brittingham, Lionel Lavenue and Scott Mosko.

SOURCE Monolithic Power Systems, Inc.

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