



## VRINGO COMMENTS ON ZTE'S ACTIONS IN CHINA

April 30, 2015

NEW YORK - April 30, 2015 - Vringo, Inc. (NASDAQ: VRNG), a company engaged in the innovation, development and monetization of intellectual property, today commented on ZTE's actions in China.

With mounting losses in its world-wide dispute with Vringo, ZTE has chosen to issue several immaterial press releases regarding developments from its home jurisdiction.

ZTE's most recent press release regarding the June 1, 2015 hearing of its anti-monopoly lawsuit against Vringo in China (which Vringo disclosed in a public filing a week earlier), is yet another in a series of press releases attempting to obscure the substantial losses that ZTE has suffered in its litigations with Vringo, including:

- A recent finding by the U.S. District Court for the Southern District of New York that ZTE breached the parties' non-disclosure agreement ("NDA"), a court that previously issued a temporary restraining order against ZTE enjoining ZTE from further violating the parties' NDA.
- A loss at trial in UK High Court which found that EP 1 212 919 (a Vringo SEP) is valid and infringed by ZTE 3G RNCs and 4G LTE eNodeBs, a decision which ZTE has forfeited its right to appeal.
- A preliminary injunction issued by a Brazilian court in Rio de Janeiro related to BR 0013975 (which corresponds to EP 1,212,919) enjoining sales of ZTE 3G RNCs and 4G LTE eNodeBs. The injunction was upheld after numerous appeals by ZTE. The Brazilian Patent Office also issued a decision supporting the validity of BR 0013975.
- A court-ordered raid of a ZTE warehouse in Hortolandia, São Paulo, Brazil during which ZTE 4G LTE equipment was seized.
- A preliminary injunction issued by a Romanian court in Bucharest related to EP 1,808,029 enjoining sales of ZTE 4G LTE mobile phones and infrastructure equipment. The injunction was upheld after numerous appeals by ZTE. ZTE has stated that the injunction will result in over EUR 30 million in contractual penalties to ZTE.
- Rapid dissolution of a temporary restraining order and preliminary injunction (attempting to overturn the Romanian injunction) issued by the U.S. District Court for the District of Delaware after the court was provided with the full picture of ZTE's request.
- The seizure of a large shipping container in the Netherlands containing ZTE SDR base stations. The District Court of The Hague preliminarily found (1) the seizure to be proper, (2) EP 1,186,119 to be valid and infringed by ZTE SDR base stations, and (3) ZTE to be an unwilling licensee.
- An injunction issued by the Mannheim Regional Court (Germany) related to EP 1,186,119 (a Vringo standard-essential patent ("SEP")) after the court found the patent to be infringed by ZTE SDR base stations and preliminary valid. The court also found ZTE's behavior in its dealing with Vringo to be that of an unwilling licensee.
- Preliminary injunctions issued by the Delhi High Court related to IN 243980 (a Vringo SEP) and IN 200572 enjoining sales of ZTE CDMA and GSM equipment. These injunctions were subsequently substituted by an interim arrangement by which ZTE was required to post a bond and inform Vringo of all imports of certain ZTE products into India.

We believe that ZTE Corporation, headquartered in Shenzhen, China, is largely state-owned. According to the company's 2014 annual report a state-owned holding company owns approximately 30% of ZTE's outstanding shares.

ZTE has taken a number of actions against Vringo in China, including its anti-monopoly lawsuit in the Shenzhen Intermediate People's Court (ZTE's local court) and reexaminations of Vringo's Chinese patents.

ZTE's anti-monopoly lawsuit, however, is based on settlement materials provided by Vringo under the parties' NDA, which a New York federal court has already determined was a breach by ZTE of the parties' NDA. In its New York litigation, Vringo is seeking to recover damages including any damages that may be awarded by the Shenzhen court.

Even in its home jurisdiction, ZTE has not found much success in attacking Vringo's Chinese patents - 14 of Vringo's Chinese patents have been maintained valid, another 2 patents have been found valid-in-part and only 9 patents (still pending appeal) have been found invalid. Yet, ZTE is quick

to issue press releases regarding any Chinese reexamination that results in invalidation of a Vringo patent. Such a strategy is consistent with ZTE's pattern of issuing press releases on any perceived victory against Vringo, which includes a ZTE press release regarding an approximate \$2,000 fee that Vringo had to pay ZTE in Malaysia.

In its press releases related to Vringo, ZTE constantly repeats that it respects intellectual property rights. However, ZTE has refused to take a license to Vringo's SEPs under FRAND terms for over 2.5 years - even after Vringo proved its patents to be valid and/or infringed, Vringo proposed a license term sheet (which ZTE chose not to negotiate), and Vringo proposed to have two courts and neutral arbiters decide the terms of a license. This followed 10 years of failed attempts by the prior owner of Vringo's SEPs to enter into a license agreement with ZTE. Based on public information, ZTE also appears to have very few SEP licenses considering how long ZTE has been in the market as well as ZTE's size, the number of products it offers, and its global operations.

Moreover, ZTE implies that its filing of numerous patent applications and the issuance of patents to ZTE demonstrates its respect for intellectual property rights. But this proves nothing more than that ZTE has spent a tremendous amount of money on patents and patent applications, the scope and value of which are still unknown.

#### **About Vringo, Inc.**

Vringo, Inc. is engaged in the innovation, development and monetization of intellectual property and mobile technologies. Vringo's intellectual property portfolio consists of over 600 patents and patent applications covering telecom infrastructure, internet search, and mobile technologies. The patents and patent applications have been developed internally, and acquired from third parties. For more information, visit: [www.vringo.com](http://www.vringo.com).

#### **Forward-Looking Statements**

This press release includes forward-looking statements, which may be identified by words such as "believes," "expects," "anticipates," "estimates," "projects," "intends," "should," "seeks," "future," "continue," or the negative of such terms, or other comparable terminology. Forward-looking statements are statements that are not historical facts. Such forward-looking statements are subject to risks and uncertainties, which could cause actual results to differ materially from the forward-looking statements contained herein. Factors that could cause actual results to differ materially include, but are not limited to: our inability to license and monetize our patents, including the outcome of the litigation against online search firms and other companies; our inability to monetize and recoup our investment with respect to patent assets that we acquire; our inability to develop and introduce new products and/or develop new intellectual property; our inability to protect our intellectual property rights; new legislation, regulations or court rulings related to enforcing patents, that could harm our business and operating results; unexpected trends in the mobile phone and telecom infrastructure industries; our inability to raise additional capital to fund our combined operations and business plan; our inability to maintain the listing of our securities on a major securities exchange; the potential lack of market acceptance of our products; potential competition from other providers and products; our inability to retain key members of our management team; the future success of Infomedia and our ability to receive value from its stock; our ability to continue as a going concern; our liquidity and other risks and uncertainties and other factors discussed from time to time in our filings with the Securities and Exchange Commission ("SEC"), including our annual report on Form 10-K filed with the SEC on March 16, 2015. Vringo expressly disclaims any obligation to publicly update any forward-looking statements contained herein, whether as a result of new information, future events or otherwise, except as required by law.

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