

Press Release

IPCom can execute injunction against HTC's 3G devices in Germany after HTC withdraws appeal

- **Earlier ruling thus gains force of law; injunction can be executed immediately**
- **IPCom to ban sale and distribution of all HTC 3G devices in Germany**

Munich, 25 November 2011 – IPCom, owner of a number of standard-essential telecommunications patents, can execute the injunction it seeks on the sale and distribution of HTC's 3G devices in Germany, effective immediately. HTC today withdrew an appeal due to be decided on Monday [OLG Karlsruhe 6 U 38/09]. IPCom now intends to execute this injunction in the shortest possible time.

“Apparently, HTC has accepted it had no realistic chance of winning this case – the courts have clearly established that HTC has been infringing our patents and now given us the means to put a stop to it,” said Bernhard Frohwitter, IPCom's Managing Director. “Since HTC has never to come up with an offer that adequately reflects the value of these patents, IPCom has been left with no choice – we will use the right awarded by the courts, likely resulting in HTC devices disappearing from shops during the crucial Christmas season.”

HTC today withdrew its appeal against an earlier judgment [LG Mannheim 70 94/08] that ruled HTC was infringing patent #100, one of the strongest patents in IPCom's portfolio. Patent #100 describes an algorithm that allows mobile telephony networks to assign priorities to users on the basis of a pre-defined hierarchy, providing for the smooth functioning of the system in emergencies, and potentially saving lives. This algorithm has been adopted as a standard by equipment makers worldwide.

IPCom is also seeking similar injunctions against Nokia with regard to this and a number of other standard-essential patents. These cases are being handled by the

same court, under the same judge, and concern the same standard-essential patents – divisionals of which have already been decided in IPCom's favour in other jurisdictions, such as the UK [Case number: HC10 C01233].

IPCom hopes that Nokia will swiftly recognize that it, too, needs to come to terms with IPCom if it is not to suffer the same fate as HTC.

The patents were originally developed by Bosch as part of its R&D for its pioneering car telephony systems, which evolved into the mobile telephony systems we know today. Bosch exited the business in 2000, and then tried for many years to negotiate license fees from Nokia for using these patents on the basis of FRAND (Fair, reasonable, and non-discriminatory). After failing to secure agreement, Bosch sold the patents to IPCom in early 2007.

Since then, IPCom has successfully negotiated license agreements with a number of global telecoms companies. HTC and Nokia have, however, refused to agree terms with IPCom, and the parties have been engaged in a series of legal disputes in various jurisdictions.

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