



## ZTE FOUND IN BREACH OF CONTRACT

April 8, 2015

### **United States District Court Finds That ZTE Breached Non-Disclosure Agreement Entered Into With Vringo**

#### **Vringo Provides Additional Updates Regarding Litigation in France, Brazil, and China**

NEW YORK - April 8, 2015 - Vringo, Inc. (NASDAQ: VRNG), a company engaged in the innovation, development and monetization of intellectual property, today announced that the United States District Court for the Southern District of New York has ruled that ZTE violated the non-disclosure agreement ("NDA") with Vringo that formed the original basis for Vringo's claim against ZTE in the United States.

In an order released April 6, 2015, Judge Lewis A. Kaplan granted Vringo's motion for judgment on the pleadings with respect to the question of whether or not ZTE breached the NDA entered into by the parties.

On April 7, 2015, the Court held a Status Conference. Following the Status Conference, the Court granted Vringo's requests to consolidate the NDA case and the FRAND case for the purposes of pretrial discovery, to extend the deadline for fact discovery, to set a deadline for the filing of dispositive motions, and to seal the unredacted version of Vringo's Motion to Compel.

In France, trial on ZTE's alleged infringement of two of Vringo's European patents is scheduled to take place on April 13, 2015. One of the patents in suit has already been found infringed by ZTE at trial in Germany, where an injunction against ZTE remains in place, and, on a preliminary basis, in the Netherlands.

In Brazil, Court-appointed experts are finalizing reports, which Vringo believes will demonstrate ZTE's flagrant disregard for the Court's order enjoining ZTE from manufacturing, using, offering for sale, selling, installing, testing, or importing any 3G, 4G, and LTE infrastructure equipment in Brazil. Vringo expects these reports will be submitted to the Court imminently.

In China, re-examinations against Vringo's Chinese patents, filed by ZTE, continue to be heard before the Patent Re-Examination Board of the State Intellectual Property Office of the People's Republic of China on a rolling basis. ZTE has sought to invalidate 33 of Vringo's Chinese patents. Despite ZTE's irregular activity, described below, to date 14 patents have been maintained valid, 9 have been found invalid, and are pending appeal, and 2 have been found valid-in-part. In a number of cases, ZTE has withdrawn its re-examination requests just before the Patent Re-Examination Board was to maintain the validity of the patents in those cases, later re-filing the requests. These second requests could result in the appointment of a new review panel, which would consider anew ZTE's previously unsuccessful arguments. To date, Vringo has not filed any actions for patent infringement against ZTE in China.

#### **Background**

On July 2, 2014, Vringo filed a lawsuit against ZTE in the United States District Court for the Southern District of New York, seeking a temporary restraining order and preliminary and permanent injunctions against ZTE, enjoining ZTE's use of prohibited materials captured under an NDA entered into with Vringo, including but not limited to ZTE's use of such materials in its anti-monopoly lawsuit in China against Vringo. On July 7, 2014, the Court granted a temporary restraining order against ZTE's use of such material. On July 23, 2014, ZTE filed a counterclaim against Vringo. On July 24, 2014, the Court held a hearing on Vringo's motion for a preliminary injunction against ZTE, which remains pending. The temporary restraining order remains in place pending the Court's determination of the motion for preliminary injunction. On October 2, 2014, Vringo filed a motion for judgment on the pleadings, similar to a motion for summary judgment, asking the court to render a judgment on Vringo's breach of contract claim based solely on the pleadings of the parties.

On February 10, 2015, the United States District Court for the District of Delaware ordered a case improperly brought by ZTE against Vringo, alleging breach of contract, transferred to the United States District Court for the Southern District of New York, to be consolidated, for at least the purposes of discovery, with the existing litigation in the latter court. On February 27, 2015, Vringo filed an Amended Answer and Counterclaim to ZTE's complaint. Among other claims made against ZTE, Vringo seeks a final determination on a global FRAND license for ZTE's use of Vringo's standard-essential patents.

On April 6, 2015, the Court granted Vringo's motion for judgment on the pleadings in part, finding that ZTE breached the NDA between the parties. The Court dismissed Vringo's unfair competition claim against ZTE, but denied ZTE's motion to dismiss Vringo's claims against ZTE for fraudulent inducement and breach of the covenant of good faith and fair dealing.

#### **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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