

# Special Conference Call and Webcast

February 2, 2009

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AID**



# Forward Looking Information

This document and certain other public documents incorporated by reference in this document, contain forward-looking statements to the extent they relate to MOSAID or its management, including those identified by the expressions “anticipate,” “believe,” “foresee,” “estimate,” “expect,” “intend,” “could,” “may,” “plan,” “will,” “would” and similar expressions. Similarly, statements in this document that describe MOSAID’s business strategy, outlook, objectives, plans, intentions or goals also are forward-looking statements. These forward-looking statements are not historical facts, but rather reflect MOSAID’s current expectations regarding future events. These forward-looking statements are subject to a number of risks and uncertainties that could cause actual results, performance or achievements to differ materially from those in such forward-looking statements. Assumptions made in preparing forward-looking statements and financial guidance include, but are not limited to, the following: MOSAID’s continued expansion of its patent portfolio and of its opportunities for future patent licensing revenue as a result of MOSAID’s acquisition of patents from third parties and from development of new inventions; DRAM manufacturers continuing to infringe MOSAID’s patents; the timing and amount of MOSAID’s litigation expenses; MOSAID’s ability to sign new patent licensees; current assumptions as to the identification of products that are unlicensed to MOSAID’s wireless patents; and the timing and amount of MOSAID’s Research & Development expenses.

Factors that could cause actual results to differ materially from expected results include, but are not limited to, the following: the extent of embedded DRAM proliferation in the System-on-a-Chip markets; legal rulings and/or regulatory investigations or complaints having an adverse impact on the validity, enforceability, potential royalty rates, and strength or breadth of coverage of MOSAID’s essential and/or nonessential patents (including, but not limited to, adverse results from litigation or proceedings in patent offices and government regulatory agencies in various countries around the world); judicial, legislative or regulatory changes that impair the ability of patent holders to earn licensing revenues; economic, social, and political conditions in the countries in which MOSAID or patent licensees operate, including security risks, health conditions, possible disruptions in transportation networks and fluctuations in foreign currency exchange rates; non-payment or delays in payment by, or insolvency of, licensees or other debtors; variability in patent licensees’ sales of licensed products, failure to maintain and enforce MOSAID’s existing patent portfolio, or failure to obtain valuable patents as a result of research and development activities, or failure to acquire valuable patents from third parties; MOSAID’s ability to recruit and retain skilled personnel; change in MOSAID’s financial position; consolidation of MOSAID’s licensees; natural events, such as severe weather and earthquakes in the locations in which MOSAID or patent licensees operate; and changes in the tax rate applicable to MOSAID as the result of changes in the tax law in the jurisdictions in which profits are determined to be earned and taxed, the outcome of tax audits and the ability to realize deferred tax assets.

MOSAID assumes no obligation to update or revise any forward-looking statements. Additional information identifying risks and uncertainties affecting MOSAID’s business and other factors that could cause MOSAID’s financial results to fluctuate are contained in MOSAID’s Annual Information Form, under the section entitled “Risk Factors,” and in MOSAID’s other public filings available online at [www.sedar.com](http://www.sedar.com).



## MOSAID Announces Agreements with Micron Technology and Nokia Corporation

- New agreements validate business model, contribute significantly to revenues and net profits
- Most successful day in MOSAID's history
  - Over their terms, deals with Micron, Nokia and Buffalo (announced Jan. 28, 2009) will cumulatively deliver revenues in excess of MOSAID's Jan. 31, 2009 market capitalization
- Strategically important for MOSAID's licensing activities going forward





## Meeting Our Commitments

- Nokia deal fulfills management's commitment to license a handset vendor in fiscal 2009
- Micron deal sets records, improves position on DRAM re-licensing
  - First 10-year term license with a DRAM vendor
  - Increases patent portfolio by more than 40%





## Committed to Developing Technology

- MOSAID patents DRAM inventions in 1990s
- Signs first DRAM patent license agreement in 1999
- With Micron deal, MOSAID has licensed virtually 100% of world's commodity DRAM market
- MOSAID R&D now focused on Flash memory
  - 200 patent applications filed
  - MOSAID's HLNAND™ – a high-performance Flash memory architecture and interface

**HL**<sup>N</sup>**NAND**

Evaluation Platform for  
potential partners





# MOSAID and Micron Settle Patent Infringement Litigation

- Litigation began in July 2006 in U.S. District Court for the Northern District of California
- MOSAID's case included Micron, Powerchip Semiconductor, ProMOS Technologies, Mosel Vitelic
  - Feb. 2008 – MOSAID settles with ProMOS and Mosel Vitelic
  - Oct. 2008 – MOSAID settles with Powerchip
- MOSAID and Micron to file a joint motion requesting the Court to dismiss with prejudice all claims
  - Granting this motion will end the litigation





# MOSAID and Micron Sign Patent License Agreements

- Micron granted a lives-of-the-patents license to certain patents through a defined capture period
- Micron granted a 10-year term license to new patents
- MOSAID's wireless patents and certain third-party patents with sub-licensing rights are excluded
- Micron's memory and image sensor patents are now licensed under MOSAID's patents

**Micron makes DRAMs, NAND Flash memory, CMOS image sensors and other components for computing, consumer, networking and mobile products**





# Patent Transfer Agreement Signed

- MOSAID and Micron form patent licensing relationship
- Micron transfers title to 400 patents and applications to MOSAID
  - MOSAID's patent portfolio jumps 42% to 1,350 patents and applications
  - Transferred patents relate to DRAM, Flash memory, and semiconductor process technology
  - Rigorous selection process



## Micron Summary

- Patent litigation is settled
- Micron deal strengthens MOSAID's revenues and patent portfolio
- Patent licensing agreement adds to MOSAID's substantial, multi-year revenue backlog
- Patent transfer agreement:
  - Grows MOSAID's patent portfolio
  - Improves position in licensing renewals
  - Creates new licensing opportunities



## Landmark Agreement with Nokia

- MOSAID delivers on commitment to sign first patent license for Wi-Fi enabled handsets
- Nokia is the world-leader in mobile phones
- Agreement confirms strength of MOSAID's fundamental wireless patents
  - Boosts momentum of wireless licensing program

**Nokia is the world leader in mobile phones**





## Agreement with Nokia (cont'd)

- Nokia products sold globally now licensed under MOSAID patents
- Nokia becomes 5<sup>th</sup> licensee under MOSAID's wireless licensing program
- MOSAID wireless patents now licensed into wireless laptops, wireless access equipment, and Wi-Fi handset markets



# Financial Commentary

- **Micron**
  - Patent license agreement: MOSAID will receive a series of fixed and equal cash payments over the course of the agreement
  - Patent transfer agreement: MOSAID to make four fixed, quarterly payments, totaling less than US\$10 million, creditable against future payment obligations to Micron based on royalty revenue sharing terms
- **Nokia**
  - MOSAID to receive substantial cash consideration



## Financial Commentary (cont'd)

- **Qimonda**
  - Qimonda has defaulted on Q3 FY09 payment, MOSAID proceeding with credit insurance claim
  - MOSAID has retained counsel knowledgeable of Germany insolvency law
- **Guidance**
  - No change to Q3 FY09 or annual FY09 guidance



Q & A



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