



5 Li-hsin 5th Rd., Science-Based Industrial Park,
Hsinchu, Taiwan
Tel: +886-3-578-3078
Fax: +886-3-579-0777

U.S. APPEALS COURT TEMPORARILY BLOCKS THE ENFORCEMENT OF THE LIMITED EXCLUSION ORDER OF THE U.S. INTERNATIONAL TRADE COMMISSION

Hsinchu, Taiwan – July 19, 2007 – Epistar Corporation announced today that the United States Court of Appeals for the Federal Circuit (CAFC) has temporarily stayed the enforcement of a Limited Exclusion Order issued by the U.S. International Trade Commission (ITC). The Limited Exclusion Order would have barred the importation into the U.S. of Epistar's previous generation of OMA, Metal Bond (MB), and Glue Bond (GB) LEDs, its OMA II, MB II and GB II LEDs, and packaged lamps including those LEDs and boards consisting primarily of arrays of such lamps. The Limited Exclusion Order was based on the ITC's determination that those earlier Epistar product designs infringed one of the patents asserted by Phillips Lumileds Lighting US LLC ("Lumileds"). On July 13, 2007, Epistar filed a Notice of Appeal with the CAFC, and asked the Court for a stay of the Limited Exclusion Order, pending appeal of the ITC decision. Not only did the CAFC issue the temporary stay of the enforcement of the Limited Exclusion Order, but it also granted Epistar's request for an expedited response from the ITC.

"Epistar has always maintained that the ITC decision was incorrect, both factually and legally," said Epistar president B.J. Lee. "We are encouraged by the temporary stay granted by the U.S. Court of Appeals for the Federal Circuit. We understand the CAFC rarely grants such a stay and are cautiously optimistic that the Court will also grant a permanent stay while Epistar's appeal is litigated."

Separately, Epistar's new Phoenix and Aquarius ultra-high brightness LED products are now available for shipping. Designed to remove features and structures found in the previous designs of Epistar's ultra-bright AlGaInP products that the ITC believes infringes the Lumileds patent, Epistar offers its customers these new and improved products, which at the same time, are clearly outside the scope of the Limited Exclusion Order.

About Epistar Corporation

Epistar Corporation, headquartered in the Hsin-chu Science-based Industrial Park, Taiwan since September 1996, focuses on developing, manufacturing and marketing high brightness Light Emitting Diode (LED) products. Applying its own proprietary Metal Organic Vapor Phase Epitaxy (MOVPE) technology, Epistar has successfully commercialized the full spectrum range of high brightness LEDs with the characteristics of compact size, low power consumption and long operation life. For further information, please visit: <http://www.epistar.com.tw/news-e.htm>

Press contact:

Rider Chang

Corporate Spokesperson

Tel: +886-3-5783078#3203