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EPISTAR AND TOYODA GOSEI ENTER A CROSS LICENSE AGREEMENT

CONCERNING LED-RELATED PATENTS

Hsinchu, Taiwan - Sept. 16, 2010 - Epistar Corporation ("Epistar") and Toyoda Gosei Co., Ltd.

("Toyoda Gosei") entered a cross license agreement to allow the companies (including subsidiaries)

to use each other's patents for specific technologies in Group III-V compound semiconductor light

emitting diodes ("LEDs"), which include InGaN LEDs and AlGaInP LEDs. Epistar is the only company

in Taiwan, R.O.C. getting the cross license from Toyoda Gosei and no any other company in Taiwan

gets any cross license from Toyoda Gosei until the date of this press released.

Epistar holds valuable patents for high-brightness AlGaInP LEDs and high-power GaN LEDs. Toyoda

Gosei likewise holds a number of valuable patents for InGaN LEDs. Epistar and Toyoda Gosei agreed

to construct an environment wherein they will respect and mutually utilize each other's technologies

in order to further advance the market for LED products.

This agreement will allow both Epistar and Toyoda Gosei significantly more freedom in their

development efforts by eliminating the need for concern about each other's patents. By facilitating

research at both companies, new developments in LED technology are anticipated, including an

acceleration of research to improve the luminosity of LEDs.

Epistar and Toyoda Gosei each intend to maintain a friendly business relationship and pursue the

development of superior high-luminosity LEDs and further expansion of the LED market through fair

competition.

About Epistar Corporation

At Epistar, we strive to be much more than a premier LED chip provider. While we are helping

leading global brands actualize LED's potential, our focus remains simple and partner-oriented.

Epistar's own unique "Co-Activation Service Model" allows us to work alongside our partners, so that

together, we are able to satisfy every partner's clients. And with 15 years of accumulated experience

and unmatched expertise, Epistar is truly equipped to help you illuminate the world in a better light.

For further information, please visit: http://www.epistar.com.tw/news-e.htm

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