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\$173 MILLION ANTITRUST SETTLEMENT WITH DRAM MANUFACTURERS

Las Vegas, NV – Nevadans will benefit from a \$173 million settlement involving a price fixing conspiracy performed by six competing international manufacturers of Dynamic Random Access Memory computer chips (DRAM).

DRAM is a common form of memory chip found in desktop computers, laptops, servers, printers and networking equipment. DRAM sales to major electronic manufacturers, including Dell, IBM and Hewlett-Packard, exceed \$5 billion a year.

“These companies conspired to raise prices on an essential computer component, which in turn kept computer equipment prices artificially high,” said Attorney General Catherine Cortez Masto. “I am pleased to work with other states to secure this settlement. I also appreciate the assistance of various state and local government agencies in Nevada, such as Nevada’s Purchasing Division, Division of Environmental Protection, Department of Education, Clark County, and Clark County School District, which enabled my Office to assess the damages resulting from this conspiracy.”

After completing an investigation in July 2006, Nevada and other states filed a lawsuit in federal district court alleging that Nevada’s consumers, state agencies, and local governments overpaid for products containing DRAM chips at inflated prices. The investigation revealed that from 1998 to 2002, the companies held numerous meetings among their salespeople and upper management in which they exchanged confidential information and agreed to quote inflated prices on DRAM to their customers.

The DRAM manufacturers named in the lawsuit and subject to this settlement are the American companies Micron Technology, Inc. and NEC Electronics America, Inc., as well as foreign companies Infineon Technologies A.G. in Germany; Hynix Semiconductor, Inc. in South Korea; Elpida Memory Inc. in Japan; Mosel-Vitelec Corp. in Taiwan; and their American subsidiaries. Earlier settlements were reached with Samsung Electronics Company Ltd., Winbond Electronics Corporation, and their American subsidiaries. Litigation efforts continue against other DRAM manufacturers.

Under the latest settlement, the six companies will pay \$173 million over two years, plus interest, to 33 states and to private class action plaintiffs that filed similar lawsuits. Subject to

court review and approval, Nevada's share of the settlement will be determined at a later date. The settlement also requires the companies to refrain from illegal price fixing and to conduct employee compliance training.

The other states participating in the settlement are Arizona, Arkansas, California, Colorado, Florida, Hawaii, Idaho, Illinois, Iowa, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Nebraska, New Mexico, New York, North Carolina, North Dakota, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, Tennessee, Utah, Virginia, Washington, West Virginia, and Wisconsin.