

## **Notice of Settlement of Lawsuit on Copyright Infringement**

Tokyo, Japan – June 2, 2017 – Morpho, Inc. (hereinafter, "Morpho") brought a lawsuit to the People's Court of Shenzhen City in Guangdong, China against a Shenzhen-based company that had engaged in the unauthorized use and distribution of the Morpho's software, requesting the suspension of such acts on account of the infringement of the copyrights.

As a result of reviewing the proposal made by the said company recently, a settlement was reached on March 23, 2017 on condition that the respondent shall (i) immediately stop the abovementioned acts and guarantee non-infringement in the future, (ii) pay compensation for losses and damages, and (iii) immediately cancel its registration of copyrights pertaining to the Morpho's software.

Morpho has been developing many technologies on image processing and relies on the licensing of intellectual property rights for its primary source of revenue. While respecting other companies' intellectual property rights, it will continue to respond rigorously to any infringement of Morpho's intellectual property rights to ensure that such rights are properly protected.

\*Morpho and Morpho logo are registered trademarks of Morpho, Inc.

## About Morpho, Inc.

Established in 2004, Morpho, Inc. has built substantial brand recognition in the field of software image processing for mobile devices. To provide an environment where a creative group of individuals can develop new imaging technologies, and to introduce innovative technologies in a practical form that contributes to technological development and cultural enrichment. For more information, visit <a href="http://www.morphoinc.com/en">http://www.morphoinc.com/en</a> or contact m-info-pr@morphoinc.com or follow us on Facebook (https://www.facebook.com/morphoinc).