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FORMER INTEL EXECUTIVE PLEADS GUILTY
IN MANHATTAN FEDERAL COURT
TO INSIDER TRADING WITH
GALLEON HEDGE FUND MANAGER

PREET BHARARA, the United States Attorney for the Southern District of New York, announced that RAJIV GOEL, a former executive at Intel Corp., pleaded guilty today to a two-count Information charging him with conspiracy and securities fraud stemming from his involvement in the largest hedge fund insider trading case in history. GOEL pleaded guilty before United States District Judge ALVIN K. HELLERSTEIN to conspiring to commit insider trading with RAJ RAJARATNAM of the Galleon Group family of hedge funds, as well as to substantive securities fraud. RAJARATNAM served as the portfolio manager of Galleon Technology Offshore, Ltd. ("Galleon Tech"), as well as certain accounts of Galleon Diversified Fund, Ltd. ("Diversified").

According to the Information filed today in Manhattan federal court, as well as statements made during today's guilty plea proceeding:

Rajiv Goel and Raj Rajaratnam's Corrupt Agreement

From 2007 through 2009, GOEL and RAJARATNAM (who met in the 1980s while attending the same business school) engaged in an insider trading scheme in which GOEL obtained material, nonpublic information ("Inside Information") relating to Intel and provided that information to RAJARATNAM. GOEL provided the Inside Information with the understanding that RAJARATNAM would trade on it, in breach of his fiduciary and other duties of trust and confidence owed to Intel.

GOEL provided Inside Information to RAJARATNAM because of his friendship with RAJARATNAM, from which GOEL benefited in various ways, including financially. For example, in 2005 and 2006, RAJARATNAM gave GOEL money to help GOEL with personal

financial matters, and, from 2005 to 2009, RAJARATNAM earned trading profits for GOEL by executing securities transactions in GOEL's personal brokerage account.

Specifically, in April 2007, GOEL obtained Inside Information regarding Intel's earnings announcement for the quarter ending in March 2007 from a colleague who worked at Intel. GOEL provided this Inside Information to RAJARATNAM on Friday, April 13, 2007, at which time Galleon Tech held a short position of approximately 1,150,000 shares of Intel common stock (worth approximately \$23.5 million). Intel was scheduled to announce its quarterly earnings on Tuesday, April 17, 2007. Between April 13 and April 17, 2007, after receiving the Inside Information from GOEL, RAJARATNAM caused Galleon Tech to cover its entire short position in Intel common stock and to purchase approximately 1.72 million additional shares of Intel common stock (worth approximately \$36 million). These trades changed Galleon Tech's position in Intel common stock from short approximately \$23.5 million to long approximately \$36 million -- a swing of approximately \$59.5 million -- in the three business days preceding Intel's earnings announcement. In addition, on April 17, 2007, RAJARATNAM also caused Diversified to purchase approximately 250,000 shares of Intel common stock.

On April 17, 2007, Intel announced its quarterly earnings for the quarter ending in March 2007, and the price of Intel's stock rose significantly. Galleon Tech and Diversified subsequently sold their shares of Intel common stock, thereby realizing profits and avoiding losses.

In addition, in early 2008, GOEL obtained Inside Information from a colleague at Intel regarding Intel's plans to invest in a joint venture involving Clearwire Corp. GOEL provided this Inside Information to RAJARATNAM who, in turn, caused Galleon Tech and Diversified to purchase Clearwire common stock on the basis of the Inside Information provided by GOEL. On or about March 26, 2008, the price of Clearwire common stock rose significantly after news articles indicated that various companies, including Intel, were in discussions with Clearwire to create a joint venture. RAJARATNAM thereafter caused Galleon Tech to sell the shares of Clearwire common stock he had previously caused to be purchased based on GOEL's Inside Information and realized substantial profits.

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The Information charges GOEL with one count of conspiracy to commit securities fraud and one count of securities

fraud. The conspiracy count carries a maximum sentence of five years in prison and a maximum fine of the greater of \$250,000 or twice the gross gain or loss from the offense. The securities fraud count carries a maximum sentence of 20 years in prison and a fine of \$5 million. The Information also seeks forfeiture from GOEL of the property that constitutes or is derived from proceeds traceable to the commission of the offenses charged.

GOEL, 51, resides in Los Altos, California. GOEL is scheduled to be sentenced on May 28, 2010, by Judge HELLERSTEIN.

Mr. BHARARA praised the investigative work of the Federal Bureau of Investigation ("FBI") and thanked the U.S. Securities and Exchange Commission ("SEC") for its assistance. Mr. BHARARA added that the investigation is continuing.

U.S. Attorney PREET BHARARA said: "Rajiv Goel is a professional who abused the access he had to sensitive corporate secrets to benefit a select few, and today he admitted to helping his friend supercharge returns with illegal inside information. We will continue to work with our partners at the FBI and the SEC to pursue corporate corruption to the fullest extent of the law."

Assistant United States Attorneys JONATHAN STREETER and REED BRODSKY and Special Assistant United States Attorney ANDREW MICHAELSON are in charge of the prosecution.

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