

Netlist, Inc. Announces Closing Of Common Stock Offering And Over-allotment Option

March 24, 2010

IRVINE, Calif., March 24 /PRNewswire-FirstCall/ -- Netlist, Inc. (Nasdaq: NLST) today announced the completion of its previously announced public offering of 3,995,000 shares of its common stock. Netlist also completed the sale of 599,250 additional shares of its common stock pursuant to the full exercise of the over-allotment option granted to the underwriters of the public offering. The shares were sold at a price to the public of \$3.85 per share. As a result of the sale of the shares of common stock in the public offering and pursuant to the over-allotment option, Netlist received net proceeds of approximately \$16.3 million, after deducting underwriting discounts and commissions and estimated offering expenses payable by Netlist.

Needham & Company, LLC, which acted as the sole book-running manager for the offering and Roth Capital Partners, LLC, which acted as co-manager, informed the Company on March 23, 2010 that they intended to exercise their respective purchase options.

The shares of common stock described above were offered by Netlist pursuant to a registration statement previously filed and declared effective by the Securities and Exchange Commission. The shares of common stock were offered by means of a prospectus, including a prospectus supplement, forming a part of the effective registration statement. Copies of the final prospectus supplement and the accompanying base prospectus relating to this offering may be obtained from the SEC's web site at <http://www.sec.gov>, or from Needham & Company, LLC, 445 Park Avenue, New York, NY 10022, at (212) 371-8300.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy any securities of Netlist, Inc., nor shall there be any sale of these securities in any state or jurisdiction in which such offer, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

About Netlist, Inc.

Netlist designs and manufactures high-performance memory subsystems for the server and high-performance computing and communications markets. Netlist's memory subsystems are developed for applications in which high-speed, high-capacity memory, functionality, small form factor, and heat dissipation are key requirements. These applications include tower-servers, rack-mounted servers, blade servers, high-performance computing clusters, engineering workstations, and telecommunication equipment. Netlist maintains its headquarters in Irvine, California with manufacturing facilities in Suzhou, China.

Safe Harbor Statement

This news release contains forward-looking statements regarding future events and the future performance of Netlist, including future opportunities and growth for the company's business. These forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those expected or projected. These risks and uncertainties include, but are not limited to, Netlist's ability to complete the offering referred to in this release; Netlist's ability to complete development of and volume production of NetVault™ and HyperCloud™; the costs and unpredictability of litigation over infringement of Netlist's intellectual property; the rapidly-

changing nature of technology; volatility in the pricing of DRAM ICs and NAND; changes in and uncertainty of customer demand, including delays in product qualifications; delays in Netlist's and its customers' product releases and development; introductions of new products by competitors; changes in end-user demand for technology solutions; Netlist's ability to attract and retain skilled personnel; Netlist's reliance on suppliers of critical components; fluctuations in the market price of evolving industry standards; and the political and regulatory environment in the People's Republic of China. Other risks and uncertainties are described in Netlist's annual report on Form 10-K, filed with the SEC on February 19, 2010, and subsequent filings with the SEC made by Netlist from time to time. Except as required by law, Netlist undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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SOURCE Netlist, Inc.

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