

Netlist Patent With LRDIMM Claims Confirmed in Reexamination

April 15, 2014

IRVINE, CA -- (Marketwired) -- 04/15/14 -- Netlist, Inc. (NASDAQ: NLST), a leading provider of high performance memory solutions for the cloud computing and storage markets, announced today that the Examiner in the consolidated reexamination of U.S. Pat. No. 7,619,912 ("912 Patent") issued an Action Closing Prosecution ("ACP"), confirming the patentability of 92 claims related to LRDIMM. The reexaminations were brought in the United States Patent and Trademark Office (USPTO) by Google Inc., Inphi Corporation, and Smart Modular Technologies.

The 92 patentable claims are generally directed to the fundamental concept of rank multiplication which is integral to the design of LRDIMMs. Earlier this year, the Patent Trial and Appeal Board ("PTAB") issued a decision upholding the validity of all 60 claims in the related reexamination of U.S. Pat. No. 7,532,537 ("537 Patent") brought by Inphi. The '537 patent claims also cover fundamental aspects of LRDIMM.

"We are pleased that the Examiner has confirmed the patentability of these important claims in the '912 Patent," said Netlist Vice President of Intellectual Property and Licensing, Noel Whitley. "This action by the USPTO represents another important confirmation of Netlist's industry-leading patent portfolio for high performance server memory. We've spent many years and invested significant resources defending our Intellectual Property against challenges from determined opponents. We're gratified that the USPTO continues to confirm key patents despite these challenges."

In the most recent action, the Examiner considered and ultimately rejected more than twenty different grounds of rejection proposed by Google, Inphi, and Smart Modular in concluding that the 92 claims are patentable, while maintaining the rejection of 11 other claims. The ACP marks the end of the prosecution stage of the consolidated reexamination that has lasted nearly 4 years and amassed a written record of over ten thousand pages. The parties will next have the opportunity to appeal the Examiner's findings to the Patent Trial and Appeals Board later this year. The '912 Patent is also the subject of litigation between Netlist and Inphi in the Central District of California, and between Netlist and Google in the Northern District of California. Both litigations have been stayed pending the outcome of this and other reexamination proceedings.

About Netlist:

Netlist, Inc. designs and manufactures high-performance, logic-based memory subsystems for server and storage applications for cloud computing. Netlist's flagship products include HyperCloud®, a patented memory technology that breaks traditional performance barriers, NVvault™ and EXPRESSvault™ family of products that significantly accelerate system performance and provide mission critical fault tolerance, and a broad portfolio of industrial Flash and specialty memory subsystems including VLP (very low profile) DIMMs and Planar-X RDIMMs. Netlist has steadily invested in and grown its IP portfolio, which now includes 43 issued patents and more than 30 U.S. and foreign pending patent applications in the areas of high performance memory and hybrid memory technologies.

Netlist develops technology solutions for customer applications in which high-speed, high-capacity, small form factor and efficient heat dissipation are key requirements for system memory. These customers include OEMs that design and build tower, rack-mounted, and blade servers, high-

performance computing clusters, engineering workstations and telecommunications equipment. Founded in 2000, Netlist is headquartered in Irvine, CA with manufacturing facilities in Suzhou, People's Republic of China. Learn more at www.netlist.com.

Safe Harbor Statement:

This news release contains forward-looking statements regarding future events and the future performance of Netlist. 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, risks associated with the launch and commercial success of our products, programs and technologies; the success of product partnerships; continuing development, qualification and volume production of EXPRESSvault™, NVvault™, HyperCloud® and VLP Planar-X RDIMM; the timing and magnitude of the anticipated decrease in sales to our key customer; our ability to leverage our NVvault™ technology in a more diverse customer base; the rapidly-changing nature of technology; risks associated with intellectual property, including patent infringement litigation against us as well as the costs and unpredictability of litigation over infringement of our intellectual property and the possibility of our patents being reexamined by the United States Patent and Trademark office; volatility in the pricing of DRAM ICs and NAND; changes in and uncertainty of customer acceptance of, and demand for, our existing products and products under development, including uncertainty of and/or delays in product orders and product qualifications; delays in the Company's and its customers' product releases and development; introductions of new products by competitors; changes in end-user demand for technology solutions; the Company's ability to attract and retain skilled personnel; the Company's reliance on suppliers of critical components and vendors in the supply chain; fluctuations in the market price of critical components; evolving industry standards; and the political and regulatory environment in the People's Republic of China. Other risks and uncertainties are described in the Company's annual report on Form 10-K filed on March 18, 2014, and subsequent filings with the U.S. Securities and Exchange Commission made by the Company 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.

For more information, please contact:

Brainerd Communicators, Inc.
Corey Kinger/Mike Smargiassi
NLST@braincomm.com
(212) 986-6667

Source: Netlist, Inc.