

Netlist Set To Join Russell Microcap(R) Index

July 25, 2010

IRVINE, Calif., June 25 /PRNewswire-FirstCall/ -- [Netlist, Inc.](#) (Nasdaq: NLST), a designer and manufacturer of high-performance memory subsystems, today announced that it will join the Russell Microcap® Index when Russell Investments reconstitutes its family of U.S. indexes after the close of the U.S. markets today, according to a preliminary list of additions posted June 11 on www.russell.com.

Membership in the Russell Microcap Index, which remains in place for one year, means automatic inclusion in the appropriate growth and value style indexes. Russell determines membership for its equity indexes primarily by objective, market-capitalization rankings and style attributes.

Netlist Chief Executive Officer C.K. Hong said, "We are pleased to be included in the Russell Microcap Index. The inclusion in this index increases our visibility in the investment community and will contribute to our efforts to increase shareholder value as we move to market our two emerging technology platforms, HyperCloud™ and NetVault™."

Russell indexes are widely used by investment managers and institutional investors for index funds and as benchmarks for both passive and active investment strategies. An industry-leading \$3.9 trillion in assets currently are benchmarked to them.

Annual reconstitution of Russell Indexes captures the 4,000 largest U.S. stocks as of the end of May, ranking them by total market capitalization to create the Russell 3000® Index and Russell Microcap. These investment tools originated from Russell's multi-manager investment business in the early 1980s when the company saw the need for a more objective, market-driven set of benchmarks in order to evaluate outside investment managers.

Total returns data for the Russell Microcap and other Russell Indexes is available at <http://www.russell.com/Indexes/performance/default.asp>.

About Russell:

Russell Investments provides strategic advice, world-class implementation, state-of-the-art performance benchmarks and a range of institutional-quality investment products. Russell has \$179 billion in assets under management as of March 31 2010, and serves individual, institutional and advisor clients in more than 40 countries. Founded in 1936, Russell is a subsidiary of The Northwestern Mutual Life Insurance Company.

About Netlist:

Netlist, Inc. designs and manufactures high-performance, logic-based memory subsystems for the server and high-performance computing and communications markets. The Company's memory subsystems are developed for applications in which high-speed, high-capacity memory, enhanced 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 was founded in 2000 and is headquartered in Irvine, California with manufacturing facilities in Suzhou, People's Republic of China.

Netlist is listed on the NASDAQ stock exchange under the ticker "NLST." More information can be found on the Company's web site: 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, continuing development, qualification and volume production of NetVault™ and HyperCloud™; the rapidly-changing nature of technology; risks associated with intellectual property, including the costs and unpredictability of litigation over infringement of our intellectual property; 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; 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, dated February 19, 2010, 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.

Media Contact:

Katie Lister

Vantage Communications for Netlist

407-767-0452 x229

klister@pr-vantage.com

Investor Contact:

Jill Bertotti

Allen & Caron Inc

949-474-4300

jill@allencaron.com

SOURCE Netlist, Inc.

Jun 25, 2010