

Netlist Provides Update on US Patent & Trademark Office Communications

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USPTO Allows All Claims in the Reexamination of Netlist's '537 and '274 Patents

IRVINE, CA -- (Marketwire) -- 03/27/12 -- Netlist, Inc. (NASDAQ: NLST), a leading provider of high performance memory solutions for the cloud computing market, today announced that the United States Patent and Trademark Office ("USPTO") recently issued two favorable Office Actions in the reexaminations of US Pat. No. 7,532,537 ('537) and US Pat. No. 7,636,274 ('274). In the reexamination of the '537 patent, the USPTO allowed all 60 claims, while in the reexamination of the '274 patent, the USPTO allowed all 104 claims.

By allowing these claims over the cited art, the USPTO rejected each and every prior art challenge raised by Inphi Corporation in its initial reexamination requests filed in June 2010, and subsequently during the reexamination proceedings of the '537 patent and the '274 patent. Inphi has a right to appeal these decisions.

"The USPTO's current allowance of these claims solidifies Netlist's leadership position in high-performance logic-based memory solutions that utilize the innovations claimed in the '274 and '537 patents," said Dr. Hyun Lee, Vice President, Chief Technology Officer of Netlist. "This clearly points to the significant role that Netlist can play in developing cutting-edge next generation products using current and future DDR memory technologies."

Netlist's HyperCloud? HCDIMM? is one example of Netlist's currently available products that deliver superior performance and are based in part on the innovative concepts protected by the '537 and '274 patents. HCDIMM has been proven to substantially outperform Load Reduced DIMMs ("LRDIMM") when benchmarked on the latest generation Intel® Xeon® Processor E5-2600 motherboard configured with 384GB system memory. HCDIMM's innovative architecture results in superior memory performance compared to LRDIMM's monolithic memory buffer implementation. Information on HyperCloud's industry leading performance, including recent independent tests and OEM qualification can be found at www.netlist.com.

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 memory barriers, NVvault? family of products that enables data retention during power interruption, EXPRESSvault?, a PCI Express backup/recovery solution for cache data protection and a broad portfolio of industrial Flash and specialty memory subsystems including VLP (very low profile) DIMMs and Planar-X RDIMMs.

Netlist develops technology solutions for customer applications in which high-speed, high-capacity, small form factor and 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 and an engineering design center in Silicon Valley, CA. 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 rapidly-changing nature of technology; risks associated with intellectual property, including the costs and unpredictability of litigation over infringement of our intellectual property and the possibility of the Company's patents being re-examined 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 February 28, 2012, 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.

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