

Netlist Requests Reexamination of Smart Modular's U.S. Patent No. 8,250,295

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IRVINE, CA -- (Marketwire) -- 09/18/12 -- Netlist, Inc. (NASDAQ: NLST), a leading provider of high performance memory solutions for the cloud computing market, submitted a reexamination request last week to the United States Patent & Trademark Office (USPTO) seeking to invalidate U.S. Patent No. 8,250,295 ('295 patent) recently issued to SMART Modular Technologies, Inc.

Netlist's reexamination request asserts that the claims of the '295 patent are invalid over a number of prior art references that were not previously considered by the USPTO. Netlist believes that SMART was in possession of at least one of these prior art references during the prosecution of the '295 patent but failed to disclose it to the USPTO.

Netlist's issued patents remain valid and enforceable, and unaffected by SMART's '295 patent.

"The claims in the patent application that resulted in the '295 patent were repeatedly rejected by the USPTO over the course of eight years. The only independent claim to survive the process was not examined in view of relevant prior art," said Netlist President and CEO, C.K. Hong. "In contrast to SMART's one patent and lone independent claim, we have a portfolio of 25 patents and pending applications containing hundreds of claims directed to rank multiplication and load isolation technologies. None of our current or pipeline products rely on any single patent for protection and commercialization. Finally, all of these patent activities by various parties confirm the tremendous value brought to the industry by Netlist's intellectual property. We plan to vigorously defend our IP rights and assets as we have successfully done in the past."

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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