

Netlist Files New Investigation Into SK hynix Server Memory In International Trade Commission

October 31, 2017

IRVINE, Calif., Oct. 31, 2017 /PRNewswire/ -- Netlist, Inc. (NASDAQ: NLST), today announced it has filed new legal proceedings for patent infringement against SK hynix in the United States International Trade Commission (ITC). The new ITC investigation is based on the infringement of two Netlist patents by SK hynix RDIMM and LRDIMM enterprise memory products.

"The action we took today brings to the ITC the latest, and some of the strongest patents in our portfolio covering SK hynix server memory products," said C.K. Hong, Chairman and CEO of Netlist. "We remain committed to defending our intellectual property, and will take all measures necessary to stop SK hynix's prolonged and continuing infringement of our patents."

Netlist brought its first ITC investigation against SK hynix in September 2016. An evidentiary hearing in that investigation concluded in early May of this year, and the Administrative Law Judge is expected to issue an Initial Determination by November 14, 2017.

In the complaint filed today, Netlist asked the ITC to investigate whether SK hynix RDIMM and LRDIMM products infringe U.S. Patent Nos. 9,606,907, and 9,535,623. Both patents are related to, and improve on, patents asserted in the first ITC investigation though they issued after the first investigation was filed. Netlist asserted the '907 and '623 patents against SK hynix earlier this year in the U.S. District Court for the Central District of California (CDCA). Netlist anticipates the new ITC investigation based on the '907 and '623 patents will proceed at a rapid pace based on the ITC's governing statute.

About Netlist, Inc.

Netlist is a leading provider of high-performance modular memory subsystems serving customers in diverse industries that require superior memory performance to empower critical business decisions. Flagship products NVvault® and EXPRESSvault® enable customers to accelerate data running through their servers and storage and reliably protect enterprise-level cache, metadata and log data by providing near instantaneous recovery in the event of a system failure or power outage. HybriDIMM™, Netlist's next-generation storage class memory product, addresses the growing need for real-time analytics in Big Data applications and in-memory databases. Netlist holds a portfolio of patents, many seminal, in the areas of hybrid memory, storage class memory, rank multiplication and load reduction. Netlist is part of the Russell Microcap® Index. To learn more, visit www.netlist.com.

Safe Harbor Statement

This news release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are statements other than historical facts and often address future events or the future performance of Netlist. Forward-looking statements contained in this news release include statements about Netlist's ability to execute on its strategic initiatives. All forward-looking statements reflect management's present expectations regarding future events and are subject to known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those expressed in or implied by any

forward-looking statements. These risks, uncertainties and other factors include, among others: risks related to Netlist's plans for its intellectual property, including its strategies for monetizing, licensing, expanding, and defending its patent portfolio; risks associated with patent infringement litigation initiated by Netlist, such as its ongoing proceedings against SK hynix Inc., or by others against Netlist, as well as the costs and unpredictability of any such litigation; risks associated with Netlist's product sales, including the market and demand for products sold by Netlist and its ability to successfully develop and launch new products that are attractive to the market; the success of product, joint development and licensing partnerships, including its relationship with Samsung Electronics Co., Ltd.; the competitive landscape of Netlist's industry; and general economic, political and market conditions. These and other risks and uncertainties are described in Netlist's quarterly report on Form 10-Q filed on May 16, 2017, and subsequent filings with the U.S. Securities and Exchange Commission it makes from time to time. Given these risks, uncertainties and other important factors, undue reliance should not be placed on these forward-looking statements. These forward-looking statements represent Netlist's estimates and assumptions only as of the date made, and except as required by law, Netlist undertakes no obligation to revise or update any forward-looking statements for any reason.

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