

United States Patent Trial and Appeal Board Upholds Validity of Netlist's '912 Patent

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IRVINE, Calif., Feb. 19, 2019 /PRNewswire/ -- Netlist, Inc. (OTCQX: NLST) announced today an update on an inter partes reexamination of Netlist's US 7,619,912 ("912") patent. On January 31, 2019 the United States Patent Trial and Appeal Board (PTAB), in response to Google's rehearing request, denied rehearing of the PTAB's previous decision upholding the validity of claims in Netlist's '912 patent. The PTAB's extensive rehearing decision rejected Google's three main points involving memory modules and the specific use of rank-selecting signals for rank multiplication. Google began its petition for reexamination of the '912 patent starting in 2010. Netlist believes the teachings of the '912 patent can be found in standards now being established for server memory modules at DDR5.

Netlist also noted that on January 22, 2019, patent litigation initiated by Smart Modular Technologies ("Smart Modular") against Netlist regarding U.S. Patent No. 8,250,295 ("the '295 patent") was dismissed with prejudice by the U.S. District Court for the Eastern District of California. Netlist and Smart Modular jointly agreed to drop claims against one another including counter claims Netlist brought against Smart Modular and the '295 patent.

About Netlist

Netlist provides high-performance SSDs and modular memory subsystems to enterprise customers in diverse industries. Flagship products NVvault® and EXPRESSvault™ enable customers to accelerate data in their servers and storage and reliably protect enterprise-level cache, metadata and log data 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, in-memory databases, high-performance computing and advanced data storage solutions. Netlist also manufactures and provides a line of specialty and legacy memory products to storage customers, appliance customers, system builders and cloud and datacenter customers. Netlist holds a portfolio of patents, many seminal, in the areas of hybrid memory, storage class memory, rank multiplication and load reduction. 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 Netlist's future performance. 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.

All forward-looking statements reflect management's present assumptions, expectations and beliefs 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 and other risks and uncertainties are described in Netlist's annual report on Form 10-K for its most recently completed fiscal year filed on March 30, 2018, and the other filings it makes with the U.S. Securities and Exchange Commission from time to time, including any subsequently filed quarterly and current reports. In light of these risks, uncertainties and other factors, these forward-looking statements should not be relied on as predictions of future events. These forward-looking statements represent Netlist's assumptions, expectations and beliefs only as of the date they are made, and except as required by law, Netlist undertakes no obligation to revise or update any forward-looking statements for any reason.

For more information, please contact:

The Plunkett Group
Mike Smargiassi/Sharon Oh
NLST@theplunkettgroup.com
(212) 739-6729

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