

Netlist Announces the Qualification of 32GB Hypercloud(TM) HCDIMM for IBM(R) System X3650 M4 Servers

August 21, 2012

32GB Hypercloud Provides Astounding 71% Faster Performance With 50% Less Latency Compared to LRDIMM in Fully Populated Romley-Based Servers

IRVINE, CA -- (Marketwire) -- 08/21/12 -- Netlist, Inc. (NASDAQ: NLST), a designer and manufacturer of high-performance memory subsystems, announced that its 32GB HyperCloud HCDIMM memory modules have been qualified on IBM System x3650 M4 servers. HyperCloud HCDIMMs enable the x3650 M4 to be fully populated with 768GB of system memory and simultaneously deliver high performance bandwidth and the lowest latency to support business-critical applications and increased productivity for IBM's customers.

"The qualification of Netlist's 32GB HCDIMMs at IBM expands the availability of HyperCloud technology on one of the top selling servers in the world. With 768GB of HCDIMMs, the x3650 M4 can deliver high performance for IBM's customers in fields such as financial services, EDA, FEA and Oil & Gas Explorations," said C.K. Hong, Chief Executive Officer of Netlist. "HCDIMM's innovative architecture results in memory bandwidth that is equivalent to an astounding 2 (two) server memory speed grades better than LRDIMM on fully populated Intel-based servers."

Independent benchmarks as well as OEM testing confirm that 32GB HyperCloud HCDIMM dramatically outperforms the competing 32GB LRDIMM in side-by-side testing on fully populated dual Intel® processor E5-2600 based servers. Throughput measured in GB per second of data transferred shows 32GB HCDIMM delivers 71% faster performance with 50% less latency compared to 32GB LRDIMM. This faster performance and lower latency of HCDIMM combine for an overall memory throughput advantage equivalent to 2 (two) memory speed grades above LRDIMM.

Information on HyperCloud's industry leading performance, including recent independent tests and OEM qualification, can be found at www.netlist.com/hypercloud.

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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