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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

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**Form 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of The Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): **May 13, 2009**

**Netlist, Inc.**

(Exact name of registrant as specified in its charter)

**Delaware**

(State or other jurisdiction  
of incorporation)

**001-33170**

(Commission  
File Number)

**95-4812784**

(IRS Employer  
Identification No.)

**51 Discovery, Irvine, California**

(Address of principal executive offices)

**92618**

(Zip Code)

Registrant's telephone number, including area code: **(949) 435-0025**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 2.02 Results of Operations and Financial Condition.**

On May 13, 2009, Netlist, Inc. (the “Company”) issued a press release announcing the Company’s results of operations for the quarter ended April 4, 2009. The press release is attached hereto as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein in its entirety.

The information included in this Item 2.02 of Current Report on Form 8-K, including the attached Exhibit 99.1, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

**Item 9.01 Financial Statements and Exhibits.**

d) Exhibits

<b>Exhibit Number</b>	<b>Description</b>
99.1	Press Release, dated May 13, 2009.

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: May 15, 2009

NETLIST, INC.

/s/ Gail Itow

Gail Itow  
Vice President and Secretary



## NETLIST

NEWS RELEASE for May 13, 2009 at 4:00 PM EDT

Contact: Allen & Caron Inc  
Jill Bertotti (investors)  
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Len Hall (media)  
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Gail Itow  
Chief Financial Officer  
Netlist, Inc.  
(949) 435-0025

**NETLIST REPORTS FIRST QUARTER RESULTS**

IRVINE, CA (May 13, 2009) . . . Netlist, Inc. (NASDAQ: NLST) today reported financial results for the first quarter ended April 4, 2009. Revenues for the first quarter ended April 4, 2009, were \$2.2 million compared to \$13.1 million for the first quarter ended March 29, 2008. The decline in revenues was driven by a sharp reduction in demand from the Company's current customer base, ramp down of certain projects and the slower than expected growth in sales of the Company's flash products. The Company continues to transition to a new business strategy focused on the development of high-margin subsystems based on custom logic devices.

Negative gross profit for the first quarter ended April 4, 2009, was \$537,000, or a negative gross margin of 25 percent, compared with a gross profit of \$3.1 million, or a gross margin of 24 percent, in the year-earlier period.

Net loss for the first quarter ended April 4, 2009, was \$3.8 million, or \$0.19 loss per share, compared to a net loss in the prior year period of \$584,000, or \$0.03 loss per share. Fully diluted weighted-average shares outstanding for the first quarter ended April 4, 2009, were 19.9 million, compared to 19.8 million in the corresponding year-earlier period. These results include stock-based compensation expense in the first quarter ended April 4, 2009 of \$307,000, compared with \$244,000 in the prior year period.

During the first quarter, the Company remained focused on preserving cash. As of April 4, 2009, cash, cash equivalents, and investments in marketable securities were \$20.6 million, total assets were \$30.8 million, working capital was \$19.4 million, total long-term debt was \$48,000, and stockholders' equity was \$26.7 million.

"We continue to make steady progress in the development of custom semiconductor logic devices, which will enable the next-generation of industry-leading high-density, high-speed, low-power memory subsystems," Chief Executive Officer Chun K. Hong said. "Current and potential OEM customers' reception to these new technologies has been encouraging, and we remain on track to roll these out late in the year. In the meantime, we have been successful in

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managing our cash so that we have ample resources to develop, market and manufacture these new products in high volume.”

### **Conference Call Information**

As previously announced, Netlist is conducting a conference call today to be broadcast live over the Internet at 4:00 p.m. Pacific Time/7:00 pm Eastern Time to discuss and review the financial results for the first quarter ended April 4, 2009. The dial-in number for the call is 1-877-941-2928. The live webcast and archived replay of the call can be accessed in the Investors section of Netlist’s website at [www.netlist.com](http://www.netlist.com).

### **About Netlist, Inc.**

Netlist designs and manufactures high-performance chip-based and non-chip based memory subsystems for the server and high- performance computing and communications markets. The Company’s memory subsystems are developed for applications in which high-speed, high-capacity memory, functionality, small form factor, and heat dissipation are key requirements. These applications include tower-servers, rack-mounted servers, blade servers, high-performance computing clusters, engineering workstations, and telecommunication equipment. Netlist maintains its headquarters in Irvine, California with manufacturing facilities in Suzhou, China.

### **Safe Harbor Statement**

*This news release contains forward-looking statements regarding future events and the future performance of Netlist, including future opportunities and growth for the company’s business. 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, the rapidly-changing nature of technology; volatility in the pricing of DRAM ICs and NAND; changes in and uncertainty of customer demand, including delays in product qualifications; delays in our and our 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; fluctuations in the market price of 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, dated March 30, 2009, and subsequent filings with the U.S. Securities and Exchange Commission made by the Company from time to time. Netlist undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.*

TABLES FOLLOW

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**Netlist, Inc.**  
**Unaudited Condensed Consolidated Statements of Operations**  
(in thousands, except per share amounts)

	Three Months Ended	
	April 4, 2009	March 29, 2008
Net sales	\$ 2,162	\$ 13,104
Cost of sales(1)	2,699	9,973
Gross (loss) profit	(537)	3,131
Operating expenses:		
Research and development(1)	1,614	1,576
Selling, general and administrative(1)	1,935	3,468
Total operating expenses	3,549	5,044
Operating loss	(4,086)	(1,913)
Other income (expense):		
Interest income, net	82	239
Other income (expense), net	175	(91)
Total other income, net	257	148
Loss before provision (benefit) for income taxes	(3,829)	(1,765)
Provision (benefit) for income taxes	18	(1,181)
Net loss	<u>\$ (3,847)</u>	<u>\$ (584)</u>
Net loss per common share:		
Basic	\$ (0.19)	\$ (0.03)
Diluted	\$ (0.19)	\$ (0.03)
Weighted-average common shares outstanding:		
Basic	19,855	19,820
Diluted	19,855	19,820

(1) Amounts include stock-based compensation expense as follows:

Cost of sales	\$ 29	\$ 14
Research and development	58	23
Selling, general and administrative	220	207

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**Netlist, Inc.**  
**Unaudited Condensed Consolidated Balance Sheets**  
(in thousands)

	April 4, 2009	January 3, 2009
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 8,563	\$ 15,214
Investments in marketable securities	11,077	5,199
Accounts receivable, net	895	1,917
Inventories	1,322	1,829
Income taxes receivable	647	1,880
Prepaid expenses and other current assets	786	761
Total current assets	<u>23,290</u>	<u>26,800</u>
Property and equipment, net	6,272	6,939
Long-term investments in marketable securities	981	960
Other assets	225	234
Total assets	<u>\$ 30,768</u>	<u>\$ 34,933</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable	\$ 1,320	\$ 1,786
Current portion of long-term debt	433	474
Current portion of deferred gain on sale and leaseback transaction	118	118
Accrued expenses and other current liabilities	2,045	2,083
Total current liabilities	<u>3,916</u>	<u>4,461</u>
Long-term debt, net of current portion	48	130
Deferred gain on sale and leaseback transaction, net of current portion	78	108
Total liabilities	<u>4,042</u>	<u>4,699</u>
Commitments and contingencies		
Stockholders' equity:		
Common stock, \$0.001 par value - 90,000 shares authorized; 19,855	20	20
Additional paid-in capital	69,690	69,383
Accumulated deficit	(42,960)	(39,113)
Accumulated other comprehensive loss	(24)	(56)
Total stockholders' equity	<u>26,726</u>	<u>30,234</u>
Total liabilities and stockholders' equity	<u>\$ 30,768</u>	<u>\$ 34,933</u>

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