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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): **February 29, 2016**

**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 Number)

**175 Technology Drive, Suite 150**  
**Irvine, California 92618**  
(Address of Principal Executive Offices)

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

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 February 29, 2016, Netlist, Inc. (the “Company”) issued a press release announcing the Company’s results of operations for the quarter and year ended January 2, 2016. The press release is attached as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein in its entirety by reference.

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.

<u>Exhibit Number</u>	<u>Description</u>
99.1	Press release issued by Netlist, Inc. dated February 29, 2016

**SIGNATURE**

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.

**NETLIST, INC.**

Date: March 1, 2016

By: /s/ Gail M. Sasaki

Gail M. Sasaki

Vice President and Chief Financial Officer

## NETLIST REPORTS FOURTH QUARTER AND FULL YEAR 2015 RESULTS

**IRVINE, CALIFORNIA**, February 29, 2016 - Netlist, Inc. (NASDAQ: NLST), a leading provider of high performance memory solutions for the cloud computing and storage markets, today reported financial results for the fourth quarter and full year ended January 2, 2016.

Revenues for the three months ended January 2, 2016, were \$2.9 million, compared to revenues of \$2.5 million for the fourth quarter ended December 27, 2014. Gross profit for the three months ended January 2, 2016, was \$1.3 million compared to a gross loss of (\$113,000), for the fourth quarter ended December 27, 2014.

Adjusted EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) loss is a non-GAAP measure in which the net interest expense, benefit of income taxes, depreciation, amortization, stock-based compensation and net other income (expense) are added back to the GAAP basis net income (loss). The non-GAAP measures are described below and are reconciled to the corresponding GAAP measure in the consolidated financial statements portion of this release under the heading "Unaudited Schedule Reconciling GAAP Net Loss to Non-GAAP EBITDA and Adjusted EBITDA." The adjusted EBITDA loss was (\$1.4) million for the fourth quarter ended January 2, 2016, compared to an adjusted EBITDA loss of (\$4.8) million for the prior year period.

Net loss for the fourth quarter ended January 2, 2016, was (\$4.3) million, or (\$0.09) loss per share, compared to a net loss in the prior year period of (\$5.8) million, or (\$0.14) loss per share. These results include stock-based compensation expense of \$0.5 million for the fourth quarters of 2015 and 2014 and nonrecurring other expense of \$1.7 million in the fourth quarter of 2015.

Revenues for the twelve months ended January 2, 2016, were \$8.0 million, compared to revenues of \$19.2 million for the twelve months ended December 27, 2014. Gross profit for the twelve months ended January 2, 2016, was \$2.1 million, or 26.2 percent of revenues, compared to a gross profit of \$4.0 million, or 20.7 percent of revenues, for the twelve months ended December 27, 2014.

Adjusted EBITDA loss was (\$15.3) million for the twelve months ended January 2, 2016, compared to an adjusted EBITDA loss of (\$10.9) million for the prior year period.

Net loss for the twelve months ended January 2, 2016, was (\$20.5) million, or (\$0.42) loss per share, compared to a net loss in the prior year period of (\$15.4) million, or (\$0.38) loss per share. These results include stock-based compensation expense of \$1.8 million and \$2.0 million for the twelve month periods ended January 2, 2016 and December 27, 2014, respectively and nonrecurring other expense of \$1.0 million for the twelve months ended January 2, 2016.

As of January 2, 2016, cash and cash equivalents and restricted cash were \$20.1 million, total assets were \$24.7 million, working capital was \$11.9 million, total debt, net of debt discounts, was \$13.7 million, and stockholders' deficit was (\$1.3) million.

"The company's 2015 financial results reflect our significant investment in technology and patents for a new class of memory technology," said C.K. Hong, Netlist's Chief Executive Officer. During the year we forged a strategic, multi-pronged alliance with Samsung which provided funding and critical validation for HyperVault. We enter 2016 with momentum across our business as we kicked off joint development activities with Samsung, secured a landmark patent victory against Inphi affirming our ownership of key intellectual property for LRDIMMs, and expanded our product offering with the introduction of NV4. We are excited about the opportunities for our breakthrough solutions in the emerging hybrid memory and storage class memory markets, as well as prospects for licensing of our patent portfolio."

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## Conference Call Information

C.K. Hong, Chief Executive Officer, and Gail Sasaki, Chief Financial Officer, will host an investor conference call today, February 29, 2015 at 5:00 p.m. Eastern Time to review the company's results for the fourth quarter ended January 2, 2016. The dial-in number for the call is 1-412-317-5443. 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).

## Note Regarding Use of Non-GAAP Financial Measures

Certain of the information set forth herein, including EBITDA and adjusted EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization), may be considered non-GAAP financial measures. Netlist believes this information is useful to investors because it provides a basis for measuring Netlist's available capital resources, the operating performance of Netlist's business and Netlist's cash flow, excluding net interest expense, provisions for income taxes, depreciation, amortization, stock-based compensation and net other expense that would normally be included in the most directly comparable measures calculated and presented in accordance with Generally Accepted Accounting Principles ("GAAP"). Netlist's management uses these non-GAAP financial measures along with the most directly comparable GAAP financial measures in evaluating Netlist's operating performance, capital resources and cash flow. Non-GAAP financial measures should not be considered in isolation from, or as a substitute for, financial information presented in compliance with GAAP, and non-financial measures as reported by Netlist may not be comparable to similarly titled amounts reported by other companies.

Adjusted EBITDA loss is a non-GAAP measure in which the net interest expense, provision for income taxes, depreciation and amortization, stock-based compensation and net other (income) expense are added back to the GAAP basis loss. The non-GAAP measures are described above and are reconciled to the corresponding GAAP measure in the condensed consolidated financial statements portion of this release under the heading "Unaudited Schedule Reconciling GAAP Net Loss to Non-GAAP EBITDA and Adjusted EBITDA."

## **About Netlist, Inc.**

Netlist creates solutions that accelerate turning data into information. We design and manufacture controller and software-based memory solutions for our OEM and Hyperscale customers in the server and storage space. Flagship products NVvault® and EXPRESSvault™ accelerate system performance and provide mission critical fault tolerance. HyperVault®, Netlist's next-generation architecture, expands the performance and capacity of memory channel storage. The company holds a portfolio of patents, many seminal, in the area of hybrid memory, rank multiplication and load-reduction, among others. To learn more, visit [www.netlist.com](http://www.netlist.com).

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**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, our ability to regain compliance with NASDAQ listing rules, risks associated with the launch and commercial success of our products, programs and technologies; our capital resources; the success of product partnerships; continuing development, qualification and volume production of HyperVault™, EXPRESSvault™, NVvault®, HyperCloud® and VLP Planar-X RDIMM; the timing and magnitude of the decrease in sales; our ability to leverage our NVvault® and EXPRESSvault™ technology in a more diverse customer base; the rapidly-changing nature of technology; risks associated with intellectual property, including risks associated with the inherent uncertainty of the litigation process; patent infringement litigation against us as well as the costs and unpredictability of litigation over infringement of our intellectual property and the possibility of our patents being reexamined 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 March 27, 2015, 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.*

(Tables Follow)

For more information, please contact:

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Netlist, Inc.  
Gail M. Sasaki  
Chief Financial Officer  
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**Netlist, Inc.**  
**Consolidated Balance Sheets**  
(in thousands)

	January 2, 2016	December 27, 2014
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 19,684	\$ 11,040
Restricted cash	400	700
Accounts receivable, net	716	1,091
Inventories	1,658	1,880
Prepaid expenses and other current assets	1,739	735
Total current assets	<u>24,197</u>	<u>15,446</u>
Property and equipment, net	408	393
Other assets	61	69
Total assets	<u>\$ 24,666</u>	<u>\$ 15,908</u>
<b>LIABILITIES AND STOCKHOLDERS' (DEFICIT) EQUITY</b>		
Current liabilities:		
Accounts payable	\$ 3,299	\$ 3,957
Accrued payroll and related liabilities	1,243	710
Accrued expenses and other current liabilities	340	420
Deferred revenue	6,857	—
Accrued engineering charges	500	500
Current portion of long-term debt, net of debt discount	13	1,952
Total current liabilities	<u>12,252</u>	<u>7,539</u>
Long-term debt, net of current portion and debt discount	13,699	3,551
Long-term warranty liability	49	99
Total liabilities	<u>26,000</u>	<u>11,189</u>
Commitments and contingencies		
Stockholders' (deficit) equity:		
Preferred stock	—	—
Common stock	50	41
Additional paid-in capital	132,011	117,546
Accumulated deficit	(133,395)	(112,868)
Total stockholders' (deficit) equity	<u>(1,334)</u>	<u>4,719</u>
Total liabilities and stockholders' (deficit) equity	<u>\$ 24,666</u>	<u>\$ 15,908</u>

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

	Three Months Ended		Year Ended	
	January 2, 2016	December 27, 2014	January 2, 2016	December 27, 2014
Net product sales	\$ 1,709	\$ 2,516	\$ 6,869	\$ 19,195
Non-recurring engineering revenues	1,143	—	1,143	—
Total net revenues	2,852	2,516	8,012	19,195
Cost of sales(1)	1,583	2,629	5,915	15,231
Gross profit (loss)	1,269	(113)	2,097	3,964
Operating expenses:				
Research and development(1)	1,680	1,234	6,049	4,586
Intellectual property legal fees, net of settlement transactions	(1,091)	2,465	5,588	6,387
Selling, general and administrative(1)	2,628	1,611	7,841	6,796
Total operating expenses	3,217	5,310	19,478	17,769
Operating loss	(1,948)	(5,423)	(17,381)	(13,805)
Other expense, net:				
Interest expense, net	(648)	(393)	(2,064)	(1,574)
Other income (expense), net	(1,748)	5	(1,081)	—
Total other expense, net	(2,396)	(388)	(3,145)	(1,574)
Loss before provision for income tax	(4,344)	(5,811)	(20,526)	(15,379)
Provision for income taxes	—	—	1	2
Net loss	\$ (4,344)	\$ (5,811)	\$ (20,527)	\$ (15,381)
Net loss per common share:				
Basic and diluted	\$ (0.09)	\$ (0.14)	\$ (0.42)	\$ (0.38)
Weighted-average common shares outstanding:				
Basic and diluted	50,354	41,483	48,967	40,304

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

Cost of sales	\$ 16	\$ 14	\$ 53	\$ 56
Research and development	152	178	613	726
Selling, general and administrative	309	269	1,104	1,230



**Netlist, Inc.**  
**Unaudited Schedule Reconciling GAAP Net Loss to Non-GAAP EBITDA and Adjusted EBITDA**  
**(in thousands)**

	<u>Three Months Ended</u>		<u>Year Ended</u>	
	<u>January 2, 2016</u>	<u>December 27, 2014</u>	<u>January 2, 2016</u>	<u>December 27, 2014</u>
GAAP net loss	\$ (4,344)	\$ (5,811)	\$ (20,527)	\$ (15,381)
Interest expense, net	648	393	2,064	1,574
Provision for income taxes	—	—	1	2
Depreciation and amortization	37	160	349	882
EBITDA (loss)	<u>(3,659)</u>	<u>(5,258)</u>	<u>(18,113)</u>	<u>(12,923)</u>
Stock-based compensation	477	461	1,770	2,012
Other expense (income), net	1,748	(5)	1,081	—
Adjusted EBITDA (loss)	<u>\$ (1,434)</u>	<u>\$ (4,802)</u>	<u>\$ (15,262)</u>	<u>\$ (10,911)</u>