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**In Response to SMART Modular Technologies' Request for Reexamination,  
Patent Office Rejects All Claims of a Second Netlist Patent**

**NEWARK, CA, May 17, 2011** --- SMART Modular Technologies (WWH), Inc. (“SMART” or the “Company”) (Nasdaq: SMOD), a leading independent manufacturer of memory modules and solid state storage products, today announced that the United States Patent & Trademark Office (“USPTO”) has rejected all claims in a second Netlist patent, U.S. Patent No. 7,289,**386**, in a first office action in SMART’s reexamination of the ‘**386** patent.

Netlist’s ‘**386** patent describes technology associated with high density registered DIMMs and is related to its U.S. Patent No. 7,619,**912** for which the Patent Office recently rejected all of its 51 claims in another reexamination brought by SMART. Netlist has referred to the technology of the ‘**912** patent as enabling HyperCloud Memory.

The USPTO rejected Netlist’s ‘**386** patent claims on multiple grounds including that SMART’s Patent Application No. 2006/011**7152** invalidates claims. As previously indicated, SMART believes that its ‘**152** application shows that SMART engineers invented “rank multiplication” technology in 2003. As SMART’s ‘**152** application was filed before Netlist’s ‘**386** Patent, SMART believes that Netlist is not entitled to the ‘**386** patent.

Iain MacKenzie, President and CEO of SMART, commented that “We are very pleased that the USPTO has adopted our arguments and has initially rejected all of Netlist’s ‘**386** patent claims. We remain committed to our strategy of developing and protecting leading edge technology that can be commercialized in significant applications.”

## **Forward-Looking Statements**

Statements contained in this press release including the quotations attributed to Mr. MacKenzie, that are not statements of historical fact, including any statements that use the words "will," "believes," "anticipates," "estimates," "expects," "can," "intends" or similar words that describe the Company's or its management's future expectations, plans, objectives, or goals, are "forward-looking statements" and are made pursuant to the safe-harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements include those related to the Company's intellectual property, beliefs about the invalidity and/or priority of patents and/or patent applications, the ownership of intellectual property rights, projections regarding the Company's financial performance, and the success of our strategic initiatives including patent prosecution.

Such forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause the actual results of the Company to be materially different from the historical results and/or from any future results or outcomes expressed or implied by such forward-looking statements. Factors that would cause or contribute to such differences include, but are not limited to, the PTO not agreeing with our positions and/or not proceeding with an interference, competitive factors, new products and technological changes, difficulties with or delays in the introduction of new products, inability to commercialize technologies, customer demand, end user markets, changes in industry standards or release plans, intellectual property disputes, and other risks detailed in the Company's periodic report filings with the Securities and Exchange Commission including the Company's Annual Report on Form 10-K for fiscal 2010 and its Quarterly Reports on Form 10-Q for the quarters ended November 26, 2010 and February 25, 2011. Such risk factors as outlined in these reports may not constitute all factors that could cause actual results to differ materially from those discussed in any forward-looking statement. The Company operates in a continually changing business environment and new factors emerge from time to time. The Company cannot predict such factors, nor can it assess the impact, if any, from such factors on the Company or its results. Accordingly, our future results may differ materially from projections and investors are cautioned not to place undue reliance on any forward-looking statements. Forward-looking statements should not be relied upon as a prediction of actual results. These forward-looking statements are made as of today, and the Company does not intend, and has no obligation, to update or revise any forward-looking statements in order to reflect events or circumstances that may arise after the date of this press release.

## **About SMART**

SMART is a leading independent designer, manufacturer and supplier of electronic subsystems to original equipment manufacturers, or OEMs. SMART offers more than 500 standard and custom products to OEMs engaged in the computer, enterprise, industrial, networking, gaming, telecommunications, defense, aerospace and embedded application markets. Taking innovations from the design stage through manufacturing and delivery, SMART has developed a



comprehensive memory product line that includes DRAM, SRAM, and Flash memory in various form factors. SMART also offers high performance, high capacity solid state drives, or SSDs, for enterprise, defense, aerospace, industrial automation, medical, and transportation markets. SMART's presence in the U.S., Europe, Asia, and Latin America enables it to provide its customers with proven expertise in international logistics, asset management, and supply-chain management worldwide. See [www.smartm.com](http://www.smartm.com) for more information.