

PRESS RELEASE

For Immediate Release

GRANDIS AWARDED NATIONAL SCIENCE FOUNDATION GRANT FOR NEXT-GENERATION MEMORY DEVELOPMENT

Milpitas, CA, July 2, 2007 — Grandis, Inc., today announced that it has received a Small Business Innovation Research (SBIR) Phase I grant from the National Science Foundation (NSF) for use in the development and commercialization of spin-transfer torque RAM (STT-RAM) memory. STT-RAM is a next-generation non-volatile memory solution designed to enable excellent scalability and unlimited endurance with low power and fast read/write capability. The NSF grant will support Grandis' research into innovative STT-RAM cell architectures that enhance the thermal stability of STT-RAM memory.

The NSF SBIR programs are sponsored by the Small Business Administration, and are designed to stimulate technological innovation and provide opportunities for small businesses. To date, the NSF has awarded Grandis approximately \$700,000 in grants to develop its STT-RAM technology.

"This latest grant from the NSF is further testament to the importance of STT-RAM in providing a potential breakthrough in memory power consumption, density and endurance," said Yiming Huai, Ph.D., co-founder and chief technology officer of Grandis. "Today's conventional memory technologies face severe scaling and performance challenges at or below the 45-nm node. We believe STT-RAM can fill this gap as the first truly universal and scalable ultra-fast, non-volatile memory solution."

STT-RAM exploits the spin of electrons to create a novel universal memory solution. Its inherent low 1.2-volt internal voltage is in stark contrast to existing memory technologies, such as DRAM and Flash, which makes it ideal for mobile electronic applications. Its performance, particularly its sub-10-nanosecond write time and unlimited endurance, also exceeds that of other prospective non-volatile memory technologies, such as phase-change RAM (PRAM). Another major benefit of STT-RAM is its low writing current, which can continue to scale down with shrinking design rules—translating to greater density and, ultimately, lower cost per die.

With this latest NSF grant, the Grandis team, under the leadership of principal investigator, Dr. Eugene Chen, will explore the enhancement of STT-RAM thermal stability in single-barrier magnetic tunnel junctions (MTJs) by engineering the preferred magnetic orientation of the MTJ's storage layer. This research is designed to help ensure the long-term data retention of STT-RAM memory without requiring an increase in switching current. These innovative MTJs, which are the building blocks of STT-RAM, are covered by Grandis' U.S. patent applications.

About Grandis, Inc.

Grandis is the pioneer in the development of spin-transfer torque RAM (STT-RAM), a universal and scalable memory solution. Grandis licenses its technology to companies that are developing a variety of products incorporating stand-alone and embedded STT-RAM memory. It offers its licensees a complete range of support services from process installation through qualification. By combining non-volatility and high performance with low-power consumption and low cost, STT-RAM can revolutionize the performance of electronic products in many areas. Grandis was established in 2002, and is headquartered in Silicon Valley, California. Investors include Applied Ventures LLC, Sevin Rosen Funds, Matrix Partners, Incubic and Concept Ventures. Additional information about the company is available on the Internet at www.grandisinc.com

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