

PRESS RELEASE

For Immediate Release

GRANDIS, INC. ANNOUNCES MTJ FAB IN SILICON VALLEY FOR STT-RAM TECHNOLOGY

Milpitas, CA, May 18, 2007 – Grandis Inc., the pioneer in spin-transfer torque memory (STT-RAM) development, today announced the first magnetic tunnel junction (MTJ) fabrication facility (Fab) in the United States dedicated to STT-RAM memory technology. MTJs are the building blocks of STT-RAM, and the new Fab represents a major step toward establishing STT-RAM as the leading universal memory solution. A multi-million dollar investment, the Fab focuses on STT-RAM research and development (R&D). It began operation last month and is currently in production of qualification wafers.

The MTJ Fab's main purpose is to allow new Grandis STT-RAM technology licensees to incorporate Grandis' MTJ structures into their CMOS wafers. Generally, licensees are not yet familiar with fabricating MTJ structures and do not possess the associated fab equipment and know-how. With Grandis' Fab expertise, licensees can accelerate their STT-RAM development, learn more about the STT-RAM fabrication steps, and reduce their time-to-market.

The MTJ Fab also enables Grandis to conduct leading-edge R&D on new magnetic materials and MTJ structures targeted at further reducing STT-RAM switching current and die size. Presently, STT-RAM switching current is approximately 100 microamperes at the 90 nanometer technology node. Once proven, these new materials, structures and processes can be transferred to licensees' production fabs.

Farhad Tabrizi, president and CEO of Grandis, said, "We are excited to announce our new and innovative MTJ Fab, which will assist our partners in achieving excellent STT-RAM results with their own silicon faster and more efficiently. We have developed the optimum implementation of the STT-RAM cell structure to achieve the highest performance possible, and will share these results with our partners so they can duplicate the technology."

Grandis licenses its STT-RAM technology and forms long-term partnerships with OEMs, semiconductor houses, and wafer fabrication companies. Licensees obtain the benefits of Grandis' unparalleled experience in STT-RAM technology, including its most optimized materials and process conditions. The materials R&D to be undertaken at Grandis' new MTJ Fab alleviates licensees from making major dollar investments to improve their products.

At the same time, they receive the major benefits of deploying newly developed and tested materials and MTJ structures to improve their products.

The MTJ Fab includes MTJ stacks deposition and annealing equipment and characterization metrology systems for STT-RAM technology. Fabrication can be done either on Grandis' wafers or on licensees' wafers for 90 nm technology node and beyond. Various MTJ barrier deposition techniques can be used, including natural oxidation, RF sputtering, and plasma oxidation. By incorporating these processes along with its IP, Grandis is able to develop high performance magnesium oxide (MgO) MTJs, the critical building blocks for STT-RAM. This combination of state-of-the-art fab and characterization equipment, novel magnetic materials and MTJ structures is critical in achieving increasingly lower STT-RAM bit writing currents.

About Grandis, Inc.

Grandis is the pioneer in the development of spin-transfer torque memory (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. <http://www.grandisinc.com>

Contact for Grandis, Inc.:

Grandis, Inc.

Corporate Headquarters
1123 Cadillac Court
Milpitas, CA 95035
Tel +1 (408) 945-2160
Fax +1 (408) 945-2161
info@grandisinc.com

Press and Analyst Contact:

Dan Garza
DGPR
dlgarza@dgpr-inc.com
Tel +1 (408) 799-2532