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Universal Display and Vitex Systems Demonstrate Ultra Thin, Encapsulated Flexible OLED Display at the Intertech Flexible Displays and Electronics 2003 Conference

Intertech Flexible Displays and Electronics 2003 Conference
EWING, N.J., & SAN JOSE, Calif.--(BUSINESS WIRE)--Universal Display Corporation (NASDAQ:PA NL; PHLX:PNL), a leading developer of organic light emitting diode (OLED) display technology, and Vitex Systems, Inc., a developer of barrier coating technology for OLEDs and other displays, yesterday demonstrated a passive matrix, flexible, phosphorescent OLED (PHOLED(TM)) display built on barrier-coated plastic and packaged with a thin-film, multi-layered barrier coating at Intertech's Flexible Displays and Electronics 2003 industry conference.

Dr. Julie J. Brown, Universal Display's Vice President and Chief Technology Officer, made this announcement in a presentation at the conference. Brown's presentation, "Recent Progress in Developing Reliable Flexible OLED Displays," focused on the current status and future of Universal Display's proprietary flexible OLED (FOLED(TM)) technology and recent advances using Vitex's barrier coating technology. The ultra-thin display was less than .7 mm, which is half the thickness of glass displays and can be flexed to a radius of curvature of less than an inch, which is approximately the size of a golf ball. These lightweight display prototypes have 4096 pixels (64x64) with 80 dpi resolution and 32 levels of grayscale. In another talk, Vitex's Director of Product Management, Nicole Rutherford, discussed the properties of their proprietary, multi-layer Barix(TM) system for use with OLED displays.

"Recent Progress in Developing Reliable Flexible OLED Displays"

The red and green passive matrix FOLED displays were fabricated using Universal Display's proprietary PHOLED and FOLED technologies and Vitex Systems' FG500 substrate and Barix thin-film barrier coating technology for encapsulation. "By combining these technologies, the result is the thinnest, lightest, most rugged flexible OLED display imaginable. UDC has been developing FOLED displays for a number of years. The results of the combination allow one to envision what the displays of the future can bring," stated Steven V. Abramson, President and Chief Operating Officer of UDC.

For the past 20 years, flexible displays built on plastic films, rather than on rigid glass substrates, have been the Holy Grail of the flat panel display industry. One major challenge is that water vapor easily diffuses through polymer films and destroys the OLED display. Vitex's Flexible Glass(TM) is PET film that has been coated with Barix, a thin-film moisture-barrier that offers moisture permeability estimated to be adequate to protect OLEDs. Barix coatings can also be applied directly onto the top surface of the OLED, potentially eliminating the need for a second piece of plastic as a lid.

"We were pleased with the reaction of the flexible OLED and electronics community to these barrier coating materials for both active matrix and passive matrix OLED displays. A major hurdle in developing flexible OLED displays are the barrier coatings which are necessary to protect the organic compounds from moisture. The clear performance advantages that our proprietary technologies provide will assist the emerging organic electronic industry in reaching its full flexible potential," said Michael Sullivan, Vitex's Chief Executive Officer.

About Universal Display Corporation
Universal Display Corporation is a world leader in developing and commercializing innovative Organic Light Emitting Device (OLED) technologies. It is collaborating with a network of world class organizations to penetrate the electronic flat panel display market, and its relationships include a long-standing relationship for innovative OLED research with Princeton University and the University of Southern California; a joint development and cross-licensing agreement with DuPont Displays for solution-processible OLEDs; a joint development agreement with Sony Corporation for OLED television monitors; a joint development agreement with Samsung SDI focusing on portable OLED devices; development and supply agreements with PPG Industries, Inc. of Pittsburgh, PA for the commercialization and production of its proprietary high efficiency OLED materials; and a partnership with AIXTRON AG of Aachen, Germany for the development and production of the next generation of OLED production equipment using Universal Display Corporation's proprietary organic vapor phase deposition (OVPD) technology.

Universal Display Corporation is located in the Princeton Crossroads Corporate Center, Ewing, NJ, minutes away from its research partner at Princeton University. Its 21,000 sq. ft. facility includes an OLED pilot production line, as well as OLED technology development and technology transfer facilities. The state-of-the-art facility has been designed to further technology development, technology transfer to manufacturing partners and work with customers to develop products to meet their needs for flat panel displays. Visit Universal Display Corporation on the Web at http://www.universaldisplay.com

About Vitex Systems

Vitex Systems Inc., headquartered in San Jose, Calif., is commercializing transparent ultra-barrier films for use in flat panel displays. This product is now being provided to OLED display makers who are developing flexible OLED displays. The company was incubated at Battelle Memorial Institute, the world's largest independent private non-profit research foundation, and was spun off as an independent company in 1999. For more information on Vitex Systems visit www.vitexsys.com.

Recent News Coverage

The December 24, 2002 issue of PC Magazine ran a profile on Universal Display Corporation's FOLED(TM) technology and the Universal Communication Device(TM), including a photo of the Universal Communication Device.

On November 12, 2002, CBS Evening News with Dan Rather featured Universal Display Corporation as a leading developer of OLED technology, discussing its future product applications, as well as showcasing its FOLED and Universal Communication Device(TM) prototypes. The segment was "teased" twice and included an endorsement by Dan Rather coining the prototype the "plastic fantastic."

In the September 23, 2002, edition of Newsweek magazine, Universal Display Corporation's Universal Communication Device(TM) appeared in the "Papa's Got a Brand-New Bag" piece presenting the briefcase of the future as a portable, impact-resistant office. The piece included a description of the Universal Communication Device(TM) as well as a full-color image.

All statements in this news release that are not historical are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, subject to risks and uncertainties that could cause actual results to differ materially for Universal Display Corporation from those projected, including, but not limited to, statements regarding Universal Display Corporation's beliefs, expectations, hopes or intentions regarding the future. Universal Display Corporation expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in Universal Display Corporation's expectations with regard thereto or any change in events, conditions, or circumstances on which any such statements are based. It is important to note that actual outcomes and Universal Display Corporation's actual results could differ materially from those in such forward-looking statements. Factors that could cause actual results to differ materially include risks and uncertainties such as: uncertainties relating to developments and advances in display technologies, including the OLED, TOLED, SOLED, PHOLED, FOLED, and P2OLED technologies; the expansion of applications for OLED technology; the success of
Universal Display Corporation and its development partners in accomplishing technological advances; including but not limited to, advances concerning Organic Vapor Phase Deposition (OVPD) processes; the ability of Universal Display Corporation to enter into alliances with product manufacturers; product development, manufacturing, and marketing acceptance; uncertainties related to cost and pricing of Universal Display Corporation's products; dependence on collaborative partners; and other competition, risks relating to intellectual property of others and the uncertainties of patent protection. These are discussed in periodic reports filed with the SEC, including the Company's annual report on Form 10-K for the year ended December 31, 2001 and quarterly reports on Form 10-Q. Universal Display Corporation expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in Universal Display Corporation's expectations with regard thereto or any change in events, conditions, or circumstances on which any such statements are based.

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