

## **DISPLAYTECH TO DELIVER MICRODISPLAYS TO NEXT-GENERATION CONSUMER ELECTRONICS AND STORAGE DEVICES**

*Licenses Electronic Viewfinder Business to Citizen Miyota, Ships 14-millionth Device*

Longmont, CO, October 9, 2006 – Displaytech Inc., today announced that it will focus on delivering the unsurpassed image quality and manufacturability of its microdisplays to a range of new products including small projectors, mobile communications devices, data storage, head-mounted displays (HMDs), and more. To support this move the company has granted a non-exclusive license to its electronic viewfinder (EVF) business to Displaytech's manufacturing partner, Citizen Miyota Co. Ltd. The company also announced that it has shipped its 14-millionth microdisplay, a testament to the demand for Displaytech's devices and the maturity of its manufacturing process.

Displaytech, Inc. dramatically improves display-based products by providing high switching speed FLCOS as microdisplays that deliver brilliant, real-life, digital images enabling next-generation consumer electronics and storage products by providing FLCOS as a Spatial Light Modulator (SLM). The company's patented Ferroelectric Liquid Crystal on Silicon (FLCOS) that includes Very Large Scale Integration (VLSI) semiconductor technologies, enables light switching that is significantly faster than other liquid crystals, making possible the creation of microdisplays that deliver unsurpassed image resolution, power efficiency and ease of manufacturability.

"Citizen Miyota licensed the EVF business, because we see a continued growth opportunity for this business," said Mikiro Ueda, President, Citizen Miyota Co., Ltd. "We also look forward to manufacturing new products that will be introduced by Displaytech."

"Displaytech's microdisplays give consumer electronics companies an unmatched blend of image quality and manufacturability, enabling them to improve product performance and speed time to market," said Dick Barton, CEO of Displaytech. "With 14-million devices shipped, it is time to bring FLCOS benefits to new markets and emerging opportunities; our expanded relationship with Citizen Miyota will help make that a reality."

Displaytech will continue to be involved in the EVF business by sharing ongoing development responsibilities with Citizen Miyota. Based on Displaytech's patented Ferroelectric Liquid Crystal (FLC) technology, these electronic viewfinders deliver brilliant, real-life images. The low power consumed by the single-chip technology and the compact form factor permits innovative end product design. FLCOS electronic viewfinders can be found in consumer electronics products from the world's leading companies, including Kodak, Olympus, JVC, Hitachi, Konica-Minolta, Kyocera and Hewlett-Packard.

**About Displaytech**

Displaytech, Inc. dramatically improves display-based products by providing high switching speed FLCOS as microdisplays that deliver brilliant, real-life, digital images enabling next-generation consumer electronics and storage products by providing FLCOS as a Spatial Light Modulator (SLM). Founded in 1985, Displaytech has shipped over 14-million devices to some of the world's premier consumer electronics companies including Kodak, Olympus, JVC, Hitachi, Konica Minolta-Kyocera and Hewlett-Packard. The company has over 100 granted, licensed and pending patents and has received numerous honors and awards including being ranked as one of the fastest growing technology companies in North America by Deloitte and Touche in 2005. For more information, visit [www.displaytech.com](http://www.displaytech.com).