

DISPLAYTECH MICRODISPLAY SELECTED FOR OLYMPUS SP-510UZ DIGITAL CAMERAS

Longmont, Co. October 9, 2006 – Displaytech Inc. today announced that Olympus Imaging Corporation has selected the company's new generation LightView™ 201k-EV2-E3 (LV201k-E) microdisplay as the electronic viewfinder (EVF) in the Olympus SP-510UZ digital still camera. The microdisplay features Displaytech's ferroelectric liquid-crystal-on-silicon (FLCOS) technology, giving Olympus an EVF with unsurpassed image resolution, power efficiency and ease of manufacturability.

Hitting store shelves in September 2006, the SP-510 UZ offers the ultimate value in its class with the highest image resolution of any 10x Optical Zoom digital camera on the market, the high quality of Olympus ED Zoom Lens, 7.1-megapixel CCD, a large 2.5-inch LCD and 630 shots capability, the longest battery life of the world AA digital cameras. Designed to satisfy the needs of beginners and advanced users alike, this highly versatile camera provides incredible point-and-shoot functionality, as well as professional features like full manual controls, ISO 4000 highest sensitivity and RAW shooting.

"Some of our older camera models that feature Displaytech's microdisplays have sold very well; we believe one of the reasons for this to be the high quality image delivered by Displaytech. We are confident that including the new generation LightView 201k-E in our newest model will also contribute to high sales," said a representative from Olympus Imaging, Product Planning Section. "The color reproduction of Displaytech's LV201k-E is true to life. The EVF unit is compact and the ideal fit for the design of our SP-510 UZ camera."

"The decision also marks the continuation of our partnership with Olympus, bringing our cutting-edge FLCOS technology to a new generation of the best-in-class, Ultra Zoom cameras," said Displaytech CEO Dick Barton. "The feature set of the camera, including Displaytech's LV201k-E microdisplay technology, offers outstanding performance to digital photographers at a competitive price point."

Displaytech's LightView™ microdisplays are powered by the company's FLCOS technology which combines patented advances in the use of ferroelectric materials with a proprietary VLSI semiconductor. The resulting, cost-advantaged, microdisplays deliver brilliant, real-life, digital images, free of motion smearing. FLCOS technology enables the easy integration of display panels, interfaces and control circuitry in one compact package, thereby reducing consumer product cost and size.

The LV201k-E is an extremely compact, low power, near-eye microdisplay. It is designed for all digital still camera and video camcorder viewfinder applications, as well as any portable consumer electronic device needing excellent image quality in a low-power, compact package. The LV201k-E is a complete display solution, incorporating the microdisplay panel with integrated interface and control circuitry, as well as the LED illumination and polarization optics. Olympus had previously selected an earlier

generation of the LV201k for its SP-500 UZ digital still camera, launched in September of 2005.

About Olympus Imaging Corporation

Olympus Imaging Corp. is the company responsible for focusing the application of Olympus' Opto-Digital Technology on general consumer lifestyles. Its main products include digital cameras, film cameras, voice recorders, and binoculars.

Olympus Imaging America Inc. is responsible for sales in United States, Canada, Mexico, the Caribbean, and Central and South America.

About Displaytech Inc.

Displaytech dramatically improves display-based products by providing cost-advantaged microdisplays that deliver brilliant, real-life, digital images and enable the creation of next-generation consumer electronics and data storage products. Displaytech's patented Ferroelectric Liquid Crystal on Silicon (FLCOS) technology enables super-fast light switching at speeds 100 times faster than other liquid crystals, making possible the creation of microdisplays that deliver unsurpassed image resolution, power efficiency and ease of manufacturability. Founded in 1985, Displaytech has shipped over 14-million devices to some of the world's premier consumer electronics companies. Displaytech's customers include JVC, Kodak, Olympus, Hitachi, Konica Minolta, Kyocera and Hewlett-Packard.