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For Immediate Release

UNIVERSAL DISPLAY CORPORATION AWARDED $1.9 MILLION U.S. DEPARTMENT OF ENERGY CONTRACT TO ACCELERATE DEVELOPMENT OF WHITE OLED LIGHTING PRODUCTS

Universal Display will team with Armstrong World Industries to combine its energy-efficient UniversalPHOLED™ and other OLED technologies with Armstrong's product design and engineering expertise into an integrated ceiling lighting system

Ewing, New Jersey — July 23, 2008 — Universal Display Corporation (NASDAQ: PANL), a key innovator behind today and tomorrow's displays and lighting through its UniversalPHOLED™ technology, today announced a $1,918,878, two-year U.S. Department of Energy (DOE) contract to develop a ceiling-based white OLED lighting system. Universal Display plans to use Armstrong World Industries as a key subcontractor to fulfill the requirements of the grant. Funded through the U.S. DOE Office of Energy Efficiency and Renewable Energy, this Solid-State Lighting (SSL) Program award supports the DOE's long-term commitment to advance the development and market introduction of energy-efficient, solid-state white light sources for general illumination.

During this SSL Product Development Project, Universal Display and its subcontractor, Armstrong, will develop and deliver an integrated ceiling illumination system that is targeted to exceed the DOE's 2010 performance goals. The white OLED lighting panels will be designed and fabricated by Universal Display using its high-efficiency phosphorescent OLED technology. The panels will then be integrated

by Armstrong into its innovative TechZone™ open-architecture ceiling system. In addition, the team will deliver a white OLED lighting panel fabricated on a thin metallic foil substrate using Universal Display's UniversalPHOLED and other OLED technologies, to demonstrate the commercial product potential of white OLEDs with a flexible form factor.

"A tremendous opportunity exists for white OLED lighting products, based on their potential energy efficiency and environmental advantages as compared to existing products," stated Steven V. Abramson, President and Chief Executive Officer of Universal Display. "Through its Solid State Lighting program, the U.S. Department of Energy has been a very strong proponent of white OLED lighting, and it has been instrumental in helping to drive the performance of this technology to where it is today. With white OLED performance rapidly approaching commercial targets, we are delighted to be collaborating with Armstrong World Industries, a leading developer and manufacturer of innovative building systems, to develop and demonstrate a novel product concept using white OLEDs. Together, our goal is to make energy-efficient, environmentally-friendly, and economical white OLED lighting a commercial reality."

"Armstrong is pleased to be able to support the kind of leading edge effort in energy efficiency and environmental sustainability represented by Universal Display's solid-state OLED lighting research program," stated Stephen J. Senkowski, Executive Vice President of Armstrong World Industries and Chief Executive Officer of its Building Products Division. "The ability to couple ground-breaking developments in the field of lighting with the proven benefits of commercially accepted building systems like TechZone™ is a key goal of this DOE supported project."

Through the use of its UniversalPHOLED phosphorescent OLED technology, Universal Display recently announced a major research milestone for white OLEDs of 102 lm/W. Compared to incandescent bulbs with less than 15 lm/W and fluorescent lamps typically from 60 - 90 lm/W, this research result is a significant advance toward achievement of the full set of performance requirements for commercial products.

Power-efficient white OLEDs may reduce energy consumption dramatically and lower the amount of by-product heat, further reducing energy and environmental burdens. White OLEDs are also environmentally benign, especially compared to mercury-containing fluorescent lamps and newer compact fluorescent lamps (CFLs). Combining these important 'green' features with a very thin,

lightweight and durable form factor, white OLEDs offer significant new lighting design opportunities, such as the one envisioned in this Armstrong ceiling system concept.

About Universal Display Corporation

Universal Display Corporation is a world leader in developing and commercializing innovative OLED technologies and materials for use in flat panel displays, solid-state lighting products, electronic communications and other opto-electronic devices. Universal Display is working with a network of world-class organizations, including Princeton University, the University of Southern California, the University of Michigan, and PPG Industries, Inc. Universal Display has also established numerous commercial relationships with companies such as Chi Mei EL Corporation, DuPont Displays, Inc., Konica Minolta Technology Center, Inc., LG Display Co., Ltd., Samsung SDI Co., Seiko Epson Corporation, Sony Corporation, Tohoku Pioneer Corporation and Toyota Industries Corporation. Universal Display currently owns or has exclusive, co-exclusive or sole license rights with respect to more than 850 issued and pending patents worldwide.

Universal Display is located in the Princeton Crossroads Corporate Center in Ewing, New Jersey. Universal Display's state-of-the-art facility is designed to further technology and materials development, technology transfer to manufacturing partners and work with customers to develop OLED products that meet their needs. Visit Universal Display on the Web at www.universaldisplay.com.

About Armstrong World Industries, Inc.

Armstrong World Industries, Inc. is a global leader in the design and manufacture of floors, ceilings and cabinets. In 2007, Armstrong's consolidated net sales totaled approximately $3.5 billion. Based in Lancaster, PA, Armstrong operates 40 plants in 10 countries and has approximately 12,800 employees worldwide. Visit Armstrong on the Web at www.armstrong.com and for more information on TechZone Ceiling Systems, visit www.armstrong.com/techzone.

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