



Press Release

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For Immediate Release

UNIVERSAL DISPLAY AWARDED \$750,000 SBIR PHASE II CONTRACT FROM U.S. AIR FORCE FOR FLEXIBLE OLED DISPLAYS

Program focuses on the development of low-power, direct-view flexible OLED displays for use in airplane cockpits

Ewing, New Jersey— June 30, 2009—Universal Display Corporation (NASDAQ: PANL), an innovator behind today's and tomorrow's displays and lighting through its UniversalPHOLED™ phosphorescent OLED technology, today announced that the company has been awarded a \$750,000 Small Business Innovation Research (SBIR) Phase II contract from the United States Air Force Research Laboratory. Work under the program, titled "*Low-Power, Direct-View Flexible Displays*," will focus on the development of a non-glass, ejection-safe, flexible OLED display prototype for prospective use by pilots in tactical cockpit settings.

Developed in collaboration with L-3 Communications Display Systems and LG Display, the flexible phosphorescent OLED display prototype will be energy efficient, offer full-color video rate and have wireless communications capabilities. In addition, it will have the capability to be wrapped around a cylinder for easy storage during flight. The design goal is to provide Air Force pilots with a replacement for printed maps and checklists typically held on their knees in tactical cockpits.

"The U.S. Air Force and Department of Defense recognize that technology innovation can provide our servicemen and women with the best tools to succeed," said Steven V. Abramson, President and Chief Executive Officer of Universal Display. "Combining our flexible, phosphorescent OLED

technology with L-3's military display systems integration expertise and LG Display's backplane technology, we intend to demonstrate a product concept that helps keep pilots informed and updated, without encumbering them during flight. This development underscores the strong potential for our OLED technology to create new product concepts for the military and also for consumers."

The Phase II contract follows Universal Display's successful completion of a Phase I program that demonstrated the initial technical feasibility of a flexible, rollable display for this Air Force application. Under terms of the Phase II program, the team will deliver four breadboard subsystems based on a bright 6" diagonal, full-color, low power consumption PHOLED display on flexible metal foil. These displays will then be wrapped around cylinders containing power supplies and wireless communications electronics. The result will be a storable, full motion video and wirelessly enabled display device for evaluation in a tactical cockpit setting.

To see how Universal Display Corporation is changing the face of the display and lighting industries, please visit the company at <http://www.universaldisplay.com>.

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 SMD Co., Ltd., Seiko Epson Corporation, Sony Corporation, Tohoku Pioneer Corporation and Toyota Industries Corporation. Universal Display currently owns or has exclusive or sole license rights with respect to more than 960 issued and pending patents worldwide.

Universal Display is located in the Princeton Crossroads Corporate Center in Ewing, New Jersey. The Company'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.

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All statements in this document that are not historical, such as those relating to Universal Display Corporation's technologies and potential applications of those technologies, are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. You are cautioned not to place undue reliance on any forward-

looking statements in this document, as they reflect Universal Display Corporation's current views with respect to future events and are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated. These risks and uncertainties are discussed in greater detail in Universal Display Corporation's periodic reports on Form 10-K and Form 10-Q filed with the Securities and Exchange Commission, including, in particular, the section entitled "Risk Factors" in Universal Display Corporation's annual report on Form 10-K for the year ended December 31, 2008. Universal Display Corporation disclaims any obligation to update any forward-looking statement contained in this document.