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**SILICON VALLEY-BASED VITEX SYSTEMS SECURES ADDITIONAL \$24 MILLION IN FUNDING**

***Series B Funding Round To Bolster Company's Efforts in  
Helping Bring Flexible Displays to Market***

**SAN JOSE, Calif.**, February 4, 2004—Vitex Systems, Inc., a key enabler in the manufacture of next-generation OLED (organic light emitting diode) displays, today announced it has raised \$24 million of equity financing in the initial close of its Series B funding round. The majority of financing comes from a major international supplier of components to the flat panel display (FPD) industry, along with Battelle Memorial Institute and Mitsubishi Corp.—Vitex's initial investors—and Tokki Corp. of Japan, Vitex's equipment supply partner. This latest funding will help Vitex speed its next phase of growth and drive market adoption of its proprietary technology for enabling the manufacture of next-generation displays.

Vitex, a spin-off of global technology development and commercialization giant Battelle, has developed a thin film moisture barrier that can be used to package OLED displays. These revolutionary, emissive, solid-state OLED displays are now on the market in portable electronic devices throughout Asia, and are expected to lead the next generation of commercial FPDs. In addition, Vitex employs the same thin-film moisture barrier technology in manufacturing its *Flexible Glass* barrier substrates. These are designed to replace glass, which is currently used as the substrate—enabling display makers worldwide to realize one of their longest-held goals: ultra-thin, lightweight, unbreakable, formable and flexible displays.

According to Vitex CEO Dr. Malcolm Thompson, this latest funding demonstrates the growing confidence within the industry toward Vitex's technology portfolio. "We are pleased with the results from our latest funding efforts, which is testament to the significant strides we are making in meeting our business objectives—especially at a time when our economy, although optimistic of imminent recovery, is still investment-cautious. As one of the few industries within the electronics sector to witness a banner year in 2003 with explosive growth, the FPD market, and more specifically, the emerging OLED and flexible display markets, hold tremendous opportunities to open up new commercial and military applications. These are markets Vitex is committed to capture, and this latest funding will bring us one step closer to achieving this objective."

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Commenting on today's announcement, Michael Ciesinski, president of the U.S. Display Consortium (USDC), said, "Vitex is taking aim to be a market leader for thin film barrier coatings and flexible substrates for the burgeoning OLED market—a market that is expected to reach \$2.2 billion by 2006\*. The company is rightly focusing on the critical needs for successful use of OLEDs on flexible, organic substrates. This additional funding validates the display industry's continued interest in Vitex's technology and strong patent portfolio."

The Series B round will remain open for an additional 60 days to accommodate a number of other interested investors. Additional details surrounding the funding were not disclosed.

*\*According to DisplaySearch*

**About Vitex Systems**

Vitex Systems Inc., headquartered in San Jose, Calif., is commercializing transparent ultra-barrier films for use in flat panel 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](http://www.vitexsys.com)

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