

Novald Secures € 5.75 Million in First Round of Financing to develop 2nd Generation Organic-Light-Emitting-Diode (OLED) Technologies

Dresden, 14.05.2003. Novald GmbH, which recently spun off from the Technical University of Dresden and Fraunhofer Institute for Photonic Microsystems (IPMS) to develop 2nd Generation Organic-Light-Emitting-Diode (OLED) technology, announced today that it has secured €5.75 million in first round financing from a consortium of international investors led by venture capital firms TechnoStart and TechFund Capital Europe. Additional investors included Dresden Fonds, tbg, and Thomson, the media services and equipment group. Proceeds from the investment will be used to develop and bring to the market the next generation of OLED display technologies, based on small molecule organic materials.

Novald was founded in August 2001 by a number of OLED experts: Prof. Karl Leo, head of the Institut für Angewandte Photophysik (IAPP) of the Technische Universität Dresden, and his colleagues, Dr. Martin Pfeiffer and Dr. Jan Blochwitz-Nimoth, and Jörg Amelung, running the clean room pilot production in Dresden's Fraunhofer Institute for Photonic Microsystems (IPMS). The two institutes where the founders developed the basic know-how of Novald, IAPP and IPMS, contributed actively to the creation of the company.

The vision of Novald is to realise 2nd generation OLED displays. The key factors are extremely low operating voltage and high power efficiency due to the incorporation of doped charge carrier transport layers, and efficient in-line manufacturing. Based on the doping technology developed at the IAPP, Novald focuses on developing OLED layer structures incorporating this technique in RGB colour systems. The low operating voltage opens up new possibilities for low-power driving circuitry and OLED layout. The doping technology allows the actual OLED structure to become almost independent of substrate properties. Thus, it is possible to incorporate high efficiency and long lifetime OLEDs on nearly any substrate, from glass to printed circuit boards. The latter is of particular importance for active-matrix backplanes where emission through the substrate is not possible or less efficient. "OLED displays, being extremely thin and potentially flexible, very bright

and ideally suited for video are an extremely promising new display technology. Due to their simple structure and the extremely small amounts of materials needed, they are also potentially very cost competitive once efficient manufacturing technologies have been developed," Karl Leo explains.

Novaled offers to its customers licenses together with the know-how necessary to develop their existing OLED technology into the next generation. Novaled also offers customised display structures for uses from pure display applications to lighting and signs. Jan Blochwitz-Nimoth, founding CEO of Novaled: "The Novaled 2nd generation technology will pave the way for OLEDs as the new standard flat panel display technology and will open up still unforeseen new applications."

"Our technology and expertise, covering the fields of both base technology and process, could further enable the setting up of production capabilities for very flat displays in Europe, and especially the Dresden area. In that respect we got the support from the State of Saxony, which contributes to the dynamism of a region that already hosts production units from companies like Infineon or AMD," Jan Blochwitz-Nimoth adds.

"We committed to Novaled as the company vision fulfils exactly our requirements for disruptive technologies that have the potential to really substantially change attitudes in their markets," says Michael Mayer of TechnoStart.

"Novaled is an exceptional early stage project. It combines a solid team of recognized experts in the nascent OLED industry, an unique because original and high potential technology, to address a huge market opportunity. We are now deeply involved to team up and help making the first investment of TechFund Europe in Germany a great success," comments Jean-Michel Barbier from Techfund.

Novaled is building a bridge between the traditionally strong microelectronic branch in Dresden and photonic elements with strong potential for the future. "Therefore, Novaled strengthens the technology profile of the Dresden region. This corresponds to the goals of the Dresden Fonds," Hubert Beckmann, board member of the Stadtparkasse Dresden (shareholder of Dresden Fond), emphasizes.

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About TechnoStart

Since its inception in 1991 TechnoStart, a private independent venture capital firm in Ludwigsburg/Stuttgart, is focused on seed stage and start-up companies predominantly emerging from academic research. The requirement for the technology level of portfolio companies has from the beginning been set at enabling technologies with the potential to shift attitudes in their industries. During the nineties TechnoStart's portfolio consequently emphasized biotechnology, recently applied physics and new material outstand from new investments.

www.technostart.com

About TechFund Capital Europe

TechFund Capital Europe is a venture capital firm focusing on early stage investments in innovative technology companies. Investments are focused on core and enabling technology including multimedia, networks and communications, and energy/environment. TechFund Capital Europe leverages its network of strategic partners (including Thomson, Thales Group, EDF...) and proactively assists its portfolio companies to accelerate development. TechFund Capital Europe, a brother fund to California based TechFund Capital, is located in Paris and has a pan European focus, in which the French and German markets are playing a prominent role.

www.TechFundCapitalEurope.com

About Dresden Fonds

The Dresden Fonds is a joint fund of the local savings bank in Dresden (Stadtsparkasse Dresden) and the State Bank of Saxony (Sachsen LB). It is managed by their venture capital subsidiaries SIB Innovations- und Beteiligungsgesellschaft mbH, Dresden, and Sachsen LB Corporate Finance Holding (CFH) GmbH, Leipzig. The Dresden Fonds is focussed on investments in innovative companies, located in Dresden, with a competent forward planning management, a cutting edge technology and clearly discernible competitive advantages in the market. SIB offers management support and access to its local network in Dresden. CFH is one of the leading German capital holdings with 60 portfolio companies funded with approx. 127 million EUR.

www.sib-dresden.de

www.cfh.de

About Thomson

Thomson (Euronext Paris: 18453; NYSE: TMS) provides a wide range of video (and enabling) technologies, systems, finished products and services to consumers and professionals in the entertainment and media industries. To advance and enable the digital media transition, Thomson has four principal divisions: Content and Networks, Consumer Products, Components, and Licensing. The company distributes its products under the Technicolor, Grass Valley, THOMSON and RCA brand names. For more information: Press relations: Stéphane Rougeot - Tel: +33/1/41/86-5297, stephane.rougeot@thomson.net

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Forward-looking statement

This press release contains forward-looking statements within the meaning of the "safe harbor" provisions of the U.S. Private Securities Litigation Reform Act of 1995. These statements based on current expectations and beliefs are subject to a number of factors and uncertainties that could cause actual results to differ from those implied by the forward-looking statements due, among other things, to changes in technological advancements (innovations) in the consumer electronics industry, business conditions, competitive markets and regulatory factors.