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Company: Tokki Corporation (JASDAQ Code: 9813)

President: Kenichi Tsugami, Representative Director

Contact: Takafumi Suzuki, Corporate Officer of Business Planning Dept.

Phone: (+81)3-5205-2901

**Tokki Enters into Business Alliance with GE Global Research Center, U.S.A. in Joint Development and Marketing of PE-CVD Film Encapsulation Technology and Equipment for Manufacturing Organic Light Emitting Diode (OLED) Displays and Organic Electronics**

Tokki Corporation and GE Global Research Center which is the central R&D laboratory of General Electric Company (Listed as GE in the New York Stock Exchange) entered into a partnership agreement to collaborate in a joint development and marketing of PE-CVD <sup>(1)</sup> encapsulation technology and equipment for manufacturing OLED displays and organic electronics. This partnership is expected to accelerate production process innovation and market expansion of advanced OLED displays.

Tokki enjoys a high reputation from customers in Japan and around the world as a leading company of OLED display production equipment with unique technology to integrate the processes from film deposition to encapsulation by fully utilizing Factory Automation precise handling and processing technology. In this partnership agreement, Tokki will integrate PE-CVD encapsulation technology <sup>(2)</sup> licensed from GE Global Research Center in its own OLED display production systems. OLED devices require a high degree of hermetic sealing or “encapsulation” since moisture and oxygen can drastically impede the devices’ functionality. Tokki highly evaluates the film encapsulation technology developed by GE Global Research Center to be the key technology for future OLED devices and process technology. The primary focus of the project will be to develop and demonstrate pilot line manufacturing equipment that successfully incorporates GE’s film encapsulation technology. The ultimate goal of the business alliance is to manufacture PE-CVD film encapsulation equipment which can be used in a variety of industry sectors, including OLED displays and organic electronics, and market this equipment to customers throughout the world.

**1. Brief of Agreement**

- a) Tokki and GE Global Research Center will jointly develop some equipment based on the extensive experience and know-how of each company.
- b) The jointly developed-equipment will include trial equipment for experiments and evaluation by engineers and technical personnel of both companies to perform research and development, experiments and evaluation so that the level of equipment will pass the market requirements.
- c) During the joint development, GE Global Research Center will not disclose nor transfer their patents on the film encapsulation technology and know-how on the film encapsulation technology to third parties without agreement of Tokki. When development of market-ready equipment is completed, the two companies will begin joint marketing.

**2. Near Future Outlook for Tokki**

Tokki will strongly promote this joint development program to improve its OLED technology and increase sales and profit of OLED device production equipment. After the development of marketable

equipment and start of sales promotion, we will disclose our marketing plan. The expected sales increase from this partnership agreement will not be reflected in the next fiscal term of the Company but in the future fiscal. Today, Tokki published a generation of special loss and a correction for the fiscal term ending June 2007. This correction involved stock dividend but not in which no correction in relation to the agreement with GE. In regard to the operation report of the Company for the next fiscal year, the results may be changed in accordance with the development of the trial equipment and such a change will be disclosed when fiscal year end short-form report is published at the end of the fiscal year.

### **3. Schedule**

January 26, 2007	Board meeting approval of Tokki Corporation
January 26, 2007	Signing of the business alliance agreement
January 26, 2007	Start of the work according to the agreement

### **4. About GE Global Research Center**

- 1) Registered Name: General Electric Company
- 2) Major Business Fields: Research in infrastructure, industrial, healthcare and other areas.
- 3) Year of Establishment: 1900
- 4) Place of Main Office: Niskayuna, New York, U.S.A.
- 5) Representative Director: Mark M. Little
- 6) Number of Employees: 2,500
- 7) Profile: GE Global Research Center was the first industrial research laboratory in the U.S.A., and is one of the world's most diversified research centers, providing innovative technology for all of GE's businesses. GE Global Research Center has been the cornerstone of GE technology for more than 100 years, developing breakthrough innovations in areas such as medical imaging, energy generation, jet engines, advanced materials and lighting. GE Global Research Center has its headquarters in New York and strategically located R&D laboratories in Bangalore, India; Shanghai, China; and Munich, Germany. For more information on GE Global Research Center, please visit [www.research.ge.com](http://www.research.ge.com).

### **5. About TOKKI Corporation**

TOKKI Corporation is a publicly held manufacturer that was established in 1967 and has been listed on the JASDAQ (9813.Q) since 1991. TOKKI is a global leader and a world's top supplier in the development of engineering and manufacturing equipment for the Organic Electronics industry, including OLED display. One of the company's specialties is the application of a wide range of vacuum technology, and Factory Automation precise handling and processing technology. TOKKI was first in the world to develop equipment for the mass-production of OLED displays, which consist of full automation vacuum system for both thin film deposition and encapsulation processes without exposing devices to the atmosphere. In 2006, TOKKI launched a new line of equipment for the mass-production of next generation thin-film solar cells which are of the non-silicon type by utilizing its accumulated vacuum technology for mass-production of OLED devices. The company is also committed to the advancement of solar cell panel production. TOKKI Corporation is headquartered in Tokyo and its main production facility is in Niigata prefecture. Please visit TOKKI Corporation at [www.tokki.co.jp](http://www.tokki.co.jp)

**(Notes)**

**(1) PE-CVD**

PE-CVD is an abbreviation for Plasma Enhanced-Chemical Vapor Deposition. This technology is a method to deposit gas which contains specific materials on the surface of a substrate in the form of a thin film by changing the properties of the materials into plasma to accelerate their chemical reactions. This technology can make a very thin film of approx. 1 to 2 micrometers on the substrate.

**(2) Film encapsulation technology for OLED devices**

In the production of OLED devices, encapsulation technology is needed to cut off the organic materials which easily affect the work by the contact with air and moisture in the atmosphere. In current main stream OLED production, encapsulation is made with glass plates and metal packages. These encapsulation methods can be replaced with film encapsulation technology, and this method is called Film Encapsulation. Film encapsulation is a key technology for advanced OLED development due to its compact size, low weight and thickness, larger substrates for larger display areas, and is a future target of flexible substrates.

