

July 31, 2007

## **Sumitomo Chemical to Acquire Cambridge Display Technology Inc.**

Sumitomo Chemical today announced that it has entered into an agreement with Cambridge Display Technology Inc. (CDT below) to acquire CDT as a wholly owned subsidiary. The planned purchase price is approximately US\$ 285 million. Following the approval of the acquisition at a meeting of CDT shareholders anticipated to be held in autumn of this year, Sumitomo Chemical will pay CDT shareholders a consideration for the purchase of all outstanding shares of CDT stock and the company will become a wholly owned subsidiary of Sumitomo Chemical. In connection with this transaction, major CDT shareholder Kelso & Company along with certain members of CDT's senior management and other shareholders holding cumulatively an approximate 43% of CDT's common stock have entered into agreements to vote all their shares in favor of the transaction at their shareholders' meeting.

Organic light emitting diode (OLED) displays exhibit fine resolution and high visibility, and because they are self-luminescent, are highly responsive and yield outstanding video images, and with their low electrical consumption, also offer environmentally friendly performance. Polymer OLEDs (P-OLEDs) are processable in solution and can therefore be applied using a printing technique to form the luminescent substrate, making possible the highly productive manufacture of large-size panels at low cost. The market for P-OLEDs is expected to see rapid growth going forward, primarily for use in next generation displays for large-screen televisions and in lighting applications.

Sumitomo Chemical positions display materials as one of its core business areas, and while it continues to expand its liquid crystal display materials business, it is also concentrating its efforts on the development of next-generation display materials with a particular focus on P-OLEDs. Sumitomo Chemical's development of P-OLEDs began in 1998. In 2001, Sumitomo Chemical and CDT Ltd. of Cambridge, England, the wholly owned subsidiary of CDT Inc., entered into a technical assistance agreement, including technology licensing for light-emitting materials, and in May 2002, Sumitomo Chemical made equity investment in CDT Ltd. to build a closer working relationship for the commercialization of P-OLEDs. In November 2005, Sumitomo Chemical established the joint venture SUMATION Co., Ltd. together with CDT, Ltd. for the development, manufacture and sale of P-OLED materials. Through the combination of both companies' technologies, materials performance has achieved remarkable advances, and is now approaching the level of practical application.

CDT possesses a wealth of fundamental intellectual property related to OLED displays and materials, while Sumitomo Chemical possesses a broad range of state-of-the-art chemical technologies and both companies possess highly skilled human resources as well as sophisticated

expertise in materials development. This acquisition, integrating the two companies' business resources, will enable Sumitomo Chemical both to improve the performance of light-emitting materials and OLED display-related materials and also to further accelerate the development of commercial technologies for the manufacture of OLED displays, serving its customers as a total solution provider to meet their diverse requirements from materials to processes. Moreover, Sumitomo Chemical will step up its efforts on the early commercialization of P-OLED displays, particularly large-screen, high-definition televisions, with a view to the possibility of alliances with display manufacturers.

**【Reference: CDT】**

State of Incorporation	Delaware, USA (Nasdaq: OLED)
Operating base	Cambridge, England
Established	1999
Paid-in capital	US\$ 285 million (as of Dec. 31, 2006)
Outstanding shares	21.6 million shares (as of July 31, 2007)
Sales	US\$ 8 million (2006 full-year)
CEO	Dr. David Fyfe
Employees	130 persons