Press Releases

eMagin Achieves Automated Operation of its New OLED Deposition Machine

Significant Increase in OLED Microdisplay Production Capacity and Yield Expected

BELLEVUE, Wash., September 10, 2012 -- eMagin Corporation (NYSE MKT: EMAN) (the “Company”), the leader in the development, design and manufacture of Active Matrix OLED microdisplays for high resolution imaging products, announced today that its new SNU OLED deposition machine has achieved automated operation, providing the Company with increased deposition capacity to better address its growing worldwide market demand with the most advanced OLED microdisplays available today.

The installation of the new equipment needed for automatic mode operation was successful and the Company is now running production on the new tool in automatic mode. Samples of displays from the new machine were provided to customers and performed well based on their tests. eMagin is nearing completion of its own reliability testing (a long duration 1,000 hours testing) of the displays, which is showing positive results. The testing will conclude in mid-September, after which displays from the new machine, including those in inventory, can be shipped to fill customer orders.

The new OLED deposition machine is replacing the Company’s current Satella machine for production purposes. The Satella will continue to be used primarily for research and development of next-generation microdisplays. The new machine provides significant advantages, including more up time, reduced maintenance, improved consistency, higher overall quality, greater speed of production and higher yield.

Andrew Sculley, president and CEO of eMagin, commented, “Automated operation of our new state-of-the-art OLED deposition machine is a significant achievement by our team that will enable us to increase production and address the most demanding applications from the military, industrial, consumer and medical markets.”

About eMagin Corporation

A leader in OLED microdisplay technology, OLED microdisplay manufacturing know-how and mobile display systems, eMagin manufactures high-resolution OLED microdisplays and integrates them with magnifying optics to deliver virtual images comparable to large-screen computer and television displays in portable, low-power, lightweight personal displays. eMagin microdisplays provide near-eye imagery in a variety of products from military, industrial, medical and consumer OEMs. More information about eMagin is available at www.emagin.com.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, including those regarding eMagin Corporation's expectations, intentions, strategies and beliefs pertaining to future events or future financial performance. Actual events or results may differ materially from those in the forward-looking statements as a result of various important factors, including those described in the Company's most recent filings with the SEC. Although we believe that the expectations reflected in the forward-looking statements are reasonable, such statements should not be regarded as a representation by the Company, or any other person, that such forward-looking statements will be achieved. The business and operations of the Company are subject to substantial risks which increase the uncertainty inherent in forward-looking statements. We undertake no duty to update any of the forward-looking statements, whether as a result of new information, future events or otherwise. In light of the foregoing, readers are cautioned not to place undue reliance on such forward-looking statements.

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