

PowerFilm, Inc.

PowerFilm Gives Live Demo of Roll to Roll Flexible Electronics Technology

1 July 2011, PowerFilm, Inc. (AIM: PFLM), ('PowerFilm' or 'the Company'), the developer and manufacturer of thin flexible solar panels and flexible electronics, today announces that it gave a live demonstration of its roll to roll flexible electronics technology for government officials earlier this week. The officials attending included U.S. Congressman Tom Latham, Iowa Lt. Governor Kim Reynolds, Iowa Economic Development Director Debi Durham, and Kevin Condon from the office of Senator Tom Harkin.

The flexible display demonstration featured the world's first and only backplane array technology for a flexible display made using a full roll to roll process integrated with a front plane driver to create the full working display. A backplane driver is an array of transistors that turns individual pixels on a display on and off, according to instructions from a computer.

The advantages of this technology, compared to current display technology and other technologies in development (none of which are true roll to roll processed), are that the backplane driver itself is thin, lightweight, durable (plastic not glass), conformable, and is made using a low cost manufacturing process at scale, thereby enabling products with those advantages.

PowerFilm's core roll to roll manufacturing expertise for semiconductors, developed for its PV products, has been expanded to develop flexible electronics. The technology has been developed by PowerFilm's majority owned subsidiary Phicot, in collaboration with Hewlett-Packard (HP) and the Army Research Laboratory (ARL). PowerFilm has licensed in HP's self aligning imprint lithography (SAIL) technology.

As previously announced, PowerFilm has received approximately \$5.5m funding from ARL to develop a self powered flexible display for soldiers using a combination of PowerFilm's flexible display technology and its thin film solar material to allow it to be self-powered.

Additional potential applications include items such as a ruggedized deployable briefing board for the military and other display screens, ebooks, and other consumer electronics devices, and billboards.

The technology has been developed in the USA, where the working prototypes also have been made. PowerFilm has been active in the area of roll to roll flexible electronics for a decade, with the past 5 years focused on the development of flexible display technology.

The Company is active in the flexible electronics industry and in 2010 PowerFilm and HP were awarded the FlexTech Alliance's R&D Achievement Award.

The next steps are continued yield improvement, along with funding and site selection for the pilot manufacturing facility.

** Technology photos available upon request.

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A copy of this announcement will be available on the PowerFilm website at <http://www.powerfilmsolar.com>. The common shares of PowerFilm, Inc. are traded on the AIM Market of the London Stock Exchange and are not registered under the US Securities Act 1933, as amended. Such shares may not be offered or sold to residents of the United States or to persons acting on their behalf, or to other persons who are "United States Persons" within the meaning of Regulation S as promulgated

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