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## Vuzix and Fraunhofer Announce Strategic Alliance for Display Technology Development

ROCHESTER, N.Y., July 14, 2011 /PRNewswire/ -- Vuzix Corporation (TSX-V: VZX, OTC:BB: VUZI, FMB: V7X) ("Vuzix" or the "Company") formally announced today a strategic technology development partnership with the Fraunhofer Institute for Photonic Microsystems (IPMS). Vuzix and Fraunhofer IPMS have been engaged in the development of MEMS devices optimized for augmented and virtual wearable display solutions. This partnership will produce a key component that integrates both the display and optics into a monolithic display engine, with a goal of finally enabling sunglass styled video glasses.

(Logo: <https://photos.prnewswire.com/prnh/20110518/MM04932LOGO> )

The relationship with Fraunhofer IPMS supports Vuzix world-leading expertise in the design of Video Eyewear and HMDs for the global mobile smart phone, console gaming, and defense markets. Fraunhofer's unique MEMS devices are a key component for creating a single electro-optic device for Vuzix' next generation HD Video Eyewear displays. Fraunhofer is part of a team of technology partners working with Vuzix to create a monolithic display engine, integrating the display and optics into as a single device. This effort will better meet user's high expectations for sunglass styled video eyewear over existing technologies; for both Vuzix' and its OEM product lines. Fraunhofer IPMS is an internationally recognized research and development institute for MEMS.

Paul Travers, Vuzix President and CEO said, "We are very pleased to formally announce that Vuzix and Fraunhofer have initiated this development partnership. We have already seen results that we feel will provide a paradigm shift in the style, performance and cost of wearable displays."

"The relationship with Vuzix is a perfect fit for Fraunhofer IPMS. Our MEMS technology integrated with Vuzix new electro-optic device has the potential to be ground breaking for near eye display solutions. We are excited about the opportunity to provide IPMS' technology for this innovative display application," said Harald Schenk, deputy director of Fraunhofer IPMS.

### About Vuzix Corporation

Vuzix is a leading supplier of Video Eyewear products in the defense, consumer and media & entertainment markets. The Company's products, personal display devices that offer users a portable high quality viewing experience, provide solutions for mobility, thermal sighting systems, tactical wearable displays and virtual and augmented reality. With its origins in

defense research and development for next generation display solutions, Vuzix holds over 51 patents in the Video Eyewear field. The company has won 9 Consumer Electronics Show Innovations Awards, the RetailVision Best New Product and several wireless technology innovation awards, among others. Founded in 1997, Vuzix is a public company (TSX-V: VZX, OTC:BB: VUZI, FMB: V7X) with offices in Rochester, NY, Oxford, UK and Tokyo, Japan. For more information visit [www.vuzix.com](http://www.vuzix.com).

### **About Fraunhofer IPMS:**

Fraunhofer IPMS, Dresden as an institute of Europe's largest organisation for applied research and development, Fraunhofer-Gesellschaft, carries out customer specific developments in fields of microelectronic and micro systems technology serving as a business partner that supports the transition of innovative ideas into new products. Fraunhofer IPMS develops and fabricates modern MEMS and OLED devices in its own clean room facilities. In addition to R&D services it offers ramp-up within a pilot production. With modern equipment and about 200 scientists and engineers, the range of projects and expertise covers sensor and actuator systems, microscanner, spatial light modulators, wireless microsystems, as well as organic materials and systems. For more information visit: [www.ipms.fraunhofer.de](http://www.ipms.fraunhofer.de)

### **Forward-Looking Statements Disclaimer**

Certain statements contained in this release are "forward-looking statements" within the meaning of the Securities Litigation Reform Act of 1995 and applicable Canadian securities laws. Forward-looking statements contained in this release relate to, among other things, future product releases, new opportunities, the Company's ability to capitalize on new opportunities and the Company's leadership in the Video Eyewear industry. They are generally identified by words such as "believes," "may," "expects," "anticipates," "should" and similar expressions. Readers should not place undue reliance on such forward-looking statements, which are based upon the Company's beliefs and assumptions as of the date of this release. The Company's actual results could differ materially due to risk factors and other items described in more detail in the "Risk Factors" section of the Company's Annual Reports and MD&A filed with the United States Securities and Exchange Commission and applicable Canadian securities regulators (copies of which may be obtained at [www.sedar.com](http://www.sedar.com) or [www.sec.gov](http://www.sec.gov)). Subsequent events and developments may cause these forward-looking statements to change. The Company specifically disclaims any obligation or intention to update or revise these forward-looking statements as a result of changed events or circumstances that occur after the date of this release, except as required by applicable law.

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