



Superconductive Components, Inc.  
2007 Annual Meeting of Shareholders

August 22, 2007

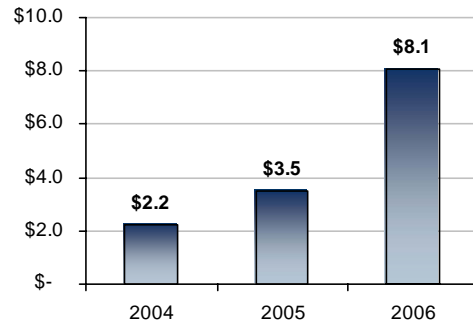
# Safe Harbor Statement

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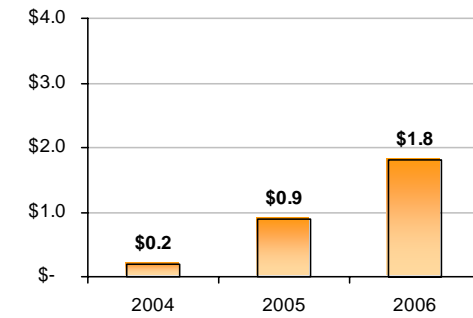
*This presentation and subsequent discussion contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, which are intended to be covered by the safe harbors created thereby. Those statements include, but are not limited to, all statements regarding intent, beliefs, expectations, projections, forecasts, and plans of the Company and its management, and specifically include statements regarding further progress in 2007 and plans to increase SCI's marketing and sales efforts throughout 2007. These forward-looking statements involve numerous risks and uncertainties, including, without limitation, anticipate sequential quarter growth in revenue and net income, plans to add more equipment in 2007, gradually enter additional niche markets, further improvement in the Company's financial results in 2007 (paragraph 3), the development of the thin film battery market, the impact of competitive products and services, the ability to adapt to technological changes, the availability of capital, and other risks and uncertainties detailed from time to time in the Company's Securities and Exchange Commission filings, including the Company's Annual Report on Form 10-KSB for the year ended December 31, 2006. One or more of these factors have affected, and could in the future affect, the Company's projections. Therefore, there can be no assurances that the forward-looking statements included in this presentation will prove to be accurate. In light of the significant uncertainties in the forward-looking statements included herein, the inclusion of such information should not be regarded as a representation by the Company, or any other persons, that the objectives and plans of the company will be achieved. All forward-looking statements made in this presentation are based on information presently available to the management of the Company. The Company assumes no obligation to update any forward-looking statements.*

# Key Accomplishments in 2006

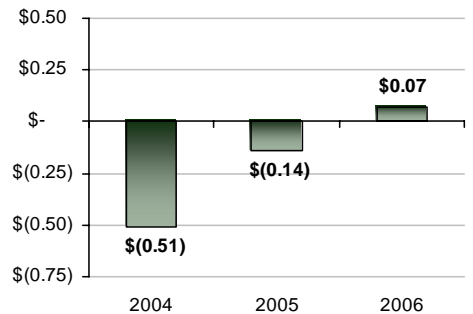
(\$ in millions, except per share amounts)



**Revenues**



**Gross Profit**



**Net income/(loss) applicable to common stock per share**

# Key Accomplishments in 2006

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- Achieved solid increases in each market
  - Photonics/optical remains our largest market with accelerating growth potential.
  - Thin film battery customers are beginning to scale their production activities.
  - Niche opportunities are being actively pursued within the semiconductor industry.
  
- Established business momentum
  - Our customer base increased.
  - Backlog was more than \$1.4 million at December 31, 2006 versus \$0.4 million on same date in 2005.

# Growth Strategy

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- Focus on select markets where the Company can leverage its core capabilities.
- Pursue profitable growth opportunities.
- Key markets:
  - Photonics/optical
  - Thin film battery
  - Semiconductor

# Photonics/Optical market

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## ■ Market Opportunities

- Reflective light applications
- Products to improve utility of photonic coatings through manipulation of light waves.

## ■ Applications

- Reflective coatings
- Solar
- Optic devices

# Transparent Conductive Oxides (TCO)

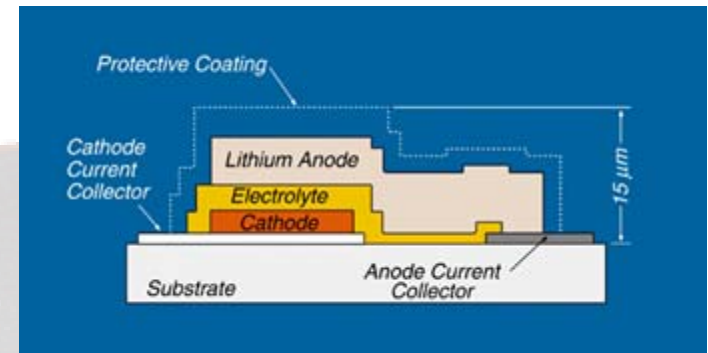
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- Market dynamics
  - Tight supplies for key raw materials, especially Indium Tin Oxide (ITO)
  - Rapid growth in demand for solar and flat panel display applications
  
- Market opportunity
  - Develop new materials
  - Utilize SCI's core competencies
  - Extend product line for solar customers
  
- During 2006, the Company
  - initiated development of transparent conductive oxide materials for the high-growth photovoltaic solar cell market.
  - was testing a prototype process.

# Thin film battery market

## ■ Market Position

- Remain the leading supplier to TFB battery manufacturers as they scale their manufacturing operations.
- SCI is leading manufacturer of  $\text{LiCoO}_2$  and  $\text{LiPO}_4$  targets to battery customers.



## ■ Applications

- Wide range of commercial products being pursued by TFB manufacturers including, but not limited to, RFID tags, battery on chip, handheld electronic products, and medical implant devices

# Semiconductor Market

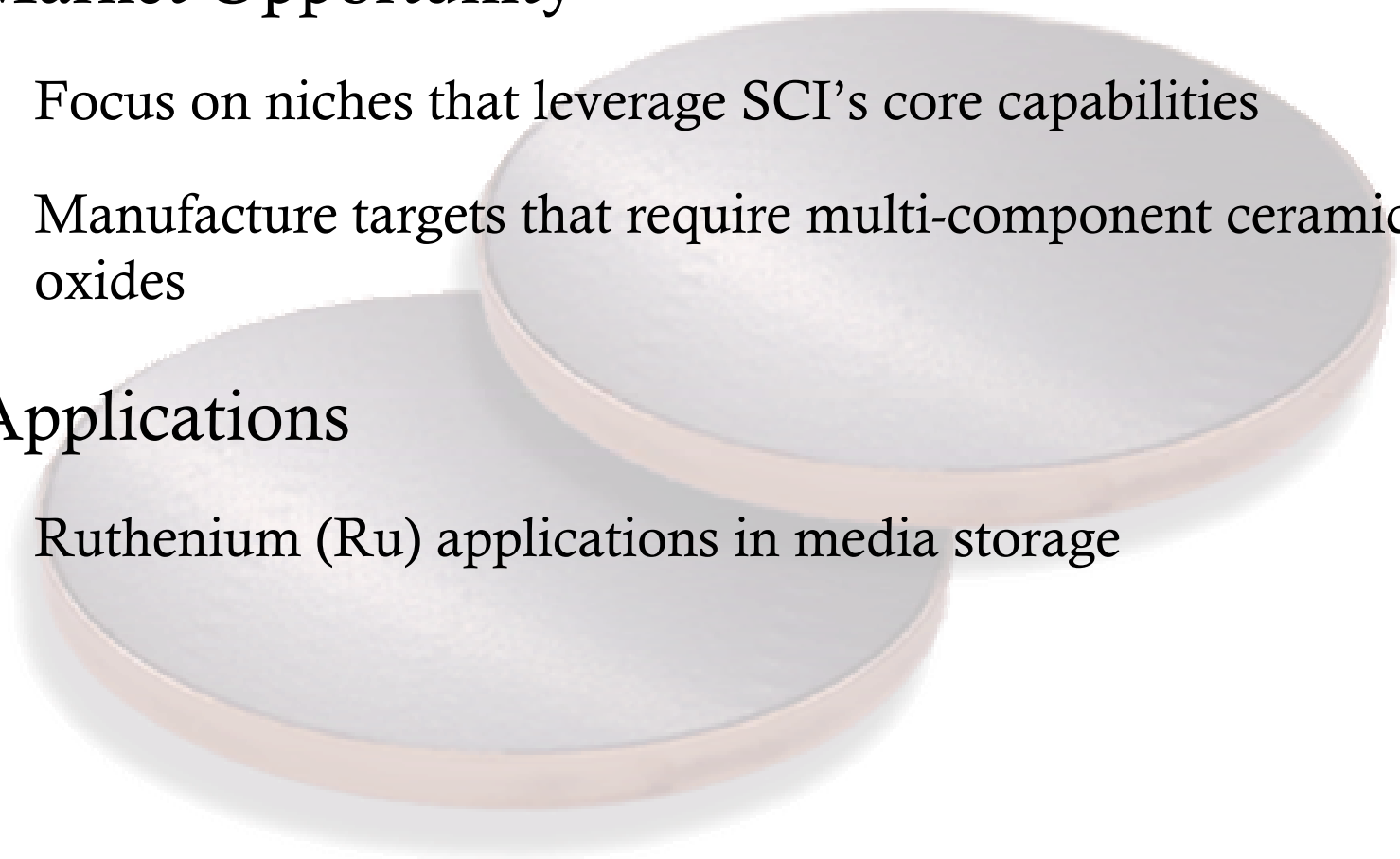
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## ■ Market Opportunity

- Focus on niches that leverage SCI's core capabilities
- Manufacture targets that require multi-component ceramic oxides

## ■ Applications

- Ruthenium (Ru) applications in media storage



# 2007 Objectives

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- Continue to grow revenues
- Increase gross profit dollars
- Acquire additional manufacturing equipment to increase production and improve operating efficiencies
- Continue to increase awareness of SCI's brand in PVD markets



SCI Engineered Materials, Inc.