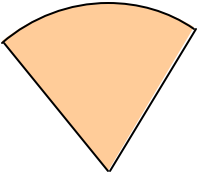


<u>Industry</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>CAGR</u> <u>04G09</u>
Defense/Military	\$16.8	\$19.1	\$21.8	\$24.6	\$27.6	\$30.9	\$35.0	12.9%
Electronics	\$14.0	\$15.8	\$18.0	\$20.8	\$23.9	\$27.5	\$31.9	15.1%
Medical/BioScience	\$12.5	\$14.3	\$16.3	\$19.4	\$22.8	\$27.2	\$32.8	18.1%
Automotive	\$10.7	\$12.0	\$13.6	\$15.7	\$18.1	\$20.7	\$24.8	15.6%
Metal Machining	\$8.1	\$8.9	\$9.7	\$11.5	\$12.5	\$13.6	\$17.9	15.1%
Power Generation	\$6.3	\$6.8	\$7.4	\$8.3	\$9.4	\$10.3	\$11.3	10.7%
Aerospace	\$6.5	\$7.3	\$8.2	\$9.0	\$10.6	\$12.4	\$14.8	16.4%
Telecommunications	\$5.7	\$6.7	\$7.8	\$9.1	\$10.5	\$12.5	\$14.4	14.4%
Transportation	\$4.4	\$4.7	\$5.0	\$5.5	\$6.0	\$6.5	\$7.0	10.9%



is expected to reach nearly \$100.0 million worldwide up 12.4% from 2003 (see Exhibit A). (Note: Total value includes not only commercial revenue generated by product sales, but also internal/captive sales, corporate R&D, and government sponsored programs.) The three largest sectors demanding nanoceramics will be the defense/military, electronics and medical/bioscience industries. Combined, these three markets will account for over 50% of the total