

What's New in the World of Superconductivity (July)

Power

Intermagnetics General Corporation (July 27, 2005)

Intermagnetics General Corporation has reported its financial results for the fourth quarter of 2005, ending May 29, 2005. Normalized net income increased to US \$8.1 million, excluding acquisition and integration-related expenses and certain other non-cash items. The reported net income was \$3.4 million. Net sales amounted to \$78.1 million, compared with \$52.4 million for the same period in fiscal 2004 (excluding discontinued operations from the divested Polycold subsidiary). Normalized net income for the year increased to \$29.7 million. The reported net income for the year was \$37.5 million; reported net sales increased to a record \$264.8 million, excluding Polycold sales. Glenn H. Epstein, chairman and chief executive officer, commented, "All of our business segments, both historical and those acquired in 2004, continued to deliver exceptional performance, resulting in not only a record year, but also setting the stage for a redefined Intermagnetics... Integration of the acquired businesses is complete, and our attention now turns to focus on continuous improvement and sustained growth." Magnet system sales rose more than 25% during the quarter to \$34.9 million. Full year sales also increased 25% to \$118.6 million, with a nearly 30% increase in operating profit. Medical Devices sales growth increased to \$40.5 million for the fourth quarter, compared with \$22.9 million for the same quarter in the previous fiscal year, and \$135.3 million for the year, compared with \$38.1 million for the previous fiscal year. These year-to-date results included slightly more than 10 months of MRID operations and a full year of Invivo operations in fiscal 2005 but only 4 months of Invivo operations in fiscal 2004. The divested Polycold Systems subsidiary contributed \$23.4 million in sales for a partial year through to February 2005. SuperPower generated \$2.7 million in fourth-quarter revenue, compared with \$1.9 million for the same period in the previous fiscal year. Year-to-date revenues totaled \$10.8 million, up from \$6.5 million for the previous fiscal year. Intermagnetics' operating loss for investment in energy technology increased to \$7.2 million from \$6.2 million in the previous year; this increase was mainly the result of an increase in efforts to commercialize second-generation HTS wires.

Source:

"Intermagnetics Reports Record Revenues, Earnings"

Intermagnetics General Corporation press release (July 27, 2005)

<http://phx.corporate-ir.net/phoenix.zhtml?c=88261&p=irol-newsArticle&ID=735841&highlight>

Communication

Superconductor Technologies Inc. (July 7, 2005)

Superconductor Technologies has announced its preliminary revenue figures for the second quarter ending July 2, 2005. Net revenues are expected to be approximately US \$8.5

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million, nearly twice the \$4.4 million recorded during the first quarter of 2005 and up from the \$6.3 million recorded during the second quarter of 2004. Net commercial product revenues for the quarter are expected to amount to \$7.6 million, twice the amount (\$3.8 million) for the first quarter of 2005 and a 65% increase from the \$4.6 million made during the second quarter of 2004. Jeff Quiram, president and chief executive officer of STI, stated that STI is gaining market acceptance for its solutions, particularly in the area of next-generation network deployments. The positive trend in sales is expected to continue during the second half of 2005 and into 2006. STI will announce its final second quarter results in early August.

Source:

“Superconductor Technologies Inc. Announces Preliminary Second Quarter Revenues of \$8.5 Million”

Superconductor Technologies Inc. press release (July 7, 2005)

<http://phx.corporate-ir.net/staging/phoenix.zhtml?c=70847&p=irol-newsArticle&ID=727278&highlight>

ISCO International, Inc. (July 25, 2005)

ISCO International Inc. has announced that the second quarter of 2005 was its second-best quarter ever and that the first half of 2005 was the best six months in the company's history. Revenue for the second quarter of 2005 tripled to US \$2.5 million, compared with the \$0.8 million obtained during the same quarter of the previous fiscal year. Revenue for the first six months of 2005 more than quadrupled (\$5.8 million), compared with the same period in the previous fiscal year. Net loss improved by 38% to \$0.8 million, compared with that for the same period in the previous fiscal year, while the net loss for the first six months of 2005 improved by 59% to \$1.3 million, compared with that for the same period in the previous fiscal year. Product gross margins improved to 52%, up from 46% for the same period in the previous fiscal year. While the lack of a significant order backlog entering the third quarter is a concern, the company will be pursuing some relatively large near-term business over the second half of 2005. Chief Executive Officer John Thode commented, "... our priority is on achieving long-term growth by focusing our efforts on the most significant opportunities, not necessarily the most immediate."

The company also announced the development of two new product families with substantial market potential. The first new product is based on the same wireless telecommunications system knowledge and patents used to develop ISCO's ANF product. The second integrates wireless technologies into a "single pipe," allowing more customers per tower. To help finance the development of these two products, ISCO has entered into an agreement to sell 20 million shares of common stock to its largest two shareholders in exchange for \$4.4 million.

Source:

"ISCO International Reports Financial Results for the Second Quarter 2005 and Other Events"

ISCO International Inc. press release (July 25, 2005)

<http://www.iscointl.com/>

Magnet

National High Magnetic Field Laboratory (July 21, 2005)

On July 28, the National High Magnetic Field Laboratory held a commissioning ceremony to bring a new world-record superconducting magnet online. The magnet is expected to yield important discoveries in the fields of chemical and biomedical research. The nearly 5-meter tall, 13.6-metric ton magnet is the result of 13 years of development, designing, manufacturing and testing. Several outside companies, including Intermagnetics General Corporation, were involved in the project. At full strength, the magnet has a 21-Tesla magnetic field that is extremely constant. Its large bore size (105 mm) makes the magnet particularly useful for research purposes.

Source:

“World-record magnet to pull in scientific breakthroughs”

Florida State University press release (July 21, 2005)

<http://www.magnet.fsu.edu/news/pressreleases/072105.html>

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