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The Science of Engineered Materials™

SCI Engineered Materials, Inc. to Bond Thin Film Solar Products in China

COLUMBUS, Ohio (December 18, 2018) SCI Engineered Materials, Inc. (“SCI” or “Company”) (SCIA: OTCQB), a global supplier and manufacturer of advanced materials for physical vapor deposition thin film applications that works closely with end users and OEMs to develop innovative, customized solutions, today announced it plans to begin manufacturing thin film solar products in China beginning approximately mid-year 2019.

Under a joint agreement with publicly-owned Konfoong Materials International Co., LTD (“KFMI”) (300666.SZ), KFMI will bond rotatable thin film solar Aluminum Zinc Oxide (AZO) cylinders produced in Columbus, Ohio for thin film solar customers in China. Additionally, SCI will transfer its bonding technology for rotatable sputtering targets and KFMI will invest in new equipment for this manufacturing process. The Company’s products for photonics and thin film solar customers in areas other than China will continue to be bonded at the Company’s manufacturing facility in Columbus, Ohio.

Dan Rooney, Chairman and CEO, stated, “We are excited to enter into this manufacturing agreement with KFMI. They are a high quality partner and represent a solid business fit for SCI in a rapidly growing market. KFMI values SCI’s established manufacturing capabilities in ceramic and rotatable targets. This agreement is a strategic step forward for SCI that can lead to expanded opportunities, accelerate our market penetration and be beneficial for our customers.”

Jeremy Young, Vice President-Operations, who will become President on January 2, 2019, commented, “There are several advantages in this manufacturing agreement that enhance SCI’s position in the global thin film solar market. Specific benefits include

lower transportation costs for bonded products as well as a significant reduction in time involved to ship the Company's thin film solar products to customers in China. By working with a globally respected industry leader SCI expects this agreement will also be a catalyst to further its presence in China."

About SCI Engineered Materials, Inc.

SCI Engineered Materials is a global supplier and manufacturer of advanced materials for PVD thin film applications that works closely with end user and OEMs to develop innovative, customized solutions. Additional information is available at

www.sciengineeredmaterials.com or follow SCI Engineered Materials, Inc. at:

<https://www.linkedin.com/company/sci-engineered-materials.-inc>

<https://www.facebook.com/sciengineeredmaterials/>

Konfoong Materials International Co., LTD

Konfoong Materials International Co., Ltd ("KFMI") is a high-tech company founded in 2005 by a group of highly-educated oversea returnees and foreign experts. KFMI is specialized in developing and manufacturing ultra-high purity metal materials and sputtering targets for the semiconductor and integrated circuit industries.

Safe Harbor Statement

This press release 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, customer guidance, forecasts, and plans of the Company and its management, and specifically includes benefits of lower transportation costs for bonded products as well as a significant reduction in time involved to ship the Company's thin film solar products to customers in China, and this agreement being a catalyst to further its presence in

China. These forward-looking statements involve numerous risks and uncertainties, including, without limitation, 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-K for the year ended December 31, 2017. 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 press release 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 press release are based on information presently available to the management of the Company. The Company assumes no obligation to update any forward-looking statements.

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