



## **PRESS RELEASE**

### **Nanogate starts Initial Public Offering**

**Saarbrücken, 29 September 2006. The share prospectus of the Nanogate AG was approved yesterday by the Federal Financial Supervisory Authority (BaFin). With it all requirements for an initial public offering are complied and the nanotechnology starts with its roadshow. The company will be open for subscription from 12 to 16 October 2006 (planned). The price range is expected to be published on 11 October 2006. First listing in the Frankfurt Stock Exchange's Entry Standard segment is planned for Wednesday, 18 October 2006. The company intends to use the IPO to finance planned growth and to extend its leading position.**

The initial public offering will be up to 603,000 shares, of which up to 400,000, the overwhelming majority, will be from a capital increase and up to 125,000 from the sale of existing stock. The IPO also includes up to 78,000 existing shares as a greenshoe. The pre-greenshoe free float will probably amount to about 28% of the total number of shares issued.

The public offering is aimed at private and institutional investors in Germany. In addition, a private placement is planned in the European Union and in Switzerland. The IPO will be accompanied by the Landesbank Baden-Württemberg as lead manager and sole bookrunner and the Frankfurt investment bank equinet as co-lead manager. Private investors can subscribe at savings banks throughout Germany and at BW-Bank and comdirect bank AG. The Federal Financial Supervisory Authority (BaFin) approved the share prospectus on 28 September 2006. The price range will be fixed and announced during the management's roadshow (decoupled bookbuilding process). The IPO still depends on the condition of the capital markets.



### **Focus on one of the most attractive segments in nanotechnology**

Ralf Zastrau, CEO of Nanogate AG, said, "Nanogate is a profitable, high-growth company. We would like to continue to profit from the dynamic market environment and from growing demand for products and systems improved by means of nanotechnologically. Going public is therefore the appropriate way to support and finance our planned growth." As an enabler, the Saarbrücken-based company bridges the gap between producers of raw materials and industrial conversion into products on the basis of platform strategies. Nanogate therefore provides the decisive interface for commercialising chemical nanotechnology. "We as enablers do business in one of the most attractive segments in nanotechnology," Zastrau said.

### **Profitable growth further accelerated in first half of 2006**

Nanogate has many well-known customer references and has successfully realised a large number of products in different market segments with companies such as ABB, Giesecke & Devrient, BSH, Kärcher and König & Bauer. Nanogate also relies on cooperation with established international industry partners. These partnerships with, for example, US companies Dow Corning and Ceradyne subsidiary ESK Ceramics have many benefits, including shorter development times, faster times to market, lower market entry risks and efficient market access. In the first half of 2006 the Nanogate Group boosted sales by 61% to about €3.7 million and reported earnings before interest and taxes (EBIT) of about €0.7 million (EBIT margin: 19.1%).

## IPO facts & figures

Segment:	Open market Entry Standard, Frankfurt Stock Exchange
Symbol:	N7G
ISIN:	DE000A0JKHC9
WKN:	A0JKHC
Subscription period:	12 to 16 October 2006, private investors 15.00 hours CEST, institutional investors 16.00 hours CEST (planned, may be shortened/lengthened)
First listing:	18 October 2006 (planned)
Price range:	To be announced on 11 October (likely date)
Transaction volume:	€16.1 m to €24.1 m (planned, including greenshoe)
Total number of shares:	1.9 million ordinary shares (after IPO)
Placement volume:	Up to 400,000 ordinary shares from capital increase Up to 125,000 ordinary shares from sale of existing stock
Greenshoe:	Up to 78,000 ordinary shares from sale of existing stock
Offer category:	Decoupled bookbuilding process with capital increase and sale of existing shares
Shareholder structure:	Free float: 27.63% Nanogate Technologies GmbH <sup>1</sup> : 61.79% Nanotec Beteiligungen GmbH <sup>2</sup> : 10.58% (post-IPO, pre-greenshoe)
Holding period:	Nanogate Technologies GmbH: 6 months <sup>3</sup> , NanoTec Beteiligungen GmbH: 12 months <sup>4</sup>
Designated sponsors:	Landesbank Baden-Württemberg, equinet Securities AG
Consortium:	Landesbank Baden-Württemberg (lead manager and sole bookrunner) and equinet Securities AG (co-lead manager)
Subscription opportunities for private investors:	BW-Bank, German savings banks, comdirect bank AG

<sup>1</sup> Shareholder of Nanogate Technologies GmbH are mainly venture capital funds (3i, Sal. Oppenheim, equinet ESCFI, SET) and some private investors

<sup>2</sup> All shares in NanoTec Beteiligungen GmbH held by the Nanogate AG management

<sup>3</sup> Subject to Landesbank Baden-Württemberg approval

<sup>4</sup> After 6 months subject to Landesbank Baden-Württemberg approval



Queries? Please feel free to contact:

**Christian Dose**

equinet Communications AG

Tel.: +49 (0)69 5899 7313

Fax: +49 (0)69 5899 7349

christian.dose@equinet-ag.de

**Marita Leykauf/ Klaus Reuning**

MPW Finance Public & Investor Relations GmbH

nanogate@mpwfinance.com

**Nanogate AG**

Gewerbepark Eschbergerweg

D-66121 Saarbrücken

Tel.: +49 (0)681 980 520

Fax: +49 (0)681 980 5252

www.nanogate.com

**Background:**

Nanogate is a leading international enabler in the nanotechnology growth market and so opens the gate to nanotechnology for its customers. The Saarbrücken-based firm enables the programming and integration of additional properties such as non-stick, anti-bacterial, anti-corrosive, ultra-low friction. Nanogate thereby gains a competitive edge for its customers by product refinement using chemical nanotechnology. Nanogate covers a wide range of industries, functions and substrates already on the basis of technology platforms. The company thus provides a decisive interface for the commercialisation of chemical nanotechnology, bridges the gap between raw materials and their industrial conversion into products and concentrates as an enabler on one of the most attractive segments in the industry.

As a partner in innovation, Nanogate provides many services along the value chain – from development and production of innovative nanocomposites and nanostructured materials to powerful support for innovation and product integration. The Nanogate Group currently has 45 employees in all and since commencing operations in 1999 has been a pioneer in nanotechnology. The company has first-class customer references, such as ABB, BSH, Giesecke & Devrient, Kärcher and König & Bauer, and many years' experience of different industries and applications. It has also entered into strategic cooperation with US companies Dow Corning and ESK Ceramics. Nanogate is a high-growth company and has been profitable since financial year 2004. For the first half of 2006, the Nanogate Group reported about €3.7 million in sales and about €0.7 million in earnings before interest and taxes (EBIT margin: 19.1%). The Group's consolidation entity includes Nanogate Advanced Materials GmbH, which specialises in safety engineering and optics and is a joint venture with Air Products and Chemicals, Inc. Nanogate also holds a stake in HOLMENKOL Sport-Technologies GmbH & Co. KG.

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