



## **PRESS RELEASE**

### **Nanogate AG: Issue price of €32.00**

**Saarbrücken, 17 October 2006. Shares in Nanogate AG (ISIN DE000A0JKHC9) are to be sold at the top of their range at an issue price of €32.00. The shares in the nanotechnology company will commence trading on the Entry Standard of the Frankfurt Stock Exchange on Wednesday, 18 October 2006. The IPO was managed by Landesbank Baden-Württemberg as lead manager and sole bookrunner and the Frankfurt investment bank equinet Securities AG as co-lead manager. Due to the strong demand the issue was oversubscribed. All 603,000 offered shares including the greenshoe are sold.**

The share issue received a positive echo not only with institutional investors in Germany and abroad, but also with private investors. As the issue was oversubscribed, so that every order from private investors placed at the consortium and comdirect will receive 50 percent of the order. Orders from private investors of other banks have not been served. Overall, about 15 percent of the shares were issued to private investors. The allotment of shares to private investors complied with the "Principles for the allotment of share issues to private investors" (published on 7 June 2000 by the German Federal Ministry of Finance). Shares were only allocated to those orders which fulfilled the terms of the purchase offer dated 12 October 2006.

A total of 603,000 shares were offered for sale in the IPO, of which the majority, or 400,000 shares, represented a capital increase. A further 125,000 existing shares were also sold. The greenshoe from existing stock amounted to 78,000 shares. The free float is about 28% (before using the greenshoe option). The IPO was managed by Landesbank Baden-Württemberg as lead manager and sole



bookrunner and the Frankfurt investment bank equinet Securities AG as co-lead manager.

Ralf Zastrau, CEO of Nanogate AG: "Following our successful IPO we now have the financial muscle to implement our strategy as planned. Our aim is to expand our position as one of the leading international enablers by further internal and external growth." The nanotechnology company plans to expand and develop new business areas, for example in the tribology sector for minimising friction or wear and tear and in technology platforms. In addition, development and production capacities are to be expanded and the international presence extended. "Part of our growth strategy is also the completion of further equity investments and joint ventures," continued Zastrau.

## IPO facts & figures

Segment:	Entry Standard, Open Market, Frankfurt Stock Exchange
Symbol:	N7G
ISIN:	DE000A0JKHC9
WKN:	A0JKHC
Subscription period:	12 to 16 October 2006
First listing:	18 October 2006
Issue price:	€32.00
Price range:	€28.00 to €32.00
Transaction volume:	about €19.3m (including greenshoe)
Market capitalisation:	€60.8m (including greenshoe, based on €32.00)
Total number of shares:	1.9 million ordinary shares (after IPO)
Placement volume:	400,000 ordinary shares from capital increase 125,000 ordinary shares from sale of existing stock
Greenshoe:	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)

<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> Sales are only permitted with LBBW's approval

<sup>4</sup> After a period of six months sales are permitted with LBBW's approval



## **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 Koenig & 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.

## **Disclaimer:**

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