



PRESS RELEASE

Record year for Nanogate AG: Sales up more than 60 percent, forecast results met, equity capital ratio increased to around 90 percent

Saarbrücken, 06 March 2007. Nanogate AG (ISIN DE 000A0JKHC9) has exceeded its targets for the 2006 financial year and has continued its dynamic growth. According to provisional figures, sales increased more strongly than expected and the forecast was met for results before interest and taxes of at least one million Euros. The nanotechnology company started the 2007 financial year well and wants to continue its profitable growth course.

According to provisional figures, Nanogate AG's group sales increased last year to around Euro 7.83 million (2005: around Euro 4.76 million; +64%). The growth is the result of the considerably increased demand for products processed using nanotechnology and the conclusion of new collaborations. Nanogate Advanced Materials GmbH was consolidated for the first time. Adjusted for extraordinary effects, mainly costs for IPO, the consolidated results before interest and taxes (EBIT) totalled around Euro 1.02 million (2005: Euro 0.38 million; +168%). As a result, the company's own forecasts of November 2006 which exceeded analysts' expectations at the time, were met. Through good operating results and the receipt of funds from the IPO in the Entry Standard on the Frankfurt Stock Exchange (October 2006), the company increased the consolidated equity capital ratio to around 90.3 percent with a balance sheet total increased to around Euro 19.3 million.

Ralf Zastrau, Chairman of Nanogate AG: "The brilliant results in 2006 confirm our strategy as an enabler opening the gateway to nanotechnology for various industries. We will continue our profitable growth course and assume that the number of collaborations and customers will increase considerably in the future."



This year, the company will orient itself to future growth fields thereby securing long-term revenue streams. "In 2007 and 2008, therefore, we will significantly increase our expenditure in new technology platforms and markets. Using new applications, it is our aim to actively profit from the increasing acceptance of nanotechnology," according to Zastrau.

Patent portfolio greatly expanded

With the expansion of business activity and the conclusion of new collaborations, Nanogate AG's current global patent strategy has been successfully implemented. Just in the last two years, eight new patents have been granted with effect in various countries. More than ten new patent families were registered in the 2006 financial year. "Nanogate is pursuing an active patent strategy. The aim is to secure our rights as much and as sensibly as possible in order to be able to participate in the added-value in the market," explained Zastrau. In future, the company will also increase its number of patents.

Note:

The company report with the final figures for 2006 will be published in May 2007. The comparative information for the 2005 financial year refers to the individual accounts of Nanogate AG.

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Nanogate AG:

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 50 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, Bosch-Siemens Haushaltsgeräte, 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, Ceradyne/ESK Ceramics and Authentix. Nanogate is a high-growth company and has been profitable since financial year 2004. 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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