

PRESS RELEASE

Nanogate Significantly Increases Consolidated Net Income for the Half-year

Page 1/3

- Group sales in the first half of the year increased by around 26 % to EUR 119.4 million; EBITDA improved by around 16 % to EUR 12.7 million and EPS to EUR 0.38
- Forecast for FY 2018: Sales are expected to increase to more than EUR 220 million and EBITDA is expected to rise to at least EUR 24 million

Göttelborn, Germany, September 27, 2018. Nanogate SE, a leading global specialist for design-oriented high-tech surfaces and components, increased its consolidated net income for the half-year particularly strongly compared to sales. The Group exceeded its preliminary figures for the first half-year. Nanogate confirmed the forecast for the full year.

Ralf Zastrau, CEO of Nanogate SE: "Nanogate performed very well in the first half of the year while also making significant progress in strategic development. We increased our sales and operating results, and extended our technology portfolio and sales potential. The Group strengthened its sustainability with additional investments and the first-time placement of a promissory note loan. As a leading international specialist for design-oriented high-performance surfaces and components, we have again extended our market position."

Profitable Course of Growth Continues

Group sales in the first half-year of 2018 rose by about 26 % to EUR 119.4 million (previous year: EUR 94.5 million). Alongside the persistently high level of demand, the inclusion of the new sites in Slovakia and Austria for the first time also contributed to this, as did the switch to IFRS 15, to a limited degree. The Group's overall performance increased to EUR 122.5 million (previous year: EUR 94.7 million).

Despite significant costs like those for transaction and integration that were incurred as part of the expansion program, the operating result (EBITDA) improved by around 16 % to EUR 12.7 million (previous year: EUR 11.0 million). The EBITDA margin stood at 10.6 % (previous year: 11.6 %). The first-time application of IFRS 15 also negatively impacted earnings. In view of the significant investment and impact of the purchase price allocation (PPA) from the acquisitions in Slovakia and Austria, the EBIT remains characterized by increased depreciation and amortization. Nevertheless, EBIT rose to EUR 4.6 million (previous year: EUR 4.1 million). Earnings before taxes improved particularly strongly compared to sales by about 32 % to EUR 2.6 million (previous year: EUR 1.9 million). Overall, consolidated net

Contact

Christian Dose

Financial Press and Investors
WMP Finanzkommunikation GmbH
Tel. +49 69 57 70 300 21
nanogate@wmp-ag.de

Juliane Wernet

Nanogate SE
Zum Schacht 3
66287 Göttelborn | Germany
Tel. +49 6825 9591 223
juliane.wernet@nanogate.com

www.nanogate.com
twitter.com/nanogate_se

PRESS RELEASE

income for the half-year rose by about 28 % to EUR 1.8 million (previous year: EUR 1.4 million). The earnings per share for the first half of the year improved to EUR 0.38 per share (previous year: EUR 0.33) despite the increased number of shares.

Page 2/3

Cash and Cash Equivalents of Over EUR 42 Million

Nanogate is well-positioned financially for its ongoing growth strategy. The first-time placement of a promissory note loan is also contributing to this. As of the half-year reporting date of June 30, cash and cash equivalents rose significantly to EUR 42.3 million (December 31, 2017: EUR 20.3 million). However, the Group's financial position also reflects the costs of the innovation program. In addition, there are one-time fund outflows for the start-up of orders. For example, it was necessary to prefinance the manufacture of new tools during the reporting period in view of the new major orders, which can be billed only on completion and lead to payment receipts. In light of this, the cash flow from operating activities after income tax payments amounted to EUR 1.9 million (previous year: EUR 5.0 million). With the company's course of expansion, the balance sheet total increased further to EUR 323.5 million (December 31, 2017: EUR 235.1 million). The equity ratio amounted to 33.8 % (December 31, 2017: 39.9 %).

Outlook: Forecast for 2018 Confirmed

Following the pleasing business development in the first half of the year and a positive outlook for the remaining months, the Group is confirming its forecast for 2018 as a whole. The forecast predicts that Group sales will grow to more than EUR 220 million. At the same time, the operating result (EBITDA) is likely to increase to at least EUR 24 million. Consolidated net income will remain characterized by increased depreciation and amortization and by financing costs. In the upcoming quarters, the Group will be focusing on the launch of and preparation for the production of major orders, which will entail a great deal of effort and expense. In addition to this, the focus in the current fiscal year is primarily on the integration of the new sites, as well as the implementation of the comprehensive innovation program.

"Thanks to our Phase5 growth program, Nanogate has significantly expanded its market position in recent years and continued its profitable growth. We must now use this success as a basis for enhancing the company, making the Group's structure more efficient, defining future growth strategies and using them to derive the medium-term plan. This is how we will ensure our continued long-term success," Nanogate CEO Zastrau explains.

Contact

Christian Dose

Financial Press and Investors
WMP Finanzkommunikation GmbH
Tel. +49 69 57 70 300 21
nanogate@wmp-ag.de

Juliane Wernet

Nanogate SE
Zum Schacht 3
66287 Göttelborn | Germany
Tel. +49 6825 9591 223
juliane.wernet@nanogate.com

PRESS RELEASE

NB:

Page 3/3

The Six-Monthly Report is available on the company's website:
https://www.nanogate.de/en/investor_relations/financial_reports

Nanogate SE

Nanogate (ISIN DE000A0JKHC9) is a leading global specialist for design-oriented high-tech surfaces and components of very high optical quality. The Group employs around 1,500 people. Nanogate develops and produces design-oriented surfaces and components and enhances them with additional properties (e.g. nonstick, scratchproof, anticorrosive). The Group has first-class references (e.g. Airbus, Audi, August Brötje, BMW, BSH Hausgeräte, Daimler, FILA, Ford, Fresenius, GM, Jaguar, Junghans, Porsche and Volkswagen). Several hundred mass production projects for customers have already been implemented successfully. The Nanogate Group is represented on both sides of the Atlantic with its own production facilities.

True to its slogan "A world of new surfaces", Nanogate is a long-standing innovation partner who opens up the diverse possibilities offered by new materials to companies in a wide range of industries. It aims to improve customers' products and processes and to provide environmental benefits by using multifunctional surfaces, such as those made of plastic or metal, and innovative plastic components. The Group focuses on attractive applications, primarily for its target industries, which are the automotive, aviation, home appliances, interior, leisure, and medical sectors. As a systems provider, Nanogate offers the entire value chain materials development for surface systems, series coating of various different substrates as well as the production and enhancement of complete plastic components. The main value drivers are the opening up of international markets, the development of new applications, particularly for the strategic areas of glass-like (N-Glaze) and metallized (N-Metals) surfaces, as well as external growth.

Disclaimer

This publication constitutes neither an offer to sell nor an invitation to buy securities. The shares in Nanogate SE (the "Shares") may not be offered or sold in the United States or to or for the account or benefit of "U.S. persons" (as such term is defined in Regulation S under the U.S. Securities Act of 1933, as amended (the "Securities Act")). No offer or sale of transferable securities is being made to the public.

Contact

Christian Dose

Financial Press and Investors
WMP Finanzkommunikation GmbH
Tel. +49 69 57 70 300 21
nanogate@wmp-ag.de

Juliane Wernet

Nanogate SE
Zum Schacht 3
66287 Göttelborn | Germany
Tel. +49 6825 9591 223
juliane.wernet@nanogate.com