



## **PRESS RELEASE**

### **Nanogate AG: Share issue price range €28.00 to €32.00**

**Saarbrücken, 11 October 2006. Shares in Nanogate AG (ISIN DE000A0JKHC9) will be offered at a price range of between €28.00 and €32.00 over a subscription period from 12 to 16 October, with a first Entry Standard listing on the Frankfurt Stock Exchange planned for Wednesday, 18 October 2006. Nanotechnology specialist Nanogate plans to use the IPO proceeds to finance further internal and external growth.**

Up to 603,000 shares are on offer, of which the majority – up to 400,000 – are from a capital increase. Up to a further 125,000 existing shares are to be sold. The greenshoe, from existing stock, will be up to 78,000 shares. The free float is likely to amount to about 28% (before the greenshoe, or over-allotment option). On the basis of the middle of this price range the transaction volume will be about €18,1 million (including greenshoe). On that condition the going public will therefore earn the company about € 10,6 million in gross IPO proceeds.

The IPO is supported by the Landesbank Baden-Württemberg as lead manager and sole bookrunner and the Frankfurt investment bank equinet Securities AG as co-lead manager. The public offering is aimed at private and institutional investors in Germany. A private placement in the EU and in Switzerland is also planned. Private investors can subscribe to the share issue at savings banks throughout Germany, at the Baden-Württembergische Bank (BW-Bank) and comdirect Bank AG.



### **IPO will finance planned internal and external growth**

Nanogate AG CEO Ralf Zastrau said that “with the proceeds of going public we plan to continue our profitable growth course of recent years. We are aiming for both internal and external growth with a view to benefiting from the burgeoning demand for products and systems refined by nanotechnology.” Strategic plans include expanding existing lines of business and building up new ones, such as in tribology for minimising friction or wear and tear, along with technology platforms and expansion of development and production capacities. Internationalisation is also to be taken forward. “By acquiring complementary technologies and realising additional shareholdings or joint ventures we aim to strengthen Nanogate’s position as one of the leading international enablers in the field of nanotechnology,” Zastrau added.

### **Focus on one of nanotechnology’s most attractive segments**

In the first half of 2006 Nanogate Group sales increased by 61% to about €3.7 million. Earnings before interest and taxes (EBIT) amounted to about €0.7 million and the EBIT margin was 19.1%. In view of dynamic market growth and the IPO the company is not currently issuing forecasts on the future course of business. Nanogate has many well-known reference customers such as ABB, Giesecke & Devrient, BSH, Kärcher and Koenig & Bauer. The Saarbrücken-based company also cooperates with established international industry partners who are strong on sales, such as US corporations Dow Corning and Ceradyne subsidiary ESK Ceramics. As an enabler Nanogate bridges the gap between manufacturers of the raw materials and their industrial conversion into products on the basis of platform strategies. Nanogate provides the crucial interface for commercialising chemical nanotechnology and thereby does business in one of nanotechnology’s most attractive segments.

## 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:	€28,00 to €32,00
Transaction volume:	18,1 m (planned, including greenshoe, based on issues price of €30,00)
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:	German savings banks, Baden-Württembergische Bank (BW-Bank), 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> 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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