



PRESS RELEASE

Nanogate increases stake in HOLMENKOL

- **The company aims to become the leading supplier of surface finishings for sports equipment**
- **New products outside the winter sports sector**

Saarbrücken, 14 Dezember 2006. Nanogate AG (ISIN DE000A0JKHC9) is increasing its stake in HOLMENKOL Sport-Technologies GmbH & Co. KG by 5.1 percent to 30 percent. The consideration consists of a specific technology transfer by Nanogate and a low six-figure cash payment. Nanogate expects to make a significant contribution to the company's growth in the mid-term. The goal is to develop HOLMENKOL into the leading provider of surface finishings for sports equipment.

HOLMENKOL is the oldest manufacturer of ski wax, with a legacy going back over 80 years, and as the technology leader supplies almost all of the national teams worldwide. Many athletes, world cup winners and ambitious amateurs rely on the company's technology and products. Since Nanogate's equity investment, Holmenkol has been pursuing an international growth strategy beyond the winter sports sector, supplying applications and products for numerous other sports, including sailing, cycling and golf. The target group covers professionals and performance athletes, but also leisure sports enthusiasts. Since Nanogate's first investment in 2002 HOLMENKOL has almost doubled its turnover and plans further dynamic growth.

In future the company intends to branch out into new sports and extend its product range in particular in the growth markets for outdoor applications and in water sports. New products from the partnership with Nanogate are due on the market in 2007. As part of the new broader cooperation Nanogate will in future provide the company with intensified support in operational and strategic



matters. In the mid-term HOLMENKOL aims to become the leading provider of products for enhancing the outer surfaces of sports equipment.

Ralf Zastrau, Chairman of the Management Board of Nanogate AG, said, "With this move we want to accelerate HOLMENKOL's good progress. We are also executing the strategy we announced at IPO of expanding into attractive key markets and approaching new target groups by making targeted equity investments. HOLMENKOL is extremely well placed in the international market for surface finishings for sports equipment, so together we can develop new products and reach other types of sports and consumer groups. We can also use knowledge gained from high-performance sport, like minimising friction, for transforming other markets – such as engineering, textiles or automotive." Nanogate intends to continue selectively supplementing its growth strategy by additional equity investments and joint ventures.

Christian Römlein, Managing Director of HOLMENKOL Sport-Technologies GmbH & Co. KG, commented, "Nanogate has years of experience in the development and realisation of innovative systems for high-performance surfaces and is a central partner in our technology network. HOLMENKOL and its products have already benefited from this expertise in many ways in the past and in the future we intend to expand our position in key markets even further." The closer partnership with Nanogate is aimed at accelerating this targeted revenue growth.

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About 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 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, 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 and Ceradyne/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.

About HOLMENKOL Sport-Technologies GmbH & Co. KG:

HOLMENKOL, the world's oldest and best-known manufacturer of ski wax, is one of the most renowned suppliers of surface finishings for sports equipment. The company develops, produces and sells ski wax and accessories as well as products for maintaining the outer surfaces of sports equipment in 40 countries worldwide. HOLMENKOL is the market leader or amongst the top three suppliers in many of its main markets, such as Japan, North America, Central Europe and Scandinavia. Demand comes from professional athletes, including numerous world cup winners and Olympic champions as well as from ambitious amateurs and leisure sports enthusiasts. HOLMENKOL's product range covers products for the popular winter sports disciplines (alpine, Nordic, snowboard, ski-jumping) and for the growth markets Water Sports and Outdoor (cycling, riding, climbing, hiking, golf, football). In the mid-term HOLMENKOL aims to become the leading supplier worldwide of surface finishings for sports equipment. Its innovative solutions are based on the leading global technologies for optimising surface functionality, in combination with nanotechnology components.

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