



## **PRESS RELEASE**

### **Nanogate ensures accelerated growth course through equity holding in former cooperation partner sarastro**

**Acquisition of 25.1 % of the shares – Low six-figure purchase price consisting of cash and shares – sarastro produces applications for medically compatible surfaces, the prevention of biofilm formation and for antimicrobial surfaces – sarastro is profitable, has high growth potential and is specialised in medical technology applications – Option for majority holding secured – Development of joint products at an advanced stage**

**Göttelborn, Germany, 16<sup>th</sup> December 2009. Nanogate (ISIN DE000A0JKHC9), a leading international nanotechnology enabler, is strengthening its sales potential through its equity holding in sarastro GmbH and is expanding its technical expertise to include bio-compatible solutions. The nanotechnology company sarastro specialises in manufacturing antimicrobial and medically compatible surfaces. Nanogate and sarastro plan to enhance materials, surfaces and products for various applications with new biological properties and in doing so offer powerful solutions for a dynamically growing market. For 2009 sarastro anticipates sales in the high six-figure euros and was able to reach a sustainable level of profitability in the current financial year.**

Through the transaction Nanogate AG is initially acquiring 25.1 % of the shares from the founders of sarastro GmbH. The purchase price is a low six-figure euro amount and is made up of cash and shares. In addition, Nanogate will soon implement a small capital increase from authorised capital.



### **Majority option secured**

In a notarised contract, Nanogate AG has already secured the increase of its stake in the company to 51%. The option can be exercised in the coming years.

### **Broad range of products**

sarastro technology is already used in hearing instruments from Siemens and from a well-known Swiss manufacturer, in filtration plants for drinking water purification, and in PVC air and water hoses. Furthermore, the company produces disinfectants and other liquids using patented technology to create a particularly long-lasting disinfecting and antimicrobial effect. These are used by Wincor-Nixdorf, for example, in the maintenance of ATMs. Demand for these products is currently experiencing lively growth. sarastro's applications are based on the same chemical nanotechnology that Nanogate uses. The company is certified in accordance with the German Medical Devices Act. The first joint products in the Buildings/Interiors, Sport/Leisure and Automotive/Mechanical Engineering divisions are already at an advanced development stage and should come on the market next year.

According to Ralf Zastrau, CEO of Nanogate AG, "sarastro is an ideal partner for Nanogate in terms of strategy, technology and products. The demand for antimicrobially enhanced or bio-compatible surfaces and materials is growing rapidly. Consumers and industry increasingly require powerful solutions that protect against bacteria and germs. Nanogate will benefit significantly from the new equity holding. We expect it to make a positive contribution to earnings as early as 2010."

Rainer Hanselmann, Managing Director of sarastro GmbH comments: "This partnership will enable Nanogate to increase its level of expertise and will also accelerate product development and market introduction processes at sarastro. Our skill in biological-medical applications with many well-known partners combined with Nanogate's considerable industry expertise and broad customer base create an excellent foundation for numerous new applications and product solutions. sarastro and Nanogate will profit equally from this close collaboration."



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**Innovation-driven competitive advantage:**

This is the guiding motto Nanogate AG is using as it confronts the current economic challenges and opens up new growth prospects for its clients. To achieve this, Nanogate AG has stepped up its efforts and increased its funding significantly and will be presenting a multitude of innovations in the current financial year. Since going public the company has invested millions in developing new technology platforms and has transformed these into marketable products. Nanogate has successfully illustrated its expertise in more than 150 cases, using innovation to offer its clients added value and a competitive advantage.

**Nanogate AG:**

Nanogate is a leading international enabler in the nanotechnology growth market and so opens the gate to this technology for its customers. The firm, which is based in Göttelborn (Saarland), enables the programming and integration of additional properties such as non-stick, anti-bacterial, anti-corrosive and 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 84 employees in all (as of September 2009) and since commencing operations in 1999 has been a pioneer in nanotechnology. Nanogate is a high-growth company and has operated profitably since financial year 2004. In financial year 2007 it boosted consolidated sales by almost 17 % to around EUR 12.2 million. The earnings before taxes (EBT, according to IFRS) amounted to around EUR 1.1 million. The company has first-class customer references (e.g. ABB, BSH Bosch-Siemens Haushaltsgeräte, Kärcher and Koenig & Bauer AG) and many years' experience of different industries and applications. It has also entered into strategic cooperation with international companies such as Dow Corning. The Group's consolidation entity includes Nanogate Advanced Materials GmbH, which specialises in complex applications like high-performance optics, FNP GmbH in the area of sport/leisure and a majority shareholding in Holmenkol AG.



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