



PRESS RELEASE

Nanogate portfolio company GfO expands market position in automotive sector with strong new business

Demand for unique inkjet coating technology is growing strongly – Production start for new AUDI and BMW projects – Annual sales potential of the two orders is each in six-figure range

Göttelborn, Germany, 24 February 2011. Nanogate AG (ISIN DE000A0JKHC9), a leading international systems provider for nanotechnology, is benefiting from strong demand for the inkjet coating technology of its subsidiary GfO AG, which is unique in Europe. Production is currently underway on new multi-year projects for AUDI and BMW. The two orders each have an annual sales potential in the six-figure euro range.

Ralf Zastrau, CEO of Nanogate AG, "GfO's inkjet technology for coating high-quality and optically sophisticated plastics is unique in Europe. The two new orders in the automotive sector from AUDI and BMW confirm the performance of the technology and its highly efficient production process. We are confident of signing additional contracts with well-known customers for this outstanding technology in the months ahead. GfO and Nanogate are well positioned in the automotive industry in particular."

Inkjet process is a success factor

GfO's inkjet technology makes it possible to coat services selectively to a uniform thickness without the use of a template. For transparent parts GfO has exclusive rights to this innovative coating procedure, which is similar to that of an inkjet printer. The technology has enabled a coating of this kind to go into mass production for the first time. The inkjet process can be applied efficiently and in reliable quality to both transparent and opaque plastic parts such as displays or



glossy black design elements. The two new orders are for supplying the shift pattern on the gear stick for BMW and high-quality climate displays for AUDI.

GfO expects significant earnings improvement in 2011

GfO intends to generate sales of at least EUR 15 million with an almost double-digit EBIT yield this year. Nanogate acquired a majority stake of 51 % in this established provider of coatings for high-performance surfaces in August 2010. The first joint product was presented as early as the end of October at "K" in Düsseldorf, the leading trade fair for plastics and rubber.

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Nanogate AG:

Nanogate is a leading international integrated nanotechnology systems provider with a focus on enhancing surfaces. The firm, which is based in Göttelborn (Saarland), enables the programming and integration of additional properties – such as non-stick, antibacterial, anti-corrosive and ultra-low friction – into materials and surfaces. As an enabler, 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. The company thus provides a decisive interface for the commercial use of chemical nanotechnology and bridges the gap between the suppliers of raw materials and industrial conversion into products. In doing so, Nanogate concentrates as an enabler on one of the most attractive segments in the industry. Nanogate has a unique combination of extensive materials expertise paired with comprehensive, first-class process and production know-how from the majority stake in GfO acquired in 2010. As a systems provider and jointly with GfO, Nanogate covers the entire value chain from purchasing raw materials, synthesising and formulating the material systems, right through to enhancing and producing the finished surfaces.

The Nanogate Group currently has approximately 220 employees in all and since commencing operations in 1999 has been a trailblazer in nanotechnology. The company has first-class customer references (e.g. ABB, BSH Bosch-Siemens Haushaltsgeräte,



Junkers, Kärcher, Koenig & Bauer AG, Opel and REWE Austria) and many years' experience of different industries and applications. To date, more than 200 projects have gone into mass production. Nanogate has also entered into strategic cooperations with international companies such as the GEA Group and Dow Corning. Nanogate consists of Nanogate Industrial Solutions GmbH, FNP GmbH for products in the sport/leisure sector, majority stakes in Holmenkol AG and GfO Gesellschaft für Oberflächentechnik mbH as well as a shareholding in sarastro GmbH.

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