



PRESS RELEASE

Nanogate AG continues growth course and completes full takeover of Nanogate Advanced Materials

Completed increase in Holmenkol AG equity shareholding ensures significant value enhancement

Saarbrücken, Germany, 26 May 2008. Nanogate AG (ISIN DE000A0JKHC9) is continuing its external growth. The nanotechnology company now holds all of the shares in its subsidiary Nanogate Advanced Materials GmbH. For a purchase price in the mid six-figure range, Nanogate has acquired the remaining part of the company's stock, around 22%, from joint venture partner Air Products.

With the completion of the transaction Nanogate now has full control of its subsidiary Nanogate Advanced Materials GmbH. The company develops and markets complex applications and systems for high-volume, high-margin markets. In the future the company will concentrate mainly on nanostructured optics applications such as Nanogate AG's trendsetting Dotfarm® optics technology. In this area Nanogate has in recent months already signed two cooperation agreements in Asia. Against this backdrop Nanogate increased its equity holding in Nanogate Advanced Materials GmbH from 55% to around 78% in the first quarter and made substantial funds available for further corporate development.

At the same time Nanogate has now completed the increase in its equity holding in Holmenkol AG from 30% to 50% and secured an option to acquire a majority. The aim is to make Holmenkol the leading international company in sport surfaces. Since Nanogate acquired a holding in Holmenkol in 2002 sales have increased substantially and a significant increase in enterprise value has been achieved. In the medium term the company, which has a tradition of over 85 years in manufacturing brand-named products, intends to continue to grow



dynamically. In addition to its core segment winter sports Holmenkol is currently opening up other attractive growth markets such as water sports and outdoor activities. Holmenkol's further growth will be funded entirely by a capital increase financed by Nanostart. Holmenkol was converted into an Aktiengesellschaft in the first quarter of 2008.

Ralf Zastrau, Chairman and CEO of Nanogate AG, said, "External growth is one of the paving stones in our path to expansion. At the same time the two transactions underpin our strategy and confirm our know-how as an enabler to generate added value. Nanogate is now in a position to benefit to a greater degree from dynamic developments in both markets. In the optics segment in particular we anticipate sales potential in high double-digit millions and attractive margins."

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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 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 60 employees in all (as of 31 December 2007) 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 about 32.8% to around



EUR 10.4 million. The earnings before taxes (EBT, according to IFRS) increased by about 32.8% to around EUR 1.5 million. The company has first-class customer references, such as ABB, BSH Bosch-Siemens Hausgeräte, Kärcher and Koenig & Bauer AG, 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 and Authentix and with Giesecke & Devrient. The Group's consolidated entity includes Nanogate Advanced Materials GmbH, which specialises in safety engineering and optics. Nanogate also holds an investment with a majority option in Holmenkol AG.

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