



PRESS RELEASE

Another record year of sales and earnings for Nanogate – EBITDA increased to around EUR 5.6 million

Preliminary figures for the 2012 financial year: sales target more than met, with growth of 15 %; EBITDA improves to around 60 %; cash flow from operating activities rises to EUR 4.7 million – financial position much stronger thanks to higher liquidity

Göttelborn, Germany, 14 March 2013. Nanogate AG (ISIN DE000A0JKHC9), the leading international integrated systems provider for high-performance surfaces, once again achieved excellent sales and earnings in the 2012 financial year. In the past financial year, Group sales increased by some EUR 38.2 million, which constituted a much stronger increase than had been forecast. According to the preliminary figures that are as yet unaudited, consolidated EBITDA increased to approximately EUR 5.6 million in the 2012 financial year. This means that, in view of the good development of business and in spite of non-recurring charges, Nanogate achieved a consolidated EBITDA margin of around 15 %. Its cash flow from operating activities less income taxes increased by approximately 50 % to around EUR 4.7 million.

Ralf Zastrau, CEO of Nanogate AG, said: "Strategically, operationally and financially speaking, Nanogate has never been in better shape. In the past year, the Group once again achieved record sales and earnings, surpassing our own expectations. The substantial increase in our cash flow from operating activities also stands as a testament to our good business development. Our recipe for success comprising our market position, innovation, external growth and strong mass production is still valid as it stands. There is an ongoing trend towards high-volume orders, as demonstrated by the new project in the area of glazing, which involves the biggest order in the company's history. We are well set up to



implement our growth course and for the capital expenditure that requires, and also for the costs entailed in opening up new markets.”

Finances substantially improved

In the year under review, Group sales increased by around 15 % to EUR 38.2 million (previous year: EUR 33.2 million), taking them to a new record high for the third consecutive year. The gross profit margin (based on overall performance) rose to 66 % (previous year: 63 %) while consolidated EBITDA increased to around EUR 5.6 million (previous year: EUR 3.5 million). This profit increase is the result of an improved product and order mix as well as a decline in fixed costs. Based on its good business development and in spite of non-recurring transaction costs of EUR 0.4 million for its equity holding in Plastic-Design GmbH, Nanogate therefore approximately hit the 15 % mark in terms of its EBITDA margin (previous year: 10.5 %). Consolidated EBIT came to approximately EUR 2.7 million (previous year: EUR 1.0 million), equivalent to an EBIT margin of approximately 7 % (previous year: 3.0 %). Earnings before taxes came to around EUR 1.4 million (previous year: EUR -0.3 million). As a result, the company has now also reached its target of being able to pay a dividend.

The company's capital base improved considerably thanks to the significant increase in profits, a successful capital increase and lower liabilities to banks. As at the reporting date, Nanogate held cash and cash equivalents amounting to approximately EUR 11.6 million (previous year: EUR 9.0 million). The equity ratio rose to around 55 % (previous year: 49.8 %). In the reporting period, cash flow from operating activities less income taxes came to approximately EUR 4.7 million (previous year: EUR 3.1 million; from continuing operations). By the reporting date of 31 December 2012, the balance sheet total had increased to EUR 60 million (previous year: EUR 56.3 million).

NB:

Nanogate AG will publish its full annual financial statements for 2012 together with an outlook on the 2013 financial year in April 2013. The shareholders' meeting will take place in Göttelborn on 19 June 2013.



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Nanogate AG:

Nanogate is the leading international integrated systems provider for high-performance surfaces. The Group, which is based in Göttelborn (Saarland), enables the programming and integration of additional properties – such as non-stick, scratchproof and anti-corrosive – into materials and surfaces. Nanogate opens up the diverse possibilities of multifunctional surfaces based on new materials for companies in a wide range of industries.

Nanogate provides its customers with technologically and optically high-quality systems. To do this, the company uses its extensive knowledge of innovative materials, including existing expertise in nanomaterials, nanosurfaces and nanostructures. The aim is to improve products and processes by means of high-performance surfaces while achieving environmental benefits. The Group concentrates on the four sectors of Automotive/Mechanical Engineering, Buildings/Interiors, Sport/Leisure and Functional Textiles. Nanogate has a unique combination of extensive materials expertise paired with comprehensive, first-class process and production know-how. As a systems provider, Nanogate offers services throughout the entire value chain, from the purchase of raw materials, to the synthesis and formulation of the material systems, right through to the enhancement and production of the finished surfaces. Nanogate focuses primarily on optically high-quality plastic and metal coatings for all surface types (two and three-dimensional components). Its value drivers are the opening up of new, international markets, the development of new applications for the growth markets innovative plastics (e.g. glazing) and energy efficiency, as well as external growth. In the medium term, Nanogate also intends to achieve a considerable revenue share from environmentally friendly systems and cleantech applications.

The Nanogate Group has first-class customer references (e.g. Airbus, Audi, BMW, Bosch-Siemens Haushaltsgeräte, Junkers, Kärcher, Hörmann Group and Jaguar). Several hundred projects have already gone into mass production. The company also has strategic partnerships with many international corporations. Nanogate comprises Nanogate Industrial Solutions GmbH, Eurogard B.V., Nanogate Textile & Care Systems GmbH, a majority stake in GfO Gesellschaft für Oberflächentechnik AG and a strategic 76 % holding in Plastic-Design GmbH.

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