



PRESS RELEASE

**Nanogate acquires equity holding in plastics specialist
Plastic-Design – Considerable growth expected in
dynamic market for glazing systems with high-tech
plastics**

**Acquisition of 35 % stake in Plastic-Design GmbH secures
Nanogate technology capability in the development and
production of glass-like components made of transparent and
coloured glazed plastics (glazing) – Integrated centre of
excellence planned – Complementary product and client portfolios
boost potential for additional orders**

**Göttelborn, Germany, 8 November 2012. Nanogate AG (ISIN
DE000A0JKHC9), the leading international integrated systems provider
for high-performance surfaces, has acquired a 35 % stake in Plastic-
Design GmbH as part of a strategic equity holding plan. The new equity
holding company is a leading supplier of specialised, high-quality
injection moulding solutions and is a trailblazer in the production and
coating of transparent and coloured glazed plastics (glazing). Together,
the two companies intend to create a unique integrated centre of
excellence for glazing – a field in which Plastic-Design is already
considered a trailblazer. With this equity holding, Nanogate is expanding
its technology portfolio in the high-growth application field of glazing
which has a future market volume in the three-digit million euro range,
and is also adding to its existing production expertise and increasing its
own production capacities. The Group expects this equity holding and
the joint projects to contribute significantly to sales and earnings as**



early as in 2013. The Group intends to increase its equity holding in the company to a majority over the coming months.

An agreement was made not to disclose the purchase price for the 35 % share in the strategic equity holding. For the medium term refinancing of the transaction Nanogate is currently examining several options. Now that the contract has been signed, Nanogate expects the first joint projects to commence and the first additional job orders to be placed shortly.

Strong technology and client base

The specialist company Plastic-Design GmbH, which is based in Bad Salzuflen, is one of Europe's leading injection moulding manufacturers with a proprietary technology portfolio for optically sophisticated components. It is also considered to be a trailblazer in the growth market of glazing. The company generated sales of approximately EUR 10 million in 2011. Plastic-Design GmbH, which was founded in 1978, has a customer base that includes BMW, Daimler, Siemens and Volkswagen. Its product portfolio includes coloured, glazed ornamental panels and covers made of polycarbonate (PC) and polymethyl methacrylate (PMMA) as well as numerous components made of transparent plastics. All glazed products have to be finished with a multifunctional coating and can, if required, also be given anti-fogging protection or an anti-static coating. Plastic-Design and Nanogate subsidiary GfO have already been cooperating successfully in these areas for some time.

Joint centre of excellence planned

Plastic-Design's technology and product portfolio complements Nanogate's existing portfolio for the coating of two and three-dimensional components with a first-class appearance and provides Nanogate with integrated capabilities and production capacities for high-end plastics processing and subsequent enhancement for the first time. Nanogate is already active in the glazing market in its own right, for example with coated plastic components for aircraft and also with its unique inkjet technology. The glazing centre of excellence, which is planned in Bad Salzuflen, will combine development, production and subsequent enhancement. It will directly benefit from Nanogate's many years of experience



in material development and coatings, and also from Plastic-Design's comprehensive expertise in the field of high-quality plastics processing.

Glazing application field offers great potential for growth

The market for transparent and coloured glazed plastics is constantly growing, as they can act as a substitute for glass in many instances or because they offer new application possibilities. The coated high-tech plastics are already used by numerous manufacturers, for example in the automotive and aviation industries, in light technology and in optical and electronic systems. The advantages they offer are a far greater scope in the design of components, substantial weight reductions of up to 50 %, resulting in lower carbon emissions in the automotive sector, and improved safety aspects. Additional functions can also be integrated.

According to expert estimates, up to 20 % of windows could be made of plastic by 2020 in the automotive sector, for example. In addition, design elements, such as high-gloss black (known as piano black) coating could increase sales potential even further. Industry experts expect the total market volume to reach into the billions. Application segments relevant to Nanogate could therefore lie in the three-figure million euro range.

Glazing systems are based on plastics such as polycarbonate and polymethyl methacrylate and also on new materials. Using nano-based coatings to produce high-performance surfaces makes it possible to meet the high demands of an optically perfect surface. The surface can be given other, multifunctional traits by then using nanostructures and nanomaterials during, for example, injection moulding or inkjet processes.

Ralf Zastrau, CEO of Nanogate AG, commented: "With this strategic stake in Plastic-Design, Nanogate has secured excellent system expertise in the growth market of glazing and is therefore extending its lead in the field of enhancing plastics. The new equity holding complements our existing business activities perfectly – in terms of expertise, marketing and production. Having a joint centre of excellence will allow us to tap the dynamic and lucrative glazing market more quickly. The future belongs to transparent and coloured glazed plastics thanks to



the advantages they offer in terms of weight, design and safety. Glass-like surfaces are premium products in the coatings market. In addition to the automotive sector, there are many other potential areas of application thanks to the rising demand for innovative and very high-quality design elements. Nanogate has boosted its growth with this new equity holding and is now much closer to achieving its goal of EUR 50 million in sales and EBITDA of EUR 10 million.”

Otto Grünhagel, Managing Director of Plastic-Design GmbH commented: “Together with Nanogate, we can offer customers completely integrated systems for the development and production of coated components made of transparent and coloured glazed plastics. The unique combination of moulding and enhancement in one system results in considerable cost and time advantages. Nanogate and Plastic-Design’s respective areas of expertise complement each other excellently, making it possible to quickly tap the future market of glazing. Together, we now cover the entire value chain and can offer our customers a unique technology portfolio with many years of experience and a stock of first-class references.”

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Nanogate AG:

Nanogate is the leading international integrated systems provider for high-performance 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. Nanogate covers a wide range of



industries, functions and substrates. It provides companies in the Automotive/Mechanical Engineering, Buildings/Interiors, Sport/Leisure and Functional Textiles sectors with access to the wide-ranging benefits of high-performance surfaces and nanosurfaces. In doing so, Nanogate concentrates 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. As a systems provider, Nanogate offers services throughout the entire value chain, from the purchase of raw materials, and the synthesis and formulation of the material systems, right through to the enhancement and production of the finished surfaces. Nanogate focuses primarily on plastic and metal coatings for all surface types (two and three-dimensional components) with a high level of optical quality.

The Nanogate Group currently has approximately 240 employees in all and since commencing operations in 1999 has been a trailblazer in nanotechnology. The company has first-class customer references (e.g. Audi, BMW, Bosch-Siemens Haushaltsgeräte, Junkers, Kärcher, Hörmann Group, Opel and REWE International AG) and many years' experience of different industries and applications. Several hundred projects have already gone into mass production. The company also has strategic partnerships with a number of international corporations. Nanogate comprises Nanogate Industrial Solutions GmbH, Eurogard B.V., Nanogate Textile & Care Systems GmbH and a majority stake in GfO Gesellschaft für Oberflächentechnik AG.

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