



PRESS RELEASE

Nanogate achieves over EUR 50 million in sales and launches strategy programme with a sales target of EUR 100 million

Earnings forecast for 2013 significantly exceeded according to interim figures: sales climb to over EUR 52 million, EBITDA is more than EUR 6.2 million – Additional increase in profitability expected in the medium term – International expansion with focus on Asia accelerated – Further expansion of capacity and portfolio

Göttelborn, Germany, 26 February 2014. Nanogate AG (ISIN DE000A0JKHC9), a leading international integrated systems provider for high-performance surfaces, has achieved its medium-term sales target of EUR 50 million earlier than expected and is therefore launching its new growth programme Phase5. According to interim, not yet audited figures for the 2013 financial year, sales rose by more than 35 % to over EUR 52 million. With an operating result (EBITDA) of over EUR 6.2 million, the Group clearly exceeded its own earnings forecast (previous year: EUR 5.8 million, retroactively corrected upwards due to IAS 19). The equity ratio came to more than 45 %. With the new growth programme Phase5, Nanogate is aiming for the EUR 100 million sales mark. Profitability is expected to continue increasing in the medium term. Phase5 focuses on accelerated internationalisation and expansion of the application and technology portfolio as well as a Group-wide excellence programme.

Ralf Zastrau, Nanogate AG CEO: "Nanogate has achieved all the targets of the previous strategy programme NEXT and exceeded the medium-term sales target of EUR 50 million ahead of schedule. A strong final quarter as well as projects already billed in 2013 instead of in 2014 as originally expected also contributed to the pleasing development. The increased operating result and the high equity



ratio are evidence for the Group's financial strength. Nanogate significantly expanded its market position in the past year with several large orders, for example from Volkswagen and Porsche. We value this success as motivation to accelerate our expansion. We are now setting our sights on the EUR 100 million sales mark with increasing profitability. Nanogate is on course with its comprehensive technology portfolio and financial strength. We are expecting significant stimulus from international sales and from the two strategic growth fields of advanced polymers and advanced metals."

Focus on internationalisation – Presence in China planned

Nanogate sees significant opportunities for growth in the dynamic markets of Asia, for example in the Chinese automotive market. The Group will therefore develop a comprehensive strategy for Asia over the coming months. A local presence in China is already planned for the short term: Nanogate intends to support its customers in Asia with employees and engineering services on site to drive forward the opening up of new markets and the implementation of current projects. Nanogate received its first large order from China in 2013. With a sales volume in the single-digit million range, the project includes the delivery of glazing components for a mid-range vehicle. The Nglaze components are used as roof elements between the sunroof and front windscreen. Nanogate will also be looking into whether a local office and a production facility should be opened and when this should happen.

Overall, Nanogate would like to significantly expand its market position in both strategic growth fields of advanced polymers (innovative plastics) and advanced metals (innovative metal enhancements). Advanced metals is primarily based on the previous systems in the area of energy efficiency and will be expanded selectively with additional applications and technologies. In the medium term the company is therefore considering building its own centre of excellence for innovative metal enhancements. The Group enhances heat exchangers for several leading heating systems manufacturers. Nanogate is planning to significantly expand the available capacities in this area and is strengthening the international market cultivation. In the future, all of Nanogate's systems in the area of energy efficiency will be sold under a new, independent brand.



The Group introduced the umbrella brand Nglaze last year for the rapidly growing area of glazing (innovative, multifunctional plastics with glass-like properties). Following several million-euro orders from the automotive sector and for domestic appliances, the Group also anticipates increased demand from other areas of application. As announced in January 2014, capacities in the integrated centre of excellence for glazing components will be more than doubled with a second production line by the first quarter of 2015.

Nanogate also intends to further improve its internal set up with Phase5 and is launching a Group-wide excellence programme. This will provide for better integration of processes, principally in development, production and marketing and the implementation of measures for overarching organisational development. The product and technology portfolio will be expanded, in certain cases also through the purchase of complementary technologies.

“As a new strategy programme, Phase5 will be our main guide on the way to the EUR 100 million sales mark in the medium term. The success of our previous programme NEXT demonstrates that Nanogate is on course strategically, operatively and financially, while also pursuing a long-term, sustainable strategy. The Asian market in particular promises significant potential,” Zastrau explained.

NB:

Nanogate AG will publish its 2013 Annual Report in April 2014; the shareholders' meeting is planned for June 2014.

Nanogate on Twitter: http://twitter.com/nanogate_ag



If you have any queries, please contact:

Christian Dose (financial press and investors)
Cortent Kommunikation AG
Tel. +49 (0)69 5770 300-0
nanogate@cortent.de

Nanogate AG
Zum Schacht 3
66287 Göttelborn, Germany
www.nanogate.com

Liane Stieler-Joachim
Nanogate AG
Tel. +49 (0)6825 9591 220
liane.stieler-joachim@nanogate.com

Nanogate AG:

Nanogate is a 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. True to its slogan 'A world of new 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 so, the company uses its extensive knowledge of innovative materials, including existing expertise in nanomaterials, nanosurfaces and nanostructures. The aim is to improve customers' products and processes by means of high-performance surfaces while achieving environmental benefits. The Group concentrates on the four sectors automotive/mechanical engineering, buildings/interiors, sport/leisure and functional textiles as well as on the strategic growth areas of innovative plastics (e.g. glazing) and energy efficiency. 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. The Group 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 strategic growth areas of 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 references (e.g. Airbus, Audi, August Brötje, BMW, Bosch-Siemens Haushaltsgeräte, Daimler, FILA, Jaguar, Junkers, Kärcher, REWE International). 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, Nanogate Glazing Systems B.V., a majority stake in GfO Gesellschaft für Oberflächentechnik AG and a strategic 76% holding in Plastic-Design GmbH.

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