



PRESS RELEASE

Nanogate increases sales by around 27 % and exceeds earnings forecast

Targets for 2014 exceeded according to preliminary figures: sales increase of 27 % to more than EUR 67 million, operating result EBITDA rises by at least 15 % to more than EUR 7.2 million, overall performance exceeds EUR 70 million – Course of growth and investment programme to continue in 2015

Göttelborn, Germany, 18 February 2015. Nanogate AG (ISIN DE000A0JKHC9), a leading international integrated systems provider for high-performance surfaces, has significantly exceeded its sales and earnings forecast for the 2014 financial year. According to preliminary, not yet audited figures, sales rose by around 27 % to more than EUR 67 million. The overall performance increased to more than EUR 70 million. The operating result (EBITDA) improved by at least 15 % and exceeded the EUR 7.2 million mark. Consolidated EBIT was more than EUR 2.2 million. Cash flow from operating activities increased significantly. Thanks to the strong demand and the large order base, Nanogate intends to continue its course of growth and investment in 2015.

Ralf Zastrau, CEO of Nanogate AG, commented: "In 2014, Nanogate exceeded its operational and strategic targets. Despite the burdens of our growth strategy, sales and operating result grew more strongly than originally anticipated. Without the expenditure for opening up new international markets, expanding capacities and expertise, as well as one-off integration and transaction costs, the result would have grown even more strongly. At the same time, we have also set an important strategic course with the acquisition of surface specialist Vogler and our initiated expansion of capacities and expertise.

Expansion measures paying off

The strong business performance was primarily a result of the high level of demand in both strategic growth areas of advanced metals and advanced polymers. According to preliminary figures, Group sales increased overall by around 27 % to more than EUR 67 million, following EUR 53 million in the 2013 financial year. The overall performance totalled more than EUR 70 million (previous year: EUR 56.7 million). Despite the cash expenditure for expansion and the transaction costs for the acquisition of surface specialist Vogler, consolidated EBITDA increased to more than EUR 7.2 million (previous year: EUR 6.3 million), corresponding to growth of at least 15 %. Despite the large investment in expanding capacities and broadening the technology portfolio, as well as the increased write-downs, the Group recorded EBIT of more than EUR 2.2 million according to preliminary figures. Consolidated net income is affected by significantly higher financing expenditure resulting from investment in capacities and technology, as well as the acquisition. Cash flow from operating activities improved significantly. As at the end of 2014, the Group held cash and cash equivalents of more than EUR 17 million.

Nanogate will continue its high rate of expansion in the current financial year: “We are optimistic about 2015. Thanks to the order base in the high double-digit million range as well as the constant demand, Nanogate will be able to expand its market position again. The new Phase5 growth strategy also clearly defines our aims: In the medium term, Nanogate intends to exceed EUR 100 million in sales and to increase its profitability. To achieve this, we will continue our comprehensive programme of investment and make use of considerable funds for additional capacities, further technologies and to open up new international markets. We will benefit significantly from our expansion in the medium and long term, although we have already seen initial success this year. This includes the opening of the new centre of excellence for high-quality metal applications, for example. In view of the positive development, we would also like to acquire the outstanding shares in our GfO AG subsidiary. Sales and earnings from our equity holding have risen significantly since Nanogate joined in 2010,” explained Nanogate CEO Zastrau.



NB:

Nanogate AG will publish its complete Consolidated Financial Statements (pursuant to IFRS), including forecast for 2015 and dividend proposal, in April 2015. The shareholders' meeting is scheduled for June 2015.

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

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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 focuses on the four sectors of automotive/transport, mechanical and plant engineering, buildings/interiors and sports/leisure, as well as on the strategic growth areas of advanced polymers and advanced metals. Nanogate has a unique combination of extensive materials expertise paired with comprehensive, first-class process and production knowledge. 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 advanced polymers (innovative plastics, e.g. glazing) and advanced metals (innovative metal enhancements, especially 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 processes as well as cleantech applications.

The Nanogate Group has first-class references (e.g. Airbus, Audi, August Brötje, BMW, BSH Bosch und Siemens Hausgeräte, Daimler, FILA, Jaguar, Junkers, Porsche, Volkswagen). 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., Vogler GmbH and majority stakes in GfO Gesellschaft für Oberflächentechnik AG and Plastic-Design GmbH.

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