



PRESS RELEASE

Nanogate exceeds preliminary half-year figures – Cash flow from operating activities multiplies

Sales increase of almost 60 % in first half-year to EUR 43.3 million – Operating result improves to almost EUR 5 million – Cash inflow from operating business increases from EUR 0.3 million to EUR 3.3 million – Sales and earnings forecast confirmed

Göttelborn, Germany, 17 September 2015. Nanogate AG, a leading international integrated systems provider for high-performance surfaces, looks back on strong business development in the first half of 2015 and exceeds its preliminary sales and earnings values. At the same time, cash flow from operating activities has multiplied. In total, sales increased by nearly 60 % to EUR 43.3 million. Despite costs for the Phase5 growth programme, operating result (consolidated EBITDA) increased to EUR 4.9 million. In view of the pleasing business development, cash flow from operating activities multiplied to EUR 3.3 million. Nanogate had already confirmed its forecast for the whole of 2015 when the preliminary figures were presented in August. These figures show that sales should rise to significantly more than EUR 80 million and profitability should improve substantially, although considerable amounts are again flowing into the ongoing investment programme and the opening up of international markets.

Ralf Zastrau, CEO of Nanogate AG, commented: "Nanogate is benefiting greatly this year from the expansionary steps initiated. The key elements of our Phase5 growth strategy are sustaining our business. The first half-year has confirmed that Nanogate has taken a major step forwards on its journey towards achieving sales of EUR 100 million. Over the coming months, our focus will be on international business in particular. In the past, Nanogate has achieved important successes in Europe, Asia and the US. The million-euro orders



acquired are a good starting point for gaining an even stronger foothold globally. We have worked intensively on our internationalisation strategy and are confident that the preparatory steps will pay off in the coming months.”

Cash flow from operating activities multiplies to EUR 3.3 million

According to definitive figures as at 30 June 2015, Nanogate increased its consolidated sales compared with the previous year's period by almost 60 % to EUR 43.3 million (previous year: EUR 27.2 million). Overall performance rose to EUR 45.5 million (previous year: EUR 29.3 million). The sales increase is the result of strong organic growth, especially in the strategic growth areas of Advanced Metals (high quality metal coatings) and Advanced Polymers (innovative plastics), as well as consolidation effects from the acquisition of surfaces specialist Vogler in the second half of 2014. In the first half of 2015 the gross profit margin remained above 60 %. Regardless of the higher depreciation and amortisation, due to the investment policy consolidated EBIT increased to EUR 1.7 million (previous year: EUR 1.2 million); while at EUR 0.3 million consolidated net income almost reached the previous year's level (previous year: EUR 0.4 million) despite the expansionary steps. The cash inflow from operating activities also confirms our good performance. In the reporting period, cash flow from operating activities multiplied to EUR 3.3 million (previous year: EUR 0.3 million) compared with the previous year's period. Cash flow from investments came to EUR -6.4 million (previous year: EUR -1.9 million) and reflects the expansion course. The Group's capital base grew significantly, primarily due to the extremely dynamic performance and a successful capital increase. As a result, Nanogate had cash and cash equivalents totalling EUR 23.5 million as at the reporting date of 30 June (31 December 2014: EUR 17.8 million). The equity ratio came to 41.0 % (31 December 2014: 37.8 %).

New projects and technologies

Nanogate acquired important new projects in the first half of 2015. With an order to coat touchpads for a leading premium car manufacturer, Nanogate was able to gain a new application area. The subsidiary Vogler, which was acquired in 2014, received a million-euro order to supply optically high-quality components. The Group also expanded its international market position once again. A new million-



euro project for a leading German car manufacturer signals the addition of another order to our existing business in China. The company is also expanding into the security applications market with new glazing applications. Alongside the strong operating performance, Nanogate is also concentrating on increasing its future sales potential through additional capacities, new applications and further technologies. Key steps for the company's future development include the creation of a new technology platform for the multifunctional metallisation of surfaces. The market potential for new applications is in the three-digit million range. Nanogate is also currently building a centre of excellence for Advanced Metals at our new facility in Neunkirchen. In addition, Nanogate acquired the outstanding stake of almost 25 % in its subsidiary GfO AG in July 2015.

Outlook for 2015: sales and earnings forecast confirmed

In view of the jump in sales with growth of almost 60 % and the strong cash flow from operating activities, Nanogate is confirming its previous forecast for the 2015 financial year. Notwithstanding the current changes in the economic environment, the Group continues to anticipate a high level of capacity utilisation for the rest of the year, with the result that it expects to achieve its planned number of components for 2015. On the basis of its existing business and strong incoming orders, Nanogate aims to continue on its dynamic growth course and substantially exceed EUR 80 million in sales for the first time. The Group also intends to achieve a significant improvement in operating earnings (EBITDA), despite the fact that once again considerable funds will flow into the ongoing investment programme and into opening up new international markets. In the medium term, the Group intends to exceed EUR 100 million in sales and further increase its profitability.

"Sustained by its very dynamic performance, Nanogate is also optimistic about 2015 as a whole. The order base, which is in the high double-digit million range, has grown once again. As a result, we are already in a good position to offer an outlook for 2016, and not just for the remainder of the current year", explained CEO Zastrau.



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 (ISIN DE000A0JKHC9) 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 and processing procedures. The aim is to improve customers' products and processes by means of high-performance surfaces while achieving environmental benefits. The Group concentrates on attractive sectors such as automotive/transport, mechanical/plant engineering, buildings/interiors and sport/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 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 advanced polymers (innovative plastics, e.g. glazing) and advanced metals (innovative metal enhancements, primarily 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.

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 Eurogard B.V., GfO Gesellschaft für Oberflächentechnik AG, Nanogate Industrial Solutions GmbH, Nanogate Textile & Care Systems GmbH, Nanogate Glazing Systems B.V., Vogler GmbH and a majority stake in Plastic-Design GmbH.

Disclaimer:

This publication constitutes neither an offer to sell nor an invitation to buy securities. The shares in Nanogate AG (the "Shares") may not be offered or sold in the United States or to or for the account or benefit of "U.S. persons" (as such term is defined in Regulation S under the U.S. Securities Act of 1933, as amended (the "Securities Act")). No offer or sale of transferable securities is being made to the public outside Germany.