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NANO-TEX CLOSES \$35 MILLION FINANCING
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Nano-Tex, the provider of nano-enabled fabric enhancements that has been eagerly watched as a potential hot nano IPO, is expected to announce closing a \$35 million Series A round of private financing this morning. The company's chief executive, Donn Tice, said the money will be used to expand marketing and product development as well as to further fund geographic expansion.

"We're not changing our strategy one iota," Tice said. "If anything, we're just accelerating it."

The financing comes from new investors Norwest Venture Partners and Howard Hughes Medical Institute and existing investors WL Ross & Co., Masters Capital and Firelake Capital Management.

It's good timing. Partly in response to Nano-Tex's success, competitors are crafting alternative offerings and academic researchers – like a research group at Clemson University – are working on next generation nano-engineered fabrics.

But Nano-Tex is there now, and moving quickly. The company's list of customers now numbers more than 100 apparel and interior furnishing brands, and its tally of licensed textile mills has climbed to 80 worldwide – up from about 40 brands and 50 mills in the middle of 2004.

Recently the company has expanded with a number of brands in Europe and has moved into Japan, Korea and mainland China. It recently launched three new fabric enhancements – Resists Static, Repels & Releases Stains and Coolest Comfort – and continues to announce high profile customers like Simmons, which recently integrated Nano-Tex's fabric enhancements into a mattress.

The company will continue to be closely watched by Wall Street, even though Tice says he has no specific plans for going public. "We certainly don't have plans to go public this year," he said.