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LUX NANOTECH INDEX™ LAUNCHES ON AMERICAN STOCK EXCHANGE

New Index designed to track how financial markets value applications of emerging nanotechnology

New York, NY – March 17, 2005 – Lux Research today announced the launch of the Lux Nanotech Index™ in conjunction with the American Stock Exchange. The Lux Nanotech Index™ is a modified equal weight index comprised of 26 publicly traded companies which seeks to measure the performance of securities in the nanotechnology field. The Lux Nanotech Index™ is not currently an investable product. It is quoted intraday on the American Stock Exchange under the symbol "LUXNI".

"The purpose of the Lux Nanotech Index™ is to serve as a benchmark for the value that markets ascribe to emerging nanotechnology," said Lux Research CEO Peter Hebert. "As a representative index, it is not specifically designed to outperform the Nasdaq or other indices. The Index is a tool that investors can use to understand how the stock performance of companies involved in nanotech compares with the rest of the field – and how that field, in turn, compares with the market as a whole."

"The Lux Nanotech Index™ differs from other nanotechnology indices in three key ways," said Lux Research Vice President of Research Matthew M. Nordan, co-head of the Index's selection committee. "First, it represents only applications of *emerging* nanotechnology – *new* nanoscale materials and processes that exhibit size-dependent properties. This is why companies like Cabot Corporation and Intel, which dominate in *established* nanotechnology applications, aren't included. Second, it contains a balanced selection of companies across the nanotechnology value chain, including manufacturers of raw nanomaterials, intermediate products with nanoscale features, and nano-enabled end products – as well as makers of tools used to visualize and manipulate matter at the nanoscale. Finally, the Index is balanced across the industry sectors that are being most impacted by nanotechnology today. That's why, for example, there no large life sciences companies are included; none have significant nanotechnology R&D or product applications today."

The Lux Nanotech Index™ is founded on the rigorous analytical frameworks that Lux Research has developed in its authoritative studies of nanotechnology commercialization. The value chain framework employed by the Index – separating nanomaterials and intermediate products from final goods – was introduced in the October 2004 report "Sizing Nanotechnology's Value Chain," the de facto standard forecast of the value of products incorporating emerging nanotech. The Index composition is also informed by Lux Research's proprietary data about nanotechnology R&D activity across industry sectors, as highlighted in the December 2004 report "The CEO's Nanotechnology Playbook."

The Index includes companies that are involved with funding nanotechnology development, developing nanotechnology applications, manufacturing goods that incorporate those applications, and supplying tools and instrumentation to nanotechnology researchers. To be eligible for inclusion, companies must:

- 1) Be listed on the New York Stock Exchange or American Stock Exchange, or quoted on the NASDAQ National Markets or Small Cap Market systems.
- 2) Have a minimum \$75 million market valuation.
- 3) Have a minimum average daily trading volume over the preceding three months of 50,000 shares.

The Index is calculated using a modified equal weighting methodology:

- 1) The components are sorted into two groups: nanotech specialists and end-use incumbents. Nanotech specialists are defined as small- and mid-sized companies (less than \$5 billion in annual revenue) that focus specifically on developing or funding emerging nanotechnology applications. All have nanotechnology as either

a company-wide or business-unit-wide focus, and most work with larger companies as manufacturing or distribution partners. End-use incumbents are large companies (greater than \$5 billion in annual revenue) that are applying nanotechnology to existing product lines. All are leaders in nanotechnology R&D, commercialization in products, or both.

- 2) The two groups are then equally weighted with seventy-five percent (75%) applied to the nanotech specialist components and twenty-five percent (25%) for the end-use incumbent components.

The Lux Nanotech Index™ selection committee is chaired by Matthew Nordan and Mark Kimsey of K&Z Partners. Mr. Nordan heads Lux's research organization, leading a team of analysts who advise corporations, start-ups, financial institutions, and governments on the impact of nanotechnology and related emerging technologies. He joined Lux Research with a distinguished career in analyzing emerging technology at Forrester Research, where he held a variety of senior management positions. Mr. Kimsey founded K&Z Partners in 1999 and has been involved in the securities industry for more than 15 years. Previously, Mr. Kimsey was the Equity Strategist and manager of the Investment Strategy Group for the Lehman Brothers' Private Client Division, managing over \$1 billion in assets and providing asset allocation and strategy advice to the firm's high-net-worth clients. While working as the Equity Strategist, he was a member of Lehman Brothers' Investment Policy Committee and Asset Allocation Steering Committee.

The Index is rebalanced quarterly each March, June, September and December. The Index divisor was initially determined to yield a benchmark value of 1,000.00 at the close of trading on June 30, 2003. The Index was created by, and is a trademark of, Lux Research Inc. The American Stock Exchange serves as the calculation agent for the Index. For more information on the Lux Nanotech Index™, selection criteria, a full list of the Index components, and answers to frequently asked questions, visit www.luxresearchinc.com/luxni.html

About Lux Research:

Lux Research is the world's premier research and advisory firm focusing on the business and economic impact of nanotechnology and related emerging technologies. Lux Research provides continuous advisory services, customized consulting, and reference studies to corporations, start-ups, financial institutions, and public sector organizations. Our founders and our research staff are the most widely recognized nanotechnology visionaries throughout the world. Visit www.luxresearchinc.com for more information.

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