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Press release

AkzoNobel
Tomorrow's Answers Today

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AkzoNobel publishes Q3 2011 results

- Revenue up 5 percent to €4 billion, driven by pricing actions to offset raw material cost inflation
- Weaker economic conditions and continued raw material price inflation impacted results, particularly in Decorative Paints
- EBITDA decreased to €507 million (2010: €574 million)
- Net income continuing operations €148 million (2010: €217 million)
- Adjusted earnings per share €0.91 (2010: €1.19)
- Interim dividend of €0.33 per share declared, up 3 percent
- Major performance improvement program launched to deliver €500 million EBITDA in 2014

Q3 2011 in € million

	Q3 2010	Q3 2011	Δ%
Revenue	3,867	**4,051**	5
EBITDA	574	**507**	(12)
EBITDA margin (in %)	14.8	**12.5**	
Net income cont' operations	217	**148**	(32)

January-September 2011 in € million

	Jan.-Sep. 2010	Jan.-Sep. 2011	Δ%
Revenue	11,020	**11,910**	8
EBITDA	1,587	**1,495**	(6)
EBITDA margin (in %)	14.4	**12.6**	
Net income cont' operations	534	**531**	-

Akzo Nobel N.V. (AkzoNobel) today announced revenue growth of 5 percent, driven by pricing actions to offset raw material cost inflation. Market conditions have become more difficult since the second quarter, which has had an impact on results, particularly in Decorative Paints.

While the overall top-line growth remained relatively strong, volume development continued to soften. In addition, input costs continued to rise, outpacing selling price increases. Consequently EBITDA decreased 12 percent to €507 million. Further price increases are being implemented and the cost base is being adjusted.

A major performance improvement program has been launched and the full €500 million EBITDA will be delivered in 2014.

CEO Hans Wijers

"Although our top-line revenue growth throughout the quarter was relatively strong, we have seen the macroeconomic situation worsen which has impacted our third quarter results. We have also not yet fully offset the unprecedented raw material cost increases; but this quarter illustrates that we are making good progress, as evidenced by the 6 percent overall price increase, led by Specialty Chemicals.

"We do not expect the macroeconomic situation to improve quickly. So, as in 2008, we are taking action and have launched a major performance improvement program to deliver €500 million EBITDA in 2014. This program will ensure that our growth ambitions are delivered at or above the mid-point of our 13-15 percent EBITDA margin guidance. Our strong fundamentals, commitment to deliver and this program give us confidence in the future."

Business area highlights

Decorative Paints

3rd Quarter				January-September		
2010	**2011**	**Δ%**		2010	**2011**	**Δ%**
1,372	**1,435**	5	**Revenue**	3,829	**4,092**	7
198	**148**	(25)	**EBITDA**	485	**429**	(12)
14.4	**10.3**		**EBITDA margin (in %)**	12.7	**10.5**	

Performance Coatings

3rd Quarter				January-September		
2010	**2011**	**Δ%**		2010	**2011**	**Δ%**
1,239	**1,295**	5	**Revenue**	3,548	**3,844**	8
166	**157**	(5)	**EBITDA**	500	**470**	(6)
13.4	**12.1**		**EBITDA margin (in %)**	14.1	**12.2**	

Specialty Chemicals

3rd Quarter				January-September		
2010	**2011**	**Δ%**		2010	**2011**	**Δ%**
1,272	**1,349**	6	**Revenue**	3,684	**4,050**	10
254	**238**	(6)	**EBITDA**	718	**699**	(3)
20.0	**17.6**		**EBITDA margin (in %)**	19.5	**17.3**	

The 2011 third quarter report can be read on www.akzonobel.com/quarterlyresults.

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AkzoNobel is the largest global paint and coatings company and a major producer of specialty chemicals. We supply industries and consumers worldwide with innovative products and are passionate about developing sustainable answers for our customers. Our portfolio includes well known brands such as Dulux, Sikkens, International and Eka. Headquartered in Amsterdam, the Netherlands, we are a Global Fortune 500 company and are consistently ranked as one of the leaders on the Dow Jones Sustainability Indexes. With operations in more than 80 countries, our 55,000 people around the world are committed to excellence and delivering Tomorrow's Answers Today™.

Not for publication – for more information

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Safe Harbor Statement

This press release contains statements which address such key issues as AkzoNobel's growth strategy, future financial results, market positions, product development, products in the pipeline, and product approvals. Such statements should be carefully considered, and it should be understood that many factors could cause forecasted and actual results to differ from these statements. These factors include, but are not limited to, price fluctuations, currency fluctuations, developments in raw material and personnel costs, pensions, physical and environmental risks, legal issues, and legislative, fiscal, and other regulatory measures. Stated competitive positions are based on management estimates supported by information provided by specialized external agencies. For a more comprehensive discussion of the risk factors affecting our business please see our latest Annual Report, a copy of which can be found on the company's corporate website www.akzonobel.com.