



Press release

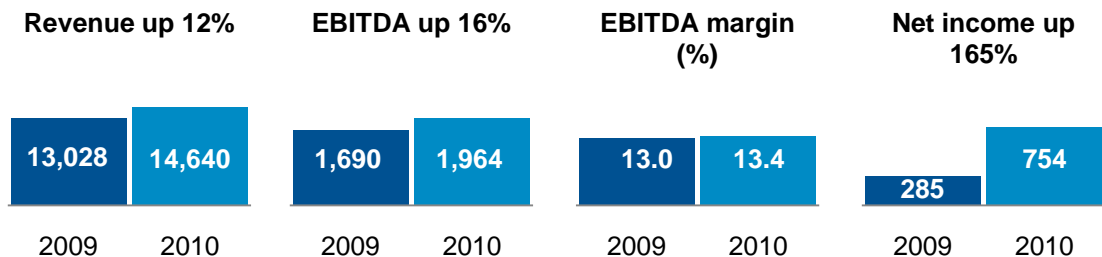
February 17, 2011

AkzoNobel delivering on growth strategy

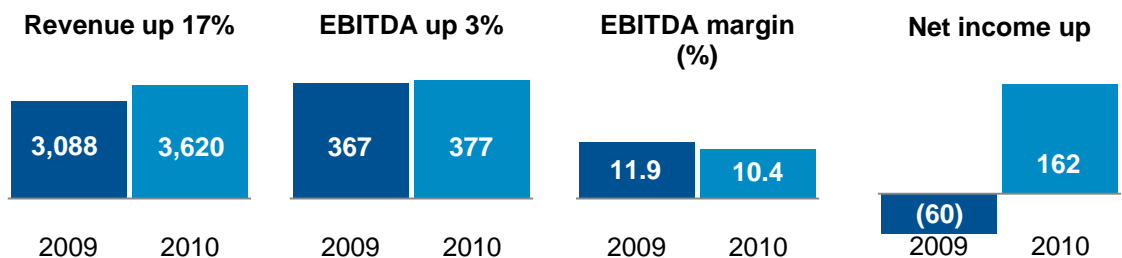
- 2010 revenue up 12 percent to €14.6 billion; EBITDA* up 16 percent to €1,964 million
- Total 2010 net income increased to €754 million
- Q4 revenue up 17 percent to €3.6 billion; Q4 EBITDA up 3 percent to €377 million
- Adjusted EPS (earnings per share): €3.71 (2009: €2.06)
- Outlook: aiming for more than 5 percent revenue and EBITDA growth in 2011, in line with strategic ambitions.

Financial highlights

Full-year 2010 in € million



Q4 2010 in € million



Akzo Nobel N.V. (AkzoNobel) today reported a revenue increase of 12 percent for the year 2010 to €14.6 billion. EBITDA increased 16 percent to €1,964 million, with EBITDA margins up at 13.4 percent. Total 2010 net income increased 165 percent to €754 million.

Revenue growth was driven by a 6 percent volume increase across all three Business Areas as demand recovered, particularly in high growth markets.

For the fourth quarter, volumes were up 3 percent, pricing improved 4 percent and EBITDA rose 3 percent to €377 million. The total net income amounted to €162 million.

Raw material prices increased in 2010, particularly in the second half of the year. The company expects 2011 prices to increase further. Pricing and cost reduction actions are ongoing and AkzoNobel is confident that it will be able to compensate for these increases during 2011.

Net debt decreased from €1,744 million at year-end 2009 to €936 million at year-end 2010, mainly due National Starch divestment generating €1 billion of cash. Net cash from

operating activities was €519 million (2009: €1,220 million) reflecting investment in working capital facilitating growth and higher restructuring payments in 2010.

In September 2010, the company announced a simplified dividend policy, stating that it intends to pay a stable to rising dividend. In line with this policy, AkzoNobel is proposing a final dividend of €1.08, which would make a total 2010 dividend of €1.40, up 4 percent from €1.35 in 2009.

CEO Hans Wijers

“Our 2010 performance marks the first year of delivery of our new strategy. All Business Areas have reported strong revenue growth, increased profitability, improved sustainability performance and higher returns on invested capital.

“AkzoNobel’s revenue in high growth markets, currently representing around 40 percent of our total, grew more than 20 percent, outperforming the market in 2010. In our mature markets, revenue increased close to 10 percent, further evidence that our medium-term growth plans are on track.

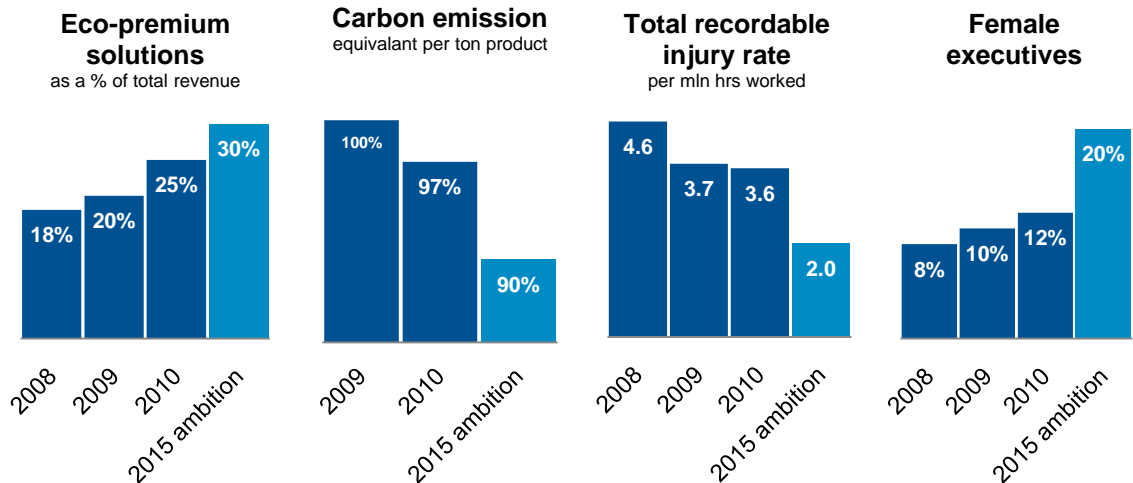
“Broad demand improvement in both mature and high growth markets for Specialty Chemicals led to a full-year EBITDA increase of 27 percent. Performance Coatings delivered a solid performance, supported by volume growth and selective acquisitions, although EBITDA margins were impacted by higher raw material costs. Double digit revenue growth for Decorative Paints was achieved in Asia and Latin America, with lower volumes in mature markets.

“During 2010, we continued to invest in profitable growth throughout our portfolio. The opening of our Ningbo plant in China in November, the selective acquisitions in Performance Coatings, the milestone contract with Walmart and the recently announced Pulp and Paper Chemicals customer contract in Brazil clearly demonstrate that AkzoNobel is on track to meet its medium-term ambitions.”

Highlights

Q4 '10	Q4 '09	Δ%		2010	2009	Δ%
Decorative Paints						
1,139	1,022	11	Revenue	4,968	4,573	9
63	70	(10)	EBITDA	548	487	13
5.5	6.8		EBITDA margin (in %)	11.0	10.6	
Performance Coatings						
1,238	1,014	22	Revenue	4,786	4,112	16
147	154	(5)	EBITDA	647	594	9
11.9	15.2		EBITDA margin (in %)	13.5	14.4	
Specialty Chemicals						
1,259	1,055	19	Revenue	4,943	4,359	13
221	189	17	EBITDA	939	738	27
17.6	17.9		EBITDA margin (in %)	19.0	16.9	

AkzoNobel continued to make progress on its strategic sustainability agenda. Improvements were shown in areas such as percent of revenue from eco-premium solutions, fresh water management and diversity and inclusion. The improvement of the Total Recordable Injury Rate needs attention. Overall, the company is well on its way to reaching its mid-term ambitions.



Outlook 2011

AkzoNobel expects to make further progress on its medium-term strategic ambitions. The company is aiming for more than 5 percent revenue and EBITDA growth in 2011

* *EBITDA* is defined as *Earnings Before Interest, Tax, Depreciation, and Amortization, before incidentals*.

The Report for 2010 and the fourth quarter of 2010 can be read on www.akzonobel.com/quarterlyresults.

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AkzoNobel is the largest global paints 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 in the area of sustainability. 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.