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Keith Nichols, CFO
Q2 results, July 29, 2008

Resilient performance demonstrates strong fundamentals

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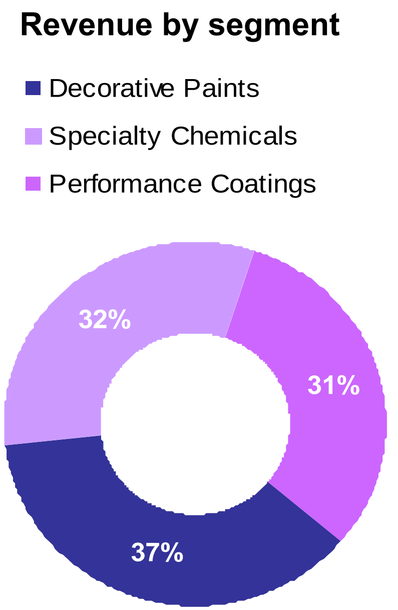
The new AkzoNobel – key facts

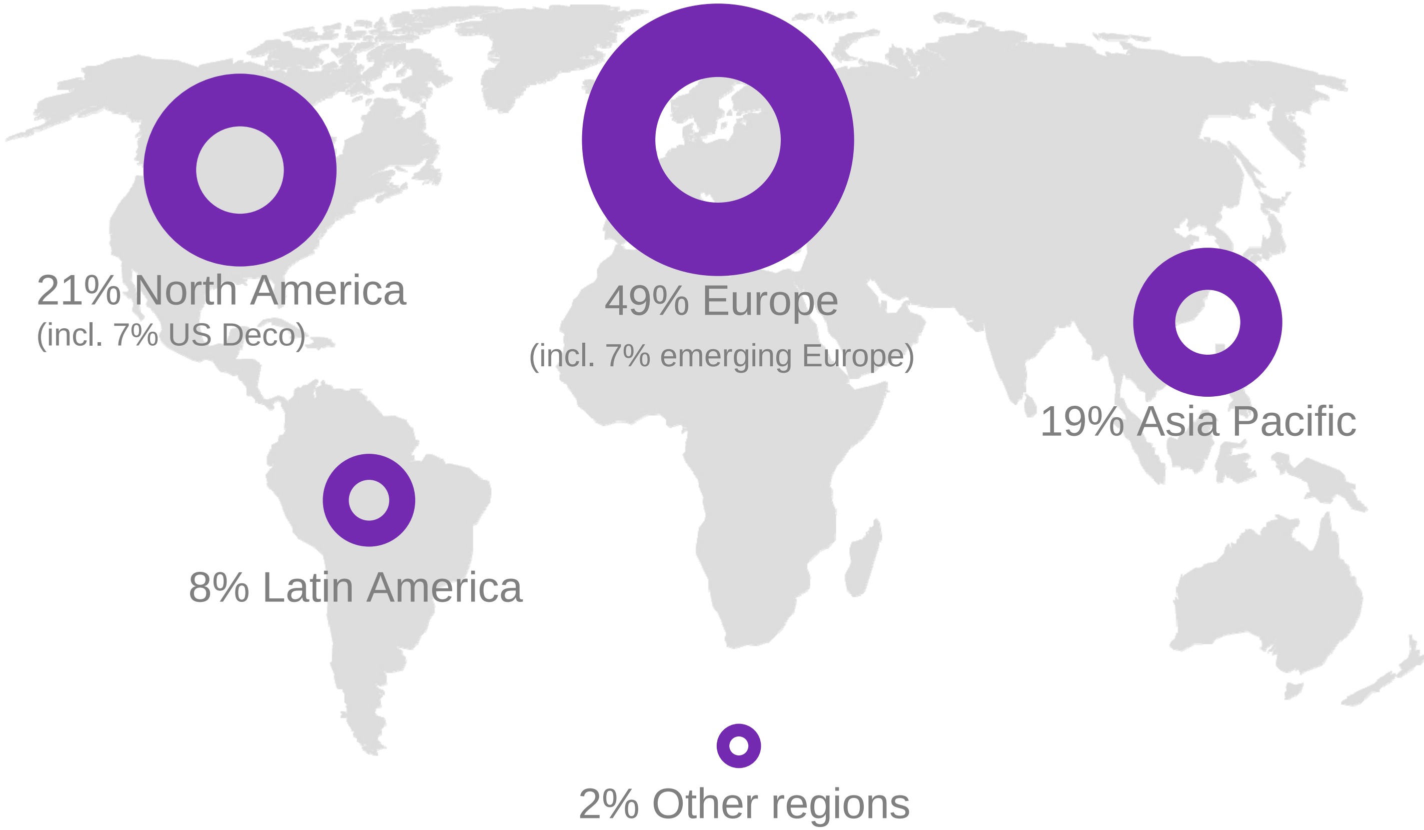
Pro forma 2007

- Revenue €14.4 billion
- Around 60,000 employees
- EBITDA: €1.9 billion
- EBIT: €1.4 billion
- Net income: €0.9 billion
- Pension under funding €1.5 billion



AkzoNobel around the world

Revenue by origin



Pro forma 2007

Q2 operational performance

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Q2 2008 highlights

Q2 revenue and EBITDA in constant currencies ahead 9 and 5 percent respectively

Strong EBITDA margin of 13.6%

Benefiting from geographical spread – 35 percent of business in emerging markets

Earnings per share from continuing operations before incidentals up 5 percent

€1 billion of €3 billion share buyback completed

ICI integration process ahead of schedule

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Q2: Resilient performance

€ mln	2008	Δ%
Revenue reported	3,870	2
Revenue constant currencies	4,136	9
EBITDA reported	526	(3)
EBITDA constant currencies	568	5
Net income before fair value adjustments	258	(6)
Ratio	**2008**	**2007**
EBITDA margin reported, %	13.6	14.3
EBITDA margin constant currencies, %	13.7	14.3
Earnings per share, in €	0.91	0.87

Continuing operations before incidentals; 2007 pro forma

Q2: Strong autonomous revenue growth of 8 percent

%	Total	Volume	Price	Currency	Acq./div.
Decorative Paints	(4)	1	–	(6)	1
Performance Coatings	1	3	4	(7)	1
Specialty Chemicals	6	5	8	(7)	–
AkzoNobel	**2**	**4**	**4**	**(7)**	**1**

Versus Q2, 2007 proforma

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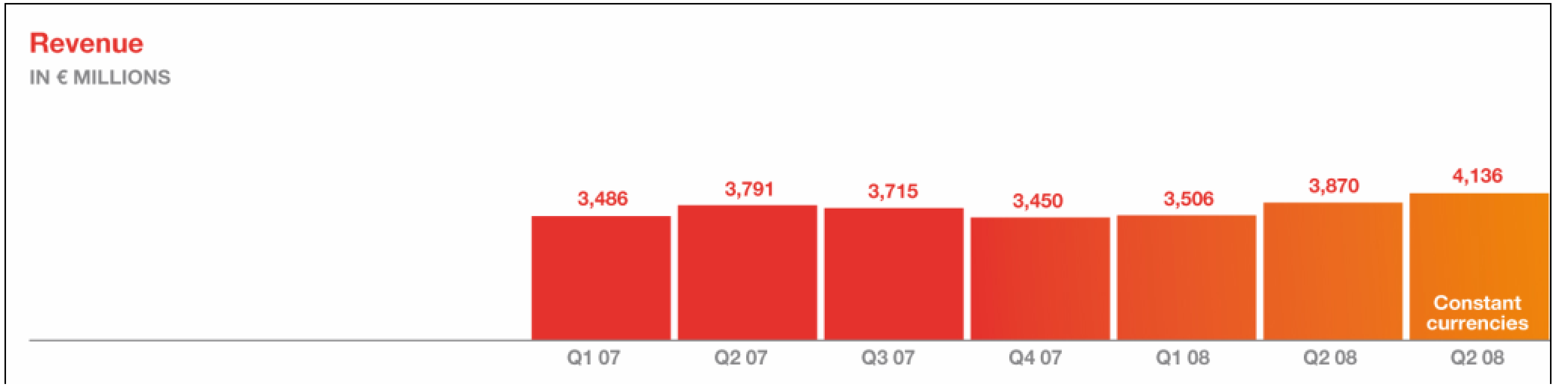
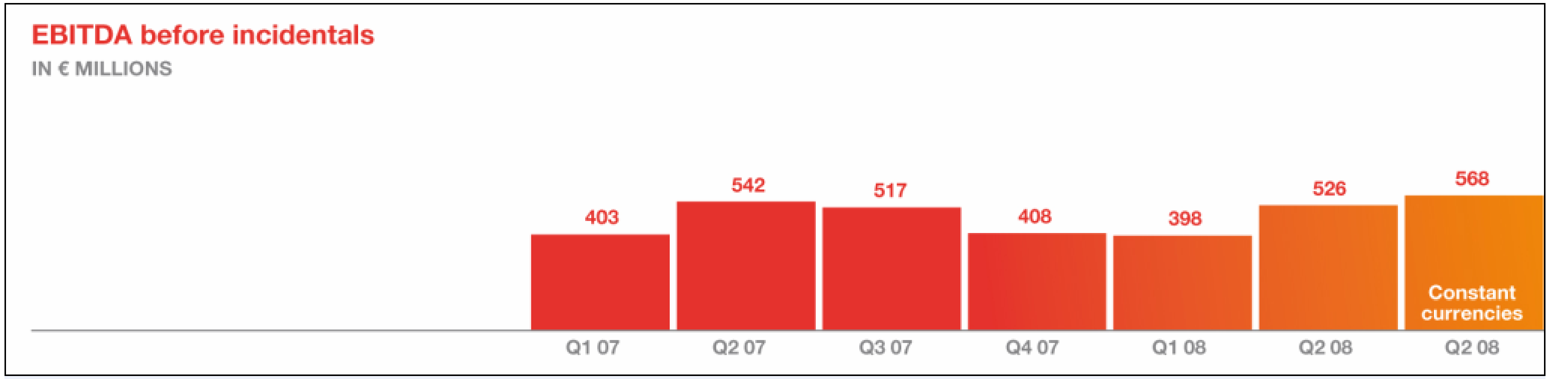
Q2 revenue and EBITDA in constant currencies ahead 9 and 5%





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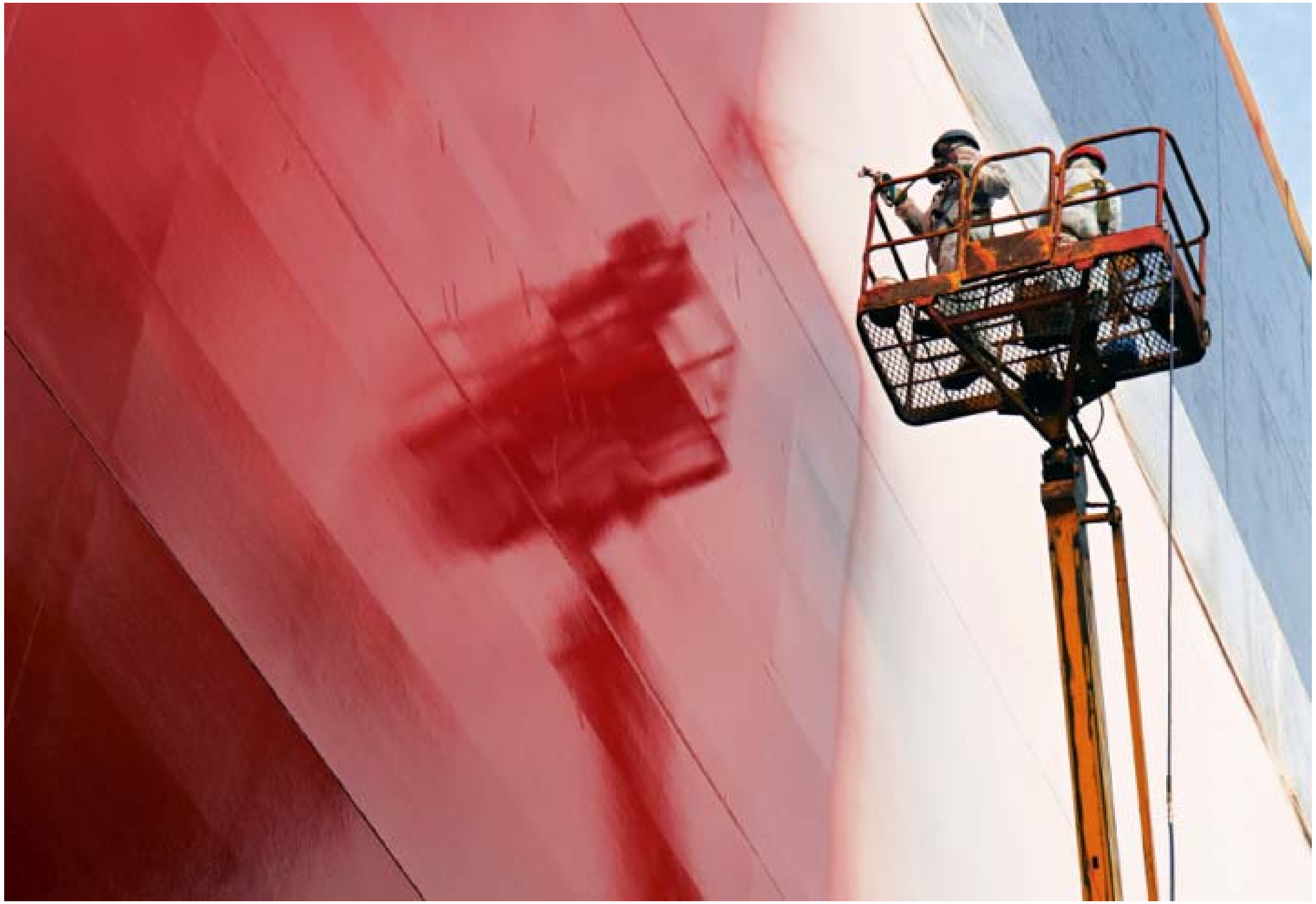
Q2 incidentals

Incidental charges of €86 million

Transformation costs of €72 million included €55m related to impairments of the Decorative Paints businesses under divesture package

Impairments affected gross profit on an incidental basis, and were not taken into account in the pro forma 2007 numbers

Coatings – an attractive industry



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Coatings – an attractive industry with strong growth potential

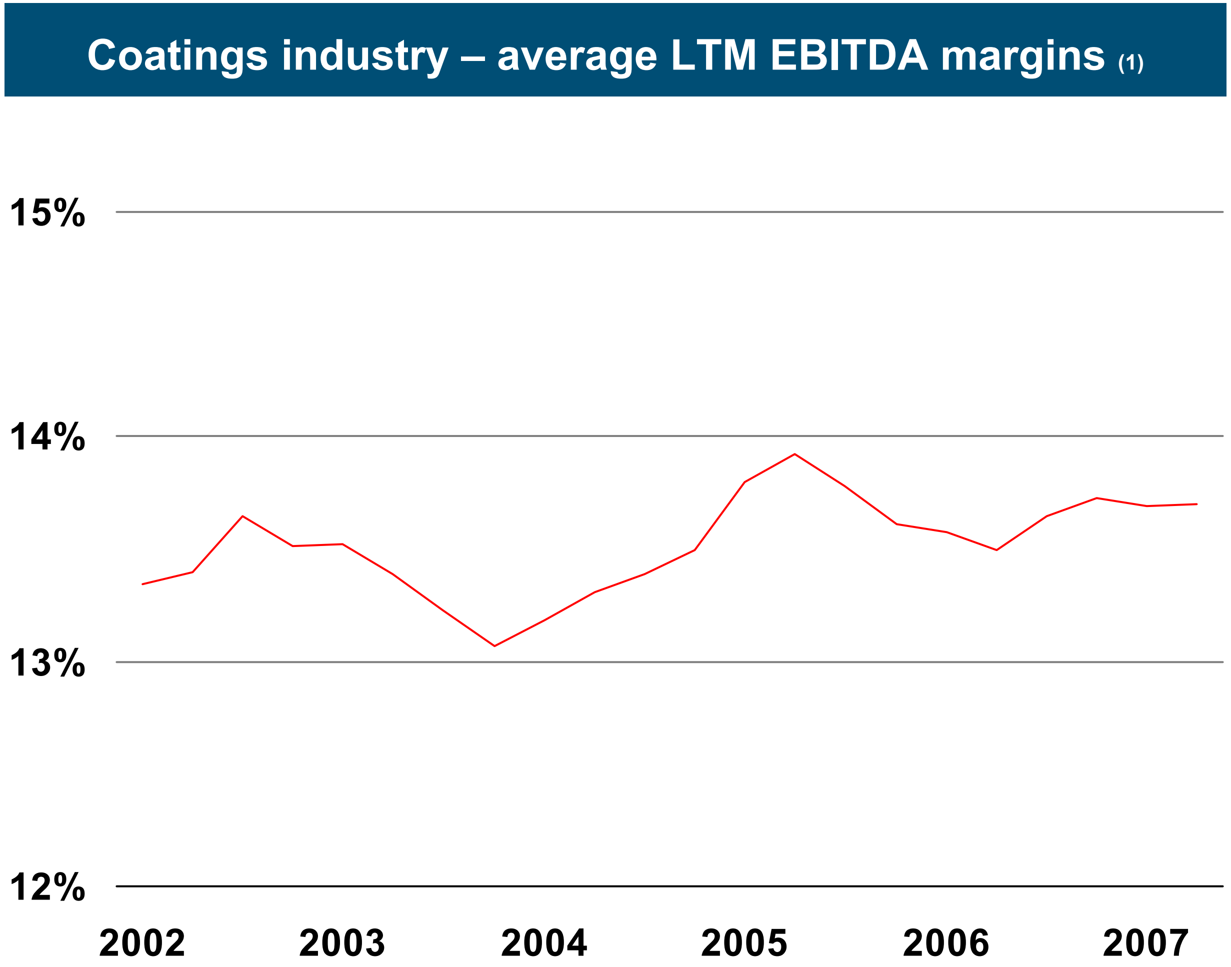
Attractive industry

- Strong and stable cash flow
- Low cyclicality
- Low capital intensity

Fragmented industry – clear signs of consolidation

High growth potential

Stable margins through the cycle



(1) Average LTM EBITDA Margins sourced from Capital IQ. Companies included: DuPont, Kansai Paint, PPG, RPM International, Sherwin Willliams and Valspar

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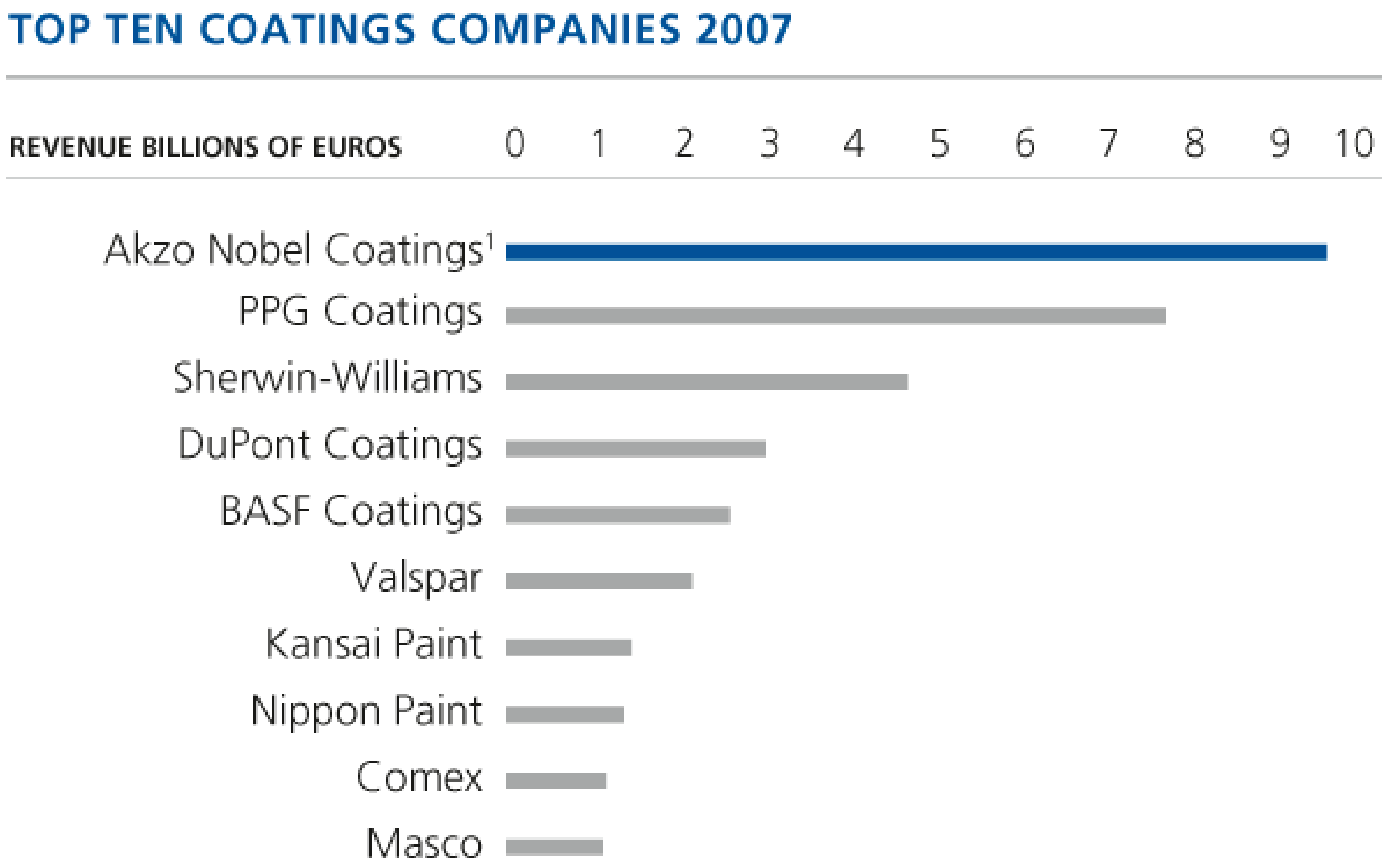
World leader in Coatings



[1] Including ICI Paints.

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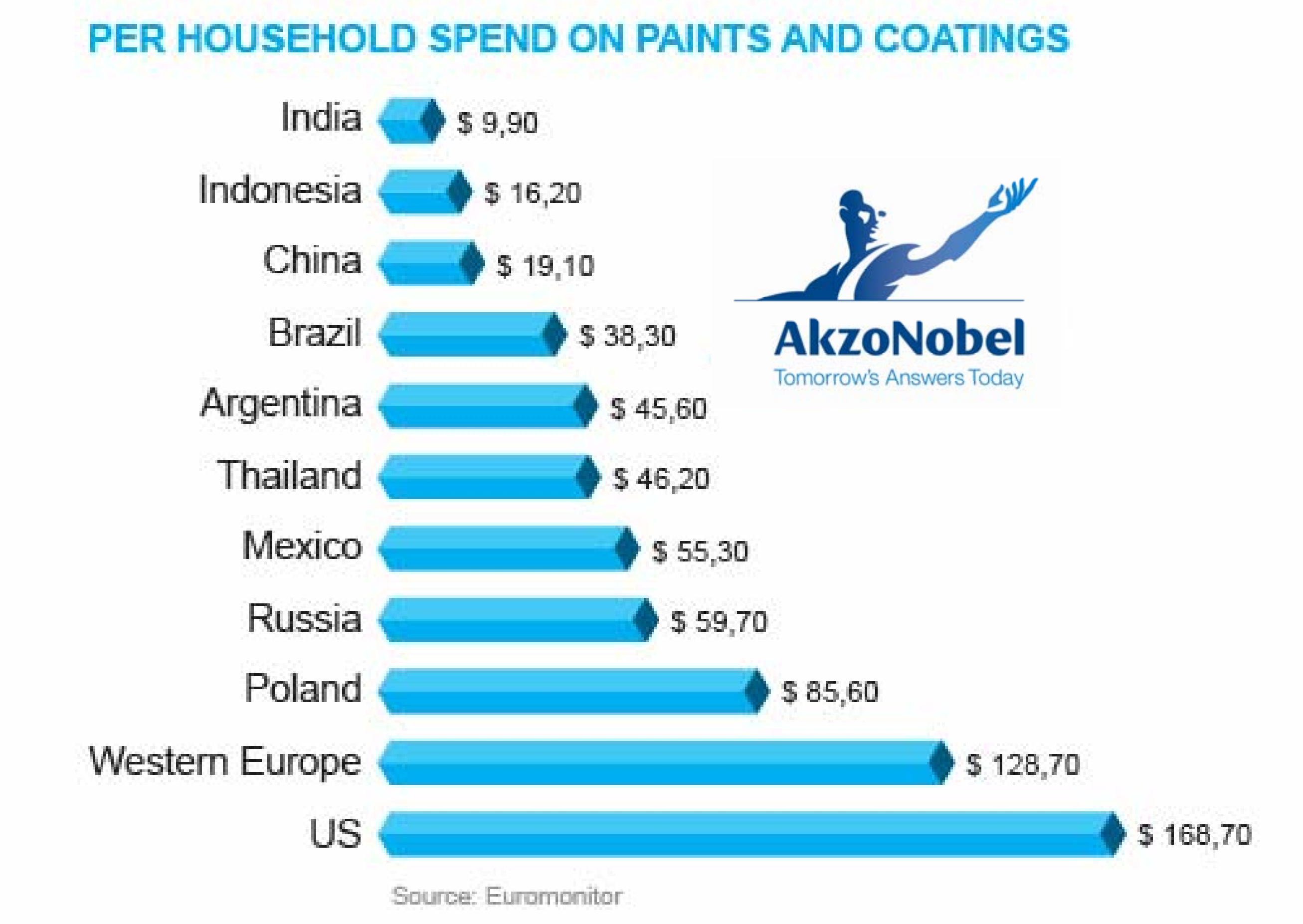
Strong growth potential

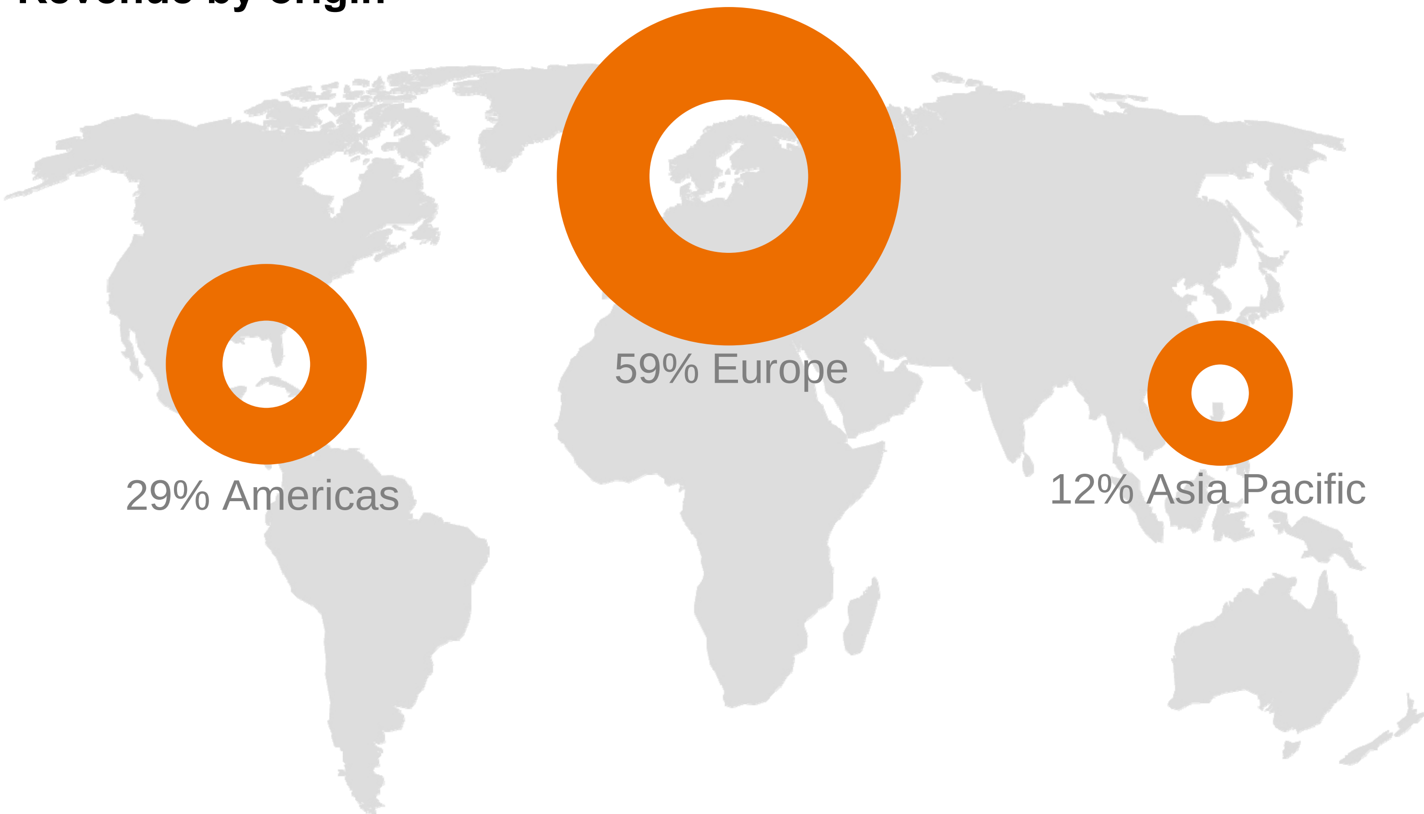


(1) Per annum

Decorative Paints

Decorative paints around the world

Revenue by origin



Pro forma 2007

Decorative Paints: geographical spread allows for stable margins

Underlying growth and acquisitions contributed 2 percent to revenue

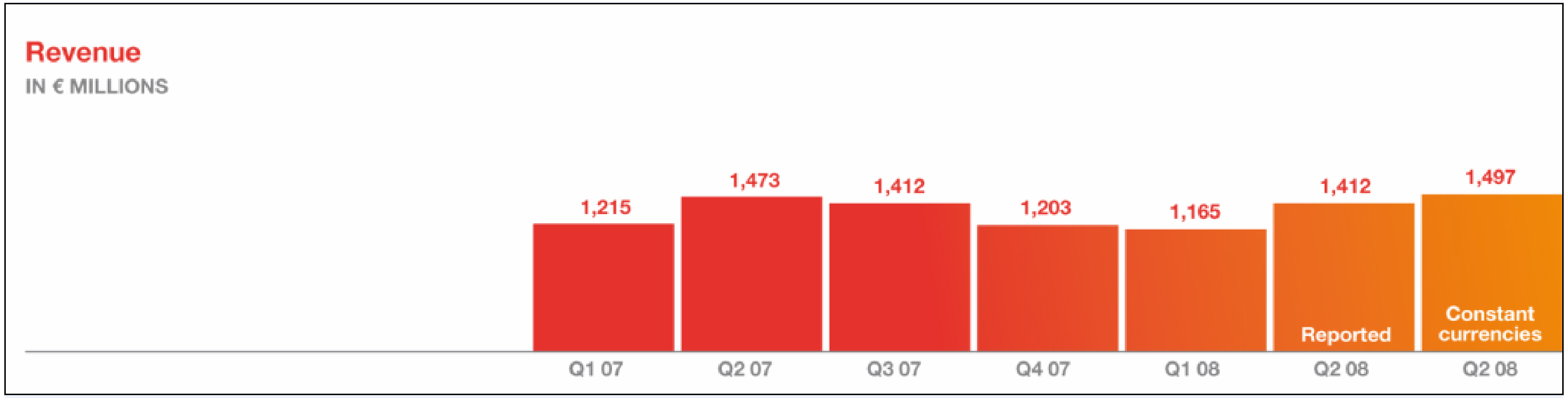
Continued double-digit autonomous growth in Asia and Latin America

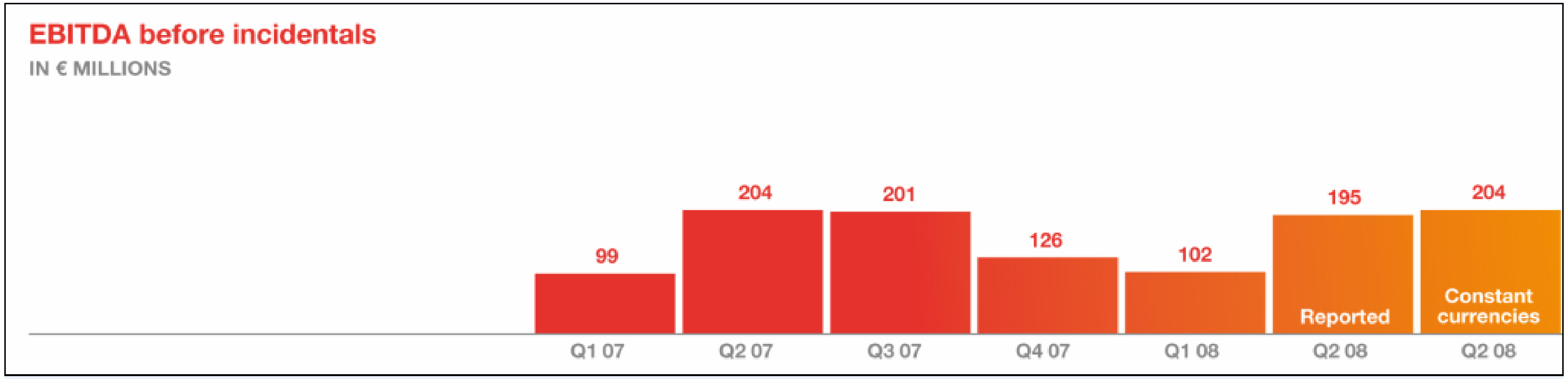
Revenue in Europe in constant currencies was ahead of 2007, US and UK revenue down in local currencies

Leading brands and market positions protect margins

Stable EBITDA margin

Decorative paints: stable performance in constant currencies





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Q2 Decorative paints

€ mln	2008	Δ%
Revenue reported	1,412	(4)
Revenue constant currencies	1,497	2
EBITDA reported	195	(4)
EBITDA constant currencies	204	–
Ratio, %	**2008**	**2007**
EBITDA margin reported, %	13.8	13.8
EBITDA margin constant currencies, %	13.6	13.8

Before incidentals; 2007 pro forma

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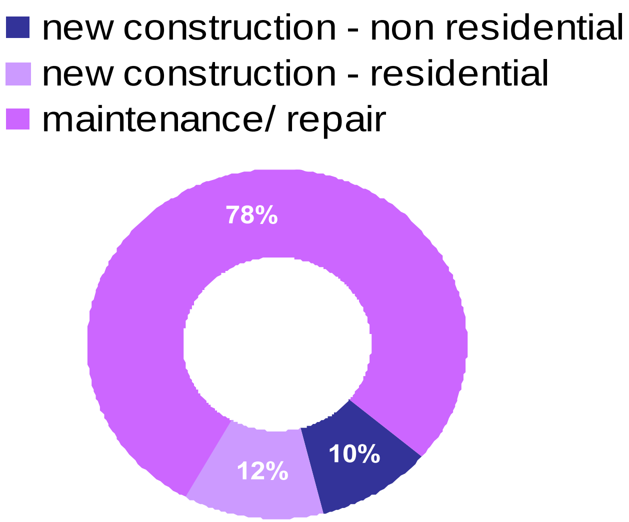
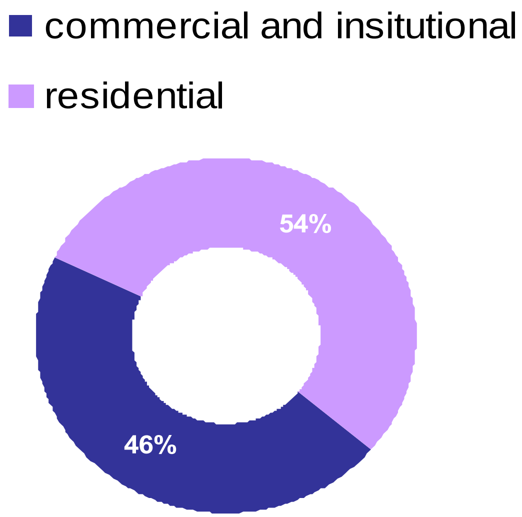
US decorative market

Largest (25%) and most attractive coatings market worldwide

Under pressure since mid-2006

New build estimated 22% of decorative market





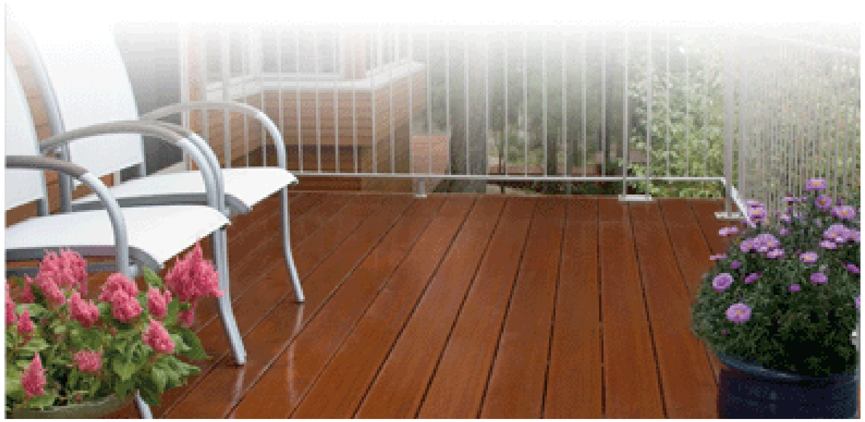
US Decorative paints at AkzoNobel

US Deco paints sales FY 08 estimated 6% of total company revenues

Management action – new US Decorative Paints strategy

Further restructuring, focus on selected end-user segments

Cost reduction and margin improvement while maintaining market share.



Performance Coatings

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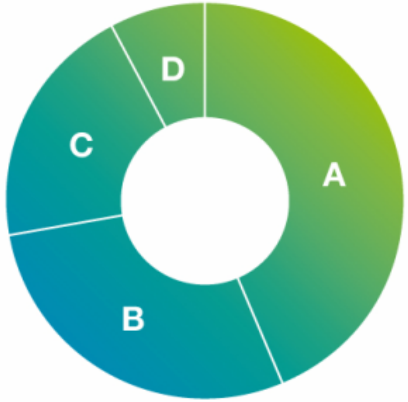
Performance Coatings revenue split

Q2 2008 revenue split

		€ million	%
A	Industrial Activities	516	44
B	Marine & Protective Coatings	346	29
C	Car Refinishes	233	20
D	Packaging Coatings	89	7
	Intragroup/Other	(9)	
		1,175	100



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Leading positions in Performance Coatings

Industrial Activities: wood, coil and plastic coatings

Marine & Protective Coatings: marine, protective, aerospace and yacht coatings. Leadership in innovation

Car Refinishes: technology driven

Packaging Coatings: attractive new business

Q2 Performance Coatings: EBITDA margin up at 13.7 percent

A strong quarter overall

Autonomous growth of 7 percent

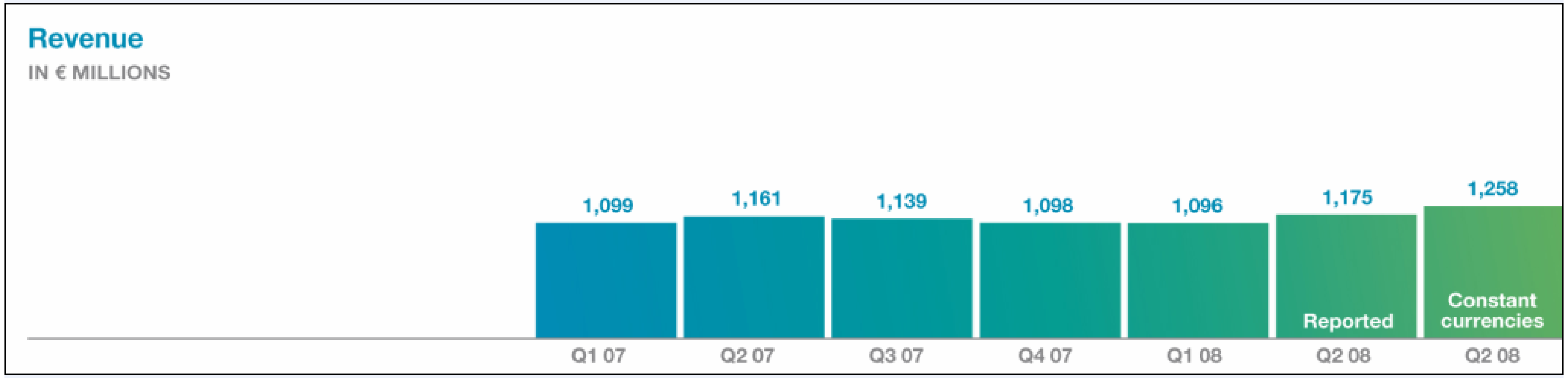
EBITDA margin increased to 13.7 percent

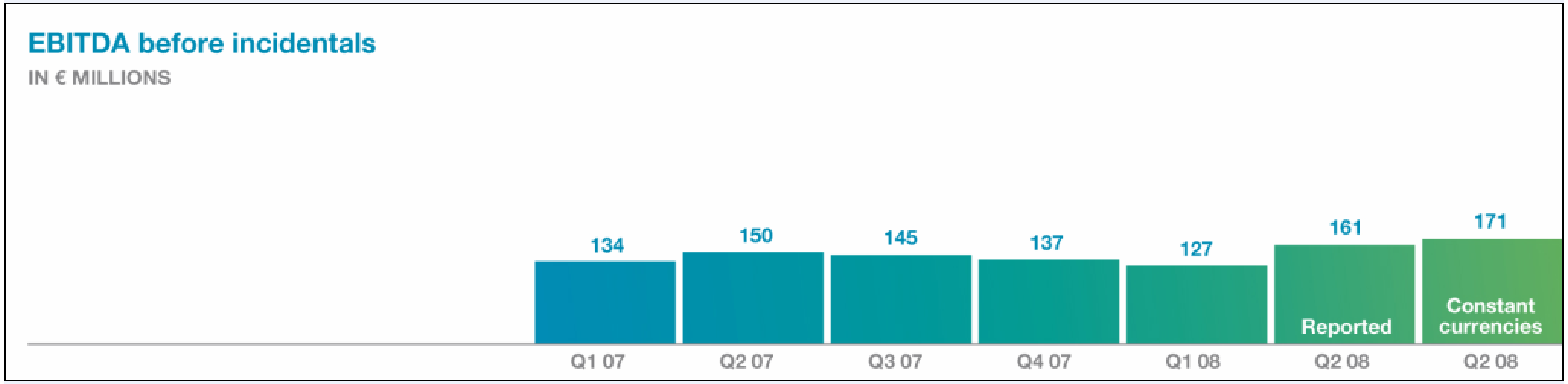
Excellent quarter for Marine & Protective Coatings

Solid results at Car Refinishes and Powder Coatings

Industrial Finishes continues to be affected by weak US market conditions

Performance Coatings: excellent result in constant currencies





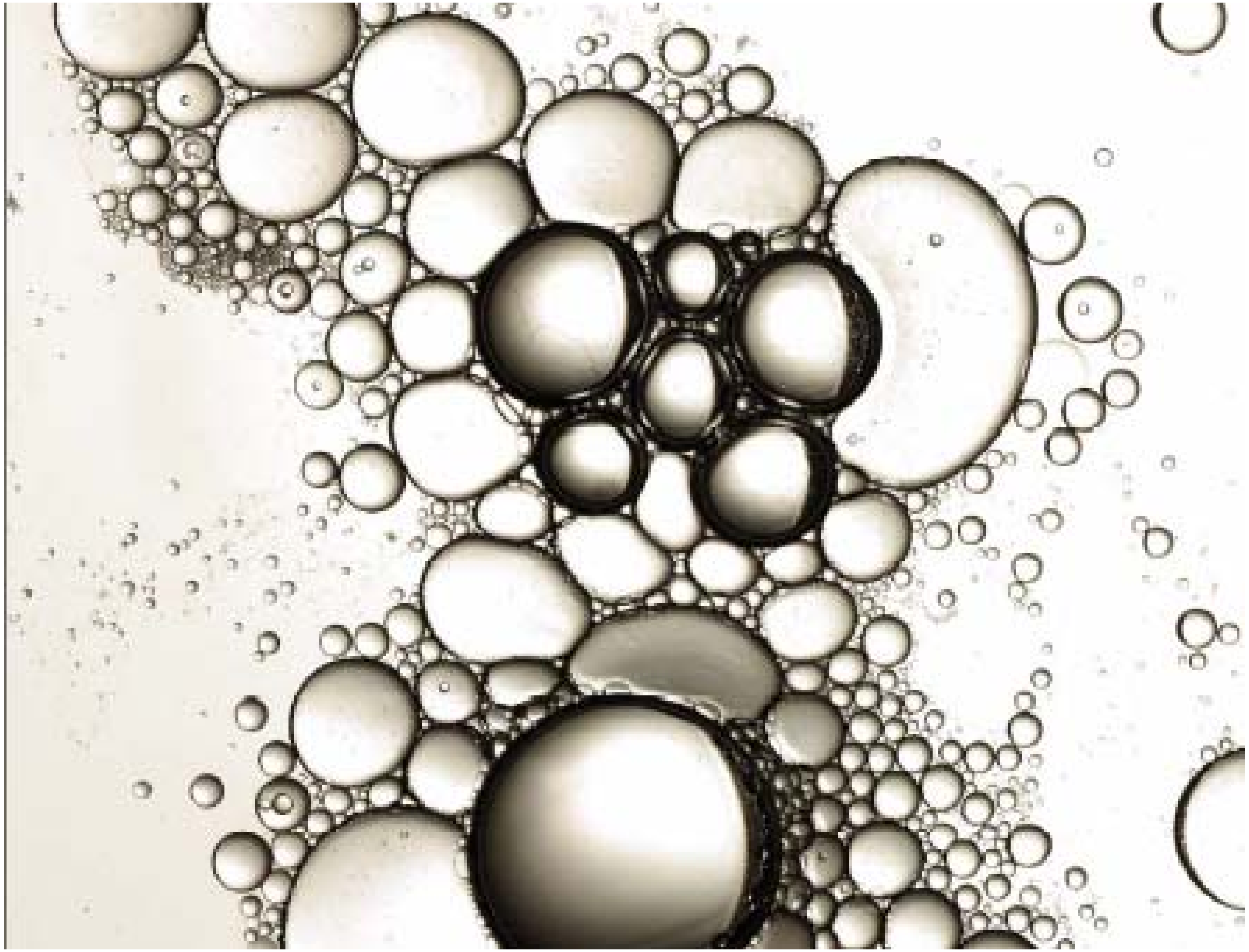
Q2 Performance Coatings

€ mln	2008	Δ%
Revenue reported	1,175	1
Revenue constant currencies	1,258	8
EBITDA reported	161	7
EBITDA constant currencies	171	14

Ratio, %	2008	2007
EBITDA margin reported, %	13.7	12.9
EBITDA margin constant currencies, %	13.6	12.9

Before incidentals; 2007 pro forma

Specialty Chemicals



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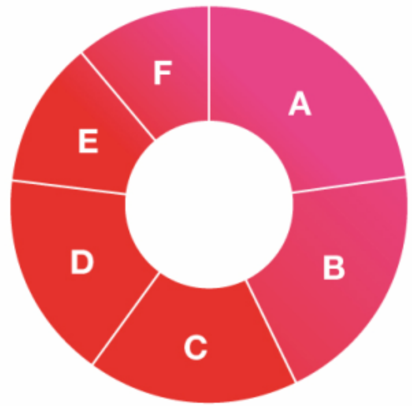
Specialty Chemicals revenue split

Q2 2008 revenue split

		€ million	%
A	Functional Chemicals	285	23
B	Pulp & Paper Chemicals	247	20
C	Base Chemicals	220	17
D	Surface Chemistry	211	17
F	Chemicals Pakistan	150	12
E	Polymer Chemicals	137	11
	Intragroup/Other	(31)	
		1,219	100



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Leading positions in specialty chemicals markets

Pulp & Paper - #1 worldwide in bleaching

Base Chemicals - #1 globally in MCA regional N/W Europe leadership in chlorine alkali business

Functional Chemicals - leading positions in 3 market segments

Surface chemicals - making good progress in turning around

Polymer Chemicals - #1 globally in organic peroxides and metal alkyls

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Q2 Specialty Chemicals: securing top-line growth

Stable performance

13 percent underlying growth driven by significant price increases (8 percent) and higher volumes (5 percent)

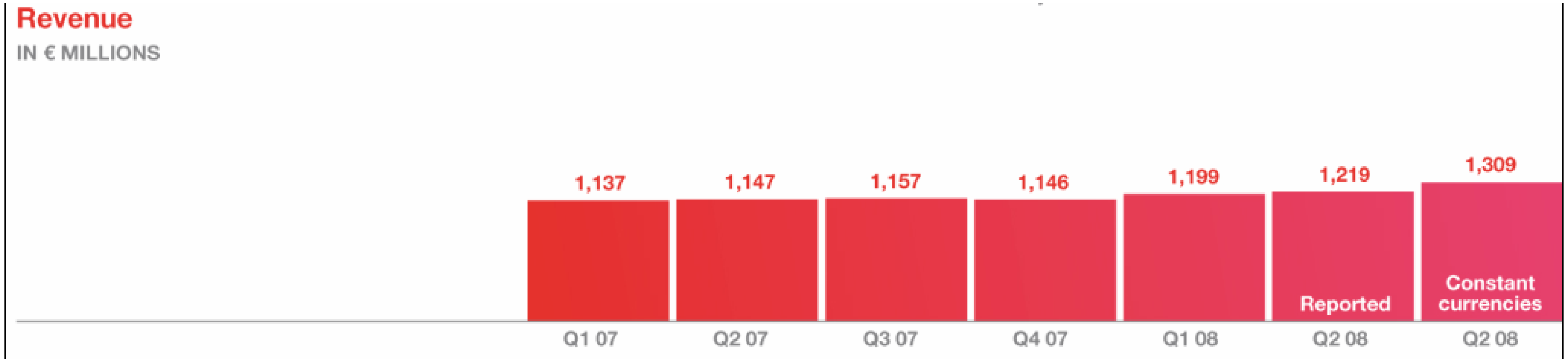
Higher raw materials and energy prices led to a lower EBITDA margin of 16 percent

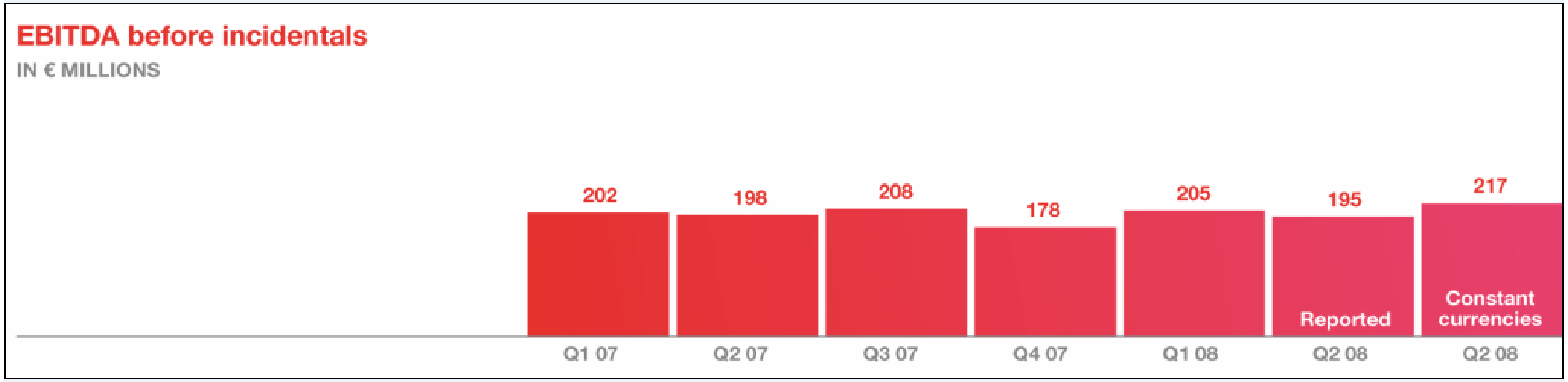
EBITDA, in constant currencies, up 10 percent

Strong results at Surface Chemistry and Chemicals Pakistan

Weaker demand experienced in Pulp & Paper Chemicals

Specialty Chemicals strong top-line growth in constant currencies





Q2 Specialty Chemicals

€ mln	2008	Δ%
Revenue reported	1,219	6
Revenue constant currencies	1,309	14
EBITDA reported	195	(2)
EBITDA constant currencies	217	10
Ratio, %	**2008**	**2007**
EBITDA margin reported, %	16.0	17.3
EBITDA margin constant currencies, %	16.6	17.3

Before incidentals; 2007 pro forma

Q2 financial performance

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Strong financial position

€ mln	June 30, 2008	Dec. 31, 2007
Equity	10,895	12,155
Net debt	1,056	2,832

Q2, € mln	2008	2007
Net cash from operating activities	(362)	(320)

2007 pro forma

Share buyback

€3 billion share buyback program

Open market program

Started mid March 2008, €1 billion completed end July

Further €1 billion expected to be repurchased by H2 2008

Program expected to be finalized by end Q1/ early Q2 2009

H1 operational performance

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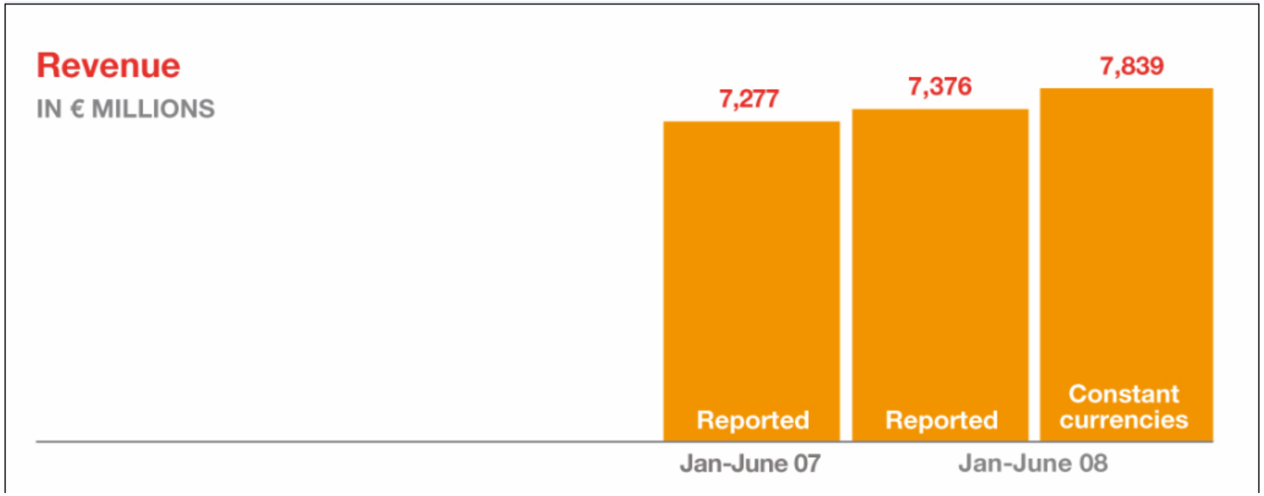
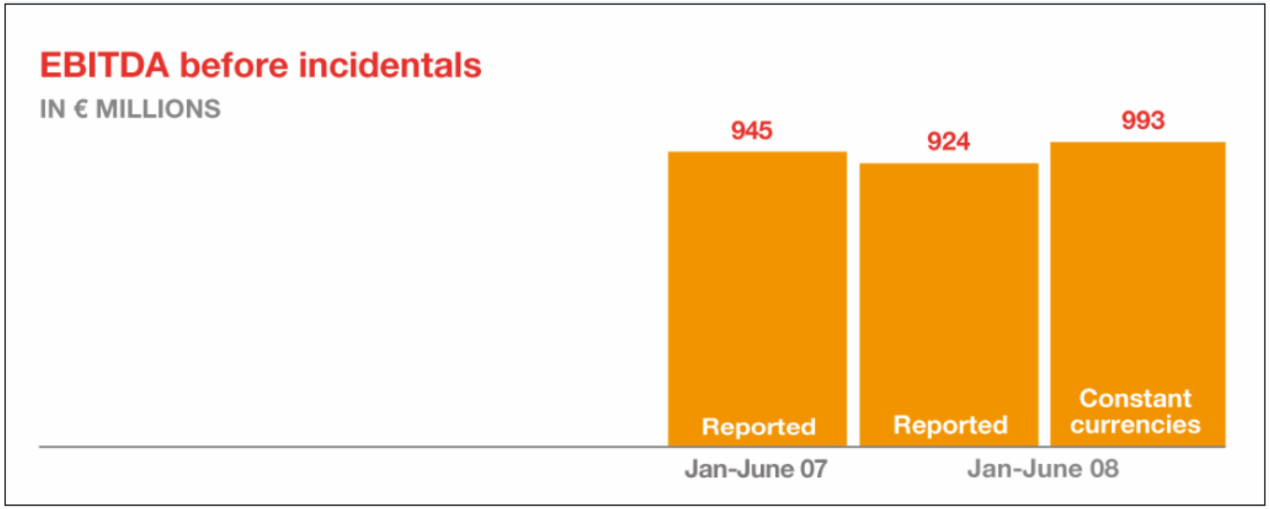
H1 operational performance

€ mln	2008	Δ%
Revenue reported	7,376	1
Revenue constant currencies	7,839	8
EBITDA reported	924	(2)
EBITDA constant currencies	993	5
Net income before fair value adjustments*	442	–
Ratio	**2008**	**2007**
EBITDA margin reported, %	12.5	13.0
EBITDA margin constant currencies, %	12.7	13.0
Earnings per share	1.42	1.36

**Continuing operations before incidentals; 2007 pro forma*

Resilient performance in H1





ICI integration update

ICI integration process ahead of schedule

Making good progress in capturing € 340 million synergies

Former ICI HQ closed

Integrated sales and export organizations

Re-negotiating purchasing and distribution contracts

Projects started on improving plant performance

Combined, standardized IT systems being implemented

Financial reporting and consolidation flows integrated

Management agenda 2008

Management agenda 2008

Make significant progress with integration ICI

Accelerate synergy realization where possible

Focus on management of margins

Complete required divestures

Roll out corporate brand program

Outlook

Medium term focus will continue to be on:

- making further significant progress with the integration of the retained former ICI businesses;
- outgrowing markets
- improving EBITDA margin to the upper half of our peer group

Latest forecast: reported 2008 EBITDA before incidentals not expected to match the 2007 pro-forma level of €1,870 million, however AkzoNobel will be close in constant currencies

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Questions & Answers

Q2 2008 Results

"Resilient performance"

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, changes in the final purchase price allocation for ICI, 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