



Press release

AkzoNobel builds Bermocoll cellulose derivatives plant in Ningbo

November 11, 2011, Ningbo, China – AkzoNobel is expanding its Ningbo multi-site in China with the commencement of constructing a new Bermocoll cellulose derivatives plant there. This new facility will fuel up the company's capabilities to meet the growing demand of the burgeoning functional chemicals market of China and the region.

Based on a natural polymer, AkzoNobel's Bermocoll cellulose derivatives are sourced from wood pulp or cotton linters, therefore they are environmental friendly products. The main application areas are water-based paints, building additives and pharma/healthcare. The new plant is scheduled to be operational in mid 2013.

"We inked the plan of this new plant just about seven months ago and now we are ready to kick off its constructions. This investment reflects our determination to keep pace with and capitalize on the high growth market opportunities," said Mr. Geert Hofman, SBU Director of AkzoNobel Performance Additives. "This investment is all about meeting rapidly increasing customer demand and solidifying the fundamentals of our market leadership."

Said Dr. LIN Liangqi, President of AkzoNobel China, "This new production plant will help to achieve our target of reaching RMB20 billion revenue in China by 2015. China, together with other high growth markets, is playing a pivotal role in supporting our company's 'Value and Values' strategy. We are most pleased to make another big stride towards this ambition."

The global consumption of cellulose derivatives for water-based paints and building and construction applications amounted to 200,000 metric tonnes in 2010. It is expected that its annual growth will be more than 5% through 2015.

Occupying a 50-hectare plot, AkzoNobel is already producing chelates, ethylene amines and ethylene oxide in its Ningbo multi-site. The products produced in Ningbo serve a number of markets including the building and construction, cleaning and detergents, food preservation, oil, personal care and pulp industries.

AkzoNobel currently employs around 6,700 people in China, with revenue for 2010 totaling €1.3 billion. The majority of revenue is generated from local demand. The company now has 29 manufacturing locations in China.

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AkzoNobel

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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.