



Press release

December 16, 2011

AkzoNobel Pulp and Paper Chemicals step into Russia

On December 15, the Akzo Nobel Chemicals International BV (associated company of AkzoNobel) signed a long-term joint venture agreement with Ilim Group, Russia's largest producer of forest products, regarding the sodium chlorate production plant located in Koryazhma. Located in the Arkhangelsk Oblast region of northwestern Russia, the plant will be majority-owned and operated by AkzoNobel.

The sodium chlorate production plant will be fully managed and operated by AkzoNobel's Pulp and Paper Chemicals business, Eka Chemicals, in cooperation with our on-site partner, Ilim Group.

"This fits very nicely into the AkzoNobel growth strategy for markets such as Russia," says Ruud Joosten, Managing Director of Eka Chemicals. "By entering into this venture, we look forward to further expanding our opportunities in a market with high future potential."

With AkzoNobel's chemical manufacturing and technology expertise, the joint venture will improve efficiency and boost output, allowing us to better deliver for our customers.

"We are delighted to become a local producer of bleaching chemicals in Russia, as this gives us an extended platform for future growth in both pulp and paper chemicals in the country," says Byron Smith, sBU Director of Eka Chemicals Europe.

Paul Herbert, CEO of Ilim Group stated: "We are glad that our cooperation with one of world's leading chemical producers is reaching truly new levels. Ilim is the leading pulp and paper company in Russia, so it was crucial for us to find a strategic partner who would be interested in the long-term development of our non-core asset. I am sure that our cooperation will be mutually beneficial."

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™.

Eka Chemicals, with 2,550 employees in 28 countries 2010, is a business unit within AkzoNobel. Turnover 2010 amounted to 1044 mEUR. Eka Chemicals is a leading supplier of bleaching chemicals, paper chemicals and systems to the pulp and paper industry throughout the world, and supplies certain special chemicals to the pharmaceuticals industry, water treatment, the electronics industry etc.

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.