Investor Update
Q3 2015 results

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October 22, 2015

AkzoNobel

Agenda

Highlights

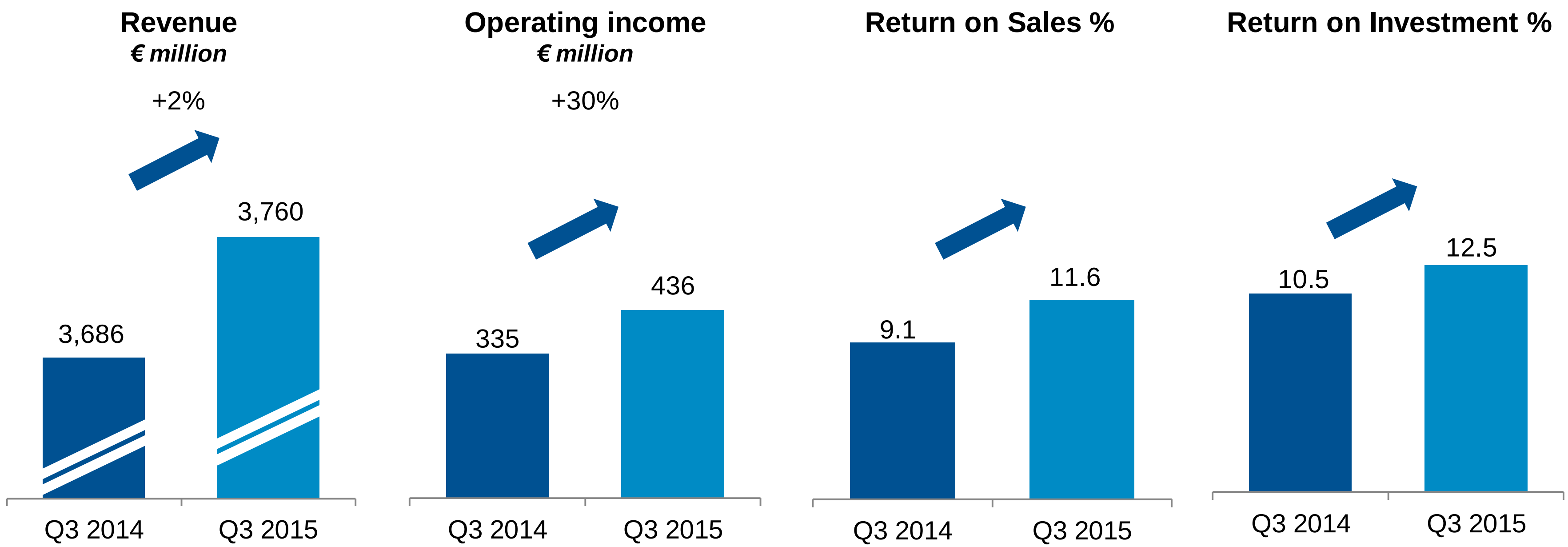
Operational review

Financial review

Conclusion

Questions

Q3 2015;
Another quarter of improved performance



- Net income attributable to shareholders up 39 percent (€285 million); adjusted EPS up 35 percent (€1.24)
- Net cash inflow from operating activities €583 million (2014: €489 million)
- Interim dividend up 6 percent to €0.35 per share (2014: €0.33)

Buildings and Infrastructure

~42% of revenues

New Build Projects
Maintenance, Renovation and Repair
Building Products and Components

Transportation

~16% of revenues

Automotive OEM, Parts and Assembly
Automotive Repair
Marine and Air Transport

Consumer Goods

~17% of revenues

Consumer Durables
Consumer Packaged Goods

Industrial

~25% of revenues

Natural Resource and Energy Industries
Process Industries

Mature markets remained stable, while Brazil, Russia and China contract further

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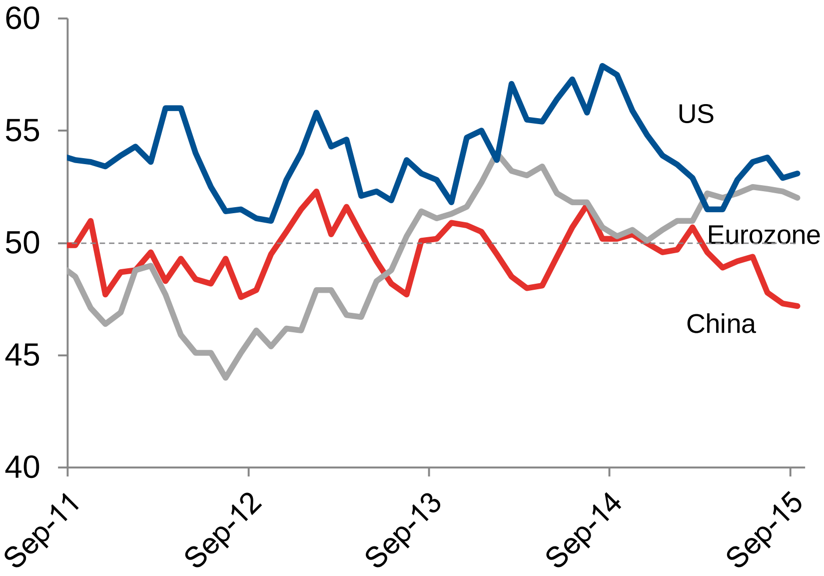
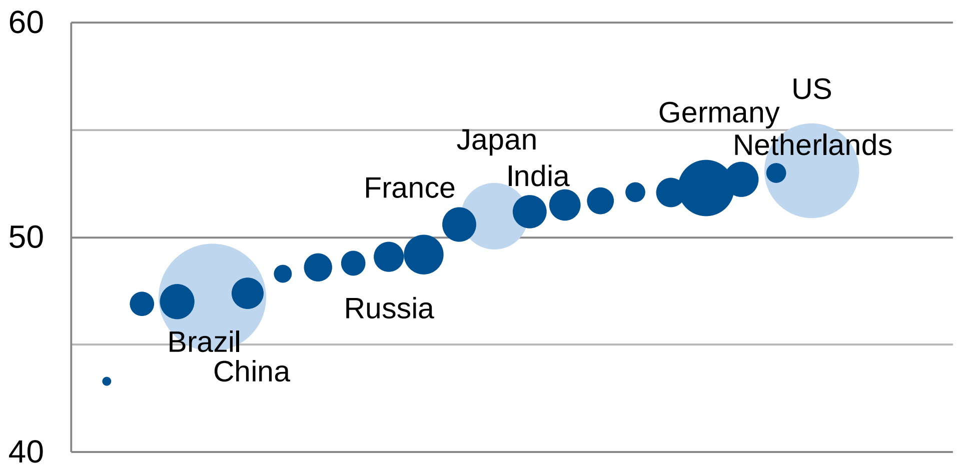
Purchase Managers' Index (PMI)*
Figures below 50 indicate pessimism



Purchase Managers' Index (PMI)*
September 2015



*Bubble size=manufacturing output, 2015e (US$bn: 2010 prices)
Sources: Oxford Economics, HSBC (China), Markit (US)

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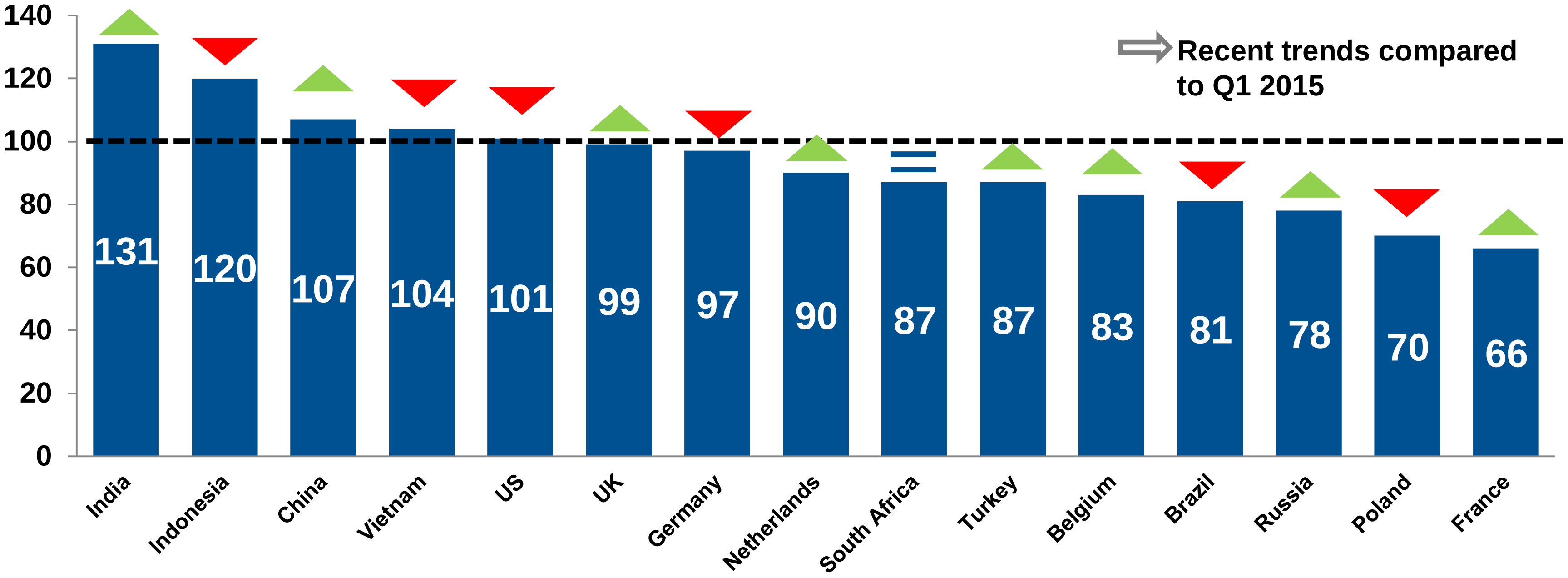
Consumer confidence remains low, although trends differ per country

Consumer confidence, Q2 2015
Figures below 100 indicate some degree of pessimism



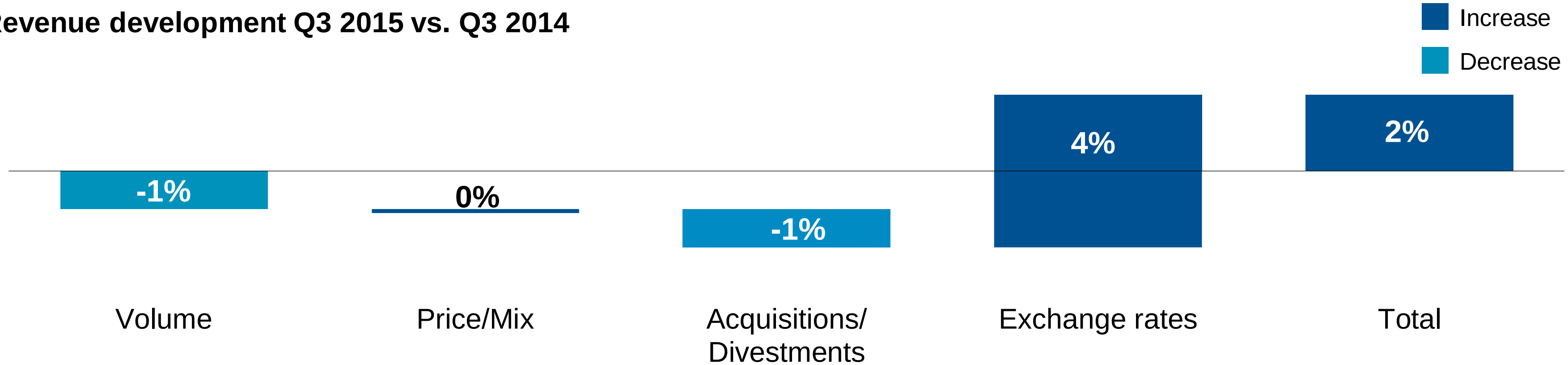
Source: Nielsen

Financial performance improved again during Q3 2015

€ million	Q3 2014	Q3 2015	*Δ%*
Revenue	3,686	3,760	*2*
Operating income	335	436	*30*

Ratio, %	Q3 2014	Q3 2015
Return on sales	**9.1**	**11.6**
Return on sales (excluding restructuring costs)	10.6	12.0
Moving average return on investment	10.5	12.5

Revenue development Q3 2015 vs. Q3 2014



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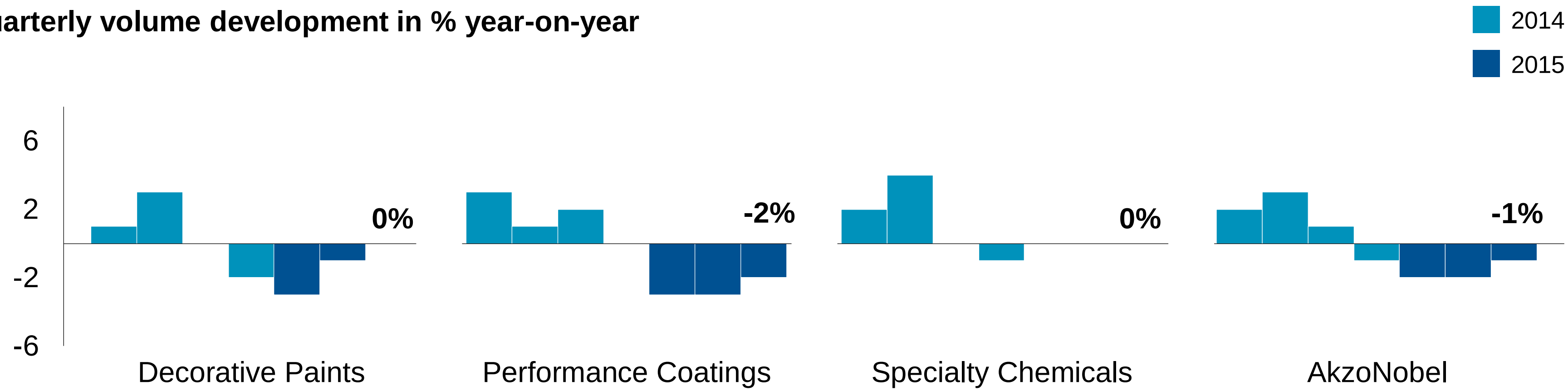
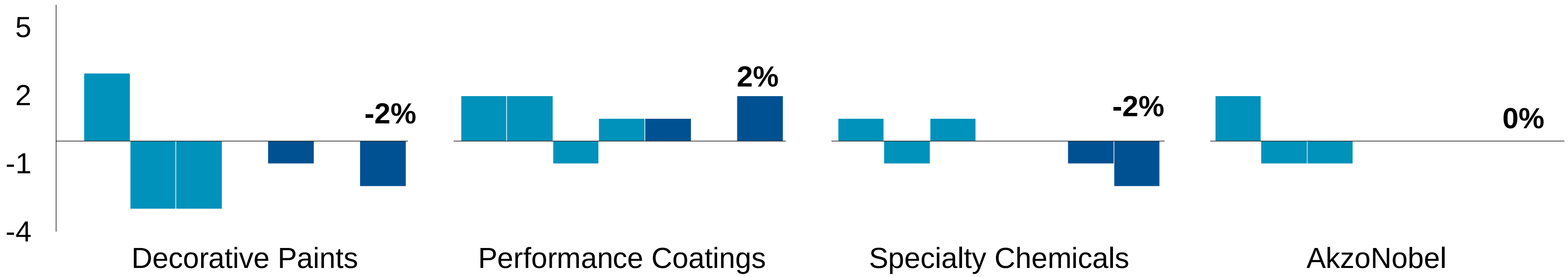
All Business Areas impacted by challenging market conditions

Quarterly volume development in % year-on-year



Quarterly price/mix development in % year-on-year



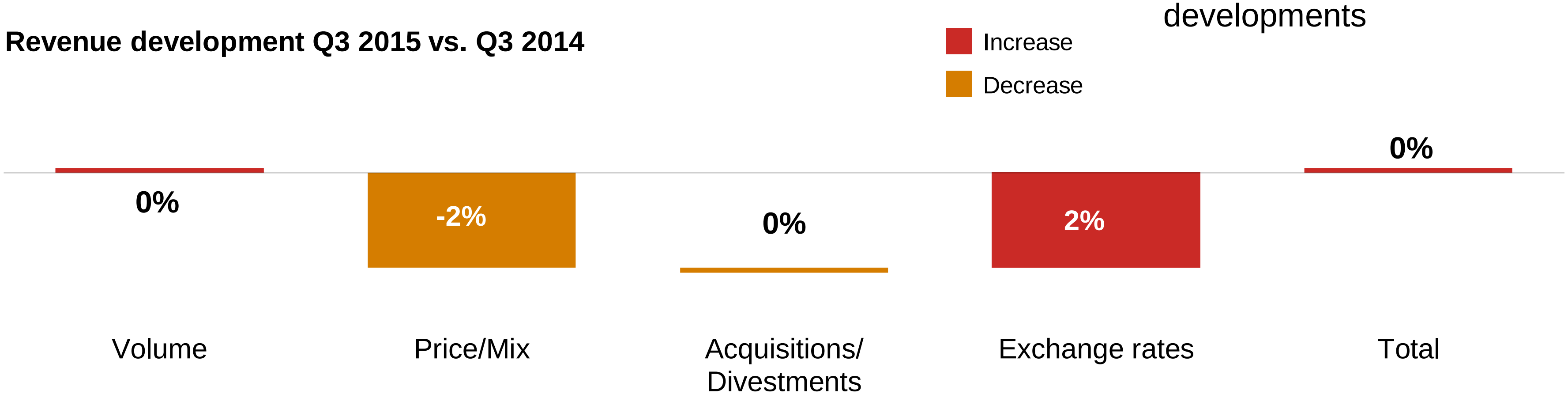
Decorative Paints
Q3 2015 highlights

€ million	Q3 2014	Q3 2015	*Δ%*
Revenue	1,050	1,052	-
Operating income	113	121	7

Ratio, %	Q3 2014	Q3 2015
Return on sales	**10.8**	**11.5**
Return on sales (excl. restr. costs)	10.9	12.0

- Revenues flat due to favorable currency effects offset by adverse price/mix
- Volumes up in Asia; down in Europe and Latin America
- Operating income improved due to the new operating model, lower costs and currency developments

Revenue development Q3 2015 vs. Q3 2014



Performance Coatings
Q3 2015 highlights

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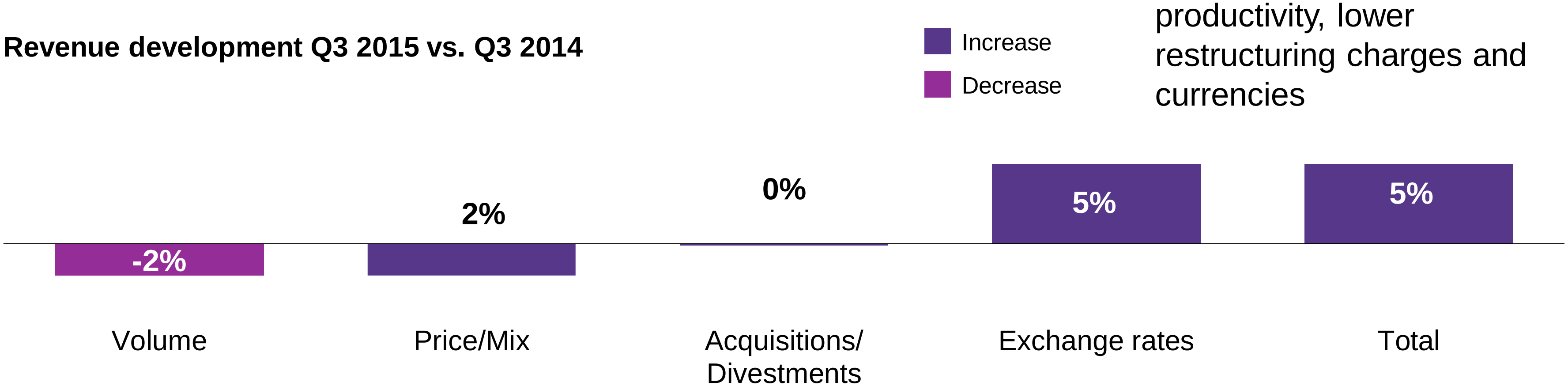
€ million	Q3 2014	Q3 2015	*Δ%*
Revenue	1,420	1,493	*5*
Operating income	135	210	*56*

Ratio, %	Q3 2014	Q3 2015
Return on sales	**9.5**	**14.1**
Return on sales (excl. restr. costs)	12.4	14.5

- Revenue up as favorable price/mix and currencies offset lower volumes
- Volumes declined due to lower demand from the oil and gas industry and further weakening in some markets
- Operating income up driven by cost reductions, lower costs, manufacturing productivity, lower restructuring charges and currencies

Revenue development Q3 2015 vs. Q3 2014



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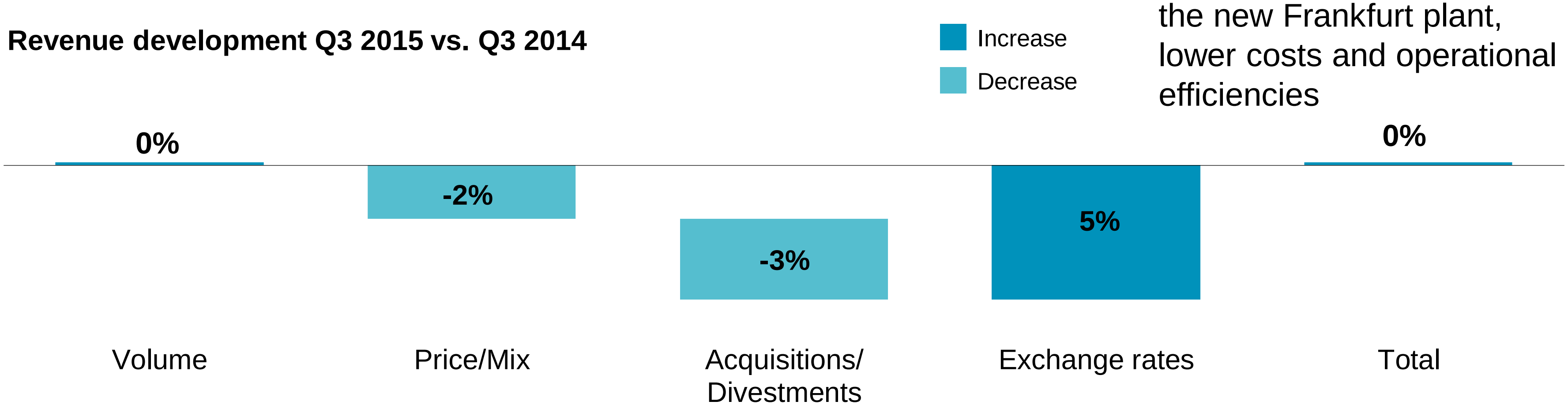
Specialty Chemicals
Q3 2015 highlights

€ million	Q3 2014	Q3 2015	*Δ%*
Revenue	1,239	1,235	-
Operating income	156	163	*4*

Ratio, %	Q3 2014	Q3 2015
Return on sales	**12.6**	**13.2**
Return on sales (excl. restr. costs)	13.1	13.3

Revenue development Q3 2015 vs. Q3 2014



- Revenue flat due to favorable currency offsetting adverse price/mix and divestments
- Volumes flat as growth in some segments compensated for lower demand from oil and gas
- Operating income up due to increased production at the new Frankfurt plant, lower costs and operational efficiencies

Some business highlights from Q3 2015

Decorative Paints

Going for **gold**
as the 2016
Color of the Year

Color expertise

A striking shade of gold is the Color of the Year for 2016. An appropriate color for an Olympic year, it was chosen by a specially invited panel of independent design and color experts to spearhead the company's ColorFuturesTM 2016 color trend guide.

Performance Coatings

Vietnam investment
will **double** capacity
and boost workforce

Organic growth

We've announced plans to double capacity at our powder coatings facility in Dong Nai and open a new office for Performance Coatings in Ho Chi Minh City. Due to be ready in November, the new production line will be supported by a 20 percent increase in workforce.

Specialty Chemicals

Reduction of at least
100,000 tons
in CO2 emissions

Doing more with less

As part of a new partnership with Eneco and Groningen Seaports, we're aiming to reduce our CO_2 emissions by more than 100,000 tons a year. The agreement includes purchasing sustainably generated steam for the next 12 years.

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Net income increased due to lower costs and currencies

€ million	Q3 2014	Q3 2015	*Δ%*
EBITDA	**487**	**590**	***+21%***
Depreciation and amortization	(152)	(154)	
Operating income before incidentals	**335**	**436**	***+30%***
Incidentals	-	-	
Operating income	**335**	**436**	***+30%***
Net financing expenses	(38)	(28)	
Minorities and associates	(10)	(10)	
Income tax	(84)	(114)	
Discontinued operations	2	1	
Net income attributable to shareholders	**205**	**285**	***+39%***

Ratio	Q3 2014	Q3 2015
Earnings per share from total operations (in €)	0.84	1.15
Adjusted earnings per share (in €)	0.92	1.24

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On track to become free cash flow positive after dividends

€ million	Q3 2014	Q3 2015	*Δ%*
Profit for the period from continuing operations	219	300	
Amortization and depreciation	152	154	
Change working capital	137	166	
Change provisions	(48)	(74)	
Other changes	29	37	
Net cash from operating activities	**489**	**583**	***+19%***
Capital expenditures	(137)	(163)	
Acquisitions and divestments net of cash acquired	6	10	
Changes from borrowings	(277)	(267)	
Dividends	(19)	(10)	
Other changes	2	10	
Cash flows before discontinued operations	**64**	**163**	
Cash flows from discontinued operations	(11)	-	
Net change in cash and cash equivalents of total operations	**53**	**163**	

Net debt	**1,801**	**1,727**	***-4%***

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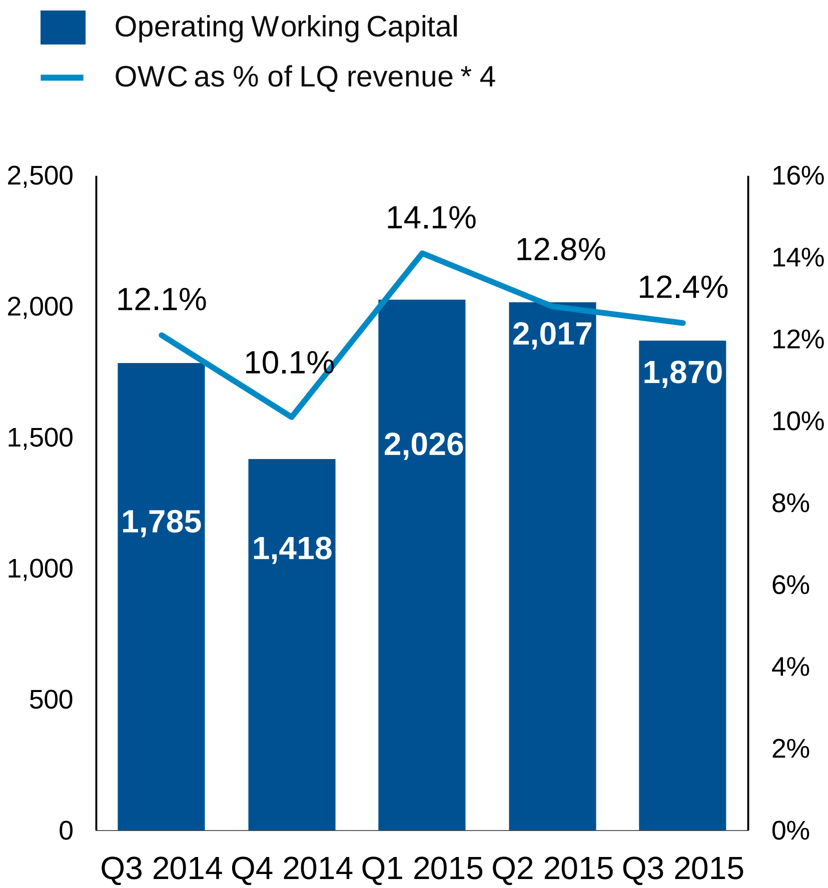
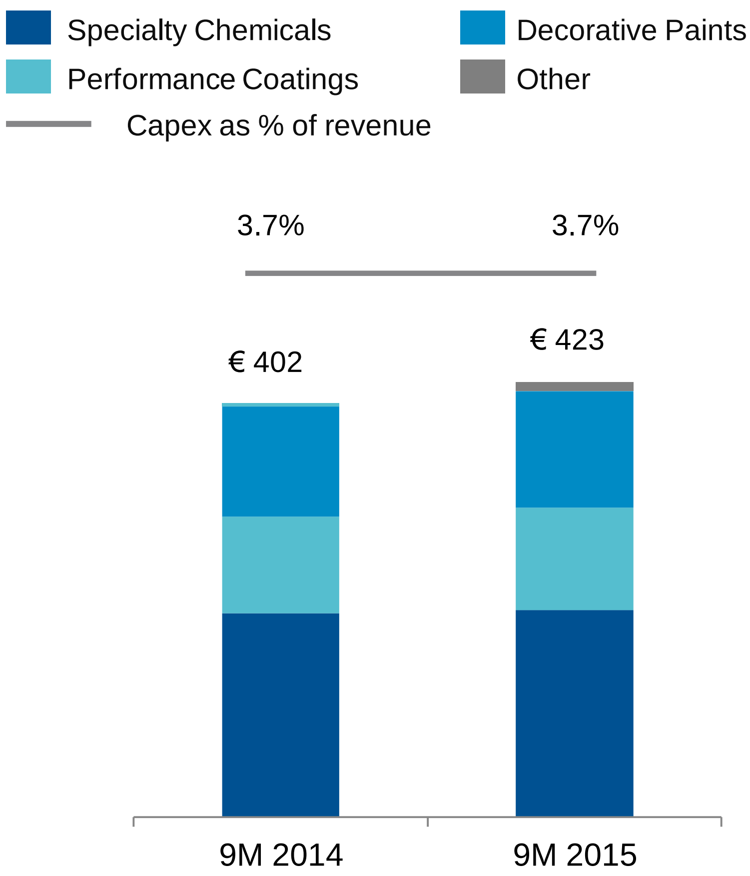
Cash management discipline continues

Operating Working Capital
€ million



Capital Expenditures
€ million



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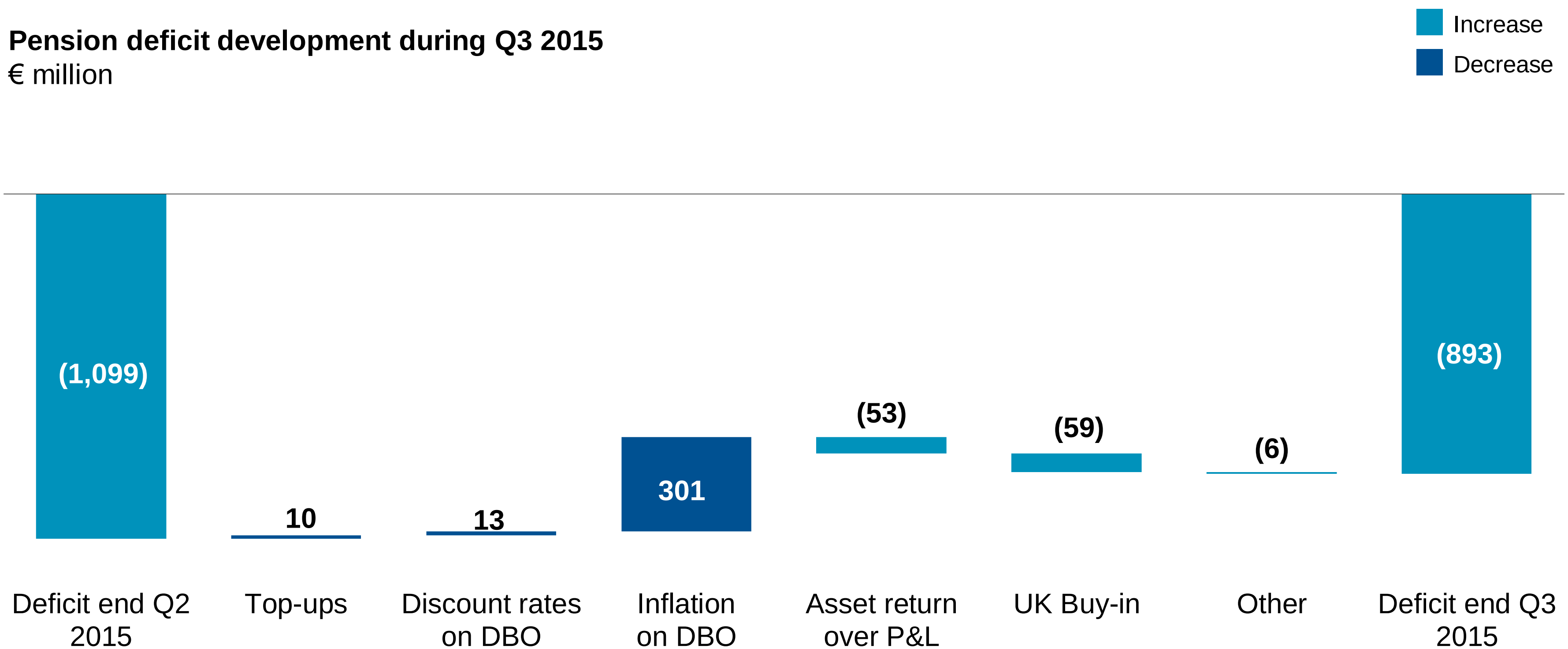
IAS19 pension deficit down to €0.9 billion due to lower inflation

Key pension assumptions metrics	Q3 2015	Q2 2015
Discount rate	3.5%	3.5%
Inflation rate	2.9%	3.1%

Pension deficit development during Q3 2015
€ million



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Conclusion

- Strong performance improvement in all businesses
- Interim dividend up 6 percent to €0.35 per share (2014: €0.33)
- Number one ranking on the influential Dow Jones Sustainability Index (DJSI), in the Materials industry group, for the fourth consecutive year
- Market outlook is unchanged: positive trends in North America, no improvement for Europe overall as well as a challenging environment in some countries, including Russia, Brazil and China. Based on current rates, the positive impact of foreign currency is expected to moderate in the 4th quarter
- The significant actions taken in recent years form a sound basis for further improved performance
- On track to deliver the 2015 targets

Upcoming events:

Capital Markets Day, October 27, 2015
Q4 and Full Year Results, February 10, 2016

Vision:
Leading market positions delivering leading performance

Questions

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Safe Harbor Statement

This presentation 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.

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Appendices

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Restructuring charges by quarter

€ million	Q1 2014	Q2 2014	Q3 2014	Q4 2014	FY 2014	Q1 2015	Q2 2015	Q3 2015
Decorative Paints	22	23	1	34	80	5	11	5
Performance Coatings	15	17	41	75	148	6	10	7
Specialty Chemicals	7	2	6	2	17	0	3	1
Other	0	3	7	-2	8	0	0	2
Total	**44**	**45**	**55**	**109**	**253**	**11**	**24**	**15**

Total restructuring charges in the second quarter 2015 amounted to €24 million (2014: €45 million), excluding restructuring charges of €24 million linked to the divestment of the Paper Chemicals business included in incidental items