

Launch new Akzo Nobel business unit signals increasing focus on powder coatings

Arnhem, the Netherlands, June 26, 2001 – Akzo Nobel has announced, the creation of a new business unit. The launch of the Powder Coatings business unit underlines the Company's commitment to meeting the specific needs of powder coatings users worldwide.

Following Akzo Nobel's acquisition of Courtaulds in July 1998, and after an intensive period of integration and rationalization, a stronger and fully integrated world leading unit has emerged. Operating under a single business brand – Interpon® Powder Coatings – the new global business is now better positioned to serve the needs of its diverse range of customers across the world.

Akzo Nobel markets two global powder product brands - Interpon for the architectural, automotive, appliance and industrial finishing markets, and Resicoat® for the functional markets of electrical insulation, valves and pipe fittings and steel rebar. A coherent manufacturing and commercial strategy has been developed which focuses on the more effective use of powder sites across the world to improve flexibility and response time to the benefit of our customers.

Rudy van der Meer, Akzo Nobel's Board Member responsible for Coatings explained: "By launching Powder Coatings as a separate, focused worldwide business unit, we are underlining the importance of this fast growing coatings sector. Our market leadership and global spread will provide a solid platform for continuing growth. We are an ideal partner for any international customer who uses powder coatings and requires consistency in product and service across its international operations."

Bill McPherson, General Manager of the newly-formed Powder Coatings business unit explained further: "Powder Coatings are increasingly seen as the preferred choice of finishers operating in a world which is strongly focused on environmental issues. The environmental benefit, plus their well-reputed toughness and durability, will continue to drive further growth in powder usage as our industry takes on and solves the technology challenges presented by new areas of application."

"Patented color mixing technology has revolutionized service levels in small-batch, custom-matched powder orders. The rapid-response service based on this technology, 'Interpon Express', is being rolled out this year right across the world, following successful implementations in the UK, France, Germany, Sweden and China. Customers of Interpon Express can now buy any quantity, right down to a single box, of their special custom-matched color and have it delivered in a far quicker time than was ever possible with traditional powder process technology."

Note for the editor

Akzo Nobel, based in the Netherlands, serves customers throughout the world with healthcare products, coatings and chemicals. Consolidated sales for 2000 totaled EUR 14 billion (USD 13 billion, GBP 8.5 billion). The Company currently employs 68,800 people in more than 75 countries. Financial results for the second quarter of 2001 will be published on July 25, 2001.

Akzo Nobel is the largest global manufacturer of powder coatings and is world leader in powder technology, with worldwide patents held in key areas of powder product and process technology. One example is the unique "Interpon Extra" programme, which uses patented Particle Management Technology to cut applied-costs and deliver significant quality benefits to powder users across a wide range of end uses world-wide.

Internet: <http://www.akzonobel.com>
 <http://www.interpon.com>
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