

## **Akzo Nobel opens second China Coatings site within a year**

**Arnhem, the Netherlands, December 10, 2001 – Akzo Nobel has strengthened its position in the Chinese Coatings market with the opening of a wood coatings plant in Dongguan City. The new site is part of the EUR 25 million investment that Akzo Nobel Coatings has made in China in the last year and will produce coatings for the rapidly growing furniture industry in China.**

“It is one of Akzo Nobel’s strategic goals to increase our market share in the Asia Pacific region, and China is a key market in this area,” said Rudy van der Meer, member of Akzo Nobel’s Board of Management responsible for Coatings. “The Dongguan City site, together with the Suzhou plant which we opened in September, will help facilitate these goals by serving as platforms for further expansion.

“The investment in Dongguan City will also solidify and further develop Coatings’ already strong position in the Chinese wood coatings market,” Van der Meer added. “We have a long term commitment to the Chinese furniture producing industry, which is one of the biggest in the world.”

In China, Akzo Nobel currently has 15 operations, including 10 production facilities, representing its three areas of business: Pharma, Coatings and Chemicals. One major operation is a 50-50 joint venture; all other operations are majority or wholly-owned. The recently opened Suzhou site and the Dongguan City plant are 100% Akzo Nobel facilities. The monochloroacetic acid plant under construction in Taixing, is also wholly owned. Akzo Nobel has over 1,500 employees in China and has seen its sales quadruple to EUR 300 million in the last five years, stemming from organic growth and acquisitions.

Dongguan City is situated in Southern China between Guangzhou and Shenzhen. The 33,000 m<sup>2</sup> facility will start production in December 2001 and will employ over 100 people.

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### **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 67,400 people in 80 countries. Financial results for the full year 2001 will be published on February 22, 2002.

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