

## **Akzo Nobel to expand powder coatings activities in Egypt**

**Arnhem, The Netherlands, October 20, 2005 – Akzo Nobel has acquired a controlling 60 percent share in Egypt's leading powder coatings manufacturer, Coatech For Chemical Industries SAE. The new joint venture company will be renamed Akzo Nobel Powder Coatings SAE and will operate from Coatech's existing facilities near Cairo.**

Employing 130 people, Coatech was established in 1992 and is the principal supplier in Egypt's powder coatings market.

"As the world's largest coatings manufacturer we are constantly striving to strengthen our leading status in the industry and expand our global reach," said Akzo Nobel CEO Hans Wijers, who is also the company's Board Member responsible for Coatings.

"This acquisition is fully in line with our strategic growth plans and will result in an expansion of our powder coatings activities in the Middle East, which is an important region in terms of powder coatings consumption. Acquiring access to the Egypt market will also provide us with a supply position from which we can further develop the surrounding markets."

Added Rob Molenaar, General Manager of Akzo Nobel's Powder Coatings business unit: "This joint venture gives us the sort of local presence in the Middle East which has so far been lacking in our worldwide activities. The combination of our cutting-edge technology and extensive experience in powder coatings, together with Coatech's established reputation for excellence in quality and service, creates a formidable partnership and one which we are certain will benefit customers throughout the region."

Hanni Radwan – who established Coatech with Dr Mohamed Radwan – will be General Manager of the new joint venture. "Egypt is one of the largest powder coatings markets in the Middle East and in recent years, annual growth in powder consumption has been around ten percent," he said. "The most important end-user sectors are the domestic appliance and air conditioner markets, with demand for architectural metal finishing also starting to increase significantly."

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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 revenues for 2004 totaled EUR 12.7 billion. The Company currently employs some 62,000 people in more than 80 countries. The financial results for 2005 will be published on February 7, 2006.

Internet: [www.akzonobel.com](http://www.akzonobel.com)

**Not for publication – for more information**

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