

Akzo Nobel planning major coatings expansion in Spain

Arnhem, the Netherlands, March 3, 2006 — Akzo Nobel has agreed to sell its Decorative Coatings site near Barcelona in Spain as part of an expansion of its business activities on the Iberian Peninsula which will include the construction of a brand new, purpose-built facility.

The land and buildings at the Sant Adrià de Besós plant have been sold to real estate project development company Urbis. Financial details were not disclosed. However, Akzo Nobel will continue to make use of the site for up to four years from date of sale, allowing time for the new facility to be constructed and the activities to be transferred.

“Akzo Nobel is committed to growing its position in the Spanish decorative coatings market, which is one of the largest in Europe,” explained CEO Hans Wijers, who is also the Board member responsible for Coatings. “Investing in a dedicated new site in the greater Barcelona area will enable us to accelerate our expansion plans for the region and exploit the growth potential which the Spanish market so clearly offers.”

The existing site produces and markets the company's Procolor®, Sikkens® and Bruguer® brands, with almost all of the paint it produces being sold exclusively on the Spanish market.

“This relocation of our activities in Spain is a significant development, enabling us to expand our market presence and enhance the profitability of our business,” said Leif Abildgaard, General Manager of the company's Decorative Coatings Europe business, who added that Akzo Nobel aims to transfer as many of its employees as possible along with the activities. “The present site is not ideally situated with regards to our future plans” he continued. “The new facility will be modern, far more efficient than our current location and will offer opportunities to further grow our Spanish business.”

A shortlist of possible locations for the new plant—which will house all production, logistics and warehousing operations for the company's entire Decorative Coatings organization in Spain—has already been drawn up. Various sites in the greater Barcelona metropolitan area are under consideration, with the company preferring to opt for a position relatively close to the existing site.

Akzo Nobel – Global Leader in Coatings

Akzo Nobel is the world's largest coatings manufacturer. The company achieved global sales of EUR 5.56 billion in 2005 and commands leading market positions in nearly all its businesses. Akzo Nobel develops, manufactures and markets innovative, high quality products and services for most market segments. The company's extensive portfolio includes decorative paints; products for industrial applications such as powder, wood, coil and specialty coatings; automotive refinishes; marine, protective and aerospace coatings; and coatings related products such as wood and building adhesives. Brands include global and household names such as Crown[®], International[®], Sikkens[®], Interpon[®], Levis[®] and Sadolin[®].

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Note for the editor

Akzo Nobel is a Global Fortune 500 company and is listed on both the Euronext Amsterdam and NASDAQ stock exchanges. It is also listed on the Dow Jones Sustainability Indexes. Based in the Netherlands, we are a multicultural organization serving customers throughout the world with human and animal healthcare products, coatings, and chemicals. We employ around 61,500 people and conduct our activities in four segments – human and animal health, coatings and chemicals – subdivided into 13 business units, with operating subsidiaries in more than 80 countries. Consolidated revenues for 2005 totaled EUR 13.0 billion. The financial results for the first quarter will be published on April 20, 2006.

Internet: www.akzonobel.com

Not for publication – for more information

Akzo Nobel nv
Corporate Media Relations, tel. +31 26 366 43 43
Contact: Holger Ebbighausen

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This report contains statements which address such key issues as Akzo Nobel's growth strategy, future financial results, market positions, product development, pharmaceutical 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, progress of drug development, clinical testing and regulatory approval, 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 Annual Report on Form 20-F filed with the United States Securities and Exchange Commission, a copy of which can be found on the company's corporate website www.akzonobel.com. The 2005 Annual Report on Form 20-F will be available in the second quarter of 2006.

* Pursuant to the U.S. Private Securities Litigation Reform Act 1995.