

Akzo Nobel acquires Mason's commercial vehicle coatings activities

Arnhem, The Netherlands, August 24, 2000 - Akzo Nobel announced today that it has agreed to acquire the Commercial Vehicle Coatings activities of Mason Coatings plc in the UK, a move which will make it the clear market leader in this market segment in the UK.

The agreement with McLeod Russel Holdings plc, owner of Mason Coatings plc, includes the Mason Transport Coatings Division and the Mason Graphics Division. In 1999, these businesses had a turnover of about EUR 25 mln, mainly in the UK.

Akzo Nobel's already sizeable stake in coatings for commercial vehicles and fleets is further enhanced by the acquisition. "However, the scope of the deal goes beyond creating the UK's leading commercial vehicle coatings operation: in addition to broadening our position in paints, it gives us access to the very attractive business for graphic applications on vehicles, which we want to expand into rest of Europe," commented Rudy van der Meer, member of Akzo Nobel's Board of Management responsible for Coatings.

Akzo Nobel will combine its own Cromadex CT and Sikkens® brands with the Mason brand. "The combined synergies of the three brands will enable Akzo Nobel to offer customers the broadest product and service range on the market," commented Cor de Grauw, Manager of Akzo Nobel's Car Refinishes Business Unit. "The acquisition of Mason's activities fits our strategy to have a dedicated approach to the commercial vehicles and fleet sectors."

About 110 former Mason Coatings and Mason Graphics employees currently based in Derby, Litchfield and Beith will join Akzo Nobel. Mason's Industrial Coatings activities remain under the ownership of McLeod Russel.

Note for the editor

Akzo Nobel, based in the Netherlands, serves customers throughout the world with healthcare products, coatings, and chemicals. Consolidated sales for 1999 (excluding Acordis) totaled some EUR 12 billion (USD 13 billion, GBP 8 billion). At the beginning of 2000, the Company employed 68,000 people in 75 countries. Financial results for the third quarter of 2000 will be announced on October 25, 2000.

Akzo Nobel is a world leading producer of coatings, with strong market positions in decorative/architectural paints, car refinishes, liquid and powder coatings for industrial use (on wood, plastics and metal), marine & yacht coatings, protective coatings, aerospace coatings, printing inks, industrial and consumer adhesives, and impregnated papers. Akzo Nobel Coatings' 1999 sales were EUR 5.5 billion (USD 6 billion, GBP 3.5 billion).

Mason Coatings, a member of McLeod Russel Holdings plc, is the UK market leader in the manufacture and supply of a paints, graphics and decals for the transport industry. Originating some 200 years ago, Mason is one of the oldest companies in the UK still trading under its principal name. Mason Coatings' employs 250 people throughout the UK. The majority are based at the head office in Derby. Sales in 1999 totalled EUR 41.3 million (GBP 25 million).

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 <http://www.masoncoatings.com>

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