AKZO NOBEL

PRESS RELEASE

CORPORATE MEDIA RELATIONS

Akzo Nobel confirms IPO timing of Organon BioSciences

Arnhem, the Netherlands, Monday, February 26 - Akzo Nobel today confirms the start of the process to list Organon BioSciences N.V. (OBS) on Euronext Amsterdam. Investor pre-marketing is intended to take place during the first two weeks of March, with the management roadshow expected to commence shortly thereafter.

Akzo Nobel intends to proceed with the initial public offering of shares of OBS and plans to list these shares before the end of March 2007, subject to financial market conditions. Further announcements relating to the IPO, including information on when and how the prospectus will be made available, will follow in due course.

Morgan Stanley has been appointed global coordinator for the offer. ABN AMRO Rothschild and Morgan Stanley have been appointed joint bookrunners, while Citigroup, ING Wholesale Banking, JPMorgan and Lehman Brothers are co-lead managers.

Commenting on today's announcement, Akzo Nobel CEO Hans Wijers said: "This marks a decisive step towards our strategic separation into two strong independent companies—Akzo Nobel, active in coatings/chemicals; and Organon BioSciences, active in human and animal healthcare. We firmly believe that this will enhance shareholder value. Each of the businesses is well positioned to grow independently and be successful in its own right. This staged separation process, with an IPO as the first step, best meets Akzo Nobel's long-term objectives and will create two more focused businesses, each with excellent opportunities for growth."

Added Toon Wilderbeek, the CEO of OBS: "Today marks an important milestone for Organon BioSciences, which is well positioned for future growth, thanks notably to our strong existing franchises and our continued commitment to innovation. I am very pleased that we are now commencing the IPO process, which signals the start of a new era built on very solid foundations."

Further announcements relating to the IPO will be made in due course.

Background

After a thorough strategic review, Akzo Nobel announced in February 2006 that it intended to create two independent companies, active in coatings/chemicals and pharmaceuticals respectively, in order to enhance shareholder value through increased management and strategic focus, and greater transparency. In September 2006, Akzo Nobel announced that shareholders had overwhelmingly approved the company's proposal at an Extraordinary General Meeting (EGM).

Akzo Nobel nv
Velperweg 76
P.O. Box 9300
6800 SB Arnhem
The Netherlands
Tel +31 26 366 43 43
Fax +31 26 366 49 40

The Coatings/Chemicals and Pharma businesses serve very different markets and have different financial and risk profiles. With independent companies, it is expected that the respective managements will be able to address their particular opportunities and challenges more appropriately. The separation increases transparency for investors and gives them the opportunity to pinpoint their investments more specifically.

Akzo Nobel intends to initially sell approximately 20 to 30 percent of OBS and to divest its remaining interest in one or more transactions. Any such transaction could occur within two or three years after the IPO, but may occur earlier or later depending on market conditions.

Organon BioSciences

Organon BioSciences is a global biopharmaceutical group, comprising Organon and Intervet. OBS develops, manufactures and markets innovative medicines for human and animal healthcare. The two business units are bridged by Nobilon, a strategic initiative created to drive the development of human vaccines.

Organon creates, manufactures and markets innovative prescription medicines that improve the health and quality of human life. Through a combination of innovation and business partnerships, Organon seeks to leverage its position as a leading biopharmaceutical company in each of its core therapeutic fields: gynecology, fertility and selected areas of anesthesia. It has extensive expertise in neuroscience and a rich and focused R&D program, with five products in late-stage clinical development. Research areas also include immunology and specific areas of oncology. Organon products are distributed in over 100 countries worldwide, and Organon has subsidiaries in more than 50 of these countries.

Intervet is the world's third-largest animal health company as measured by 2005 revenues, with an extensive product portfolio and a balanced pipeline offering attractive opportunities for further growth. Intervet is a global leader in animal healthcare, providing an extensive range of vaccines and pharmaceuticals for a variety of animal species. Intervet is represented in more than 50 countries worldwide with own commercial companies; its products are distributed in approximately 130 countries worldwide.

In 2002 we have brought our various vaccine related competencies together in Nobilon; our human vaccine business. The formation of Nobilon has allowed us to combine Intervet's expertise in fields such as host-pathogen interaction, vaccine design and vaccine manufacturing with Organon's expertise in fields such as toxicology, clinical development, regulatory affairs and marketing. Nobilon's current development activities focus on vaccines against influenza and respiratory diseases, and on vaccines for travelers.

Organon BioSciences, with headquarters in Oss, the Netherlands, is committed to building on its strengths in its core areas and to becoming a significant player in immunology and medical biotechnology. On December 31, 2006, the company employed approximately 19,200 people, of whom 17% worked in research and development.

Financial information

Akzo Nobel's annual results for 2006—published on February 15, 2007—reported revenues for Organon of EUR 2,611 million and EBIT of EUR 354 million. Intervet's 2006 revenues were EUR 1,125 million, with EBIT of EUR 219 million.

It is planned that, on separation, the balance sheet of Organon BioSciences will include an interest bearing loan of EUR 1,150 million from Akzo Nobel. The loan will have a term of 366 days and bears interest at a margin above EURIBOR in line with Akzo Nobel's cost of borrowing. At the end of 2006, Organon BioSciences had cash and cash equivalents of EUR 239 million and borrowings of EUR 157 million.

Product portfolio

In preparation for the listing of OBS on Euronext Amsterdam, Akzo Nobel is making the following additional disclosures in relation to its portfolio of marketed products and potential products under development:

Gynecology / fertility

NuvaRing

NuvaRing® – the once-a-month contraceptive ring – received marketing approval in Australia in July 2006 and is expected to become available shortly. This means that NuvaRing® has now been launched in 32 countries, including the U.S.. A second nationwide DTC advertising campaign in the U.S. got underway in 2006 and is continuing to increase awareness and uptake of this novel contraceptive option.

Male contraception

Following the announcement in September 2006, that Organon and Schering had ended their research collaboration into a male hormonal contraceptive, Organon has made the decision to discontinue its program on male hormonal contraception. Organon will continue to work on male contraception, however, only non-hormonal opportunities will be evaluated.

NOMAC/E_2

NOMAC/E_2 is the first monophasic oral contraceptive containing natural estrogen. Phase III development started in June 2006 with one of the two pivotal studies completing recruitment in December 2006 – well ahead of schedule. The second pivotal trial is still completing recruitment in a number of countries, including the U.S. All other phase III studies required for submission started in 2006. The trials will generate more than 30,000 cycles of exposure to NOMAC/E_2. File submission for this product is anticipated in 2009.

Puregon/Follistim

Follistim® has received approval for use in the induction of ovulation in infertile women in Japan. Already licensed in Japan for use in artificial reproductive therapy (ART) in August 2005, Follistim® is the only recombinant fertility hormone to be specifically approved in Japan for ovulation induction. This new indication in Japan comes at a time when fertility rates in the country hit a post-World War II record low in 2004, of just 1.3 children per couple, and an increased demand for infertility investigation and treatment is expected. Follistim®

was first introduced in 1996 in Europe under the brand name Puregon®, and in the USA under the brand name Follistim®.

In Russia, Organon is currently introducing the Puregon Pen®. The total fertility market in Russia has grown significantly in recent years and a recently introduced state reimbursement program is supportive of this trend.

Org 36286

Also in phase III development is Org 36286 (corifollitropin alfa), a New Biological Entity intended for use in women undergoing controlled ovarian stimulation during infertility treatment. It has the potential to simplify treatment regimens. It may reduce the concerns about patient compliance, incorrect injections and patients' negative feelings due to the regimen of daily injections. The first in a new class of gonadotrophins, Org 36286's distinct structure and pharmacokinetic properties set it apart from existing fertility hormones and make it the first Sustained Follicle Stimulant (SFS). Phase II results show a single subcutaneous dose of Org 36286 is able to initiate and sustain multifollicular growth for an entire week, replacing the need for daily FSH injections in women during fertility treatments. Org 36286 entered Phase III clinical development in July 2006, with trials taking place in approximately 75 clinics in North America, Latin America, Asia, Australia and the European Union. We are in the process of reviewing an advice letter from the FDA requesting an additional study. At the current time we anticipate filing an EU submission in 2008; with submission in the United States to follow later.

Org 50081

Org 50081 is in phase III development for the treatment of vasomotor symptoms (hot flushes). The database lock will take place in H1 2007, after which we will seek contact with the EMEA to further discuss the filing process and timing.

Neuroscience

Mirtazapine

Organon expects to file a NDA for mirtazapine (Remeron®) for the treatment of depression in Japan towards the middle of 2007. This is three years earlier than anticipated. Japan is an important market and mirtazapine's fast onset of action and tolerability are expected to make it a first line option for the treatment of depression.

Asenapine

Asenapine, a fast-dissolving, novel psychopharmacologic agent with a unique human receptor signature, is in late stage phase III development for the treatment of schizophrenia and the treatment of acute mania associated with bipolar 1 disorder. Two positive pivotal trials (out of four) in schizophrenia demonstrating efficacy and two clinical trials (out of two) demonstrating short-term (three-week) efficacy in bipolar, along with matching safety and tolerability results, indicate that asenapine has the potential to offer a balanced treatment for patients. Asenapine is a fast dissolving (sub-lingual) tablet; this formulation is the basis for its mode of action, and may offer additional advantages (ease of use). Long term studies specifically targeting negative symptoms are ongoing. The patients participating in the latter studies have predominantly negative symptoms, which is in contrast to the short term pivotal studies, in which patients had acutely exacerbated symptoms. We expect results from the negative symptom studies mid 2008.

For the schizophrenia indication, the first positive pivotal trial compared a twice-daily 5 mg dose of asenapine against placebo; risperidone was included to assess assay sensitivity. Asenapine showed statistically significant improvements over placebo in each of the major endpoints (measurements of effective treatment). The second positive trial compared twice daily 5 mg and 10 mg doses of asenapine against twice daily 4 mg doses of haloperidol. It showed statistically significant improvements for the 5 mg dose over placebo at all endpoints with the exception of mean change in negative symptoms. The 10 mg dose showed statistically significant improvement for the secondary endpoint: mean change from baseline on the positive PANSS subscale

For the Bipolar 1 Disorder indication, the two positive pivotal trials compared a flexible (5-10 mg) twice-daily dose of asenapine against placebo; olanzapine was included to assess assay sensitivity. Asenapine showed statistical superior efficacy over placebo, as did olanzapine. The trials also showed a separation from asenapine and placebo from day 2 onwards and, in the case of one trial, demonstrated significant superiority in the percentage of subjects showing remission (50% or more) of symptoms.

The schizophrenia trials demonstrated that the incidence of extrapyramidal side effects was less than risperidone and haloperidol, while only somewhat higher than olanzapine. In addition data for weight gain and metabolic function demonstrated that asenapine's profile is more favorable than that of olanzapine and (perhaps) risperidone, and similar to that of haloperidol. Asenapine demonstrated a better or similar profile for liver function tests than olanzapine and haloperidol, respectively. For prolactin asenapine demonstrated a better profile compared to risperidone and haloperidol while olanzapine had a slightly better profile than asenapine. In the bipolar trials asenapine demonstrated an overall better tolerability/safety profile compared to olanzapine by better results on alanine aminotransferase (ALT) levels as well as prolactin levels and weight gain; while olanzapine was slightly more favorable on extrapyramidal side effects (EPS). Additionally a thorough QT study demonstrated that the effect of asenapine on QTc interval was less than or equal to that of quetiapine.

On February 22nd, we had a constructive meeting with the FDA which confirmed the confidence we have in asenapine. We will need to carefully evaluate the minutes of this meeting which we expect to receive in a number of weeks.
Based on the recent discussions with the FDA, we do not rule out the possibility of filing asenapine for both indications in the U.S. in 2008 or possibly 2007.

Org 50081

Org 50081 is a serotonin 2 blocker (S2B) with a high affinity for the 5-HT_{2a} and 5-HT_{2c} receptors under investigation in two indications. It started Phase III clinical development for the treatment of insomnia in Canada in December 2006 and trials in the U.S. are expected to commence in early 2007. Org 50081 represents a new approach to insomnia. Most compounds work by interacting with the GABA receptors and therefore have a risk of dependency not anticipated with Org 50081. Phase II study investigating three dosages - 1.5, 3.0 and 4.5 mg - showed positive results on multiple sleep parameters such as total sleep time and latency to persistent sleep. There were no serious adverse events and no dose dependent occurrence of adverse events. Filing in the U.S. and EU is anticipated in H2 2010.

Org 4419

Organon has discontinued a development program for Org 4419, a treatment under investigation for the treatment of obstructive sleep apnoea. This program was previously being conducted in collaboration with Cypress Bioscience Inc. The decision follows Cypress Bioscience's announcement in June 2006 that the results of the Phase IIa did not replicate earlier data for this compound.

Anesthesia

Sugammadex

Sugammadex is the first selective relaxant binding agent (SRBA) for reversing the NMBA blockade in anesthesia. Phase II data have been presented at congresses (ESA and ASA) in 2006, and publications from a number of these phase II studies are expected this year. A global phase III development program – consisting of five U.S. trials, seven European trials and two Japanese trials - completed recruitment in late 2006. The anticipated U.S. filing of the complete data package is anticipated to be ready to file with the FDA in H2 2007. Filing with the European regulatory body (EMEA) will be in H1 2007, and filing is expected in Japan in H2 2007.

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Note to editors

Akzo Nobel is a Global Fortune 500 company and is listed on both the Euronext Amsterdam and NASDAQ stock exchanges. It is also included on the Dow Jones Sustainability Indexes and FTSE4Good Index. 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 61,880 people and conduct our activities in these four segments, with operating subsidiaries in more than 80 countries. Consolidated revenues for 2006 totaled EUR 13.7 billion. The financial results for the first quarter will be published on April 24, 2007.

Internet: www.akzonobel.com

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Internet: www.organonbiosciences.com

Not for publication – for more information
Akzo Nobel nv
Corporate Media Relations, tel. +31 26 366 43 43
Contact: Tim van der Zanden

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Neither Organon BioSciences N.V. nor Akzo Nobel N.V. intends to register any portion of the offering in the United States or conduct a public offering of shares of Organon BioSciences N.V. in the United States.

This announcement is not an offer to sell or a solicitation of an offer to buy the ordinary shares of Organon BioSciences N.V. in the Netherlands. Any offer to acquire such securities will be made, and any investor should make his investment decision, solely on the basis of the information contained in the prospectus to be made generally available in the Netherlands in connection with the proposed offering.

This communication contains statements may address such key issues as Organon BioSciences' growth strategy, future financial development, 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.

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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.