

29 August 2016

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Dear Sir,

AkzoNobel breaks ground on Powder Coatings plant in Mumbai, India

Further to our press release dated 12 August, 2016 communicating board approval for setting up a Powder Coating manufacturing facility in Mumbai, attached is a press release issued by the promoter company on the subject.

Yours faithfully,
For Akzo Nobel India Limited



R Guha
Company Secretary

Encl: as above

Media release

August 29 2016

AkzoNobel breaks ground on powder coatings plant in Mumbai, India

AkzoNobel has broken ground on its new powder coatings plant in Mumbai, India. The investment of €9 million (₹ 635 million) will allow the company to increase capacity in the region, which forms an important part of its organic growth plans.

The new facility will complement AkzoNobel's existing plant in Bangalore, which is focused on supplying the south and east of the country. The Mumbai factory will also produce several lines new to the Indian market, including bonded metallic powders and localized products for markets such as pipe and re-bar coatings.

Speaking at the ground breaking ceremony, Conrad Keijzer, Executive Committee Member responsible for Performance Coatings, said: "As the largest powder coatings company in the world, we regard India as being one of our most important strategic markets. Establishing the new facility in one of the world's fastest growing economies will give us additional momentum for our ambitious growth plans in the country."

Added Simon Parker, Managing Director of AkzoNobel's Powder Coatings business: "Demand for powder coatings has been growing at double-digit rates in India and this facility will position us well to capture that growth. "We will also be adding new product lines, which will bring us closer to our customers in the north and west of India."

Start-up of the new Mumbai facility is scheduled for late 2017.

About AkzoNobel

AkzoNobel creates everyday essentials to make people's lives more liveable and inspiring. As a leading global paints and coatings company and a major producer of specialty chemicals, we supply essential ingredients, essential protection and essential color to industries and consumers worldwide. Backed by a pioneering heritage, our innovative products and sustainable technologies are designed to meet the growing demands of our fast-changing planet, while making life easier. Headquartered in Amsterdam, the Netherlands, we have approximately 45,000 people in around 80 countries, while our portfolio includes well-known brands such as Dulux, Sikkens, International, Interpon and Eka. Consistently ranked as a leader in sustainability, we are dedicated to energizing cities and communities while creating a protected, colorful world where life is improved by what we do.

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This press release may contain statements which address such key issues as Akzo Nobel's growth strategy, future financial results, market positions, product development, 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 materially from these statements. These factors include, but are not limited to, price fluctuations, currency fluctuations, developments in raw material and personnel costs, pensions, physical and environmental risks, legal issues, and legislative, fiscal, and other regulatory measures.