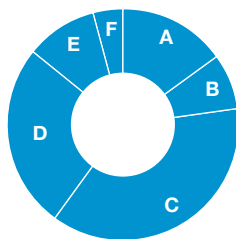


**AkzoNobel around the world****Revenue by destination**

(44 percent in high growth markets)

	%
<b>A</b> North America	15
<b>B</b> Emerging Europe	8
<b>C</b> Mature Europe	37
<b>D</b> Asia Pacific	26
<b>E</b> Latin America	10
<b>F</b> Other regions	4
	100



(Based on the full-year 2014)

# Our results

## at a glance

- Revenue up 6 percent, due to 8 percent favorable currency effects, offset by adverse volume of 2 percent
- Operating income up 42 percent at €306 million (2014: €216 million), reflecting the positive effects of process optimization efforts, reduced restructuring expenses, lower costs and favorable currency developments
- ROS improved to 8.5 percent (2014: 6.4 percent); ROI improved to 10.6 percent (2014: 9.7 percent)
- Net income attributable to shareholders up 24 percent at €160 million
- Adjusted EPS up 25 percent at €0.76 (2014: €0.61)
- Net cash outflow from operating activities was €622 million (2014: €552 million)
- Overall market conditions remain challenging in many regions
- On track to deliver 2015 targets

**Summary of financial outcomes**

First quarter			
in € millions	2014	2015	Δ%
Revenue	3,383	3,591	6
Operating income	216	306	42
ROS (in %)	6.4	8.5	
Average invested capital	9,820	10,137	
Moving average ROI (in %)	9.7	10.6	
EBITDA	364	462	27
Capital expenditures	115	123	
Net cash from operating activities	(552)	(622)	(13)
Net debt	2,186	2,278	
Net income from continuing operations	126	163	29
Net income from discontinued operations	3	(3)	
Net income attributable to shareholders	129	160	24
Earnings per share from total operations (in €)	0.53	0.65	23
Adjusted earnings per share (in €)	0.61	0.76	25
Number of employees	48,500	46,400	(4)

# Financial highlights

Revenue was up 6 percent, due to 8 percent favorable currency effects, offset by adverse volume of 2 percent. Operating income was €306 million (2014: €216 million), reflecting the effects of process optimization efforts, reduced restructuring expenses, lower costs and favorable currency effects. ROS improved to 8.5 percent and ROI improved to 10.6 percent.

The market trend in North America continued to be positive, while Europe did not improve. Markets remained challenging in many countries, including Russia, Brazil and China.

## Revenue

- Revenue in Decorative Paints increased 3 percent compared with 2014, due to a 7 percent favorable currency effect, offset by an adverse volume impact. Volumes for the first quarter were up in Latin America, but down in Europe and Asia due to soft demand. Price/mix continued to be influenced by the sale of the German stores
- Revenue in Performance Coatings was up in all businesses, benefiting from favorable currency effects. Volume was up in Automotive and Specialty Coatings and down in the other businesses. Volumes increased in North America and declined in other regions, with developments across segments mixed regionally
- Revenue in Specialty Chemicals was up 6 percent, mainly due to favorable currency effects, with volumes flat on the previous year. Volumes in the US continue to show good developments, while China showed more modest growth

## Acquisitions and divestments

- The sale of the German stores was concluded in Q1 2014, which did not have a revenue impact in divestment, but in price/mix. This is the last quarter which shows impact of German stores
- Specialty Chemicals has announced the intended sale of its Paper Chemicals portfolio for €153 million. The business is currently part of Pulp and Performance Chemicals. The transaction is expected to be completed in Q2

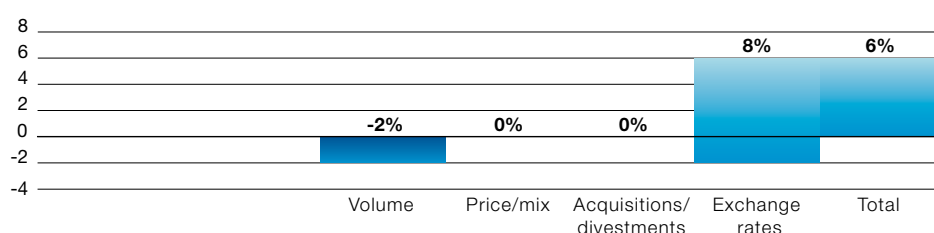
## Revenue

First quarter

in € millions	2014	2015	Δ%
Decorative Paints	865	890	3
Performance Coatings	1,319	1,430	8
Specialty Chemicals	1,222	1,296	6
Other activities/eliminations	(23)	(25)	
<b>Total</b>	<b>3,383</b>	<b>3,591</b>	<b>6</b>

## Revenue development Q1 2015

■ Increase ■ Decrease



in % versus 2014	Volume	Price/mix	Divestments	Exchange rates	Total
Decorative Paints	(3)	(1)	-	7	3
Performance Coatings	(3)	1	-	10	8
Specialty Chemicals	-	-	-	6	6
<b>Total</b>	<b>(2)</b>	<b>-</b>	<b>-</b>	<b>8</b>	<b>6</b>

Volume development per quarter (year-on-year)

	Q1 14	Q2 14	Q3 14	Q4 14	Q1 15
Decorative Paints	1	3	-	(2)	(3)
Performance Coatings	3	1	2	-	(3)
Specialty Chemicals	2	4	-	(1)	-
<b>Total</b>	<b>2</b>	<b>3</b>	<b>1</b>	<b>(1)</b>	<b>(2)</b>

Price/mix development per quarter (year-on-year)

	Q1 14	Q2 14	Q3 14	Q4 14	Q1 15
Decorative Paints	3	(3)	(3)	-	(1)
Performance Coatings	2	2	(1)	1	1
Specialty Chemicals	1	(1)	1	-	-
<b>Total</b>	<b>2</b>	<b>(1)</b>	<b>(1)</b>	<b>-</b>	<b>-</b>

### Operating income

- Operating income in Decorative Paints significantly improved due to the benefits of our new operating model, strict cost containment, lower restructuring costs and favorable currency developments
- Operating income in Performance Coatings increased due to the simplification of its business structure, reduced restructuring expenses, cost control measures and favorable currencies
- Specialty Chemicals improved its profitability due to benefits from continuous improvement measures, reduced restructuring expenses and favorable currency effects

Total restructuring charges amounted to €11 million (2014: €44 million).

Raw material prices were lower, although in many markets foreign currency effects have adversely impacted raw material costs.

### Operating income in other activities

Operating income in other activities was lower than the previous year, mainly due to higher insurance pay-out. Corporate costs were higher in the quarter due to implementation of functional process optimization initiatives and an one-time benefit in previous year.

### Net financing expenses

External interest expenses were down, which was more than offset by higher interest on provisions.

### Tax

The Q1 effective tax rate was 31 percent (2014: 23 percent). The tax rate in 2014 was positively impacted by an adjustment to previous years. Excluding one-off items, the effective tax rate for Q1 2015 was 29 percent (2014: 29 percent).

### Operating income

First quarter			
in € millions	2014	2015	Δ%
Decorative Paints	17	50	194
Performance Coatings	126	170	35
Specialty Chemicals	135	163	21
Other activities/eliminations	(62)	(77)	
<b>Total</b>	<b>216</b>	<b>306</b>	<b>42</b>

### Operating income in other activities

First quarter		
in € millions	2014	2015
Corporate costs	(44)	(47)
Pensions	(6)	(7)
Insurances	3	(9)
Other	(15)	(14)
<b>Operating income in other activities</b>	<b>(62)</b>	<b>(77)</b>

### Operating income to net income

First quarter		
in € millions	2014	2015
<b>Operating income</b>	<b>216</b>	<b>306</b>
Net financing expenses	(37)	(41)
Results from associates and joint ventures	6	(2)
<b>Profit before tax</b>	<b>185</b>	<b>263</b>
Income tax	(43)	(82)
<b>Profit from continuing operations</b>	<b>142</b>	<b>181</b>
Profit from discontinued operations	3	(3)
<b>Profit for the period</b>	<b>145</b>	<b>178</b>
Non-controlling interests	(16)	(18)
<b>Net income</b>	<b>129</b>	<b>160</b>