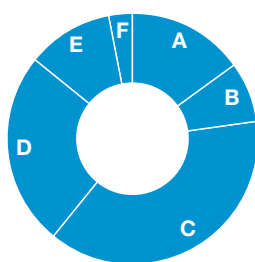


AkzoNobel around the world**Revenue by destination***(44 percent in high growth markets)*

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

*(Based on the full year 2014)*

Our results at a glance

Q2:

- Revenue up 6 percent to €3.9 billion, due to 9 percent favorable currency effects, offset by divestments and lower volume
- Operating income up 38 percent at €486 million (2014: €353 million), reflecting the positive effects of process optimization, lower costs, reduced restructuring expenses, divestment results and favorable currency developments
- ROS improved to 12.3 percent (2014: 9.5 percent); excluding incidental items, ROS was 11.4 percent (2014: 9.5 percent); ROI improved to 11.7 percent (2014: 10.1 percent)
- Net income attributable to shareholders up 61 percent at €331 million (2014: €205 million)
- Adjusted EPS up 37 percent at €1.30 (2014: €0.95)
- Net cash inflow from operating activities €407 million (2014: €393 million)
- Divestment of the Paper Chemicals business completed

Outlook:

- The market trend in North America continues to be positive with Europe not improving. Conditions remain challenging in many other countries, including Russia, Brazil and China
- On track to deliver 2015 targets

Financial highlights

Summary of financial outcomes

Second quarter				January-June		
2014	2015	Δ%	in € millions	2014	2015	Δ%
3,710	3,949	6	Revenue	7,093	7,540	6
353	486	38	Operating income	569	792	39
353	452	28	Operating income excluding incidental items	569	758	33
9.5	12.3		ROS%	8.0	10.5	
9.5	11.4		ROS excl. incidental items (in %)	8.0	10.1	
			Average invested capital	9,784	10,365	
			Moving average ROI (in %)	10.1	11.7	
509	610	20	EBITDA	873	1,072	23
150	137		Capital expenditures	265	260	
393	407		Net cash from operating activities	(159)	(215)	
			Net debt	2,129	2,138	
206	332	61	Net income from continuing operations	332	495	49
(1)	(1)		Net income from discontinued operations	2	(4)	
205	331	61	Net income attributable to shareholders	334	491	47
0.84	1.34		Earnings per share from total operations (in €)	1.37	1.99	
0.95	1.30	37	Adjusted earnings per share (in €)	1.56	2.07	33
			Number of employees	48,400	46,000	

Overall targets for the full year 2015 are 9.0 percent return on sales and 14.0 percent return on investment

Financial highlights

Revenue was up 6 percent in Q2, due to 9 percent favorable currency effects offset by divestments and lower volume. Operating income was €486 million (2014: €353 million); up 38 percent, reflecting the positive effects of process optimization, lower costs, reduced restructuring expenses, divestment results and favorable currency developments. ROS improved to 12.3 percent (2014: 9.5 percent) and ROI improved to 11.7 percent (2014: 10.1 percent). Net cash inflow from operating activities was €407 million (2014: €393 million).

The market trend in North America continued to be positive with Europe not improving. Conditions remained challenging in many other countries, including Russia, Brazil and China.

Revenue

- Revenue in Decorative Paints was up 6 percent, mainly driven by favorable currency effects. Volumes for the second quarter were up in Asia, while volumes were down for Europe and Latin America
- Revenue in Performance Coatings was up 8 percent across the reporting units, benefiting from favorable currencies and higher demand for premium products. Volumes declined in the quarter mainly due to lower capital and maintenance spending in the global oil and gas industry. Russia, Brazil and China remain challenging
- Revenue in Specialty Chemicals was up 5 percent due to continued favorable currency effects, partly offset by the impact of the divestment of the Paper Chemicals business, which was completed early May. Volumes were flat. Growth in some segments compensated for lower demand in oil and gas drilling segments. North America continued to show a positive trend, while growth in Asia was subdued and demand remained weak in Europe and South America

Acquisitions and divestments

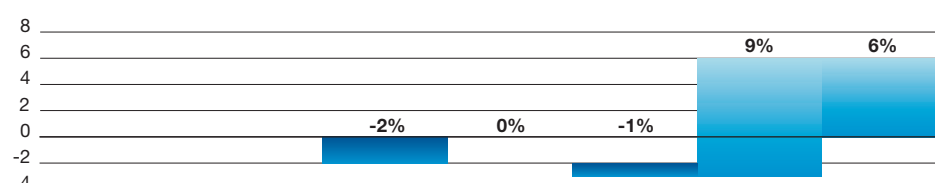
- Specialty Chemicals completed the sale of its Paper Chemicals business for €153 million. The business was part of Pulp and Performance Chemicals

Revenue

Second quarter			January-June			
2014	2015	Δ%	in € millions	2014	2015	Δ%
1,074	1,134	6	Decorative Paints	1,939	2,024	4
1,434	1,550	8	Performance Coatings	2,753	2,980	8
1,228	1,290	5	Specialty Chemicals	2,450	2,586	6
(26)	(25)		Other activities/eliminations	(49)	(50)	
3,710	3,949	6	Total	7,093	7,540	6

Revenue development Q2 2015

■ Increase ■ Decrease



in % versus 2014	Volume	Price/mix	Divestments	Exchange rates	Total
Decorative Paints	(1)	-	-	7	6
Performance Coatings	(3)	-	-	11	8
Specialty Chemicals	-	(1)	(2)	8	5
Total	(2)	-	(1)	9	6

Volume development per quarter (year-on-year)	Q2 14	Q3 14	Q4 14	Q1 15	Q2 15
Decorative Paints	3	-	(2)	(3)	(1)
Performance Coatings	1	2	-	(3)	(3)
Specialty Chemicals	4	-	(1)	-	-
Total	3	1	(1)	(2)	(2)

Price/mix development per quarter (year-on-year)	Q2 14	Q3 14	Q4 14	Q1 15	Q2 15
Decorative Paints	(3)	(3)	-	(1)	-
Performance Coatings	2	(1)	1	1	-
Specialty Chemicals	(1)	1	-	-	(1)
Total	(1)	(1)	-	-	-

Operating income

- In Decorative Paints, operating income was up 25 percent due to the new operating model, lower costs, reduced restructuring expenses, strict cost containment and favorable currency developments
- In Performance Coatings, operating income was up 24 percent driven by cost reductions from performance improvement initiatives, margin management activities, manufacturing productivity, and favorable currencies
- In Specialty Chemicals, operating income was up 55 percent (31 percent excluding incidental items related to the divestment of the Paper Chemicals business). Results were supported by the increase of production at the new Frankfurt plant, operational efficiencies throughout the business and favorable currency developments

Total restructuring charges in the second quarter amounted to €24 million (2014: €45 million), excluding restructuring charges linked to the divestment of the Paper Chemicals business included in incidental items.

Raw material prices were lower, although in certain regions foreign currency effects have adversely impacted raw material costs in local currencies.

Operating income in other activities

Operating income in other activities was lower than the previous year. Corporate costs were higher due to planned functional transformation projects. Pension costs were impacted by de-risking initiatives.

Net financing expenses

Net financing expenses decreased due to lower external interest expenses and reduced interest on provisions.

Tax

The year-to-date effective tax rate was 26 percent (2014: 26 percent). The tax rate was positively impacted by favorable one-time adjustments and the tax effect of the divestment. Excluding one-off items the effective tax rate was 28 percent (2014: 28 percent).

Operating income

Second quarter			January-June			
2014	2015	Δ%	in € millions	2014	2015	Δ%
102	128	25	Decorative Paints	119	178	50
178	220	24	Performance Coatings	304	390	28
124	192	55	Specialty Chemicals	259	355	37
(51)	(54)		Other activities/eliminations	(113)	(131)	
353	486	38	Total	569	792	39

Operating income in other activities

Second quarter			January-June	
2014	2015	in € millions	2014	2015
(41)	(45)	Corporate costs	(85)	(92)
(3)	(6)	Pensions	(9)	(13)
5	7	Insurances	8	(2)
(12)	(10)	Other	(27)	(24)
(51)	(54)	Operating income in other activities	(113)	(131)

Operating income to net income

Second quarter			January-June	
2014	2015	in € millions	2014	2015
353	486	Operating income	569	792
(40)	(27)	Net financing expenses	(77)	(68)
6	8	Results from associates and joint ventures	12	6
319	467	Profit before tax	504	730
(89)	(108)	Income tax	(132)	(190)
230	359	Profit from continuing operations	372	540
(1)	(1)	Profit from discontinued operations	2	(4)
229	358	Profit for the period	374	536
(24)	(27)	Non-controlling interests	(40)	(45)
205	331	Net income	334	491