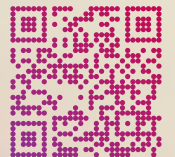


## Report 2012

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## Performance at a glance

### Statement of income

**Revenue** ▲  
in € millions

2011	14,604	
2012	15,390	+5%

**EBITDA** ▲  
in € millions

2011	1,834	
2012	1,901	+4%

**EBITDA margin** ▼  
% of revenue

2011	12.6	
2012	12.4	-0.2

**EBIT** =  
in € millions

2011	1,271	
2012	1,276	

### Dividend and earnings per share

**Adjusted earnings per share** ▲  
in €

2011	3.10	
2012	3.26	+5%

**Dividend per share** =  
in €

2011	1.45	
2012	1.45	

**Net income attributable to shareholders** ▼  
in € millions

2011	477	
2012	(2,169)	

**Earnings per share from continuing operations** ▼  
in €

2011	2.29	
2012	(7.30)	

### Cash flows

**Net debt** ▲  
in € millions

2011	1,895	
2012	2,298	+21%

**Operating working capital** ▼  
% of revenue

2011	13.2	
2012	11.2	-2.0

**Net cash from operating activities** ▲  
in € millions

2011	396	
2012	737	+86%

**Capital expenditures** ▲  
in € millions

2011	658	
2012	826	+26%

### Ratios

**Moving average ROI** ▼  
in %

2011	10.5	
2012	10.0	-0.5

**Return on sales (before impairment)** ▼  
% of revenue

2011	7.8	
2012	5.6	-2.2

**Research and development expenses** ▲  
in € millions

2011	349	
2012	387	+11%

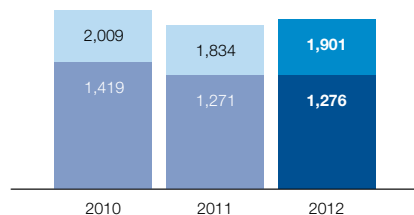
**Research and development major projects** ▲  
% of R&D expenses

2011	49	
2012	50	+1.0

### EBIT and EBITDA

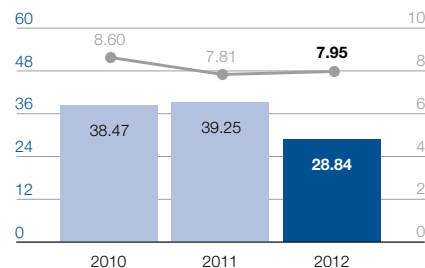
in € millions

■ EBIT  
■ EBITDA



### Shareholders' equity and EBITDA per common share in €

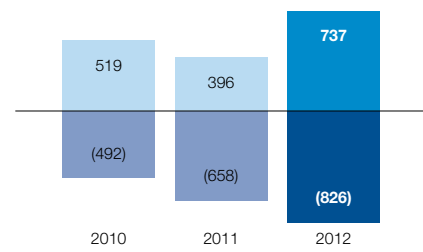
■ Shareholders' equity per common share  
● EBITDA per common share



### Operating cash flows

in € millions

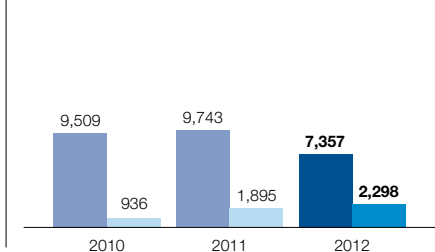
■ Net capital expenditure  
■ Operating cash flows



### Group equity and net debt

in € millions

■ Group equity  
■ Net debt



## Sustainability

### Eco-premium solutions =

% of revenue

2011	22	0
2012	22	

### Employee engagement ▲

Gallup GrandMean (out of 5)

2011	3.74	+2%
2012	3.80	

### Key value chains carbon ▲

footprint assessment (over three-year period)

2011	330	+11%
2012	366	

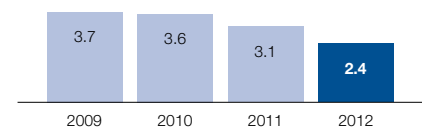
### Total reportable rate of injuries ▼

per million hours

2011	3.1	-23%
2012	2.4	

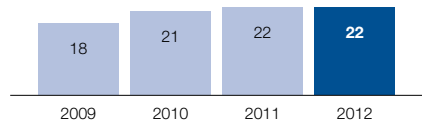
### Total reportable rate of injuries

per million hours



### Eco-premium solutions

% of revenue



## Specialty Chemicals

### Revenue ▲

in € millions

2011	5,335	+4%
2012	5,543	

### EBITDA ▼

in € millions

2011	906	-2%
2012	889	

### EBITDA margin ▼

% of revenue

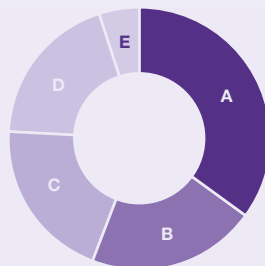
2011	17.0	-1.0
2012	16.0	

### Total reportable rate of injuries ▼

per million hours

2011	2.8	-36%
2012	1.8	

### Revenue breakdown in %



A Functional Chemicals	35
B Industrial Chemicals	21
C Pulp and Performance Chemicals	20
D Surface Chemistry	19
E Chemicals Pakistan	5

### Total revenue high growth markets vs mature



## Performance Coatings

### Revenue ▲

in € millions

2011	5,170	+10%
2012	5,702	

### EBITDA ▲

in € millions

2011	611	+26%
2012	769	

### EBITDA margin ▲

% of revenue

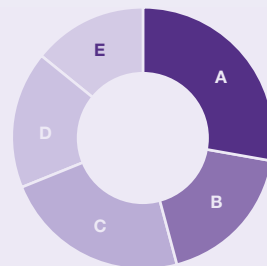
2011	11.8	+1.7
2012	13.5	

### Total reportable rate of injuries ▼

per million hours

2011	2.8	-7%
2012	2.6	

### Revenue breakdown in %



A Marine and Protective Coatings	28
B Automotive and Aerospace Coatings	18
C Industrial Coatings	23
D Powder Coatings	17
E Wood Finishes and Adhesives	14

### Total revenue high growth markets vs mature



## Decorative Paints

### Revenue ▲

in € millions

2011	4,201	+2%
2012	4,297	

### EBITDA ▼

in € millions

2011	479	-11%
2012	425	

### EBITDA margin ▼

% of revenue

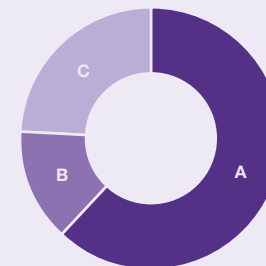
2011	11.4	-1.5
2012	9.9	

### Total reportable rate of injuries ▼

per million hours

2011	3.5	-23%
2012	2.7	

### Revenue breakdown in %



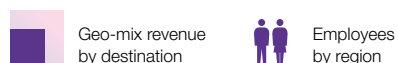
A Europe	62
B Latin America	14
C Asia Pacific	24

### Total revenue high growth markets vs mature

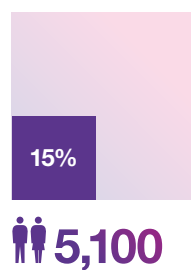


# AkzoNobel at a glance in 2012

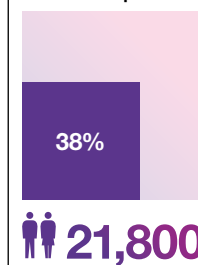
## Our geo-mix (revenue) and employees (by region)



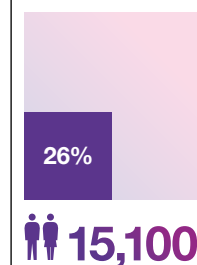
### North America



### Mature Europe



### Asia Pacific

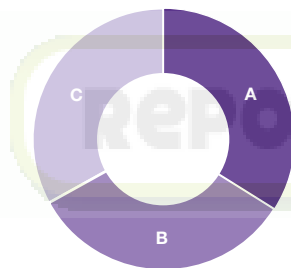


## Revenue (in € billions)

€15.4

## Revenue by Business Area

A Specialty Chemicals	36%
B Performance Coatings	37%
C Decorative Paints	27%

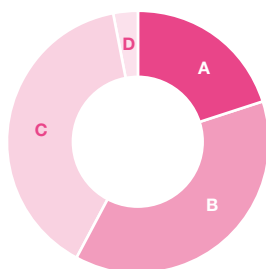


## Employees

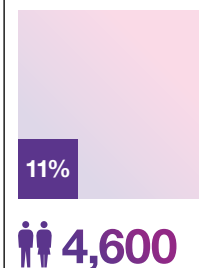
50,600

## Employees by Business Area

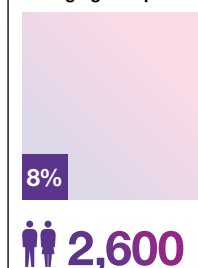
A Specialty Chemicals	21%
B Performance Coatings	42%
C Decorative Paints	34%
D Other	3%



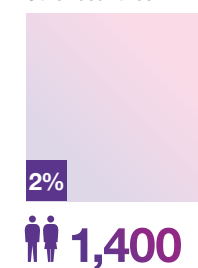
### Latin America



### Emerging Europe



### Other countries



During 2012, there were various changes to the company's portfolio and its leadership. The economic climate remained volatile and markets worldwide offered limited opportunity for growth. But we made good progress and benefited from improvements in several key areas, while never losing focus on our customers. More information can be found in this Report 2012, which takes an in-depth look at our performance and activities during the year.

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# A few historical highlights



Hoarding advertising: the planned construction of the new Sikkens plant in Sassenheim, the Netherlands, shortly before World War II broke out



ICI was created by the merger of four companies, each with its own distinctive logo. The wavy lines in the Nobel Industries logo were borrowed for the new ICI logo

1646

Bofors forge founded in Sweden

1792

Lacquer manufacturer Sikkens Lakfabrieken founded in Groningen, the Netherlands

1826

Silk manufacturer Courtaulds founded in Essex, England

1911

Nederlandse Kunstzijdefabriek (Enka) is founded in Arnhem, the Netherlands

1923

Organon is founded in Oss, the Netherlands, and commences insulin production

1926

ICI is founded via the Aquitania Agreement

1969

Algemeene Kunstzijde Unie (AKU) merges with Koninklijke Zout Organon to form Akzo



Rolling gunpowder at Bofors at the time when Alfred Nobel turned the factory into the most important arms manufacturer in Sweden



Samuel Courtauld III (1793–1881), the founder of Courtaulds and a titan among Victorian entrepreneurs



Packaging insulin



ICI's Dulux Paint entered the retail market in 1953



Alfred Nobel (photo: 1885)



International Paint, with its renowned red propeller logo, is the world leader in high performance marine coatings

KemaNobel merges with the company Bofors to form Nobel Industries

Akzo Nobel acquires Courtaulds. Best known brand: International

Akzo Nobel sells its human and animal healthcare businesses to Schering-Plough

Announced the divestment of the North American Decorative Paints business

1984

1994

1998

2000

2007

2008

2012

Akzo and Nobel Industries merge to form Akzo Nobel

Akzo Nobel's Fibers group is divested and becomes the independent company Acordis

Akzo Nobel acquires ICI and changes its name to AkzoNobel



Akzo's first corporate headquarters in Arnhem, the Netherlands, in the early 1970s

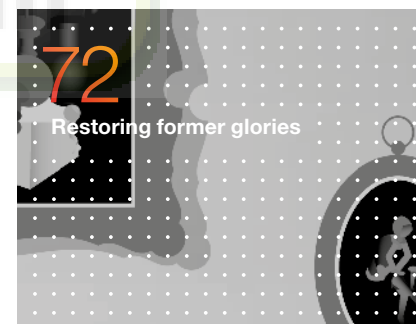
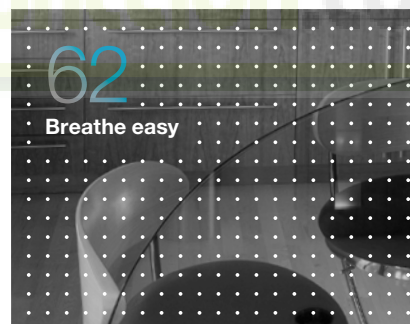
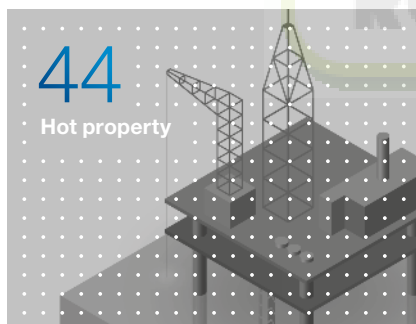
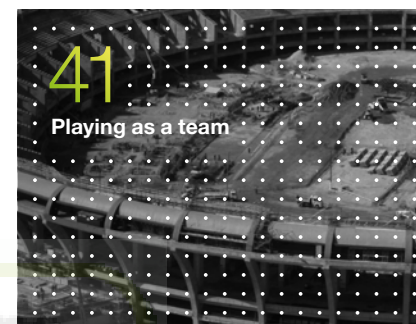
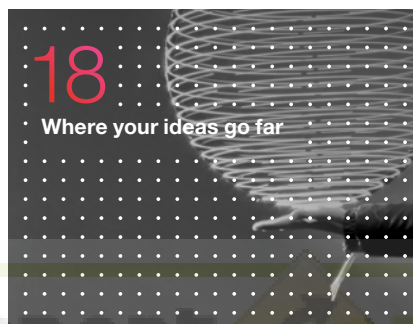


Launching of the new AkzoNobel. AkzoNobel's new brand was unveiled at a gala event held in Amsterdam, the Netherlands



# Case studies

Throughout our Report 2012 you will find various case studies highlighting just part of our contribution to the world around us.





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