



# Press release

March 19, 2013

## **AkzoNobel plans further investment in China**

AkzoNobel has announced its intention to invest a further €65 million in China. The investment will be used to boost capacity and significantly improve operational excellence at AkzoNobel's Surface Chemistry manufacturing sites in Boxing and Ningbo.

More than half the money is being invested in the company's facility in Shandong province, which was taken over as part of the acquisition of Boxing Oleochemicals in January 2012. As well as building a multipurpose reactor to expand local production capacity for amines, significant funds are also being made available to align HSE practices at the site with the rest of AkzoNobel.

In Ningbo, a new alkoxylation unit will be built, bringing the total investment at the multi-site close to the €400 million mark.

"There is increasing demand for our specialty surfactant products across Asia and investing in Shandong province will ensure that we provide a strong local manufacturing operation in order to support our customers as they themselves continue to grow", said Werner Fuhrmann, AkzoNobel's Executive Committee member responsible for Specialty Chemicals. "Ningbo also remains fundamental to our growth ambitions in the region and has a crucial role to play as we continue to expand."

Added Bob Margevich, Managing Director of AkzoNobel's Surface Chemistry business: "The investment in Shandong province will enable us to stay competitive and will enhance our manufacturing footprint in a key strategic region. The improved process capabilities and increased production capacity will furthermore strengthen our leadership position in specialty surfactants. It's also crucial that we maintain stringent HSE standards at all our sites, so we are taking all the necessary steps to ensure the best possible working environment for our employees."

As part of the investment decision, AkzoNobel will exit the merchant fatty acid business in Boxing, closing down two out of three fatty acid plants at the site, affecting about 200 employees.

AkzoNobel's Surface Chemistry business is a global leader in the manufacture and supply of specialty surfactants, synthetic and bio-polymer additives, and specialty polymers. These products are used as formulation ingredients and process aids in many applications, ranging from home and personal care to asphalt road paving.

AkzoNobel currently employs more than 7,000 people in China, with 2012 revenue totaling €1.7 billion, the majority being generated from local demand.

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AkzoNobel is a leading global paints and coatings company and a major producer of specialty chemicals. We supply industries and consumers worldwide with innovative products and are passionate about developing sustainable answers for our customers. Our portfolio includes well-known brands such as Dulux, Sikkens, International and Eka. Headquartered in Amsterdam, the Netherlands, we are consistently ranked as one of the leaders in the area of sustainability. With operations in more than 80 countries, our 50,000 people around the world are committed to excellence and delivering Tomorrow's Answers Today(TM).

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