



Delivering on growth

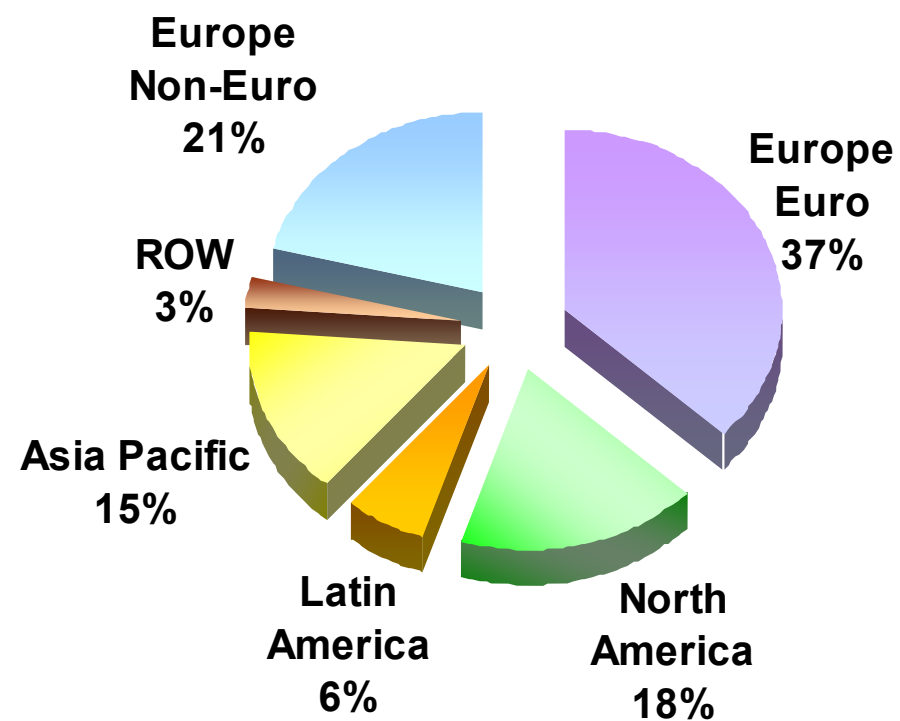
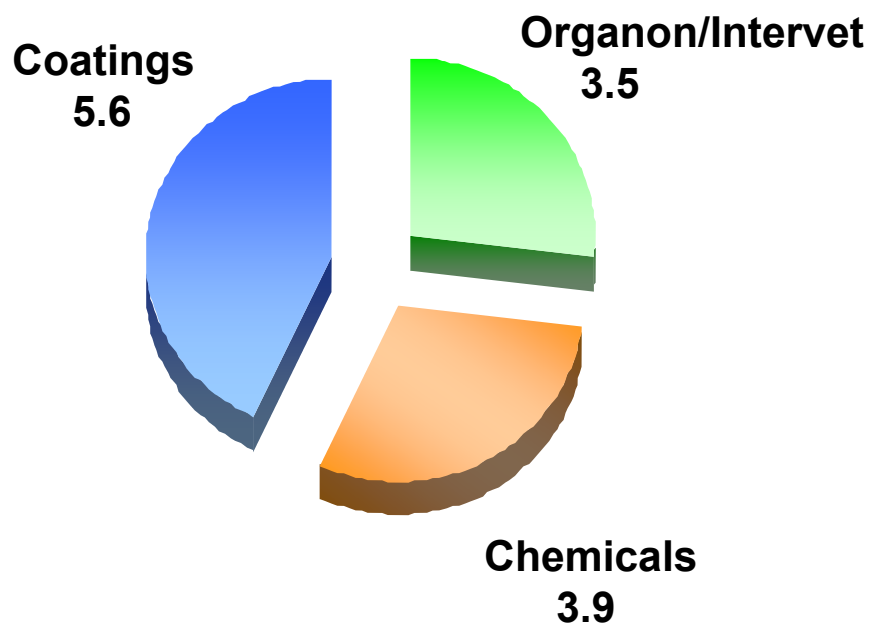
IR Standard Presentation, July 2006

Agenda

- Strategy
- Our performance 1HY 2006
- Update groups
- Agenda 2HY 2006

Leading positions – globally active

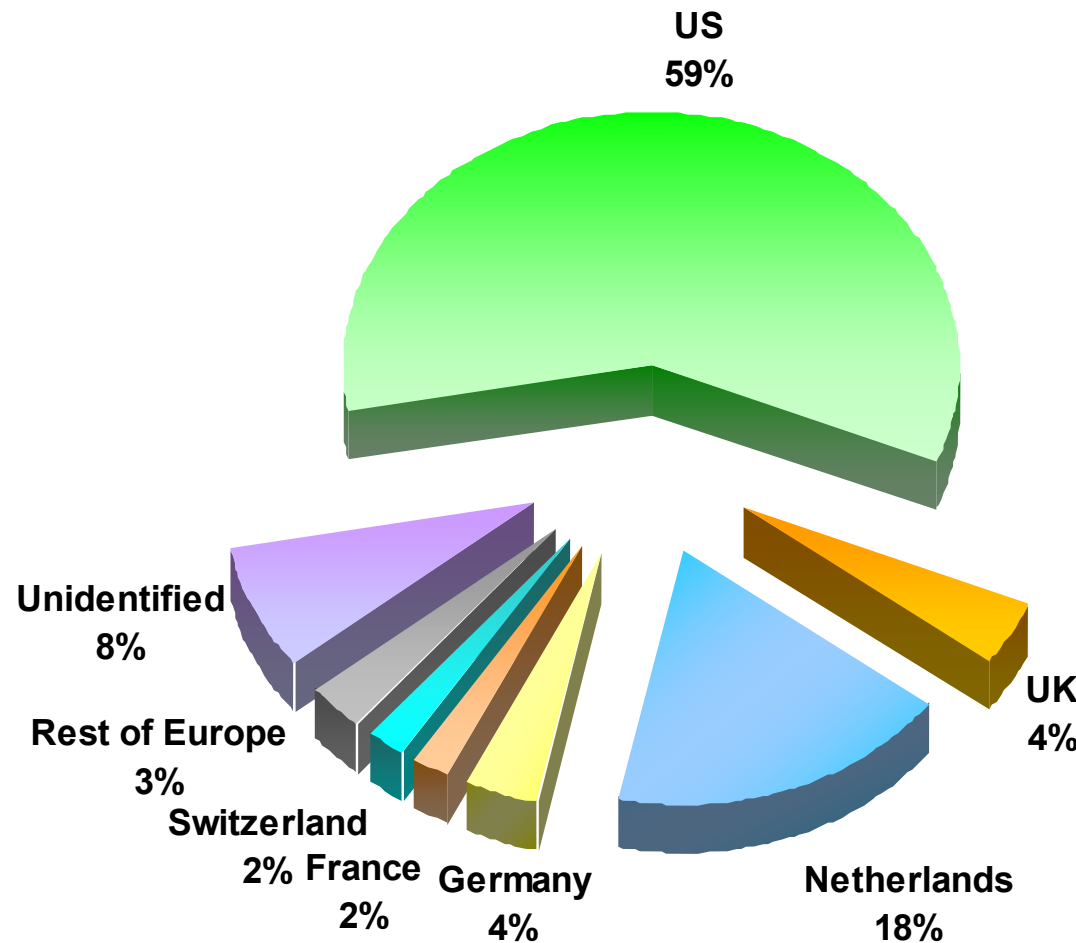
Sales: 13.0



2005 in EUR bln

Strategy

Shares – globally owned



- Institutions 90%

- Retail 10%

- Listings:

- Euronext Amsterdam

- NasDaq New York

End 2005

Strategy

- Leading business positions
 - growth
 - value creation
 - good cash flow
- Pharma
 - investing in future growth
 - high risk; high reward
- Coatings
 - accelerated growth
 - low risk; not capital intensive
- Chemicals
 - adjustments portfolio nearing completion
 - investing in growth
 - medium risk, capital intensive

Akzo Nobel – strong 1HY results

- Revenues up 9%
- EBIT excl. incidentals up 15%
- Positive incidentals EUR 30 mln (2005: 152 mln)
- Strong financial position



Effective strategy drives revenue growth; net income up

<i>EUR mln</i>	1HY-2006	Δ%
Revenues	6,966	9
EBIT <i>(excl. incidentals)</i>	697	15
Net income	610	30

	1HY- 2006	1HY-2005
EBIT margin, % <i>(excl. incidentals)</i>	10.0	9.5
EPS, <i>EUR</i>	2.13	1.64

Our performance 1HY- 2006

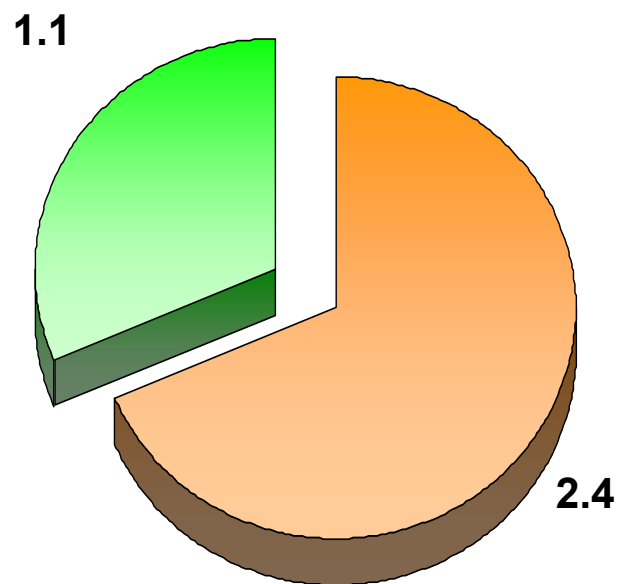
Effective strategy drives revenue growth; net income up

1HY-'06/'05 Δ in %	Total change	Volumes	Prices	Currency	Acq's/ Divest's .
Organon	12	9	1	2	0
Intervet	4	4	1	2	(3)
Coatings	12	6	1	2	3
Chemicals	5	2	4	2	(3)
Akzo Nobel	9	5	2	2	0

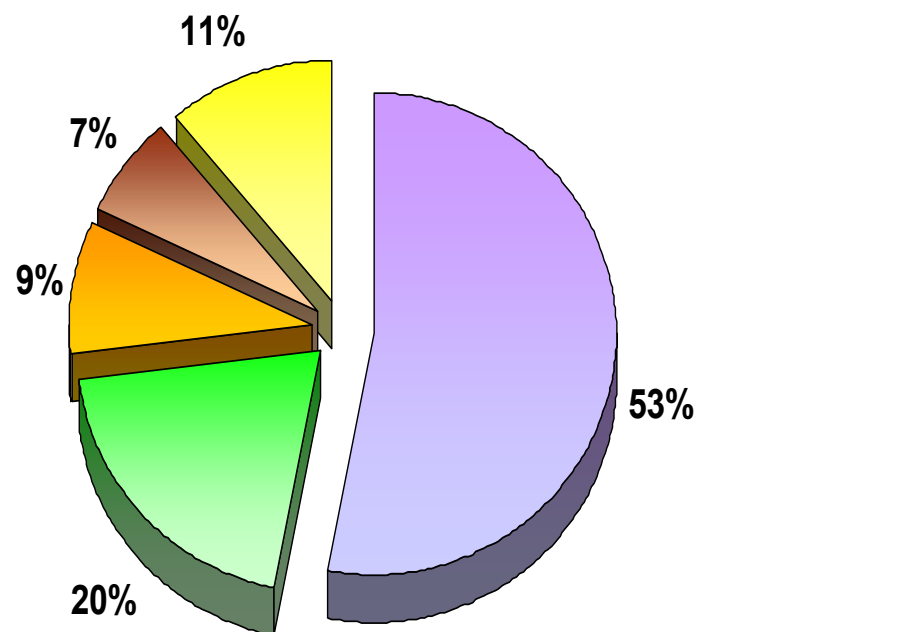
Our performance 1HY- 2006

Pharma – continued strong growth

total: 3.5



Organon Intervet



Europe North America Latin America ROW Asia

2005 Sales EUR bln

Pharma – back to growth

Pharma – continued strong growth, investing in future growth and pipeline

- Leading position
 - Organon: gynecology, fertility, anesthesia
 - Intervet: leading in vaccines
- Strong pipeline
 - Organon: 12 products in phases II & III
 - Intervet: steady flow of new products ~10 annually
- Linking biotechnology expertise
 - Nobilon vaccine development



Organon – continued strong growth investing in future sales and pipeline

- Revenues – up 12%
- Infertility products – continued growth trend
- NuvaRing® – strong sales growth, especially in USA
- Continued strong R&D spending
- EBIT – improving

Pharma – back to growth



Organon – continued strong growth investing in future sales and pipeline

<i>EUR mln</i>	<i>1HY- 2006</i>	<i>Δ%</i>
Revenues	1,319	12
EBIT <i>(excl. incidentals)</i>	189	19

	<i>1HY-2006</i>	<i>1HY-2005</i>
EBIT margin, % <i>(excl. incidentals)</i>	14.3	13.5
S&D % revenues	31.6	32.3
R&D % revenues	18.9	16.4

Pharma – back to growth



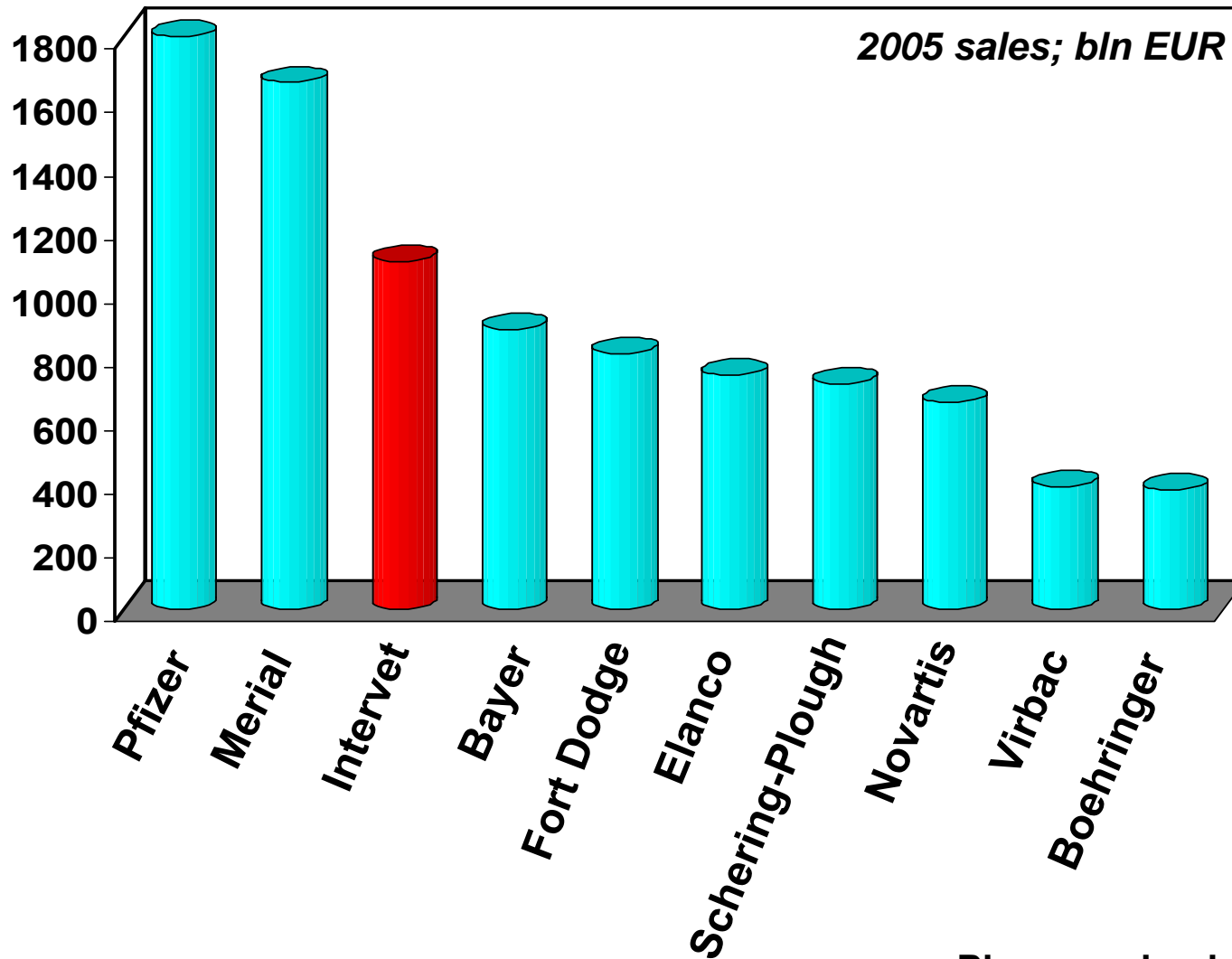
Organon – continued strong growth investing in future sales and pipeline

Submissions

– Implanon™ US	begin 2006 (approved)
– sugammadex	end 2006 – 1HY 2007
– asenapine	early 2007
– Org 36286 - fertility	2008
– NOMAC/E2 – oral contraceptive	2009
– Org 50081 – insomnia	2010

Pharma – back to growth

Intervet - leadership position # 3 ww



Pharma – back to growth

Intervet – solid growth

- Revenues – 7% growth ongoing business
- EBIT margin of 19.4%
- Feed additives divestments completed

Pharma – back to growth

Intervet – solid growth

<i>EUR mln</i>	<i>1HY- 2006</i>	<i>Δ%</i>
Revenues ongoing business	562	7
EBIT <i>(excl. incidentals)</i>	109	2

	<i>1HY-2006</i>	<i>1HY-2005</i>
EBIT margin, % <i>(excl. incidentals)</i>	19.4	19.9
S&D % revenues	25.0	23.7
R&D % revenues	10.1	10.6

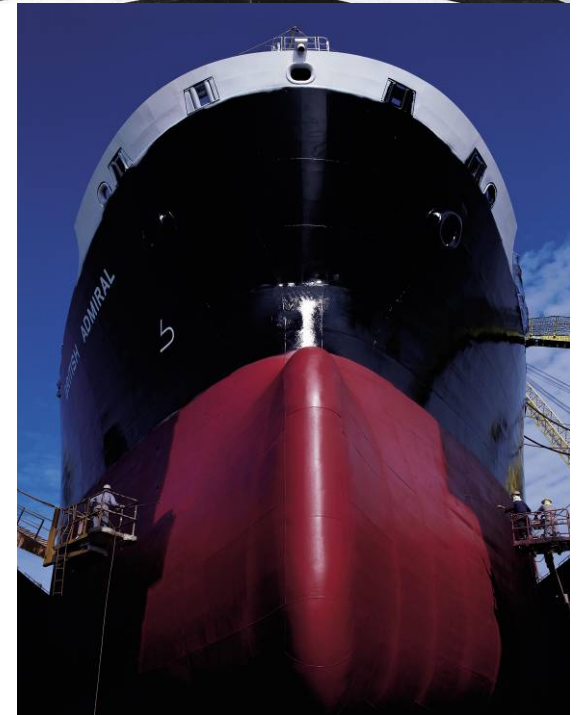
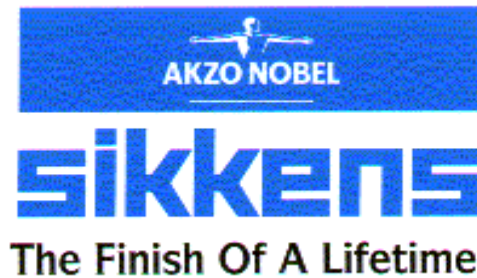
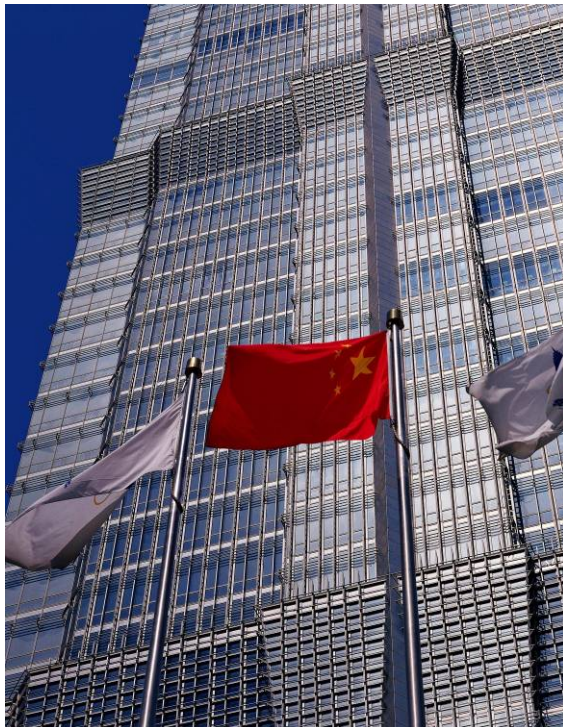
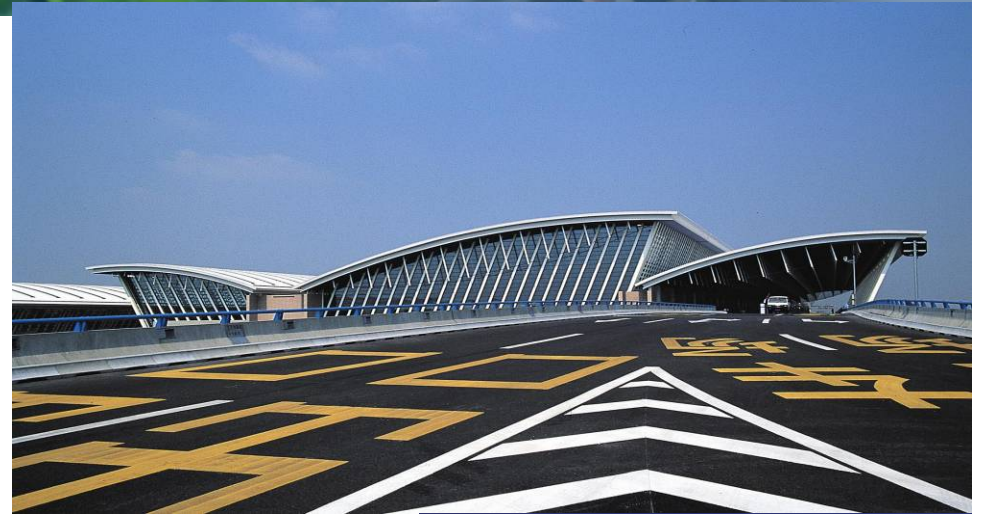
Pharma – back to growth



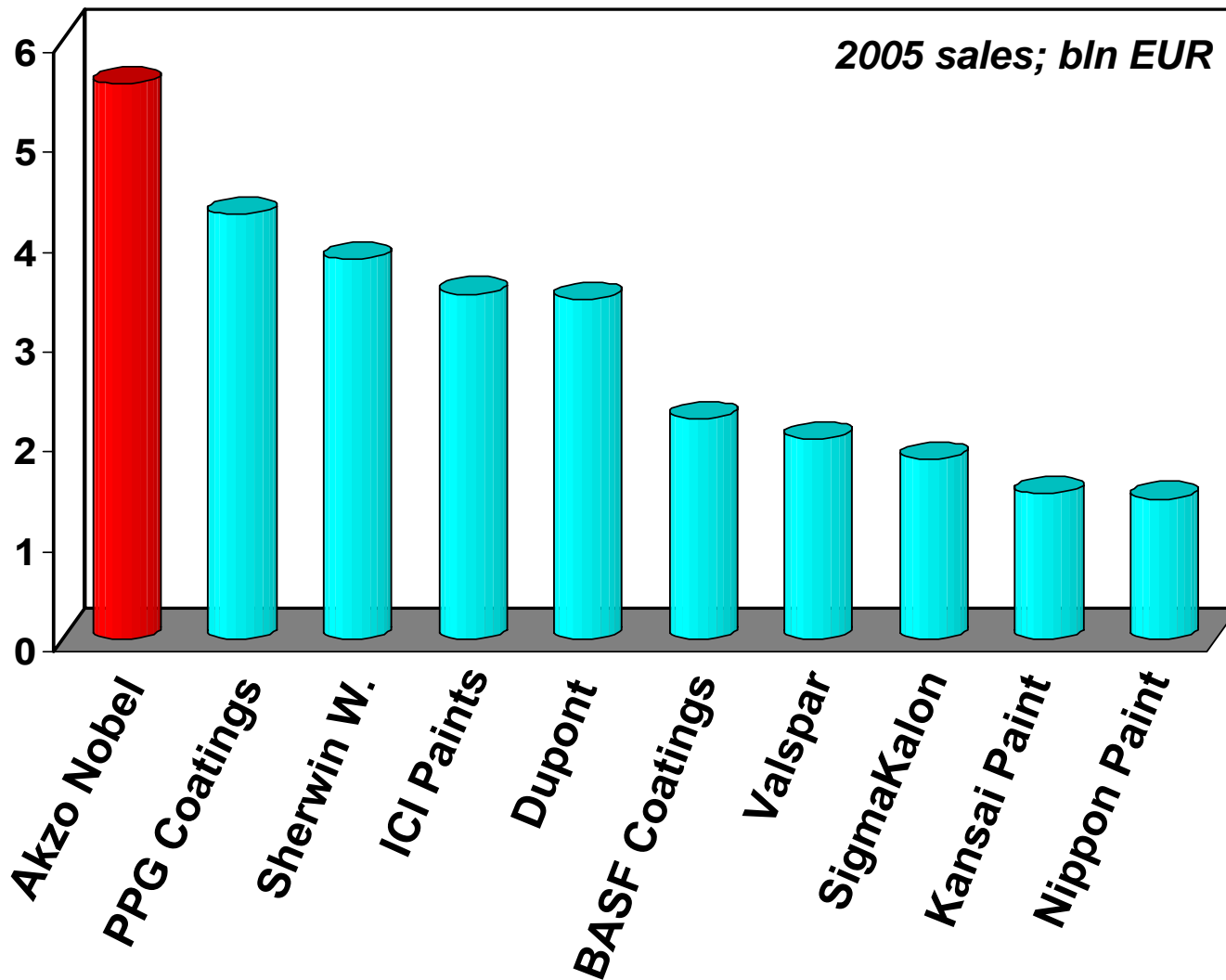
Coatings – # 1 worldwide



Interpon®
Powder Coatings



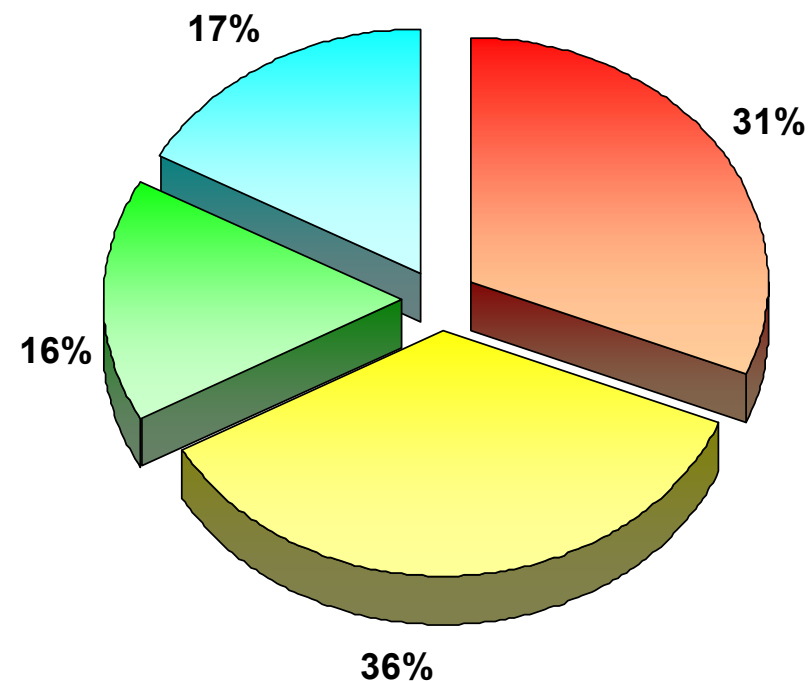
Coatings – # 1 worldwide



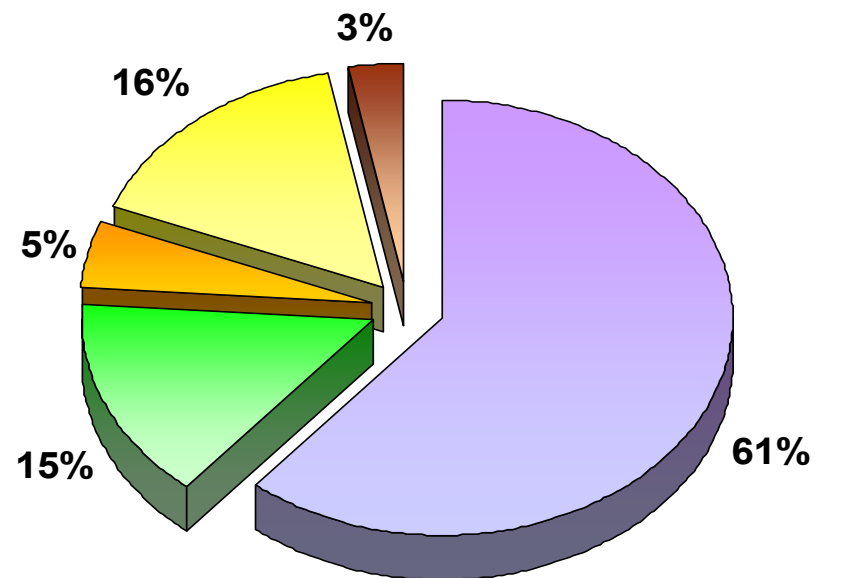
Coatings - No. 1 worldwide

Coatings – # 1 worldwide

total: 5.6



Industrial Deco CarRef Marine



Europe N.America L. Am. Asia Pacific ROW

2005 Sales EUR bln

Coatings - No. 1 worldwide

Coatings – excellent volumes; sharply higher EBIT

- Revenue growth 12%; autonomous growth 9%
- Raw materials price pressure – solvents and metals
- Sharp increase in operating income and EBIT margin
- Decorative Coatings – challenging business conditions EU; further focus on costs
- Car Refinishes – back on track; focus on costs continues
- Industrial activities – strong growth across the board
- Marine & Protective – continued robust performance
- Acquisition of Sico, Canada completed

Coatings - No. 1 worldwide

Coatings – excellent volumes; sharply higher EBIT

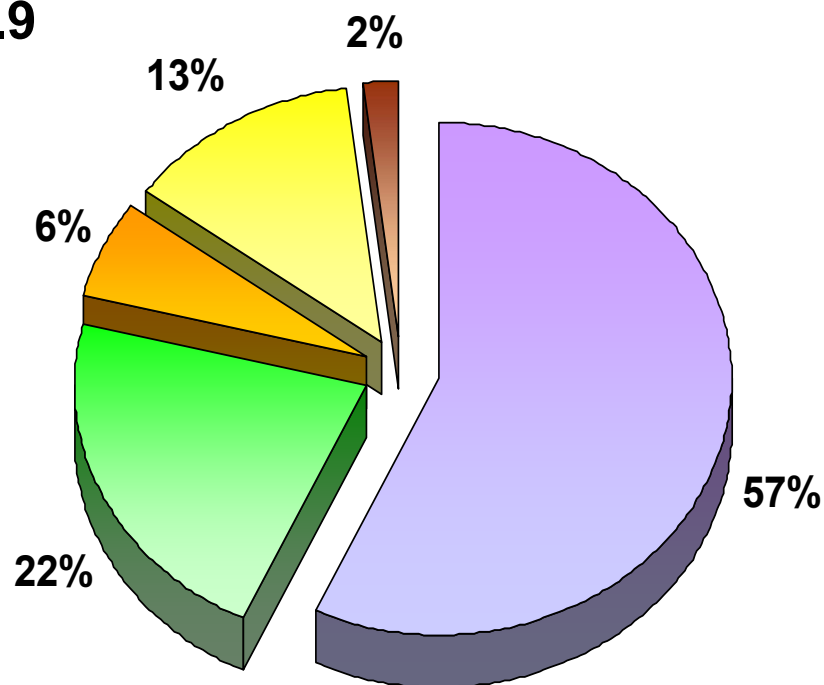
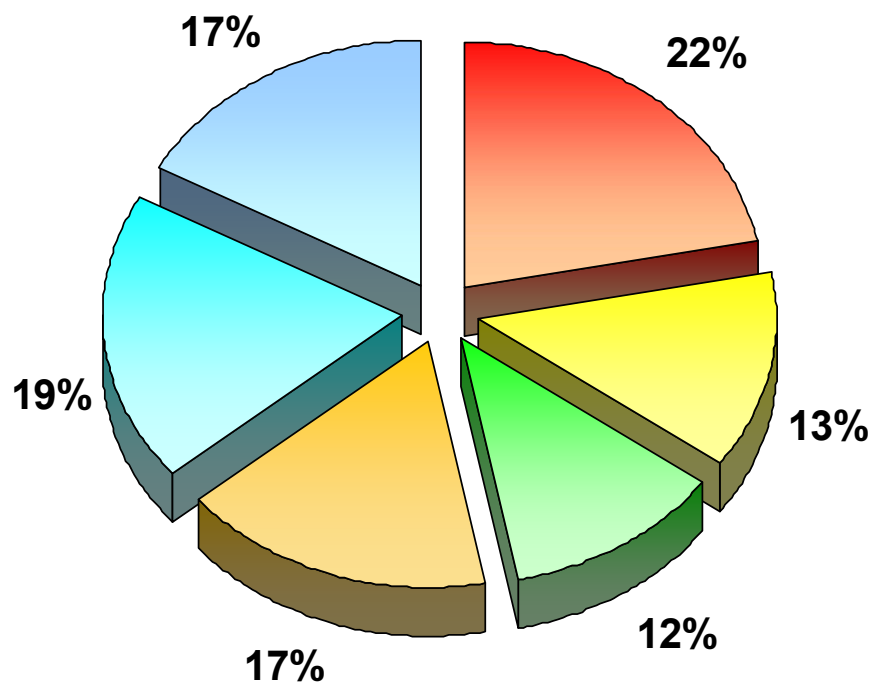
EUR mln	1HY-2006	Δ%
Revenues	3,077	12
EBIT <i>(excl. incidentals)</i>	279	35

Ratio	1HY-2006	1HY-2005
EBIT margin, % <i>(excl. incidentals)</i>	9.1	7.5

Coatings - No. 1 worldwide

Chemicals – 5 new growth platforms

total: 3.9



■ Paper
 ■ Surface
 ■ Polymer
 ■ Func.
 ■ Base/Salt
 ■ Others

■ Europe
 ■ N America
 ■ L Am.
 ■ Asia Pacific
 ■ ROW

2005 Sales EUR bln

Chemicals – 5 new growth platforms

Chemicals – strong growth, impact of energy

- Autonomous growth of 6%; EBIT improved
- Pressure from energy and oil-related feedstock
- Pulp & Paper, Polymer and Functional – strong improvement
- Divestment program – 9 deals closed, sale of remaining 4 smaller units in progress; Salt Specialties withdrawn

Chemicals – 5 new growth platforms

Chemicals – strong growth, impact of energy

<i>EUR mln</i>	<i>1HY-2006</i>	<i>Δ%</i>
Revenues	2,018	5
EBIT <i>(excl. incidentals)</i>	194	15

<i>Ratio</i>	<i>1HY-2006</i>	<i>1HY-2005</i>
EBIT margin, % <i>(excl. incidentals)</i>	9.6	8.8

Chemicals – 5 new growth platforms

Organon

- Unlock value late stage product pipeline
- Continue to grow key franchises
- Roll-out Implanon™ in U.S.

Intervet

- Focus on core activities – continue roadmap improvements

Coatings/Chemicals

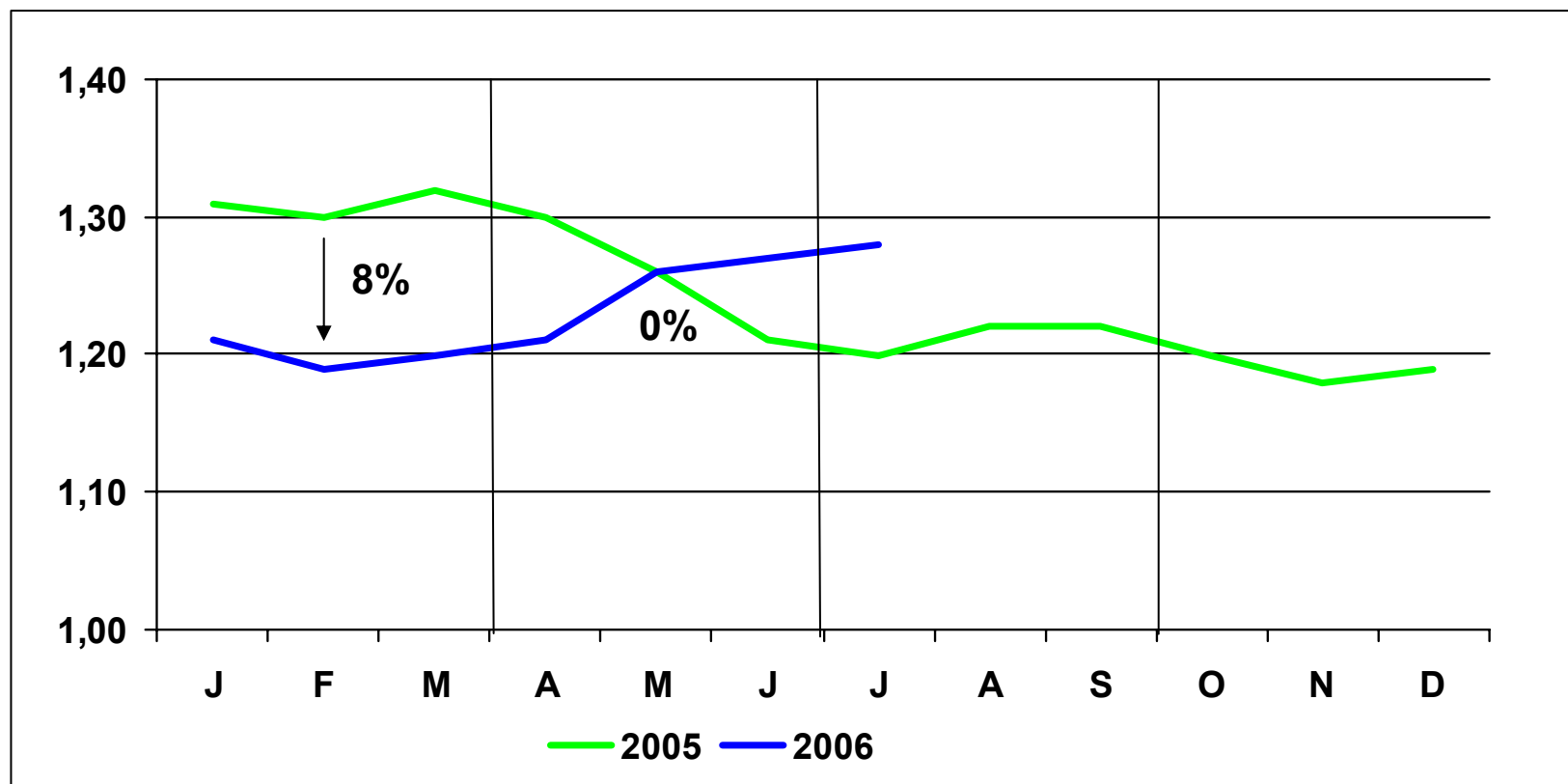
- Identify further growth opportunities, organically and via acquisitions
- Focus on costs in mature markets (mainly EU)
- Conclude Chemicals divestment program

Trading update

- Confidence in the second half of the year

- Financials
- Pharma

Euro/USD evolution

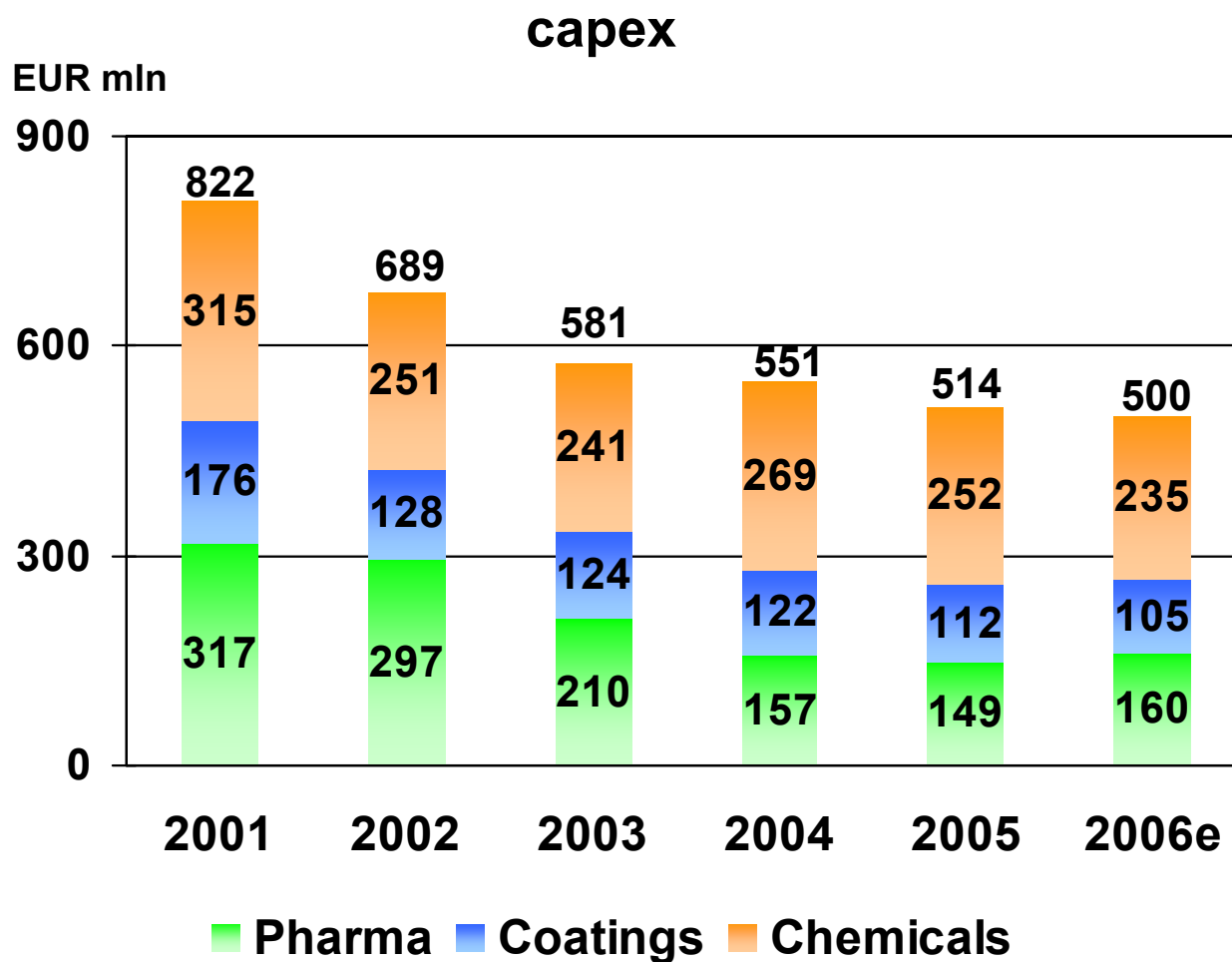


Average rates

USD/EUR

Annex financials

Cash – capex below depreciation



Strong financial position

<i>June '06 / Dec. '05; EUR bln</i>	2006	2005
Equity	3.9	3.6
Net borrowings	1.7	1.6
Gearing (ratio)	0.45	0.44
<i>YTD ratios</i>	2006	2005
Interest coverage	10.1	10.7
EBITDA coverage	13.9	14.6

Cash flow – improved

<i>EUR mln</i>	1HY-2006	1HY-2005
EBITDA	1,004	1,040
Net cash from operations	168	(31)
Net change in cash	(144)	(446)
Capex	214	233

Indication areas human pharmaceuticals (1)

- Female healthcare
 - Contraceptives
 - mature market, generic pressure, oral segment stable
 - NuvaRing growing very well
 - Infertility
 - biotech niche, stable market
 - Puregon Pen ww available, good growth
 - HT
 - market under pressure
 - Livial relatively good performance

Indication areas human pharmaceuticals (2)

- Psychiatry
 - Depression - Remeron
 - Remeron US: reached bottom
 - Remeron EUR&ROW: holding up
 - Psychosis
 - Asenapine phase III; on track
- Anesthesiology
 - no. 1 ww; mature market
 - suggamadex innovation
 - Anzamet licensed-in

Promising R&D pipeline

		Phase II	Phase III	Submission file
Reproductive Health	Male fertility control (“male” pill)	Org 3236+TU		
	New “pill”		NOMAC/E2	2009
	Sustained Follicle Stimulant		Org 36286	2008
	Serotonin-2 - blocker (hot flashes)		Org 50081	
	Oral androgen (male HT)	Org 39970		
CNS/Psychiatry	AMPA receptor modulator	Org 24448		
	HPA axis modulator	Org 34517		
	Serotonin-2 - blocker (sleep)	Org 50081		2010
	Novel psychopharmacologic agent		asenapine	early 2007
Anesthesia	Relaxant binding agent		suggamadex	end 06-begin 07
Cardiovascular	Dual inhibitor (anti-IIa / anti-Xa)	Org 42675		



More company information

Please look at our corporate web site
www.akzonobel.com for:

- Q3 results October 18, 2006
- Press releases
- Recent presentations / reports
- Q&A abstracts
- Information about the groups
- E-mail link to Investor Relations

and much more information on Akzo Nobel



Safe harbor statement*

Safe Harbor Statement*

This report contains statements which address such key issues as Akzo Nobel's growth strategy, future financial results, market positions, product development, pharmaceutical 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 from these statements. These factors include, but are not limited to, price fluctuations, currency fluctuations, progress of drug development, clinical testing and regulatory approval, developments in raw material and personnel costs, pensions, physical and environmental risks, legal issues, and legislative, fiscal, and other regulatory measures. Stated competitive positions are based on management estimates supported by information provided by specialized external agencies. For a more comprehensive discussion of the risk factors affecting our business please see our Annual Report on Form 20-F filed with the United States Securities and Exchange Commission, a copy of which can be found on the company's corporate website www.akzonobel.com.

* Pursuant to the U.S. Private Securities Litigation Reform Act 1995.