

Media release

Gurugram, August 10, 2020

AkzoNobel India announces Q1 FY 2020-21 results

The Board of Directors of Akzo Nobel India Limited today approved the unaudited financial results for the quarter ended June 30, 2020.

Performance highlights

Q1 FY21 versus Q1 FY20

- **Revenue from operations at ₹258.5 crores** declined by 64% over the previous year, mainly due to a shutdown until mid-May in most parts of the country and a gradual revival since then
- **EBITDA loss at ₹12.6 crores and EBIT loss at ₹30.1 crores** due to lower volume. The corresponding numbers for EBITDA profit and EBIT profit for the same quarter last year were ₹103.4 crores and ₹83.2 crores respectively

Commenting on the performance for the quarter, **Rajiv Rajgopal, Managing Director, AkzoNobel India**, said: “Business came to a standstill in April due to a complete lockdown, the partial resumption in May and Unlock 1.0 being announced in June. Demand from automotive, infrastructure, oil and gas and construction segments was heavily impacted.

Metros and large towns continued to see a relatively higher impact from the pandemic, resulting in slower offtake of the premium segments where we have a higher salience. Tier 2 and Tier 3 markets have performed relatively better.

During the quarter, we achieved a significant reduction in operating costs which led to a resumption of profits in June. We will continue to manage the uncertain environment and volatility with a focus on costs and driving recovery in the build-up to the festive season. Our focus on safety and the well-being of our employees – as well as other stakeholders – continues to be a top priority.”

Recent highlights

Launch of Dulux Protect

Dulux Protect is a comprehensive programme aimed at supporting painters and contractors due to the challenges posed by the pandemic. Some of the initiatives include financial support, providing dry ration kits, health protection through insurance and tele-medicine facilities, and a safe return to the workplace by providing PPE kits.

New range of Interpon coatings simplifies corrosion protection

Corrosion protection has got easier following the launch of a range of high-performance primers from AkzoNobel's Powder Coatings business. Four innovative systems were developed to cover a variety of

substrates, surfaces and environments – from swimming pools to chemical plants and high humidity to highly corrosive areas. Powder coatings offer inherent sustainability benefits, such as no VOCs, reduced energy use and less waste.

About AkzoNobel

AkzoNobel has a passion for paint. We're experts in the proud craft of making paints and coatings, setting the standard in color and protection since 1792. Our world class portfolio of brands – including Dulux, International, Sikkens and Interpon – is trusted by customers around the globe. Headquartered in the Netherlands, we are active in over 150 countries and employ around 33,000 talented people who are passionate about delivering the high-performance products and services our customers expect.

About AkzoNobel India

AkzoNobel India has been present in India for over 60 years and is a significant player in the paints industry. In 2008, the company became a member of the AkzoNobel Group. With employee strength of over 1,482, AkzoNobel India has manufacturing sites, offices and a distribution network spread across the country. All manufacturing facilities have a state-of-the-art environmental management system. Its commitment to Health, Safety, Environment and Security (HSE&S) has been among the best-in-class globally, with due care being taken to protect people and the environment.

Safe harbor statement

This media release contains statements which address such key issues as AkzoNobel's growth strategy, future financial results, market positions, product development, products in the pipeline and product approvals. Such statements should be carefully considered, and it should be understood that many factors could cause forecast and actual results to differ from these statements. These factors include, but are not limited to, price fluctuations, currency fluctuations, developments in raw material and personnel costs, pensions, physical and environmental risks, legal issues, and legislative, fiscal, and other regulatory measures, as well as significant market disruptions such as the impact of pandemics. 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 latest annual report. www.akzonobel.com.

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