



an AkzoNobel company

Eka Chemicals Limited
Directors' report and
financial statements
Year end 31 December 2010

Registered number 1934005

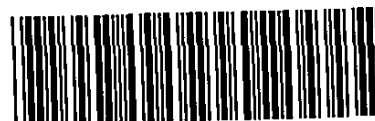
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Eka Chemicals Limited Registered number 1934005

Directors' report and financial statements

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Eka Chemicals Limited Registered number 1934005

Directors and advisors

Executive directors

J Clifford
J Goddard
A-C Hogberg
P Otway
I Thorn (resigned 30 April 2011)

Registered auditor

KPMG LLP
100 Temple Street
Bristol
BS1 6AG

Secretary and registered office

J Clifford
26th Floor
Portland House
Bressenden Place
London
SW1E 5BG

Bankers

Barclays Bank Plc
Level 28
One Churchill Place
Canary Wharf
E14 5HP

ING Bank NV
Branch London
60 London Wall
EC2M 5TQ
London

Solicitors

Barrington & Sons
60 High Street
Burnham-on-Sea
Somerset
TA8 1PE

Eka Chemicals Limited Registered number 1934005

Directors' report for the year ended 31 December 2010

The directors have pleasure in submitting their annual report and the audited financial statements for the year ended 31 December 2010

Principal activities

The main business area is support of the supply of chemicals to the UK paper industry through the provision of toll manufacture and technical sales force activities to Eka Chemicals AB, under the single business entity concept

Review of business and future developments

2010 proved to be the first year of significant recovery for Pulp and Paper Eka Chemicals in Europe, following a very poor 2009. Operating profits for the whole European region increased by 100% on the back of increased trading rates and higher prices across the total product portfolio. The United Kingdom business did not show the same increase in trading as other EU countries, as a result of the closure of Iggesund Workington's BM1 at the end of 2009. All business gains in the UK in 2010 were neutralised by the loss of that one large customer. However, on the positive side, significant new Purate business was confirmed at St Regis Kemsley and GP Ramsbottom, thanks to the participation of the Greenbridge consultancy in the sales effort.

Probably the most important sales department activity in the UK in 2010, was the quick implementation of product price increases in the cationic rosin and wet strength resin segments, as a direct response to large raw material price increases. This protected margins and meant the business remained viable in the short to medium term. This work has not finished as raw materials continue to increase going into 2011 and thus more action in this area will be required.

Additionally, Akzo Nobel embarked on a major OWC project called "STRIP" (Sustainable Transition of Receivables, Inventory and Payables), which required all the business units to (a) get customers to pay on time and (b) reduce payment terms as close to an average of 45 days as possible. The UK business has participated actively in this area of improvement.

Eka in Europe started the new SAP financial reporting system from November, but still requires more work before the system is fully operational.

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Directors' report (continued)

Review of business and future developments (continued)

Overall Eka Chemicals sales in the UK dropped by 8.7% as measured in Euros comparing 2010 actual versus 2009 actual. The main reasons for this drop were,

- 1) The conversion of the St Regis group to BASF / Ciba products for retention performance away from Eka, although PM6 was regained at the end of May
- 2) A slower than expected rate of launch of the new biocide product line Purate
- 3) The decision by Iggesund Workington mill to close Board Machine 1 in November 2009

As far as business growth is concerned, SAICA group will start up a new packing board machine in Manchester on 1 December 2011 and Eka has been given the start up opportunity for chemicals supply to this new large machine. The opportunity is worth around 1 million Euros per year of Eka sales revenue.

One redundancy was made at the beginning of 2010 from the sales department, and one member was transferred into the European marketing group in charge of Functional Chemicals. No other organisational changes were made or required during 2010. Greenbridge consultants were contracted throughout all of 2010.

Results and dividend

The result for the year after taxation amounted to a loss of £276,862 (2009 loss of £715,581).

The directors do not recommend the payment of a dividend (2009 £Nil).

Change of bankers

On 1 April 2010, the Company changed its banking facilities to ING Bank NV, London Branch, 60 London Wall, EC2M 5TQ, London.

Directors

The directors of the Company at 31 December 2010 are shown on page 1. Each of them served on the Board during the whole year under review. J Clifford served as company secretary for the whole year under review. Ian Thorn subsequently resigned from the Board on 30 April 2011.

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Directors' report (continued)

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware. Each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

Pursuant to with Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board



J Clifford
Secretary

27 June 2011

Registered office
26th Floor
Portland House
Bressenden Place
London
SW1E 5BG

Eka Chemicals Limited Registered number 1934005

Statement of directors' responsibilities in respect of the directors' report and the financial statements

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for the period.

In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping proper accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Eka Chemicals Limited Registered number 1934005

Independent auditor's report to the members of Eka Chemicals Limited

We have audited the financial statements of Eka Chemicals Limited for the year ended 31 December 2010 set out on pages 8 to 22. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Policies).

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the Company's affairs as at 31 December 2010 and of its loss for the year then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Eka Chemicals Limited Registered number 1934005

**Independent auditor's report to the members of Eka Chemicals Limited
(continued)**

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion.

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



**AC Campbell-Orde (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor**

Chartered Accountants
100 Temple Street
Bristol
BS1 6AG

27 June 2011

Eka Chemicals Limited Registered number 1934005

**Profit and loss account
for the year ended 31 December 2010**

	Note	2010 £	2009 £
Turnover	2	4,522,094	4,122,152
Other income	4	174,800	174,800
Administrative expenses	3	(5,044,698)	(5,270,477)
Operating loss		(347,804)	(973,525)
Interest receivable and similar income	6	-	2,454
Interest payable and similar charges	7	(2,981)	-
Loss on ordinary activities before taxation		(350,785)	(971,071)
Tax on loss on ordinary activities	8	73,923	255,490
Loss for the year	13	(276,862)	(715,581)

All amounts relate to continuing operations

The Company had no recognised gains or losses during the current or preceding financial year other than those disclosed in the profit and loss account above

Eka Chemicals Limited Registered number 1934005

**Balance sheet
at 31 December 2010**

	Note	2010 £	2009 £
Fixed assets			
Tangible assets	9	717,648	725,395
Investments	10	2	2
		<u>717,650</u>	<u>725,397</u>
Current assets			
Debtors due within one year	11	2,648,996	1,969,557
Cash at bank and in hand		109	289
		<u>2,649,105</u>	<u>1,969,846</u>
Creditors			
Amounts falling due within one year	12	(3,096,982)	(2,148,608)
		<u>(3,096,982)</u>	<u>(2,148,608)</u>
Net current liabilities		<u>(447,877)</u>	<u>(178,762)</u>
Net assets		<u>269,773</u>	<u>546,635</u>
Capital and reserves			
Called-up share capital	15	4,800,000	4,800,000
Profit & loss account	13	(4,530,227)	(4,253,365)
Shareholder's funds		<u>269,773</u>	<u>546,635</u>

The notes on pages 11 to 22 form an integral part of these financial statements

These financial statements were approved by the board on 27 June 2011 and signed on its behalf by

J Goddard
Director



Eka Chemicals Limited Registered number 1934005

**Reconciliation of movement in shareholder's funds
for the year ended 31 December 2010**

	2010	2009
	£	£
Opening shareholder's funds	546,635	1,262,216
Loss for the year	(276,862)	(715,581)
Closing shareholder's funds	<u>269,773</u>	<u>546,635</u>

Eka Chemicals Limited Registered number 1934005

Notes to the financial statements for the year ended 31 December 2010

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules

In accordance with s400 of the Companies Act 2006, the Company is exempt from the requirement to prepare group accounts. These financial statements present the information about the Company as an individual undertaking and not about its group.

The financial statements have been prepared on the going concern basis, notwithstanding net current liabilities of £508,877, which the directors believe to be appropriate for the following reasons. A related undertaking, Akzo Nobel N V, has provided the company with an undertaking that for at least 12 months from the date of approval of these financial statements, it will continue to provide financial and other support to Eka Chemicals Limited to enable the company to continue to trade. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue, although, at the date of approval of these financial statements, they have no reason to believe that it will not do so. Based on this undertaking the directors believe that it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

Cash flow statement

The Company is exempt from the requirements of FRS 1 to prepare a cash flow statement on the grounds that the ultimate parent undertaking, Akzo Nobel N V, includes the Company in its own published consolidated financial statements, which are available from the address given in note 17.

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the profit and loss account.

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Notes to the financial statements (continued)

1 Accounting policies (continued)

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation has been calculated to write off the assets over their estimated useful lives using the following annual rates on a straight line basis

Leasehold land and buildings improvements	Life of the lease
Plant and machinery incorporating	
Machinery and equipment	4 - 50%
Furniture and fittings	10 - 20%
Computer equipment	25 - 33%

Leased and hire purchase assets

Where assets are financed by hire purchase agreements which give rights approximating to ownership, the assets are treated as if they had been purchased outright. The amount capitalised is the cash value of the asset. The corresponding hire purchase commitment is shown as an obligation to the hirer.

Rentals payable under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

Investments

Investments are stated at cost less any provision for a permanent diminution in value.

Turnover

The Company's turnover is generated through services rendered to the single business entity, Eka Chemicals AB, a company incorporated in Sweden, in servicing the UK customer base and developing, manufacturing and supplying paper chemicals for the business unit. Turnover represents the amount invoiced to Eka Chemicals AB including commission received and excluding value added tax. Turnover is recognised at the point of invoice.

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Notes to the financial statements (continued)

1 Accounting policies (continued)

Current and deferred taxation

The charge for taxation is based on the loss for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted, or that the company will receive consideration for group relief that enables this asset to be realised.

Pension costs

The Company participates in the Akzo Nobel (CPS) Pension Scheme ("the CPS Scheme") providing benefits based on final pensionable pay.

The CPS scheme is a multi-employer scheme in which the Company is unable to identify its share of the underlying assets and liabilities on a consistent and reasonable basis and, as permitted by FRS 17, the scheme has been accounted for in these financial statements as if the scheme were a defined contribution scheme. The pension cost charge for the period represents contributions payable by the Company to the scheme (see note 14).

Related party transactions

The Company is controlled by Akzo Nobel Chemicals International BV.

As the Company is a wholly owned subsidiary of the Akzo Nobel N.V., a company whose accounts are publicly available, advantage has been taken of the exemption in FRS 8, relating to the disclosure of material, related party transactions, and has therefore not disclosed transactions or balances with entities which form part of the group. The consolidated financial statements of Akzo Nobel N.V., within which this Company is included, can be obtained from the address given in note 17.

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Notes to the financial statements (continued)
2 Turnover

	2010	2009
	£	£
Geographical segment: by destination		
Continental Europe	<u>4,522,094</u>	<u>4,122,152</u>

3 Administrative expenses

	2010	2009
	£	£
Staff costs (see note 5)	3,129,538	3,482,396
Depreciation charge for the year on tangible owned fixed assets (see note 9)	55,152	74,619
Other administrative expenses	1,860,008	1,713,462
	<u>5,044,698</u>	<u>5,270,477</u>

4 Loss on ordinary activities before taxation

	2010	2009
	£	£
Loss on ordinary activities before taxation is after charging/(crediting)		
Hire of land and buildings under operating leases	239,210	238,900
Hire of other assets under operating leases	147,767	147,311
Net foreign currency losses/(gains)	<u>476</u>	<u>(2,011)</u>

Auditor's remuneration

Audit of these financial statements	<u>7,350</u>	<u>10,500</u>
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Hire of land and buildings under operating leases is gross of amounts recharged in respect of sub-let property totalling £174,800 (2009 £174,800)

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Notes to the financial statements (continued)

5 Staff costs

The average number of persons (including directors) employed during the year, analysed by category, was as follows:

	2010	2009
Labour	3	3
Administration	8	8
Sales, marketing and distribution	26	27
	<u>37</u>	<u>38</u>

The aggregate payroll costs of these persons were as follows

	2010 £	2009 £
Staff costs (for the above persons)		
Wages and salaries	1,778,743	1,660,793
Social security costs	191,740	175,784
Other pension costs (see note 14)		
Akzo Nobel UK/(CPS) pension schemes	1,111,097	1,628,585
Akzo Nobel (CPS) pension scheme DC section	26,263	14,646
Private pension schemes	21,695	2,588
	<u>3,129,538</u>	<u>3,482,396</u>

Other pension costs include a top up payment of £700,000 (2009 £1,291,000) paid into the Akzo Nobel (CPS) pension scheme (note 14)

The remuneration paid to the directors of Eka Chemicals Limited was:

	2010 £	2009 £
Directors' emoluments	303,180	287,494
Pension costs	83,598	61,568
	<u>386,778</u>	<u>349,062</u>

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Notes to the financial statements (continued)
5 Staff costs (continued)

The emoluments of the highest paid director were

	2010	2009
	£	£
Remuneration	121,052	112,200
Contribution to group pension scheme	34,507	23,494
	<u>155,559</u>	<u>135,694</u>

Retirement benefits are accruing to the following number of directors under

	2010	2009
Defined benefit schemes	<u>4</u>	<u>4</u>

6 Interest receivable and similar income

	2010	2009
	£	£
On bank loans and overdrafts	<u>-</u>	<u>2,454</u>

7 Interest payable and similar charges

	2010	2009
	£	£
On bank loans and overdrafts	<u>2,981</u>	<u>-</u>

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Notes to the financial statements (continued)
8 Tax on loss on ordinary activities

	2010	2009
	£	£
<i>Analysis of tax credit in year</i>		
<i>UK Corporation tax</i>		
Current tax on income for the year	(276,648)	(450,381)
Adjustment in respect of prior years	-	(2,260)
	<u>(276,648)</u>	<u>(452,641)</u>
<i>Deferred tax</i>		
Original/reversal of timing differences (see note 11)	202,725	197,151
Tax on loss on ordinary activities	<u>(73,923)</u>	<u>(255,490)</u>

Factors affecting the tax change for the current year

The current tax credit for the year is higher (2009 higher) than the standard rate of corporation tax in the UK of 28% (2009 28%). The differences are explained below

	2010	2009
	£	£
<i>Current tax reconciliation</i>		
Loss on ordinary activities before taxation	<u>(350,785)</u>	<u>(971,071)</u>
Current tax on ordinary activities at the standard rate	(98,220)	(271,900)
<i>Effects of</i>		
Expenses not deductible for tax purposes	23,417	20,471
Capital allowances in excess of depreciation	(1,925)	968
Other timing differences	(199,920)	(199,920)
Adjustment in respect of prior years	-	(2,260)
Total current tax credit	<u>(276,648)</u>	<u>(452,641)</u>

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Notes to the financial statements (continued)
9 Tangible fixed assets

	Leasehold land and buildings £	Plant and machinery £	Total £
Cost			
At 1 January 2010	1,007,539	1,477,291	2,484,830
Additions	48,240	6,565	54,805
Disposals	-	(119,281)	(119,281)
At 31 December 2010	1,055,779	1,364,575	2,420,354
Depreciation			
At 1 January 2010	353,724	1,405,711	1,759,435
Charge for the year	17,882	37,270	55,152
Disposals	-	(111,881)	(111,881)
At 31 December 2010	371,606	1,331,100	1,702,706
Net book value at 31 December 2010	684,173	33,475	717,648
Net book value at 31 December 2009	653,815	71,580	725,395

The net book value of leasehold land and buildings all relate to long leaseholds

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Notes to the financial statements (continued)
10 Investment in subsidiary undertakings

	£
Cost	
At beginning and end of year	2

The Company holds 100% of the ordinary share capital of the following company.

Subsidiary undertaking	Country of incorporation	Principal activity	Loss for the year ended 31 December 2010 £	Loss for the year ended 31 December 2009 £
Eka Chemicals (AC) Limited	England & Wales	Holding company for joint venture	(24,700)	(11,156)

11 Debtors

	2010 £	2009 £
Amounts falling due within one year:		
Trade debtors	-	88
Amounts owed by group undertakings	1,464,778	847,465
Other debtors	61,319	61,621
Current tax asset	1,036,000	758,980
Prepayments and accrued income	51,899	58,884
	2,613,996	1,727,038
Amounts falling due after more than one year:		
Other debtors	-	4,794
Deferred tax asset	35,000	237,725
	2,648,996	1,969,557

Eka Chemicals Limited Registered number 1934005**Notes to the financial statements (continued)****11 Debtors (continued)**

	2010	2009
	£	£
Movement on the deferred tax balance in the year		
At beginning of year	237,725	434,876
Debit to profit and loss account (see note 8)	(202,725)	(197,151)
At end of year (see note 12)	<u>35,000</u>	<u>237,725</u>
Analysis of deferred tax balance		
Accelerated depreciation over capital allowances	(164,920)	37,805
Short term timing differences	199,920	199,920
	<u>35,000</u>	<u>237,725</u>

The Company participates in a cash pooling arrangement with certain other group companies. This arrangement allows the Company to draw upon or credit amounts to a separate designated facility within a cash pool account in the name of Akzo Nobel Coatings (BLD) Limited. The Company operates the facility as if it were the Company's own bank account, however, the Company has no legal title. Accordingly, the amounts have therefore been included within amounts owed by group undertakings rather than as cash at bank. All parties to the arrangement are jointly and severally liable to the bank for any overdraft thereon. At 31 December 2010 the overall balance was £1.1m credit (2009 £5.8m credit). Included within amounts owed by group undertakings is £52,665 owed by (2009 £343,817 owed to) in respect of the Company's share of the account.

12 Creditors

	2010	2009
	£	£
Amounts falling due within one year:		
Trade creditors	33,936	25,667
Amounts owed to group undertakings	2,828,975	1,857,649
Other creditors including social security	-	104,356
Accruals and deferred income	234,071	160,936
	<u>3,096,982</u>	<u>2,148,608</u>

Eka Chemicals Limited Registered number 1934005

Notes to the financial statements (continued)

13 Profit and loss account

	2010	2009
	£	£
At beginning of year	(4,253,365)	(3,537,784)
Loss for the year	(276,862)	(715,581)
At end of year	<u>(4,530,227)</u>	<u>(4,253,365)</u>

14 Pension and similar obligations

Akzo Nobel (CPS) Pension Scheme

The Company participates in the Akzo Nobel (CPS) Pension Scheme ("the CPS Scheme") providing benefits based on final pensionable pay

The CPS scheme is a multi-employer scheme in which the Company is unable to identify its share of the underlying assets and liabilities on a consistent and reasonable basis and, as permitted by FRS 17, the scheme has been accounted for in these financial statements as if the scheme were a defined contribution scheme. The pension costs charge for the period represents contributions payable by the Company to the scheme.

The latest full actuarial valuation was carried out at 31 March 2009 by a qualified independent actuary. At this valuation, the market value of the UK scheme assets was sufficient to cover 71% of the benefits that had accrued to members at that date.

The contribution rate is generally reviewed every three years following each full actuarial valuation of the scheme. The employer contribution rates which applied in the first 3 months of 2010 were set following the 2006 valuation and were 25% of pensionable pay. Following the 2009 valuation the regular employer contribution rate increased to 34% of pensionable pay and was effective from 1 April 2010.

Following the 2009 valuation, the trustees of the CPS Scheme and Akzo Nobel N V, the ultimate parent company, agreed that an additional contribution of £85.0 million would be made as a deficit contribution in 2010 (2009 £25.0 million). This contribution was made by another group undertaking in 2010 and 2009. The portion of the additional contribution charged to the Company for 2010 was £700,000 (2009 £1,291,000) (note 5).

The Company is also a member of the Akzo Nobel (CPS) Pension Scheme Defined Contribution Section providing benefits based on contributions made. There were no outstanding or prepaid contributions at the beginning or end of the financial year.

Eka Chemicals Limited Registered number 1934005**Notes to the financial statements (continued)****14 Pension and similar obligations (continued)**

The total pension cost for the period represents contributions payable by the Company to both of the schemes and amounted to £1,137,360 (2009 £1,643,231) (note 5)

15 Share capital

	2010	2009
	£	£
Allotted, called-up and fully paid:		
4,800,000 ordinary shares of £1 each	<u>4,800,000</u>	<u>4,800,000</u>

16 Financial commitments

	2010			2009		
	Land and buildings £	Other £	Total £	Land and buildings £	Other £	Total £
Expiring within one year	5,520	44,461	49,981	-	35,287	35,287
Expiring between two and five years inclusive	42,000	92,843	134,843	18,181	69,311	87,492
Expiring in over five years	196,900	-	196,900	196,900	-	196,900
	<u>244,420</u>	<u>137,304</u>	<u>381,724</u>	<u>215,081</u>	<u>104,598</u>	<u>319,679</u>

17 Ultimate holding company

The largest group in which the results of the Company are consolidated is headed by Akzo Nobel N V , the Company's ultimate holding company and controlling party, and the smallest group in which the results are consolidated is headed by Akzo Nobel Chemicals International B V Both companies are incorporated and registered in the Netherlands The financial statements of Akzo Nobel N V can be obtained from Velperweg 76, PO Box 9300, 6800 SB Arnhem, the Netherlands