

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 <div style="text-align: center; font-size: 1.5em; font-weight: bold;">2011</div> This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2011 or fiscal plan year beginning <u>01/01/2011</u> and ending <u>12/31/2011</u>	
A This return/report is for:	☐ a multiemployer plan; ☐ a multiple-employer plan; or ☒ a single-employer plan; ☐ a DFE (specify) ____
B This return/report is:	☐ the first return/report; ☐ the final return/report; ☐ an amended return/report; ☐ a short plan year return/report (less than 12 months).
C If the plan is a collectively-bargained plan, check here.	☐
D Check box if filing under:	☒ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II	Basic Plan Information —enter all requested information				
1a Name of plan <u>AKZONOBEL RETIREMENT SAVINGS PLAN FOR EMPLOYEES IN PUERTO RICO</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>010</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>07/01/2000</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>010</u>	1c Effective date of plan <u>07/01/2000</u>	
1b Three-digit plan number (PN) ▶	<u>010</u>				
1c Effective date of plan <u>07/01/2000</u>					
2a Plan sponsor's name and address, including room or suite number (Employer, if for single-employer plan) <u>ICI PAINTS PUERTO RICO INC.</u> <u>C/O AKZONOBEL HR SHARED SERVICES</u> <u>525 WEST VAN BUREN STREET</u> <u>CHICAGO, IL 60607</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>66-0539946</u></td> </tr> <tr> <td>2c Sponsor's telephone number <u>312-544-7000</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>325500</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>66-0539946</u>	2c Sponsor's telephone number <u>312-544-7000</u>	2d Business code (see instructions) <u>325500</u>	
2b Employer Identification Number (EIN) <u>66-0539946</u>					
2c Sponsor's telephone number <u>312-544-7000</u>					
2d Business code (see instructions) <u>325500</u>					

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/15/2012	CAROL CZARNECKI - AS PRACTITIONER
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Form 5500 (2011)
v.012611

3a Plan administrator's name and address (if same as plan sponsor, enter "Same") ICI PAINTS PUERTO RICO INC. C/O AKZONOBEL HR SHARED SERVICES 525 WEST VAN BUREN STREET CHICAGO, IL 60607	3b Administrator's EIN 66-0539946 <hr/> 3c Administrator's telephone number 312-544-7000
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4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN <hr/> 4c PN
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5 Total number of participants at the beginning of the plan year	5	309
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6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).		
a Active participants.....	6a	222
b Retired or separated participants receiving benefits.....	6b	3
c Other retired or separated participants entitled to future benefits.....	6c	81
d Subtotal. Add lines 6a , 6b , and 6c	6d	306
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	5
f Total. Add lines 6d and 6e	6f	311
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	304
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	3

7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	
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8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:

2E 2F 2G 2S 3C 3H

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

9a Plan funding arrangement (check all that apply)	9b Plan benefit arrangement (check all that apply)
(1) ☐ Insurance	(1) ☐ Insurance
(2) ☐ Code section 412(e)(3) insurance contracts	(2) ☐ Code section 412(e)(3) insurance contracts
(3) ☒ Trust	(3) ☒ Trust
(4) ☐ General assets of the sponsor	(4) ☐ General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- (1)** ☒ **R** (Retirement Plan Information)
- (2)** ☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- (3)** ☐ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

- (1)** ☒ **H** (Financial Information)
- (2)** ☐ **I** (Financial Information – Small Plan)
- (3)** ☐ 0 **A** (Insurance Information)
- (4)** ☐ **C** (Service Provider Information)
- (5)** ☒ **D** (DFE/Participating Plan Information)
- (6)** ☐ **G** (Financial Transaction Schedules)

SCHEDULE D (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small>	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2011 This Form is Open to Public Inspection.
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For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan <u>AKZONOBEL RETIREMENT SAVINGS PLAN FOR EMPLOYEES IN PUERTO RICO</u>	B Three-digit plan number (PN)	<u>010</u>
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>ICI PAINTS PUERTO RICO INC.</u>	D Employer Identification Number (EIN) <u>66-0539946</u>	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
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a Name of MTIA, CCT, PSA, or 103-12 IE: AKZO NOBEL INC SVGS PL MASTER TRUST

b Name of sponsor of entity listed in (a): AKZO NOBEL, INC.

c EIN-PN <u>04-3500520-001</u>	d Entity code <u>M</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>3076659</u>
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a Name of MTIA, CCT, PSA, or 103-12 IE: LIFEPATH INDEX 2015 FUND J

b Name of sponsor of entity listed in (a): BLACKROCK INSTITUTIONAL TRUST COMPANY, N.A.

c EIN-PN <u>33-1162471-001</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>570</u>
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a Name of MTIA, CCT, PSA, or 103-12 IE: LIFEPATH INDEX 2020 FUND J

b Name of sponsor of entity listed in (a): BLACKROCK INSTITUTIONAL TRUST COMPANY, N.A.

c EIN-PN <u>33-1162472-001</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>10222</u>
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a Name of MTIA, CCT, PSA, or 103-12 IE: LIFEPATH INDEX 2025 FUND J

b Name of sponsor of entity listed in (a): BLACKROCK INSTITUTIONAL TRUST COMPANY, N.A.

c EIN-PN <u>33-1162473-001</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>98086</u>
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a Name of MTIA, CCT, PSA, or 103-12 IE: LIFEPATH INDEX 2030 FUND J

b Name of sponsor of entity listed in (a): BLACKROCK INSTITUTIONAL TRUST COMPANY, N.A.

c EIN-PN <u>33-1162474-001</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>40549</u>
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a Name of MTIA, CCT, PSA, or 103-12 IE: LIFEPATH INDEX 2035 FUND J

b Name of sponsor of entity listed in (a): BLACKROCK INSTITUTIONAL TRUST COMPANY, N.A.

c EIN-PN <u>33-1162475-001</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>177645</u>
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a Name of MTIA, CCT, PSA, or 103-12 IE: LIFEPATH INDEX 2040 FUND J

b Name of sponsor of entity listed in (a): BLACKROCK INSTITUTIONAL TRUST COMPANY, N.A.

c EIN-PN <u>33-1162476-001</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>255993</u>
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a Name of MTIA, CCT, PSA, or 103-12 IE: LIFEPATH INDEX 2045 FUND J**b** Name of sponsor of entity listed in (a): BLACKROCK INSTITUTIONAL TRUST COMPANY, N.A.

c EIN-PN 33-1162477-001	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 70037
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a Name of MTIA, CCT, PSA, or 103-12 IE: LIFEPATH INDEX 2050 FUND J**b** Name of sponsor of entity listed in (a): BLACKROCK INSTITUTIONAL TRUST COMPANY, N.A.

c EIN-PN 26-0896108-001	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 45596
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a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
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plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2011 This Form is Open to Public Inspection
For calendar plan year 2011 or fiscal plan year beginning <u>01/01/2011</u> and ending <u>12/31/2011</u>		
A Name of plan <u>AKZONOBEL RETIREMENT SAVINGS PLAN FOR EMPLOYEES IN PUERTO RICO</u>		B Three-digit plan number (PN) <u>010</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>ICI PAINTS PUERTO RICO INC.</u>		D Employer Identification Number (EIN) <u>66-0539946</u>

Part I	Asset and Liability Statement		(a) Beginning of Year	(b) End of Year
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.				
	Assets			
a	Total noninterest-bearing cash	1a		
b	Receivables (less allowance for doubtful accounts):			
	(1) Employer contributions	1b(1)	54093	0
	(2) Participant contributions	1b(2)		
	(3) Other.....	1b(3)		
c	General investments:			
	(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
	(2) U.S. Government securities.....	1c(2)		
	(3) Corporate debt instruments (other than employer securities):			
	(A) Preferred	1c(3)(A)		
	(B) All other.....	1c(3)(B)		
	(4) Corporate stocks (other than employer securities):			
	(A) Preferred	1c(4)(A)		
	(B) Common	1c(4)(B)		
	(5) Partnership/joint venture interests	1c(5)		
	(6) Real estate (other than employer real property)	1c(6)		
	(7) Loans (other than to participants)	1c(7)	540438	471118
	(8) Participant loans	1c(8)		
	(9) Value of interest in common/collective trusts.....	1c(9)	615617	698698
	(10) Value of interest in pooled separate accounts.....	1c(10)		
	(11) Value of interest in master trust investment accounts	1c(11)	3030215	3076659
	(12) Value of interest in 103-12 investment entities	1c(12)		
	(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	2146532	2720155
	(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
	(15) Other	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	6386895	6966630

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	6386895	6966630
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Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	476817	
(B) Participants	2a(1)(B)	320028	
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		796845
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)	24937	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		24937
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	60086	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		60086
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B).....	2b(5)(C)		0
(6) Net investment gain (loss) from common/collective trusts	2b(6)		-14374
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		105241
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		-169809
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		802926

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	218319	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		218319
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	4872	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		4872
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		223191

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d.....	2k		579735
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? ☒ Yes ☐ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: GRANT THORNTON LLP

(2) EIN: 36-6055558

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

- 4** CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete 4j and 4l. MTIAs also do not complete 4l.

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....		X	
e Was this plan covered by a fidelity bond?.....	X		5000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.).....		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			
4n			

- 5a** Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?

If "Yes," enter the amount of any plan assets that reverted to the employer this year..... ☐ Yes ☒ No Amount:

- 5b** If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)

5b(2) EIN(s)	5b(3) PN(s)

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2011 This Form is Open to Public Inspection.
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For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan <u>AKZONOBEL RETIREMENT SAVINGS PLAN FOR EMPLOYEES IN PUERTO RICO</u>	B Three-digit plan number (PN) ▶ <u>010</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>ICI PAINTS PUERTO RICO INC.</u>	D Employer Identification Number (EIN) <u>66-0539946</u>

Part I	Distributions
---------------	----------------------

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>04-6568107</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3	

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)
----------------	--

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?.....	☐ Yes	☐ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?.....	☐ Yes	☐ No	☐ N/A

Part III	Amendments
-----------------	-------------------

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.....	☐ Increase	☐ Decrease	☐ Both	☐ No
--	-----------------------------------	-----------------------------------	-------------------------------	-----------------------------

Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
----------------	---

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?.....	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.).....	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. Complete as many entries as needed to report all applicable employers.

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

- 14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	14a	
b The plan year immediately preceding the current plan year	14b	
c The second preceding plan year	14c	

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	15a	
b The corresponding number for the second preceding plan year	15b	

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	16a	
b If item 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

- 19** If the total number of participants is 1,000 or more, complete items (a) through (c)

a Enter the percentage of plan assets held as:
 Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate item 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____



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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Plan Administrative Committee
AkzoNobel Retirement Savings Plan
for Employees in Puerto Rico

We were engaged to audit the accompanying statements of net assets available for benefits of the AkzoNobel Retirement Savings Plan for Employees in Puerto Rico (the Plan) as of December 31, 2011 and 2010 (restated), the related statement of changes in net assets available for benefits for the year ended December 31, 2011, and the supplemental schedule of assets (held at end of year) as of December 31, 2011. These financial statements and supplemental schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in note C, which was certified by Fidelity Management Trust Company and Banco Popular, the trustees of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedule. We have been informed by the Plan administrator that the trustees hold the certified Plan assets and execute the related transactions. The Plan administrator has obtained certifications from the trustees as of December 31, 2011 and 2010, and for the year ended December 31, 2011, that the information provided to the Plan administrator by the trustees is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and supplemental schedule taken as a whole. The supplemental schedule is presented for purposes of additional analysis and is not a required part of the financial statements, but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the trustees, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

As described in note B, the Plan's statement of net assets and related Master Trust footnote disclosure as of December 31, 2010, have been restated to properly state the interest in the Master Trust to reflect certain investments held outside the master trust that were previously reported within the Master Trust.

A handwritten signature in black ink that reads "Grant Thornton LLP".

Chicago, Illinois
October 15, 2012

Form 5500Department of the Treasury
Internal Revenue ServiceDepartment of Labor
Employee Benefits Security
Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**OMB Nos. 1210-0110
1210-0089**2011****This Form is Open to Public Inspection****Part I Annual Report Identification Information**For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

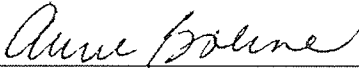
- A** This return/report is for: ☐ a multiemployer plan; ☐ a multiple-employer plan; or
☒ a single-employer plan; ☐ a DFE (specify) _____
- B** This return/report is: ☐ the first return/report; ☐ the final return/report;
☐ an amended return/report; ☐ a short plan year return/report (less than 12 months).
- C** If the plan is a collectively-bargained plan, check here. ☐
- D** Check box if filing under: ☒ Form 5558; ☐ automatic extension; ☐ the DFVC program;
☐ special extension (enter description) _____

Part II Basic Plan Information—enter all requested information

1a Name of plan AKZONOBEL RETIREMENT SAVINGS PLAN FOR EMPLOYEES IN PUERTO RICO	1b Three-digit plan number (PN) ▶ <u>010</u>
	1c Effective date of plan 07/01/2000
2a Plan sponsor's name and address, including room or suite number (Employer, if for single-employer plan) ICI PAINTS PUERTO RICO INC. C/O AKZONOBEL HR SHARED SERVICES 525 WEST VAN BUREN STREET CHICAGO IL 60607	2b Employer Identification Number (EIN) 66-0539946
	2c Sponsor's telephone number 312-544-7000
	2d Business code (see instructions) 325500

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE		<u>10/15/12</u>	ANNE BOHNE
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Form 5500 (2011)
v.012611

3a Plan administrator's name and address (if same as plan sponsor, enter "Same") ICI PAINTS PUERTO RICO INC. C/O AKZONOBEL HR SHARED SERVICES 525 WEST VAN BUREN STREET CHICAGO IL 60607	3b Administrator's EIN 66-0539946 3c Administrator's telephone number 312-544-7000
---	---

4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
---	-----------------------------------

5 Total number of participants at the beginning of the plan year	5	309
---	----------	-----

6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).		
a Active participants	6a	222
b Retired or separated participants receiving benefits	6b	3
c Other retired or separated participants entitled to future benefits.....	6c	81
d Subtotal. Add lines 6a , 6b , and 6c	6d	306
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	6e	5
f Total. Add lines 6d and 6e	6f	311
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	6g	304
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	6h	3

7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....	7	
---	----------	--

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:

2E 2F 2G 2S 3C 3H

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
---	---

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- (1) ☒ **R** (Retirement Plan Information)
- (2) ☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- (3) ☐ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

- (1) ☒ **H** (Financial Information)
- (2) ☐ **I** (Financial Information – Small Plan)
- (3) ☐ **A** (Insurance Information)
- (4) ☐ **C** (Service Provider Information)
- (5) ☒ **D** (DFE/Participating Plan Information)
- (6) ☐ **G** (Financial Transaction Schedules)

**FINANCIAL STATEMENTS AND REPORT OF
INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS
AKZONOBEL RETIREMENT SAVINGS PLAN
FOR EMPLOYEES IN PUERTO RICO
DECEMBER 31, 2011 AND 2010**

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Plan Administrative Committee
AkzoNobel Retirement Savings Plan
for Employees in Puerto Rico

We were engaged to audit the accompanying statements of net assets available for benefits of the AkzoNobel Retirement Savings Plan for Employees in Puerto Rico (the Plan) as of December 31, 2011 and 2010 (restated), the related statement of changes in net assets available for benefits for the year ended December 31, 2011, and the supplemental schedule of assets (held at end of year) as of December 31, 2011. These financial statements and supplemental schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in note C, which was certified by Fidelity Management Trust Company and Banco Popular, the trustees of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedule. We have been informed by the Plan administrator that the trustees hold the certified Plan assets and execute the related transactions. The Plan administrator has obtained certifications from the trustees as of December 31, 2011 and 2010, and for the year ended December 31, 2011, that the information provided to the Plan administrator by the trustees is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and supplemental schedule taken as a whole. The supplemental schedule is presented for purposes of additional analysis and is not a required part of the financial statements, but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the trustees, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

As described in note B, the Plan's statement of net assets and related Master Trust footnote disclosure as of December 31, 2010, have been restated to properly state the interest in the Master Trust to reflect certain investments held outside the master trust that were previously reported within the Master Trust.

A handwritten signature in black ink that reads "Grant Thornton LLP".

Chicago, Illinois
October 15, 2012

AkzoNobel Retirement Savings Plan for Employees in Puerto Rico
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
December 31,

	2011	2010 (Restated)
Assets		
Plan interest in Akzo Nobel, Inc. Savings Plan Master Trust, at fair value	\$3,076,659	\$3,030,215
Plan investments, at fair value	3,418,853	2,762,149
Receivables		
Company contributions	-	54,093
Notes receivable from participants	<u>471,118</u>	<u>540,438</u>
Net assets available for benefits at fair value	6,966,630	6,386,895
Adjustment from fair value to contract value for interest in Master Trust relating to fully benefit-responsive investment contracts	<u>(137,886)</u>	<u>(142,941)</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u>\$6,828,744</u>	<u>\$6,243,954</u>

The accompanying notes are an integral part of these statements.

AkzoNobel Retirement Savings Plan for Employees in Puerto Rico
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
Year ended December 31, 2011

Additions to net assets attributed to	
Plan interest in Akzo Nobel, Inc. Savings Plan Master Trust	
net investment gain	\$ 110,296
Interest income on notes receivable from participants	24,937
Net depreciation in fair value of investments	(184,183)
Interest and dividends	<u>60,086</u>
	11,136
Contributions	
Company	476,817
Participant	<u>320,028</u>
Total contributions	<u>796,845</u>
Total additions	807,981
Deductions from net assets attributed to	
Benefits paid directly to participants	218,319
Administrative expenses	<u>4,872</u>
Total deductions	<u>223,191</u>
NET INCREASE	584,790
Net assets available for benefits	
Beginning of year	<u>6,243,954</u>
End of year	<u>\$6,828,744</u>

The accompanying notes are an integral part of this statement.

AkzoNobel Retirement Savings Plan for Employees in Puerto Rico
NOTES TO FINANCIAL STATEMENTS
December 31, 2011 and 2010

NOTE A - PLAN DESCRIPTION

The following brief description of the AkzoNobel Retirement Savings Plan for Employees in Puerto Rico (the Plan) provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan covering eligible full-time and part-time employees of Akzo Nobel Paints (Puerto Rico) Inc. (the Company). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Certain Plan assets are held in trust by Banco Popular de Puerto Rico under the trust agreement pursuant to the Instrument of Resignation, Appointment and Acceptance of Trusteeship. The Plan interest in the AkzoNobel Fixed Income Fund is invested in the AkzoNobel Master Trust. Fidelity Management Trust Company (Fidelity) is the trustee of the AkzoNobel Master Trust, which holds the assets of a number of defined contribution plans sponsored by subsidiaries and affiliates of AkzoNobel.

Contributions

Each year, participants may contribute up to 25% of pretax eligible compensation and up to 6% of after-tax eligible compensation, as defined by the Plan. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans. The Company makes matching and retirement contributions based on the elective contributions made by the participants or based on participant compensation, as defined by Plan provisions. Contributions are subject to limitations.

Participant Accounts

Each participant's account is credited with the participant's contribution, service-based contribution, Company matching contribution, if any, and allocations of Plan earnings, and charged with an allocation of administrative expenses. Allocations are based on account balances or compensation, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

Participants are immediately vested in their contributions and Company matching contributions plus actual earnings thereon. Participants will vest in their Company service-based contributions plus actual earnings thereon upon the completion of three years of service.

Forfeitures

Forfeitures are used to reduce Company contributions. At December 31, 2011 and 2010, forfeited non-vested accounts totaled \$355 and \$81,085, respectively. During 2011, approximately \$83,000 in forfeitures were used to reduce Company contributions.

AkzoNobel Retirement Savings Plan for Employees in Puerto Rico
NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 2011 and 2010

Notes Receivable from Participants

Participants may borrow from their fund accounts a minimum of \$500 up to a maximum equal to the lesser of 50% of their account, excluding certain Company contributions as defined by Plan provisions, or \$50,000, reduced by their highest outstanding loan balance in the preceding 12 months and certain Company contributions as defined by Plan provisions. A participant may have up to two loans outstanding at any one time. The loans are secured by the balance in the participant's account and bear interest at the prime rate based on Reuters Prime Rate of the last day of the calendar quarter preceding the quarter in which the loan becomes effective, plus 1%. Principal and interest are paid ratably through payroll deductions.

Payment of Benefits

On termination of service including due to death, disability or retirement, a participant may elect to receive either a lump-sum amount equal to the value of the participant's vested interest in his or her account, or periodic partial distributions, as defined by the Plan document.

NOTE B - SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Plan are prepared under the accrual method of accounting.

Restatement

The statement of net assets available for benefits and related Master Trust footnote (note E), as of December 31, 2010, has been restated to reflect the adjustment of certain investments held outside the Master Trust that were previously reported within the Master Trust, as follows:

Net assets available for benefits:

	2010, as reported	Adjustments	2010, as restated
Assets			
Plan interest in Akzo Nobel, Inc. Savings Plan Master Trust	\$5,792,364	\$(2,762,149)	\$3,030,215
Plan investments, at fair value	-	2,762,149	2,762,149

Master trust footnote:

	2010, as reported	Adjustments	2010, as restated
Assets held by the Master Trust measured at fair value	\$1,179,124,675	\$(2,762,149)	\$1,176,362,526

AkzoNobel Retirement Savings Plan for Employees in Puerto Rico
NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 2011 and 2010

Accounting Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

Investments are reported at fair value. The fair value of the Plan's interest in the AkzoNobel Master Trust (Master Trust) is based on the specific interest that each plan has in the underlying participant-directed investment options. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See note D for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Investment income relating to the Master Trust is allocated to individual plans based upon the underlying assets invested by each plan. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Fixed Income Funds

At December 31, 2011 and 2010, the Plan invested in the AkzoNobel Fixed Income Fund (the Fund) through the Master Trust. The Fund was managed by Galliard Capital Management (the Fund Manager) and principally invested in synthetic guaranteed investment contracts (GICs) and GICS. The underlying investments associated with the synthetic GICs are held within Wells Fargo-managed fixed income funds. The Fund is stated at contract value as all contracts (both synthetic GICs and GICS) within the Fund are considered benefit responsive. Contract value represents contributions made under the contract, plus interest accrued at the contract rate, less any withdrawals. Contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the plan. The statements of net assets available for benefits present the fair value of the investment in the Master Trust as well as the adjustment of the investment in the Master Trust from fair value to contract value relating to the underlying investments of the Fund. The statement of changes in net assets available for benefits is prepared on a contract-value basis.

Payment of Benefits

Benefits are recorded when paid.

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid balance plus any accrued but unpaid interest. Delinquent loans are reclassified as distributions based upon the terms of the Plan document.

Administrative Expenses

The Plan provides that expenses related directly to the Plan may be charged to the Plan or paid by the Company at the Company's discretion.

AkzoNobel Retirement Savings Plan for Employees in Puerto Rico
NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 2011 and 2010

New Accounting Pronouncements

In January 2010, the Financial Accounting Standards Board (FASB) amended the fair value measurements and disclosures by adding new disclosure requirements for Level 1 and Level 2, separate disclosures of purchases, sales, issuances and settlements relating to Level 3 measurements, and clarification of existing fair value disclosures. This amended guidance is effective for periods beginning after December 15, 2009, except for the requirement to provide Level 3 activity of purchases, sales, issuances and settlements on a gross basis, which will be effective for fiscal years beginning after December 15, 2010. The amended guidance has been adopted by the Plan.

In May 2011, the FASB issued guidance clarifying how to measure and disclose fair value. This guidance amends the application of existing fair value measurement requirements, while other amendments change a particular principle in existing fair value measurement guidance. In addition, this guidance requires additional fair value disclosures, although certain of these new disclosures will not be required for non-public entities. The amendments are to be applied prospectively and are effective for annual periods beginning after December 15, 2011. Plan management is currently evaluating the effect that the provisions of the amended guidance will have on the Plan's financial statements.

Reclassifications

Certain amounts previously shown have been reclassified to conform to the current-year presentation.

NOTE C - INFORMATION CERTIFIED BY THE TRUSTEES

The Plan administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, Fidelity and Banco Popular, the Plan's trustees, have certified that the following data included in the accompanying financial statements and supplemental schedule is complete and accurate:

- Plan interest in Akzo Nobel, Inc. Savings Plan Master Trust, Plan investments and notes receivable from participants, as shown in the statements of net assets available for benefits as of December 31, 2011 and 2010, except for the adjustment from fair value to contract value for interest in Master Trust relating to fully benefit-responsive investment contracts.
- Plan interest in AkzoNobel, Inc. Savings Plan Master Trust net investment income, interest income on notes receivable from participants, net depreciation in fair value of investments, and interest and dividends, as shown in the statement of changes in net assets available for benefits for the year ended December 31, 2011.
- Schedule H, line 4i - schedule of assets (held at end of year) as of December 31, 2011.

The Plan's independent accountants did not perform auditing procedures with respect to this information, except for comparing such information to the related information included in the financial statements and supplemental schedule.

AkzoNobel Retirement Savings Plan for Employees in Puerto Rico
NOTES TO FINANCIAL STATEMENTS - CONTINUED
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NOTE D - FAIR VALUE MEASUREMENTS

The FASB has issued guidance that provides a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The fair value hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB guidance are described below:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 - Inputs to the valuation methodology include the following:

- Quoted prices for similar assets or liabilities in active markets.
- Quoted prices for identical or similar assets or liabilities in inactive markets.
- Inputs other than quoted prices that are observable for the asset or liability.
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2011 and 2010.

Shares of registered investment companies (Level 1) - Valued at the quoted market price of shares held by the Plan at year-end.

Money market (Level 1) - Valued at the account balance plus interest earned.

Shares of common/collective trusts (Level 2) - Valued at the total of the net asset value of the underlying investments and cash held by the Plan at year-end. Each of the common/collective trusts invested in by the Plan holds a variety of fixed income securities, equity securities and investment contracts.

AkzoNobel Retirement Savings Plan for Employees in Puerto Rico
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The common/collective trusts with portfolios focused on fixed income securities hold some investments that are classified as both Level 2 and Level 3. The fair value of Level 2 investments is derived from pricing provided by independent pricing services. Such prices are based on observable market data for the same or similar securities, including quoted prices in markets that are not active, or matrix pricing or other similar techniques that use observable market inputs. The fair value of Level 3 investments is derived either from pricing provided by independent brokers who utilize a valuation technique with unobservable inputs, or internally by the common/collective trust manager. The Level 3 investments underlying certain common/collective trusts are not significant to the portfolios.

AkzoNobel Fixed Income Fund - The fund holds a variety of securities including investment contracts, corporate debt securities and wrappers.

The GICs and synthetic investment contracts (Level 2) are valued at fair value by discounting the related cash flows based on current yields of similar instruments with comparable durations considering the creditworthiness of the issuer. Inputs used in valuing the GICs are similar to those discussed above. Inputs used to value the synthetic GICs are dependent on the contract's underlying investments, but are nonetheless based on observable inputs. Inputs used in valuing the GICs are similar to those discussed above. Inputs used to value the synthetic GICs are dependent on the contract's underlying investments, but are nonetheless based on observable market inputs which drive the Level 2 classification.

The security-backed contracts (Level 2) are valued at the net asset value provided by the administrator of the fund. The net asset value is based on the value of the underlying securities, minus liabilities, and then divided by the number of units held by the Plan at year-end.

The wrappers (Level 2) are valued based upon the terms of the individual wrapper contracts and re-bid pricing.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

AkzoNobel Retirement Savings Plan for Employees in Puerto Rico
NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 2011 and 2010

The following tables set forth by level, within the fair value hierarchy, the assets held by the the Plan measured at fair value as of December 31:

	2011			Total
	Level 1	Level 2	Level 3	
Shares of registered investment companies				
Domestic corporate debt securities	\$ 316,918	\$ -	\$ -	\$ 316,918
U.S. government debt*	64,969	-	-	64,969
Domestic equity securities	1,832,845	-	-	1,832,845
Foreign equity securities	488,740	-	-	488,740
Other**	15,302	-	-	15,302
Money Market	1,381	-	-	1,381
Shares of common/collective trusts				
Domestic equity securities	-	<u>698,698</u>	-	<u>698,698</u>
	<u>\$2,720,155</u>	<u>\$698,698</u>	<u>\$ -</u>	<u>\$3,418,853</u>
	2010			Total
	Level 1	Level 2	Level 3	
Shares of registered investment companies				
Domestic corporate debt securities	\$ 211,376	\$ -	\$ -	\$ 211,376
U.S. government debt*	25,988	-	-	25,988
Domestic equity securities	1,591,223	-	-	1,591,223
Foreign equity securities	306,090	-	-	306,090
Other**	8,461	-	-	8,461
Money Market	3,824	-	-	3,824
Shares of common/collective trusts				
Domestic equity securities	-	<u>615,187</u>	-	<u>615,187</u>
	<u>\$2,146,962</u>	<u>\$615,187</u>	<u>\$ -</u>	<u>\$2,762,149</u>

* Debt securities issued by the U.S. Treasury and other U.S. government corporations and agencies.

** This categorization encompasses residential-backed mortgage securities, domestic equity real estate securities, domestic equity utility securities and debt securities issued by foreign companies. Neither categorization was individually material enough to warrant separate disclosure.

AkzoNobel Retirement Savings Plan for Employees in Puerto Rico
NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 2011 and 2010

The following table sets forth the fair value of investments in certain funds that calculate net asset value per share (or its equivalent):

Investment	2011 Fair value	2010 Fair value	Unfunded commitment	Redemption frequency	Redemption notice period
BGI LifePath 2015 Fund - Class J (a)	570	82	-	Up to discretion of fund trustee	None
BGI LifePath 2020 Fund - Class J (b)	10,222	1,837	-	Up to discretion of fund trustee	None
BGI LifePath 2025 Fund - Class J (c)	98,086	85,365	-	Up to discretion of fund trustee	None
BGI LifePath 2030 Fund - Class J (d)	40,549	34,379	-	Up to discretion of fund trustee	None
BGI LifePath 2035 Fund - Class J (e)	177,645	166,358	-	Up to discretion of fund trustee	None
BGI LifePath 2040 Fund - Class J (f)	255,993	230,527	-	Up to discretion of fund trustee	None
BGI LifePath 2045 Fund - Class J (g)	70,037	62,022	-	Up to discretion of fund trustee	None
BGI LifePath 2050 Fund - Class J (h)	45,596	34,617	-	Up to discretion of fund trustee	None

- (a) This trust is comprised of stocks and fixed income securities that are tailored to the horizon of the fund, which in this case is between 2013 and 2017. As of December 31, 2011, the portfolio is likely more heavily weighed towards equity securities; whereas, by 2015, the mix will be at approximately 38% equity securities and the remainder in fixed income securities.
- (b) This trust is comprised of stocks and fixed income securities that are tailored to the horizon of the fund, which in this case is between 2018 and 2022. As of December 31, 2011, the portfolio is more heavily weighed towards equity securities; whereas, by 2020, the mix will be at approximately 38% equity securities and the remainder in fixed income securities.
- (c) This trust is comprised of stocks and fixed income securities that are tailored to the horizon of the fund, which in this case is between 2023 and 2027. As of December 31, 2011, the portfolio is more heavily weighed towards equity securities; whereas, by 2025, the mix will be at approximately 38% equity securities and the remainder in fixed income securities.
- (d) This trust is comprised of stocks and fixed income securities that are tailored to the horizon of the fund, which in this case is between 2028 and 2032. As of December 31, 2011, the portfolio is more heavily weighed towards equity securities; whereas, by 2030, the mix will be at approximately 38% equity securities and the remainder in fixed income securities.
- (e) This trust is comprised of stocks and fixed income securities that are tailored to the horizon of the fund, which in this case is between 2033 and 2037. As of December 31, 2011, the portfolio is more heavily weighed towards equity securities; whereas, by 2035, the mix will be at approximately 38% equity securities and the remainder in fixed income securities.

AkzoNobel Retirement Savings Plan for Employees in Puerto Rico
NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 2011 and 2010

- (f) This trust is comprised of stocks and fixed income securities that are tailored to the horizon of the fund, which in this case is between 2038 and 2042. As of December 31, 2011, the portfolio is more heavily weighed towards equity securities; whereas, by 2040, the mix will be at approximately 38% equity securities and the remainder in fixed income securities.
- (g) This trust is comprised of stocks and fixed income securities that are tailored to the horizon of the fund, which in this case is between 2043 and 2047. As of December 31, 2011, the portfolio is more heavily weighed towards equity securities; whereas, by 2045, the mix will be at approximately 38% equity securities and the remainder in fixed income securities.
- (h) This trust is comprised of stocks and fixed income securities that are tailored to the horizon of the fund, which in this case is between 2048 and 2052. As of December 31, 2011, the portfolio is more heavily weighed towards equity securities; whereas, by 2050, the mix will be at approximately 38% equity securities and the remainder in fixed income securities.

NOTE E - INTEREST IN MASTER TRUST

The Plan's interest in the AkzoNobel Fixed Income Fund is in the Master Trust, which was established for the investment of assets of the Plan and other Company-sponsored retirement plans. Each participating retirement plan has an interest in the Master Trust. The assets of the Master Trust are held by the trustee. At December 31, 2011 and 2010, the Plan's interest in the net assets of the Master Trust was approximately 0.3%. Investment income and administrative expenses relating to the Master Trust are allocated to the individual plans based upon the underlying assets of each plan.

The Plan's interest in the net assets of the Master Trust is included in the accompanying statements of net assets available for benefits. A summary of the net assets of the Master Trust as of December 31, 2011 and 2010, is as follows:

	2011	2010 (Restated)
Net assets of Master Trust, at fair value		
Shares of registered investment companies	\$ 646,077,238	\$ 683,161,480
Money market	21,652,695	21,244,963
AkzoNobel fixed income fund	352,796,863	341,506,425
Shares of common/collective trusts	<u>143,529,659</u>	<u>130,449,658</u>
	1,164,056,455	1,176,362,526
Adjustments from fair value to contract value for interest in Master Trust relating to fully benefit-responsive investment contracts	<u>(15,811,208)</u>	<u>(16,109,500)</u>
Net assets of Master Trust	<u>\$1,148,245,247</u>	<u>\$1,160,253,026</u>

AkzoNobel Retirement Savings Plan for Employees in Puerto Rico
NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 2011 and 2010

Investment (loss) income for the Master Trust is as follows for the year ended December 31, 2011:

Net (depreciation) appreciation in fair value of investments	
Shares of registered investment companies	\$(51,187,465)
Shares of common/collective trusts	12,254,747
Interest and dividends	<u>18,452,901</u>
 Total	 <u>\$(20,479,817)</u>

The following tables set forth by level, within the fair value hierarchy, the assets held by the Master Trust measured at fair value as of December 31:

	2011			
	Level 1	Level 2	Level 3	Total
Shares of registered investment companies				
Domestic corporate debt securities	\$ 66,409,422	\$ -	\$ -	\$ 66,409,422
U.S. government debt*	19,251,922	-	-	19,251,922
Domestic equity securities	409,816,825	-	-	409,816,825
Foreign equity securities	132,520,219	-	-	132,520,219
Other**	18,078,850	-	-	18,078,850
Money market	21,652,695	-	-	21,652,695
AkzoNobel fixed income fund				
Guaranteed investment contracts	-	97,397,875	-	97,397,875
Synthetic investment contracts (fixed income securities)	-	203,197,577	-	203,197,577
Security-backed contracts	-	52,179,372	-	52,179,372
Wrappers	-	22,039	-	22,039
Shares of common/collective trusts				
Corporate debt securities	-	12,576,995	-	12,576,995
Domestic equity securities	<u>-</u>	<u>130,952,664</u>	<u>-</u>	<u>130,952,664</u>
	<u>\$667,729,933</u>	<u>\$496,326,522</u>	<u>\$ -</u>	<u>\$1,164,056,455</u>

AkzoNobel Retirement Savings Plan for Employees in Puerto Rico
NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 2011 and 2010

	2010 (Restated)			
	Level 1	Level 2	Level 3	Total
Shares of registered investment companies				
Domestic corporate debt securities	\$ 49,831,304	\$ -	\$ -	\$ 49,831,304
U.S. government debt*	16,358,179	-	-	16,358,179
Domestic equity securities	429,741,738	-	-	429,741,738
Foreign equity securities	171,221,645	-	-	171,221,645
Other**	16,008,614	-	-	16,008,614
Money Market	21,244,963	-	-	21,244,963
AkzoNobel Fixed Income Fund				
Guaranteed investment contracts	-	119,127,591	-	119,127,591
Synthetic investment contracts (fixed income securities)	-	160,587,983	-	160,587,983
Security-backed contracts	-	61,573,527	-	61,573,527
Wrappers	-	217,324	-	217,324
Shares of common/collective trusts				
Corporate debt securities		13,974,370		13,974,370
Domestic equity securities	-	<u>116,475,288</u>	-	<u>116,475,288</u>
	<u>\$704,406,443</u>	<u>\$471,956,083</u>	<u>\$ -</u>	<u>\$1,176,362,526</u>

* Debt securities issued by the U.S. Treasury and other U.S. government corporations and agencies.

** This categorization encompasses residential-backed mortgage securities, domestic equity real estate securities, domestic equity utility securities and debt securities issued by foreign companies. Neither categorization was individually material enough to warrant separate disclosure.

AkzoNobel Retirement Savings Plan for Employees in Puerto Rico
NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 2011 and 2010

The following table sets forth the fair value of investments in certain funds that calculate net asset value per share (or its equivalent):

Investment	2011 Fair value	2010 Fair value	Unfunded commitment	Redemption frequency	Redemption notice period
AkzoNobel Fixed Income Fund					
Fixed Income Fund B (a)	\$58,105,303	\$21,447,645	\$ -	Monthly	None
Fixed Income Fund F (b)	36,245,315	22,861,468	-	Monthly	None
Fixed Income Fund G (b)	86,111,641	116,278,870	-	Monthly	None
Fixed Income Fund K (a)	22,735,318	-	-	Monthly	None
BGI LifePath Retirement Fund - Class J (c)	12,576,995	13,974,370	-	Up to discretion of fund trustee	None
BGI LifePath 2015 Fund - Class J (d)	21,365,699	18,979,520	-	Up to discretion of fund trustee	None
BGI LifePath 2020 Fund - Class J (e)	27,502,101	24,697,570	-	Up to discretion of fund trustee	None
BGI LifePath 2025 Fund - Class J (f)	27,835,292	25,932,449	-	Up to discretion of fund trustee	None
BGI LifePath 2030 Fund - Class J (g)	22,095,029	19,604,156	-	Up to discretion of fund trustee	None
BGI LifePath 2035 Fund - Class J (h)	13,622,455	12,409,023	-	Up to discretion of fund trustee	None
BGI LifePath 2040 Fund - Class J (i)	9,154,711	7,689,348	-	Up to discretion of fund trustee	None
BGI LifePath 2045 Fund - Class J (j)	7,010,074	5,598,582	-	Up to discretion of fund trustee	None
BGI LifePath 2050 Fund - Class J (k)	2,367,303	1,564,640	-	Up to discretion of fund trustee	None

- (a) The fund invests primarily in U.S. government and agency securities, municipal bonds, corporate notes and bonds, mortgage-backed securities and asset-backed securities.
- (b) The funds invest primarily in U.S. government and agency securities and corporate notes and bonds.
- (c) This trust is comprised of stocks (38%) and fixed income securities that provide a certain level of income and inflation protection for those individuals withdrawing money from their plan.
- (d) This trust is comprised of stocks and fixed income securities that are tailored to the horizon of the fund, which in this case is between 2013 and 2017. As of December 31, 2011, the portfolio is likely more heavily weighed towards equity securities; whereas, by 2015, the mix will be at approximately 38% equity securities and the remainder in fixed income securities.
- (e) This trust is comprised of stocks and fixed income securities that are tailored to the horizon of the fund, which in this case is between 2018 and 2022. As of December 31, 2011, the portfolio is more heavily weighed towards equity securities; whereas, by 2020, the mix will be at approximately 38% equity securities and the remainder in fixed income securities.

AkzoNobel Retirement Savings Plan for Employees in Puerto Rico
NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 2011 and 2010

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- (f) This trust is comprised of stocks and fixed income securities that are tailored to the horizon of the fund, which in this case is between 2023 and 2027. As of December 31, 2011, the portfolio is more heavily weighed towards equity securities; whereas, by 2025, the mix will be at approximately 38% equity securities and the remainder in fixed income securities.
- (g) This trust is comprised of stocks and fixed income securities that are tailored to the horizon of the fund, which in this case is between 2028 and 2032. As of December 31, 2011, the portfolio is more heavily weighed towards equity securities; whereas, by 2030, the mix will be at approximately 38% equity securities and the remainder in fixed income securities.
- (h) This trust is comprised of stocks and fixed income securities that are tailored to the horizon of the fund, which in this case is between 2033 and 2037. As of December 31, 2011, the portfolio is more heavily weighed towards equity securities; whereas, by 2035, the mix will be at approximately 38% equity securities and the remainder in fixed income securities.
- (i) This trust is comprised of stocks and fixed income securities that are tailored to the horizon of the fund, which in this case is between 2038 and 2042. As of December 31, 2011, the portfolio is more heavily weighed towards equity securities; whereas, by 2040, the mix will be at approximately 38% equity securities and the remainder in fixed income securities.
- (j) This trust is comprised of stocks and fixed income securities that are tailored to the horizon of the fund, which in this case is between 2043 and 2047. As of December 31, 2011, the portfolio is more heavily weighed towards equity securities; whereas, by 2045, the mix will be at approximately 38% equity securities and the remainder in fixed income securities.
- (k) This trust is comprised of stocks and fixed income securities that are tailored to the horizon of the fund, which in this case is between 2048 and 2052. As of December 31, 2011, the portfolio is more heavily weighed towards equity securities; whereas, by 2050, the mix will be at approximately 38% equity securities and the remainder in fixed income securities.
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NOTE F - INVESTMENTS

The fair values of investments that represent 5% or more of the Plan's net assets as of December 30, 2011 and 2010, are as follows:

	2011	2010
Fidelity Magellan - Class K	\$491,488	\$591,663
Fidelity Balanced Fund - Class K	-	377,888
Vanguard Institutional Index Fund	447,119	-

AkzoNobel Retirement Savings Plan for Employees in Puerto Rico
NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 2011 and 2010

During 2011, the plan's investments depreciated in value by \$184,183, as follows:

	2011
Shares of registered investment companies	\$(169,809)
Shares of common/collective trusts	<u>(14,374)</u>
Total	<u>\$(184,183)</u>

NOTE G - INVESTMENT IN THE AKZONOBEL FIXED INCOME FUND

At December 31, 2011 and 2010, the Plan was invested in the AkzoNobel Fixed Income Fund (the Fund). The Fund of the Master Trust is principally invested in the same synthetic GICs and GICs.

The synthetic GICs are composed of underlying assets and wrappers, which are contracts that enable withdrawals to be made at contract value rather than at the fair value of the underlying assets. The contracts have underlying assets invested in common/collective trusts. Contract crediting rates for synthetic GICs are reset at least quarterly, as specified in the respective contracts, and will have an interest crediting rate not less than zero percent.

The GICs are contracts that enable withdrawals to be made at contract value rather than at the fair value of the underlying assets. Contract crediting rates for GICs are reset at least quarterly, as specified in the respective contracts, and will have an interest crediting rate not less than zero percent.

The yield earned by the Fund with an adjustment to reflect the actual interest rate credited to participants at December 31, 2011 and 2010, was 3.75% and 4.25%, respectively. This represents the annualized earnings credited to participants in the Fund divided by the fair value of all investments in the Fund at December 31, 2011.

The yield earned by the Fund at December 31, 2011 and 2010, was 2.87% and 3.58%, respectively. This represents the annualized earnings of all investments in the Fund divided by the fair value of all investments in the Fund.

AkzoNobel Retirement Savings Plan for Employees in Puerto Rico
NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 2011 and 2010

The following table details the interest crediting rates of the Fund at December 31, 2011 and 2010, for each of the synthetic GICs and GICs:

	2011	2010
Synthetic investment contracts		
Financial institutions providing wrapper		
Bank of America	3.79%	3.90%
JP Morgan Chase Bank	-	4.58
Natixis Financial Products Inc.	3.87	4.31
Rabobank	-	4.23
Prudential Insurance Company of America	3.24	-
United of Omaha	3.39	-
GICs		
Financial institutions		
Genworth Life and Insurance Co.	5.14	5.14
Hartford Life Insurance	4.91	4.91
Jackson National Life Insurance	5.03	5.03
Jackson National Life Insurance	5.35	5.35
Jackson National Life Insurance	5.61	5.61
Metropolitan Life Insurance	5.74	5.74
Metropolitan Life Insurance	5.79	5.79
Metropolitan Life Insurance	5.60	5.60
New York Life Insurance	5.49	5.49
New York Life Insurance	4.26	4.26
New York Life Insurance	4.68	4.68
Ohio National Life Insurance	5.65	5.65
Pacific Life Insurance	4.53	4.53
Principal Life Insurance	5.33	5.33
Principal Life Insurance	5.84	5.84
Principal Life Insurance	5.12	5.12
Prudential Life Insurance	5.57	5.57
Prudential Life Insurance	5.65	5.65
Prudential Life Insurance	5.55	5.55
ING Life Insurance and Annuity	5.57	5.57

NOTE H - PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100% vested in their accounts.

AkzoNobel Retirement Savings Plan for Employees in Puerto Rico
NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 2011 and 2010

NOTE I - RELATED-PARTY TRANSACTIONS

The Plan invests in the Master Trust, the investments of which are shares of registered investment companies and common/collective trusts that are both managed by Fidelity, a trustee of the Plan, and, therefore, these transactions qualify as party-in-interest.

Certain employees of the Company provide administrative services for the Plan and are not reimbursed for their services from the Plan.

Certain other administrative expenses are paid by the Company on behalf of the Plan.

NOTE J - TAX STATUS

The Puerto Rico Department of Revenue has determined and informed the Company by a letter dated February 17, 2004, that the Plan and related Master Trust are designed in accordance with applicable sections of the Puerto Rico Code. Although the Plan has been amended since receiving the opinion letter, the Plan administrator believes that the Plan is designed and is currently operating in compliance with applicable requirements of the Puerto Rico Code.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the organization has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service or other applicable taxing authorities. The Plan administrator has analyzed the tax positions taken by the Plan and has concluded that, as of December 31, 2011 and 2010, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes it is no longer subject to income tax examinations for years prior to 2008.

NOTE K - RISKS AND UNCERTAINTIES

The Plan invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

AkzoNobel Retirement Savings Plan for Employees in Puerto Rico
NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 2011 and 2010

NOTE L - RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements to the Form 5500 as of December 31:

	<u>2011</u>	<u>2010</u>
Total net assets available for benefits per financial statements	\$6,828,744	\$6,243,954
Adjustment from contract value to fair value for interest in Master Trust relating to fully benefit-responsive investment contracts	<u>137,886</u>	<u>142,941</u>
Total net assets available for benefits per Form 5500	<u>\$6,966,630</u>	<u>\$6,386,895</u>

The following is a reconciliation of the increase in net assets available for benefits per the financial statements to the Form 5500 for the year ended December 31, 2011:

Net increase in net assets available for benefits per financial statements	\$ 584,790
Current-year adjustment from contract value to fair value for interest in Master Trust relating to fully benefit-responsive investment contracts	137,886
Prior-year adjustment from contract value to fair value for interest in Master Trust relating to fully benefit-responsive investment contracts	<u>(142,941)</u>
Net income in net assets available for benefits per Form 5500	<u>\$ 579,735</u>

NOTE M - SUBSEQUENT EVENTS

The Plan administrator has evaluated subsequent events through October 15, 2012, the date the financial statements were available to be issued. The Plan has no subsequent events of a material nature to report.

SUPPLEMENTAL SCHEDULE

AkzoNobel Retirement Savings Plan for Employees in Puerto Rico
SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
December 31, 2011

(a)	(b) Identity of issuer, borrower, lessor or similar party	(c) Description of investment, including maturity date, rate of interest, collateral, par or maturity value	** (d) Cost	(e) Current value
	Barclays Global Investors	BGI LifePath 2015 Fund - Class J		\$ 570
	Barclays Global Investors	BGI LifePath 2020 Fund - Class J		10,222
	Barclays Global Investors	BGI LifePath 2025 Fund - Class J		98,086
	Barclays Global Investors	BGI LifePath 2030 Fund - Class J		40,549
	Barclays Global Investors	BGI LifePath 2035 Fund - Class J		177,645
	Barclays Global Investors	BGI LifePath 2040 Fund - Class J		255,993
	Barclays Global Investors	BGI LifePath 2045 Fund - Class J		70,037
	Barclays Global Investors	BGI LifePath 2050 Fund - Class J		45,596
*	Fidelity Investments	Fidelity Fifty		12,667
*	Fidelity Investments	Fidelity Governmental Income Fund		256
*	Fidelity Investments	Fidelity Intermediate Government Income Fund		252
*	Fidelity Investments	Fidelity Japan Fund		1,214
*	Fidelity Investments	Fidelity Short Term Bond Fund		3,472
*	Fidelity Investments	Fidelity Small Cap Discovery Fund		98,307
*	Fidelity Investments	Fidelity Balanced Fund - Class K		310,415
*	Fidelity Investments	Fidelity Blue Chip Growth Fund - Class K		2,526
*	Fidelity Investments	Fidelity Blue Chip Value Fund		1,359
*	Fidelity Investments	Fidelity Canada Fund		1,431
*	Fidelity Investments	Fidelity Capital and Income Fund		242
*	Fidelity Investments	Fidelity China Region Fund		1,906
*	Fidelity Investments	Fidelity Emerging Markets Fund - Class K		2,856
*	Fidelity Investments	Fidelity Equity Income Fund - Class K		97,407
*	Fidelity Investments	Fidelity Equity Income II Fund - Class K		2,158
*	Fidelity Investments	Fidelity Floating Rate High Income Fund		249
*	Fidelity Investments	Fidelity Focused High Income Fund		254
*	Fidelity Investments	Fidelity Four in one Index Fund		663
*	Fidelity Investments	Fidelity GNMA Fund		3,436
*	Fidelity Investments	Fidelity Growth and Income Portfolio - Class K		1,707
*	Fidelity Investments	Fidelity Growth Strategies Fund - Class K		33,727
*	Fidelity Investments	Fidelity High Income Fund		251
*	Fidelity Investments	Fidelity Inflation Protected Bond Fund		264
*	Fidelity Investments	Fidelity Institutional Short Term Government Fund		247
*	Fidelity Investments	Fidelity Intermediate Bond Fund		252
*	Fidelity Investments	Fidelity International Capital Appreciation Fund		1,551
*	Fidelity Investments	Fidelity International Discovery Fund - Class K		134,450
*	Fidelity Investments	Fidelity International Real Estate Fund		1,195
*	Fidelity Investments	Fidelity International Small Cap Fund		692
*	Fidelity Investments	Fidelity Large Cap Growth Fund		1,755
*	Fidelity Investments	Fidelity Large Cap Stock Fund		1,716
*	Fidelity Investments	Fidelity Large Cap Value Fund		1,732
*	Fidelity Investments	Fidelity Latin America Fund		2,732
*	Fidelity Investments	Fidelity Magellan - Class K		491,488
*	Fidelity Investments	Fidelity Mid Cap Growth Fund		5,095
*	Fidelity Investments	Fidelity Mid Cap Stock Fund - Class K		5,461

AkzoNobel Retirement Savings Plan for Employees in Puerto Rico
SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR) - CONTINUED
December 31, 2011

(a)	(b) Identity of issuer, borrower, lessor or similar party	(c) Description of investment, including maturity date, rate of interest, collateral, par or maturity value	** (d) Cost	(e) Current value
*	Fidelity Investments	Fidelity Mid Cap Value Fund		\$ 1,432
*	Fidelity Investments	Fidelity Mortgage Securities Fund		254
*	Fidelity Investments	Fidelity NASDAQ Composite Index Fund		1,997
*	Fidelity Investments	Fidelity New Markets Income Fund		1,558
*	Fidelity Investments	Fidelity Pacific Basin Fund		338
*	Fidelity Investments	Fidelity Puritan Fund - Class K		44
*	Fidelity Investments	Fidelity Real Estate Income Fund		3,248
*	Fidelity Investments	Fidelity Small Cap Value Fund		726
*	Fidelity Investments	Fidelity Southeast Asia Fund		980
*	Fidelity Investments	Fidelity Strategic Income Fund		1,320
*	Fidelity Investments	Fidelity Telecom and Utilities Fund		6,806
	Franklin Templeton	Franklin Small-Mid Cap Growth Fund - Advisor		
	Investments	Class		155,687
	Janus Capital Group	Janus Fund T		2,259
*	Fidelity Investments	Spartan Extended Market Index Fund - Investor Class		153,838
*	Fidelity Investments	Spartan Intermediate Treasury Bond Index Fund -		
		Investor Class		8,151
*	Fidelity Investments	Spartan International Index Fund - Investor Class		331,241
*	Fidelity Investments	Spartan Long Term Treasury Bond Index Fund -		
		Investor Class		63,590
*	Fidelity Investments	Spartan Short Term Treasury Bond Index Fund -		
		Investor Class		373
*	Fidelity Investments	Spartan Total Market Index Fund		1,561
	Vanguard	Vanguard Institutional Index Fund		447,119
	Vanguard	Vanguard Prime Money Market Instrument		1,381
	Vanguard	Vanguard Total Bond Market Index Fund - Institutional		
		Shares		310,867
*	Participants	Notes receivable from participants (interest rates ranging		
		from 4.25% to 9.50%)	**	<u>471,118</u>
		Total		<u>\$3,889,971</u>

*Indicates a party-in-interest investment.

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		Investor Class		63,590
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