Royal DSM N.V.
Q1 2011 Results

Life Sciences and Materials Sciences

Presentation to Investors

HEALTH · NUTRITION · MATERIALS

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Royal DSM N.V. is a global science-based company active in health, nutrition and materials. By connecting its unique competences in Life Sciences and Materials Sciences DSM is driving economic prosperity, environmental progress and social advances to create sustainable value for all stakeholders. DSM delivers innovative solutions that nourish, protect and improve performance in global markets such as food and dietary supplements, personal care, feed, pharmaceuticals, medical devices, automotive, paints, electrical and electronics, life protection, alternative energy and bio-based materials. DSM's 22,000 employees deliver annual net sales of around € 9 billion. The company is listed on NYSE Euronext. More information can be found at www.dsm.com.

- Operational performance Q1 2011
- Progress on strategy and outlook

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Overview
• Operational performance Q1 2011
• Progress on strategy and outlook
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Highlights Q1 2011

DSM reports very strong Q1 2011 continuing its positive momentum

- Q1 EBITDA from continuing operations up 14% to € 325 million
- Life Sciences results driven by ongoing good performance in Nutrition
- Materials Sciences posts solid results reflecting volume gains and pricing strength
- EPS € 0.91, 30% higher also due to a lower tax rate
- Martek integration underway; EBITDA in line with expectations
- 2011 is expected to be a strong year for DSM towards achieving the 2013 targets

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Feike Sijbesma
Chairman of the Managing Board

Dear Investor,

"Our robust performance in Q1 2011 represents further progress towards our 2013 targets as we continue to successfully execute our strategy. This improvement can be attributed to our focus on innovation, our global customer base, excellent market positions and presence in high growth economies.

"In the quarter we successfully completed our acquisition of Martek, welcoming its employees to DSM. The integration of Martek started immediately and the contribution to our profit is in line with expectations. Our business outlook for the rest of the year is positive and we expect 2011 to be a strong year for DSM."

Results Q1 2011 - Key figures

(€ million)	Q1-2011	Q1-2010	Δ%
Continuing operations before exceptional items:			
Net Sales	2,234	1,933	+16%
EBITDA	325	284	+14%
EBIT	231	182	+27%
EPS (€)	0.91	0.70	+30%
Total DSM before exceptional items:			
Net Sales	2,345	2,230	+5%
EBITDA	348	335	+4%
Total DSM including exceptional items:			
Net profit	166	130	+28%
EPS (€)	0.98	0.78	+26%

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- The macro-economic trend remained positive in Q1 2011. High growth economies, especially China, continued to be very strong, while growth in Western Europe and North America was moderate. In this environment DSM posted solid sales growth as a result of ongoing volume growth and pricing strength, thanks to DSM's focus on innovation and its global customer base, excellent market positions and presence in high growth economies.

- The monetary and financial instability, reflected in volatile currency exchange rates and inflationary pressures, impacted costs. The strength of the Swiss franc affected Nutrition. The increasing input prices were, on average, compensated for by pricing strength. The events in Japan had very little impact on DSM's businesses.

- Nutrition showed ongoing volume growth. This compensated for the negative effect on costs caused by the strength of the Swiss franc. Compared to Q4 2010 prices were stable. The Martek acquisition closed on 25 February and has since then been included in the Nutrition results. There was no fundamental change in the challenging market conditions in Pharma.

- Within Performance Materials volumes increased substantially. Price increases were implemented successfully which, on average, more than offset the increasing raw material prices. This resulted in higher margins. The performance of Polymer Intermediates was excellent. Its global presence and a very good manufacturing performance were enablers to benefit from the extremely good market conditions.

- In the first quarter a pre-tax expense of € 9 million was recognized as exceptional item in relation to the acquisition of Martek. This amount comprised transaction costs of € 7 million and € 2 million higher costs of sales resulting from the revaluation of inventories to fair value. The total inventory revaluation amounts to € 14 million, the remainder of which will be recognized as exceptional item in the second and third quarter.

- Net profit increased from € 130 million in Q1 2010 to € 166 million in Q1 2011 due to a better operating result as well as a lower effective tax rate. The effective tax rate decreased to 21 % (Q1 2010: 25%) as a result of a different geographic spread of results and the application of preferential tax regimes.

EBITDA - DSM continuing business

EBITDA (€ million)	Q1-2011	Q1-2010	Q1-2009 (*)	Q1-2008 (*)
Nutrition	173	166	174	110
Pharma	0	14	25	23
Performance Materials	91	71	6	101
Polymer Intermediates	99	50	-22	46
Innovation Center (*)	-13	-13	(**)	(**)
Corporate Activities (*)	-25	-4	-25	-5
DSM core business	325	284	158	275

* 2008 & 2009 not restated for changes in pension accounting and corporate research costs
** 2008 & 2009 Innovation Center is reported in Corporate Activities

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- EBITDA from continuing operations in Q1 (€ 325 million) was 14% higher than in Q1 2010. Without the positive (non-cash) contribution of € 8 million in Q1 2010 due to the change in status of the Dutch pension scheme, EBITDA increased by 18%.

- The Martek acquisition added € 12 million to EBITDA. Excluding Martek, the Nutrition result was slightly lower, which can be attributed to the very strong Swiss franc (+12% versus the euro), which has an adverse impact on DSM Nutritional Products' cost base. This negative impact of the Swiss franc in Q1 was some € 15-20 million, net of hedging results.

- The Pharma EBITDA is under continued pressure because of the ongoing very challenging market conditions in the pharmaceutical industry.

- Performance Materials showed very good momentum, based on further improving trading conditions in most markets. In spite of a strong increase in feedstock prices, EBITDA is almost back on the pre-crisis levels, although with room for further margin improvement.

- Polymer Intermediates posted outstanding and unprecedented results. Due to its global presence and an excellent manufacturing performance the cluster was able to benefit optimally from the very tight market conditions for caprolactam and acrylonitrile.

- As announced earlier, DSM is reporting the activities of the DSM Innovation Center as a separate cluster because of its strategic importance. Further progress was made in the Emerging Business Areas Biomedical and Bio-based Products & Services.

- DSM changed its Dutch pension scheme from a defined benefit plan into a defined contribution plan. The actual cash contribution to the plan will not change; the accounting treatment is, however, different. Because of the funded status of the scheme, the costs to be recognized as a defined benefit plan in 2010 were lower than the cash contributions (which are the costs in a defined contribution plan) which had a positive effect on the Q1 2010 result of € 8 million (total 2010: € 33 million).

Net sales growth Q1-2011 versus Q1-2010

(€ million)	Q1-2011	Q1-2010	Diff.	Volume	Price	FX	Other
Nutrition	798	732	9%	6%	-3%	2%	4%
Pharma	163	186	-12%	-15%	1%	2%	
Performance Materials	705	557	27%	11%	11%	2%	3%
Polymer Intermediates	457	314	46%	9%	34%	3%	
Innovation Center	14	9					
Corporate Activities	97	135					
Continuing Operations	2,234	1,933	16%	6%	8%	2%	0% (*)

* Including the effect of the deconsolidation of DSM's interest in Utility Support Group B.V. and EdeA v.o.f., which was reported in Corporate activities in 2010

- Net sales increased by 16% compared to Q1 2010, of which 6% volume growth, 8% price increase and 2% currency exchange rate development (weaker euro versus the Chinese yuan and the US dollar). The sales momentum is also illustrated by a 7% higher sales level (of which 5% organic) compared to Q4 2010.

- Nutrition continues to show above GDP volume growth and, although still slightly below Q1 2010, prices are stable compared to Q4 2010. Martek added € 37 million to the Nutrition sales. This was partly compensated for by the shift of the ARA sales to Martek from external sales to internal supplies.

- Pharma sales remain depressed, which is almost completely due to a lower business activity in DSM Pharmaceutical Products; Q1 2010 was positively influenced by the flu vaccine shipments.

- In Performance Materials, all business groups showed healthy sales growth evidenced by a double digit growth in volumes as well as prices for the cluster.

- Organic growth in Polymer Intermediates was 43%, which is outstanding. The main component is pricing, but, because of an excellent manufacturing performance, volumes added 9%.

Nutrition

(€ million)	Q1-2011	Q1-2010	Δ%
Net Sales	798	732	9%
EBITDA	173	166	4%
EBIT	140	133	5%
EBITDA margin	21.7%	22.7%	

- Organic sales growth + 3%, healthy volume growth + 6%
- Against Q4 last year, prices were stable
- Higher EBITDA, due to the Martek acquisition. Impact of Martek: € 37m on sales, € 12m on EBITDA

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- In the first quarter 2011 organic sales growth was positive against both Q1 2010 (+ 3%) and Q4 2010 (+ 2%). Compared to Q1 2010, volume growth was healthy, especially in Animal Nutrition & Health, but partly offset by lower prices. Against Q4 last year, prices were stable. Furthermore, in comparison to Q1 2010, sales benefited from the Martek acquisition and on balance favorable exchange rates.

- EBITDA remained strong and was higher than Q1 last year, due to the Martek acquisition. Excluding Martek the results were slightly lower mainly due to the already mentioned lower prices, the strong Swiss franc and higher costs for raw materials. The negative impact of the Swiss franc in Q1 was some € 15-20 million, net of hedging results.

- The Martek acquisition has been included in the Nutrition results since 25 February. Martek added € 37 million to the Nutrition sales. This is partly compensated for by the shift of ARA sales to Martek from external sales to internal supplies. The Martek acquisition added € 12 million to EBITDA.

Pharma

(€ million)	Q1-2011	Q1-2010	Δ%
Net Sales	163	186	-12%
EBITDA	0	14	
EBIT	-10	0	
EBITDA margin	0.0%	7.5%	

- Organic sales development -14%, due to lower volumes in DSM Pharmaceutical Products
- At DSM Anti-Infectives, volumes and prices were stable
- EBITDA decreased in DSM Pharmaceutical Products due to lower sales and in DSM Anti-Infectives due to higher feedstock prices

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- In Q1 2011 organic sales development was -14%, which was fully attributable to a drop in volumes in DSM Pharmaceutical Products. Last year's sales were positively influenced by flu vaccine shipments. In DSM Anti-Infectives volumes and prices were stable.

- EBITDA in both DSM Pharmaceutical Products and DSM Anti-Infectives decreased, in DSM Pharmaceutical Products due to the disappointing sales development and in DSM Anti-Infectives due to higher feedstock prices.

Performance Materials

(€ million)	Q1-2011	Q1-2010	Δ%
Net Sales	705	557	27%
EBITDA	91	71	28%
EBIT	62	39	59%
EBITDA margin	12.9%	12.7%	

- Organic sales growth 22%. In DSM Resins and DSM Engineering Plastics volume growth was double digit, in DSM Dyneema it was close to that
- Strong price increase (double digit) in DSM Engineering Plastics and DSM Resins
- All three business groups posted a better EBITDA

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- Sales growth in Q1 was 27%, of which 22% organic growth. In DSM Resins and DSM Engineering Plastics volume growth was double digit, in DSM Dyneema it was close to that. There was also a double digit increase in prices in DSM Engineering Plastics and DSM Resins.

- All three business groups posted a better EBITDA compared to Q1 last year, because of growing sales. The increase in selling prices offset the increased raw material prices.

Polymer Intermediates

(€ million)	Q1-2011	Q1-2010	Δ%
Net Sales	457	314	46%
EBITDA	99	50	98%
EBIT	90	42	114%
EBITDA margin	21.7%	15.9%	

- Organic sales growth 43%. Prices increased 34%, reflecting the very tight market conditions
- EBITDA almost doubled, due to volume growth and further increasing margins

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- Organic sales growth in Q1 was 43%. In the current market conditions volume growth in the cluster is constrained by production capacity. Thanks to a very good manufacturing performance and some external sourcing, volumes grew by 9%. Prices increased by 34%, which reflects the very tight market conditions.

- Due to volume growth and further increasing margins, EBITDA almost doubled compared to the already good Q1 in last year.

Innovation Center

(€ million)	Q1-2011	Q1-2010	Δ%
Net Sales	14	9	56%
EBITDA	-13	-13	
EBIT	-16	-16	
EBITDA margin	-	-	

- Sales developed well and generated additional gross margin, which was offset by higher spending on innovation opportunities
- Biomedical: Several development agreements signed. Actamax, a DSM JV with DuPont, received anti-trust approval and started its activities.
- Good progress is being made in Bio-based Products & Services

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- The cluster consists of two different areas of activity. The first comprises the innovation businesses, being the Emerging Business Areas (EBAs) DSM Biomedical, DSM Bio-based Products & Services, the new EBA DSM Advanced Surfaces and the Global Incubator. The second area consists of the enabling activities for company wide innovation, the Innovation Program Office and the Licensing and Venturing activities.

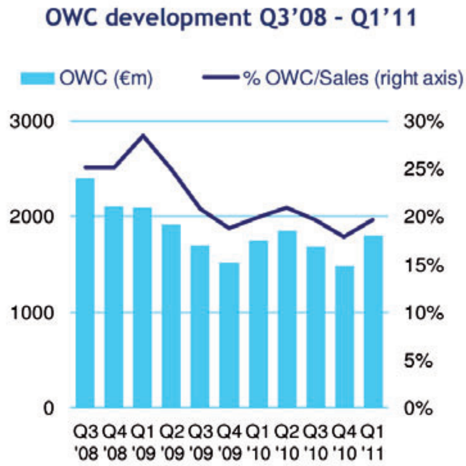
- First-quarter sales developed well and were above last year, generating additional gross margin, which was offset by higher spending on innovation opportunities. This resulted in an EBITDA comparable to last year. This quarter in Biomedical, the joint venture in surgical biomedical materials with DuPont, (Actamax Surgical Materials LLC) received anti-trust approval and started up its activities. Several development agreements have been signed in the main segments of the Biomedical business. Good progress is being made in Bio-based Products & Services with the development of bio-based succinic acid and tools for second generation biofuels.

Cash flow

Cash Flow (€ million)	Q1 2011	Q1 2010
Cash from operating activities	23	137
Cash from investing activities*	-721	-97
Free cash flow from operations	-698	40

Balance sheet (€ million)	Ult. Q1 2011	YE 2010
Net debt	650	-108
Gearing	10%	-2%

* Incl. Martek acquisition



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- Cash provided by operating activities was € 23 million. The substantial increase in working capital of € 252 million was due to increased raw material prices, the strongly growing business especially in Materials Sciences and seasonal effects.

- Cash flow related to capital expenditure in Q1 2011 amounted to € 72 million compared to € 98 million in Q1 2010.

- Net debt increased by € 758 million and stood at € 650 million at the end of Q1 2011. The increase was principally due to the acquisition of Martek.

Overview

- Operational performance Q1 2011
- Progress on strategy and outlook

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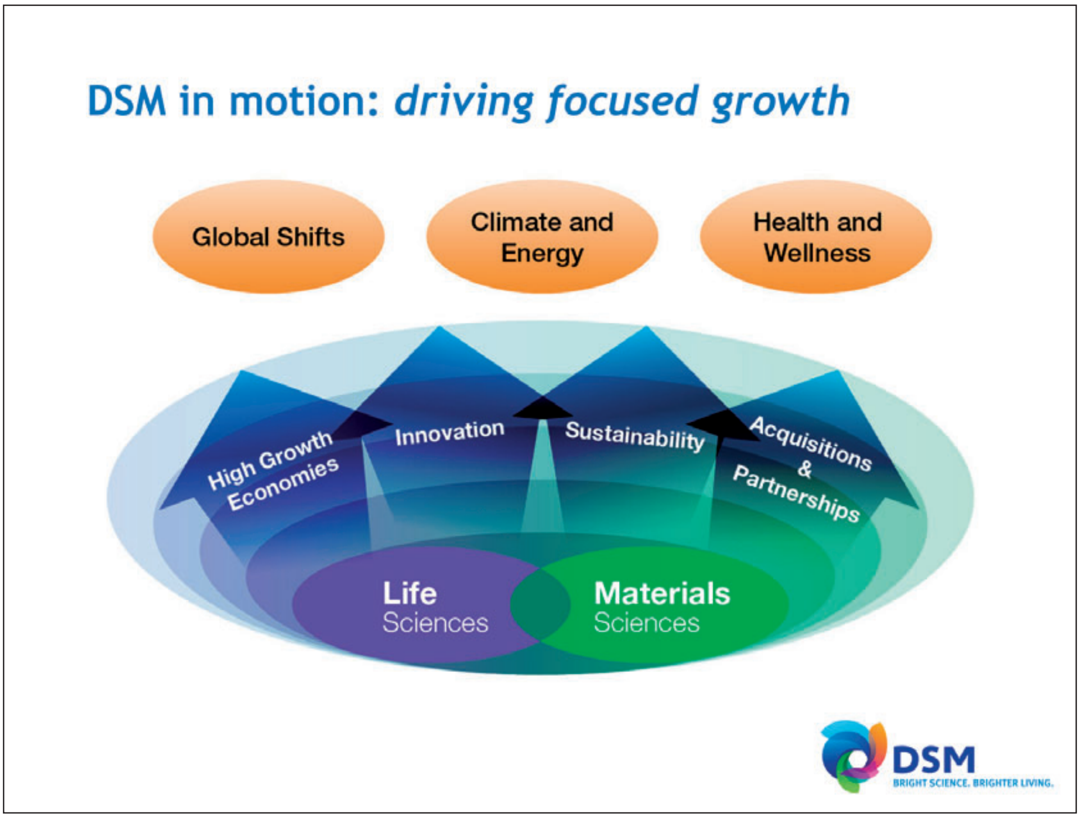

- DSM in motion: *driving focused growth* marks the shift from an era of intensive portfolio transformation to a strategy of maximizing sustainable and profitable growth of 'the new DSM'. The current businesses compose the new core of DSM in Life Sciences and Materials Sciences.

- DSM's focus on Life Sciences (Nutrition and Pharma) and Materials Sciences (Performance Materials and Polymer Intermediates) is fueled by three societal trends: Global Shifts, Climate and Energy and Health and Wellness. The main underlying drivers of these trends are the world's population growth and increasing life expectancy on the one hand, and increasing economic prosperity and consumption in the high growth economies on the other. DSM aims to meet the unmet needs resulting from these societal trends with innovative and sustainable solutions.

- It is DSM's ambition to fully leverage the unique opportunities in Life Sciences and Materials Sciences, using four growth drivers (High Growth Economies, Innovation, Sustainability and Acquisitions & Partnerships) and bringing all four drivers to the next level. At the same time DSM aims to make maximum use of the potential of all four growth drivers to mutually reinforce each other.

- DSM has set itself ambitious targets for the next strategy period. With the transformation completed, DSM can now focus on, and accelerate, growth. The company has high aspirations, based on an assessment of the opportunities, particularly in high growth economies.

- 37% of DSM's Q1 2011 sales are destined for to the high growth economies. Net sales in China (continuing operations, in USD) increased by 21% from USD 377 million in Q1 2010 to USD 458 million in Q1 2011. In India, DSM recorded a sales increase (in Euro) of 30%.

- The DSM joint venture Jinling DSM Resins Co., Ltd. (JDR) will invest approximately € 50 million in a new production facility for composite resins in Nanjing, China. The new facility, which will replace the current facility, will be among the largest manufacturing plants for composite resins in the world. DSM's share in the investment is 75%.

- DSM signed an agreement to acquire the majority shareholding in Shandong ICD High Performance Fibre Co. Ltd. based in Laiwu, Shandong province, China. Closing of this transaction is expected in the course of 2011. The agreement with ICD, a manufacturer of UHMWPE (ultra high molecular weight polyethylene) fiber and a potential strong player in the Chinese market for high performance fibers, concludes an extensive selection process by DSM to find the right company in the Chinese market.

- DSM also announced a partnership with Kemrock Industries in India for the production of specialty composite resins in India. DSM and Kemrock together will invest USD 25 million in a joint venture. DSM will focus on the supply of innovative specialized composite resin solutions to the fast growing Indian market while Kemrock will concentrate on the production of high end composite parts. DSM will hold 51% and Kemrock 49% in the joint venture, which will be based in Pune.

- In India DSM opened its first Animal Nutrition & Health premix plant, located in Ambernath, Mumbai. This enables DSM to capitalize on opportunities that arise from the rapidly developing animal nutrition and health industry in the country. India is currently ranked 5th in the world as a broiler producer and is the world's 4th largest egg producer.

- DSM and KuibyshevAzot OJSC announced a strategic cooperation in which DSM Engineering Plastics will enter into two joint ventures with the Russian company. In both joint ventures DSM Engineering Plastics will hold a majority share. In addition, KuibyshevAzot will be granted a license under DSM Fibre Intermediates' technology for the production of cyclohexanone. With this partnership DSM is expected to be in an excellent position to capitalize on this anticipated growth in Russia.

Other strategic highlights Q1 2011

- Martek Biosciences acquisition closed on 25 February 2011
- Further progress in sustainable innovative solutions; exciting new launches include:
  - Dyneema®, as a key component in the SkySails Kite System for ships
  - Dyneema® mooring ropes for deepwater drilling
- Committed to fight hidden hunger and end malnutrition
  - DSM - USAID partnership to meet nutritional challenges of developing world
  - General Mills, Cargill and DSM "Partners in Food Solutions". Program aiming to reduce micronutritient deficiencies in Africa

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- Other Q1 2011 strategic highlights & progress in our growth drivers are listed below.

- In Q1 2011, DSM completed the acquisition of Martek Biosciences Corporation. The acquisition is fully in line with DSM's strategy for its Nutrition cluster ('continued value growth') and adds a new growth platform for healthy and natural food ingredients for infant formula and other food and beverage applications, especially focused on polyunsaturated fatty acids (PUFAs) such as microbial Omega-3 DHA (docosahexaenoic acid) and Omega-6 ARA (arachidonic acid).

- DSM Venturing, the corporate venturing unit of DSM, has made an investment in Germany-based SkySails GmbH & Co. KG, the market and technology leader for automated towing kite systems for ships. Depending on the prevailing wind conditions, a ship's average annual fuel costs and emissions can be reduced by 10 to 35% by using the SkySailssystem.

- DSM's Dyneema® fiber will be used in mooring ropes for a semi-submersible mobile offshore drilling unit of Petrobras, one of the world's leading integrated energy companies. To moor one drilling unit, more than 15 kilometers of rope is needed.

- DSM and the United States Agency for International Development (USAID) announced that they will collaborate and collectively work to meet the nutritional challenges in the developing world. An initial focus of the collaboration will be on rice fortification for which DSM has a product offering such as NutriRice®. In addition, DSM will provide input to USAID's Office of Food For Peace in order to help improve nutritional value, quality, shelf life, and methods for testing food aid commodities.

- Along with Cargill, DSM has become one of the first corporate partners of the non-profit initiative Partners in Food Solutions. Linking the expertise of General Mills, Cargill and DSM employees, the program aims to reduce micronutritient deficiencies in Africa. Partners in Food Solutions was established by General Mills as a non-profit organization that seeks to bring food production and food processing expertise to small and medium-size food processors in Africa.

Martek Biosciences successfully acquired

Status
- Acquisition closed on 25 February 2011
- Integration in full progress, leveraging sales channels started
- Business in line with expectations

Financial impact in Q1 2011
- Sales € 37m
- EBITDA € 12m

Expectations by 2015
- Double digit sales growth
- Stable to rising EBITDA margins

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- DSM has successfully completed the acquisition of Martek Biosciences Corporation. DSM will be able to utilize its global market reach, technology base and application skill capabilities to channel and accelerate the growth of Martek's product portfolio into other regions, applications and market segments beyond Martek's existing strong US-based position in infant formula ingredients and growing position in food and beverage and dietary supplement applications worldwide.

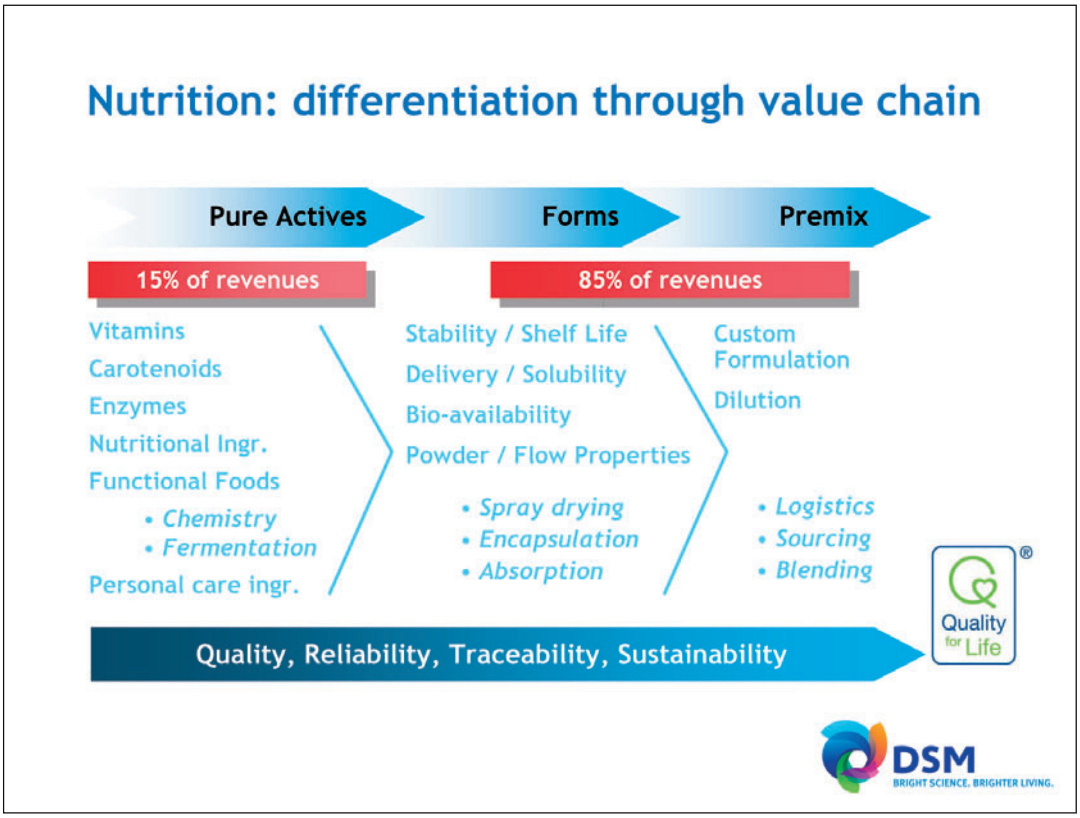
- DSM will also benefit from Martek's recent acquisition of Amerifit, an attractive consumer business for branded dietary supplements with very specific health benefits, which it will be able to use as an additional marketing channel for both Martek and DSM ingredients.

- Furthermore, Martek's algal and other microbial-based biotechnology platform and its robust biotechnology pipeline which complements DSM's own portfolio are expected to deliver new nutritional and non-nutritional (industrial) growth opportunities in for instance biochemicals and biofuels.

- Planning for the integration of DSM and Martek started when the deal was first announced in December and now a full scale integration of the two businesses is in progress. A dedicated integration team consisting of both DSM and Martek representatives is in place to assess the best way to combine the two organizations.

- The Martek acquisition is included in the Nutrition results for one month. Martek added € 37 million to the Nutrition sales. This is partly compensated for by the shift of ARA sales to Martek from external sales to internal supplies. The net sales effect is € 28 million. The Martek acquisition added € 12 million to EBITDA.

- Martek's sales growth is expected to be at the double digit level with stable to rising margins.

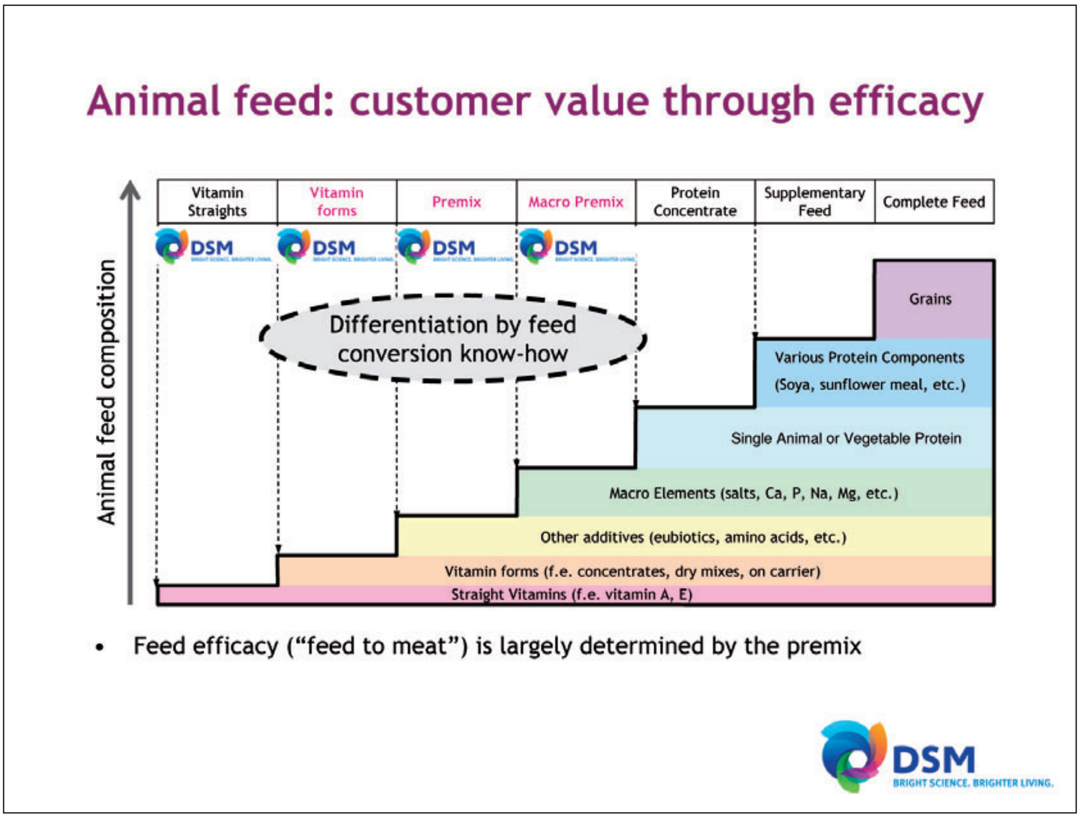


- DSM is uniquely involved in all three main steps of the value chain: the production of pure active ingredients; their incorporation into sophisticated forms, and the production of tailored premixes. Being the only fully integrated player allows DSM to differentiate itself all the way through the chain. Managing the interdependencies between active ingredients, forms and premixes, which have important implications for innovation, logistics, and value delivery, is a core competence of DSM.

- Even in the production of 'straights' (untreated vitamins, carotenoids, enzymes and other nutritional ingredients), where cost is a more important factor, significant added value is generated by differentiation, through for example quality management, traceability, reliability of supply, sustainable production practices, and physical product attributes such as polymorphisms, influencing stability and bio-availability.

- In the following step of the chain, where active ingredients are incorporated into so-called "forms", DSM has an array of sophisticated technologies to deliver a range of application properties. Forms are single product formulations, which can be solid particles in which the active ingredients are dispersed or encapsulated in an inert matrix to provide stability, extended shelf life, bio-availability or dispersability – the ability to form stable suspensions in a liquid matrix, for instance for beverages.

- In the next step shown here, a range of blends are produced in so-called premix operations. In addition, DSM also meets specific customers' needs through tailored solutions. Only 15% of DSM Nutritional Products' revenue is derived from sales of pure active ingredients, while 85% of revenue is based on sales of forms and premix.

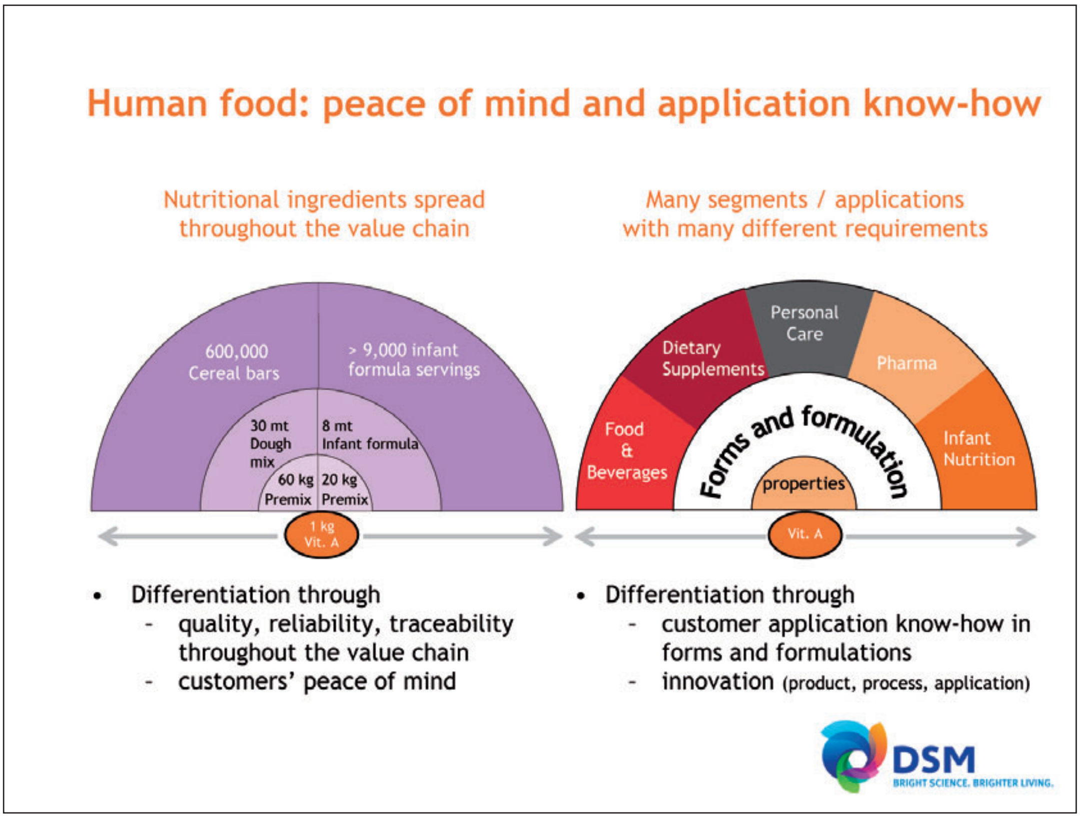


- The production of animal feed comprises various steps, starting with the straight vitamins to create premixes that are combined with other additives and the larger volumes of proteins and grains to produce the compound feed. DSM is a recognized player and has strong positions in the feed ingredients market, especially in the vitamins, feed enzymes and carotenoids segments. The majority of DSM's sales is in single feed ingredients, forms and premixes.

- In the animal feed market, customers' key concern is product efficacy as they seek increased yields: "How does this feed ingredient and the combination with other ingredients enhance productivity in my animal production through increased feed conversion, bio-availability, growth rate, health, meat quality and so on?". The main element of DSM's differentiation in this market is to provide a suitable answer through a thorough understanding of the customer's needs and proprietary in-depth knowledge of feed ingredients.

- Vitamins are essential feed ingredients. Adding vitamins to an end product in the right dosage and obtaining the correct composition with the aim of improving feed efficacy is often a complicated and delicate task. It requires a thorough understanding of the metabolic processes and immune systems of various animals. In our premix business we work closely together with our customers to determine and produce tailor-made premixes to the specific requirements. The premix (a concentrated combination of various vitamin forms and other additives) to a large extent determines the efficacy of the feed.

- With its global network of premix plants dedicated to animal health and nutrition, DSM Nutritional Products is the largest feed premix provider in the world. This network enables us to provide our customers locally with value-added products, and partner with them in the food chain. Our 'feed for food' focus means that quality and traceability are important features of our products.



- In recent years quality assurance, traceability and sustainability have gained further importance in the food and feed industry. The issue receives ongoing media attention, as witnessed by continuing quality and safety scandals. Historically, DSM Nutritional Products has adhered to the highest standards in this area, and is recognized as an industry leader. Customers and in particular brand owners value the "peace of mind" which DSM offers through its extensive quality leadership.

- As vitamins and nutritional ingredients are micro-ingredients, the impact of quality in the value chain is very pronounced, as is illustrated by two examples. One kilogram of Vitamin A translates into the production of 400,000 - 1,000,000 cereal bars, or the production of 8 metric tons of infant formula, being a minimum of 9,000 infant formula servings. Quality assurance and traceability - although at times taken for granted - come at a cost. They are embedded in operating procedures, facilities, environmental and micro-biological control, calibration and validation. Quality is more than systems, human resources and investments. It is a commitment and a mindset created throughout many generations of industrialization.

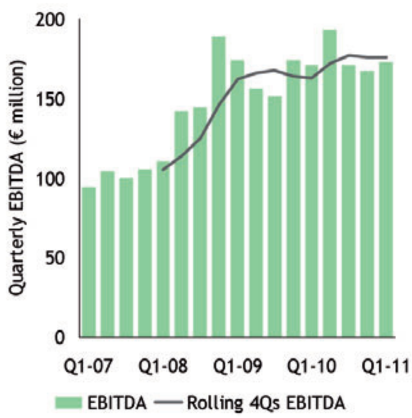
- The human food market consists of many segments, each having their own specific applications, customer needs and quality requirements. DSM has extensive application know-how, nutrition science experience and market knowledge, which create customer value and provide DSM with a leading competitive edge in the market place. Our technical experts can assist in creating the right form (e.g. encapsulated vitamin) and/or the formulation (e.g. a concentrate or dry premix), designed around a specific application, utilizing DSM's state-of-the-art innovation labs and the largest team of technical experts in the industry.

Differentiation in Nutrition is key to profitability

Differentiation value proposition

- Animal Health & Nutrition: customer value through feed efficacy
- Human Health & Nutrition: “peace of mind” and application know-how
- Global customer proximity
- Full portfolio player
- Innovation leader in nutritional ingredients

Continuous profit increase



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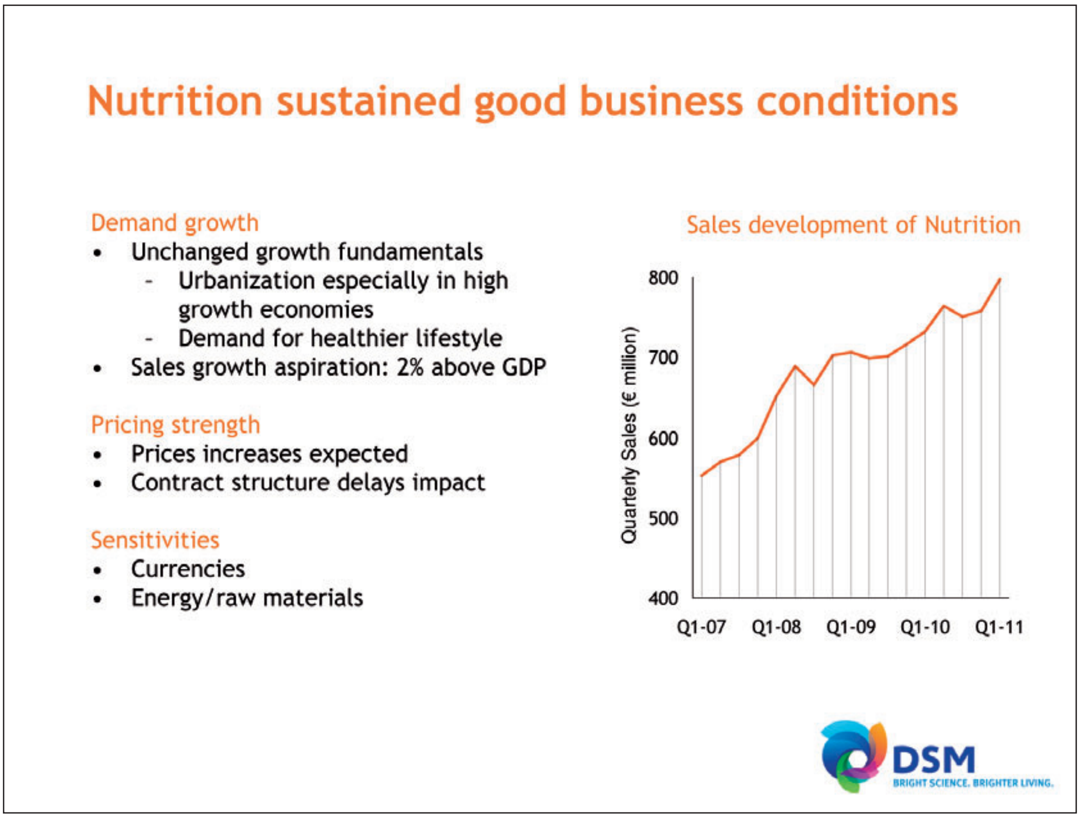
- DSM is the only full portfolio player among producers of vitamins and carotenoids; the only player covering the value chain with pure ingredients, forms and premix; the player with the largest number of forms for the widest range of in-use attributes; the player with the broadest global reach; and the only player committing € 125 million per annum to innovation (including R&D and new business development activities).

- Continued differentiation in the market is the key to capturing value and margin growth. DSM will continue to be the Quality player in the sector, pursuing product and process innovation through optimum use of its access to customers and technology. DSM is marrying technological advances with consumer trends and customer needs, and remains the innovation front-runner in nutrition.

- The success of DSM’s value chain differentiation strategy is demonstrated in the earnings track record as shown in the graph above. The EBITDA development on an average rolling four quarters basis shows a steadily increasing trend.



- Increasing consumer wealth is changing diets, as meat and fish are becoming more affordable, more regularly, to more people. Urbanization and changes in traditional roles are changing eating habits; demand for processed foods is increasing as supermarkets and food stores replace the role of traditional markets.

- At the same time, consumers are increasingly interested in the connection between the foods they consume and their health status. While taste remains a key qualifier, there is a strong interest in reducing the levels of ingredients like salt, sugar and fat as well as including more better-for-you ingredients.

- Both above mentioned fundamental growth drivers for food and feed ingredients markets are unchanged. Based on this, DSM has set its sales growth aspiration to 2% above GDP.

- In Q1, DSM publicly announced price increases in the range of 5-10% for several of its key nutritional ingredients products. These price increases are currently being negotiated and implemented with customers. Prices are expected to increase going forward. However, due to the contract structure (typically annual contracts in HNH, and quarterly to half-yearly contracts in ANH) it will take some time for the price increases to have full impact.

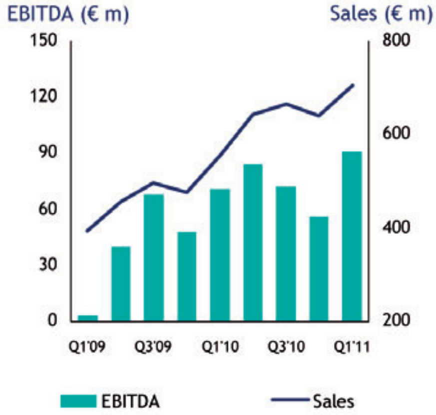
- The current development of currencies such as the strong CHF vs the euro or the weakening US dollar vs the euro creates a negative impact on the results of Nutrition. Half of this currency exposure is hedged. To a lesser extent the development of energy cost and raw materials also impacts the results.

Performance Materials positive momentum

Continued global growth
- Healthy demand development in Automotive, E&E and packaging
- Asia as continuing engine of growth

Pricing strength
- Price increases ongoing
- Profit improvement despite higher input costs
- Average period for which prices are agreed in contracts has been reduced

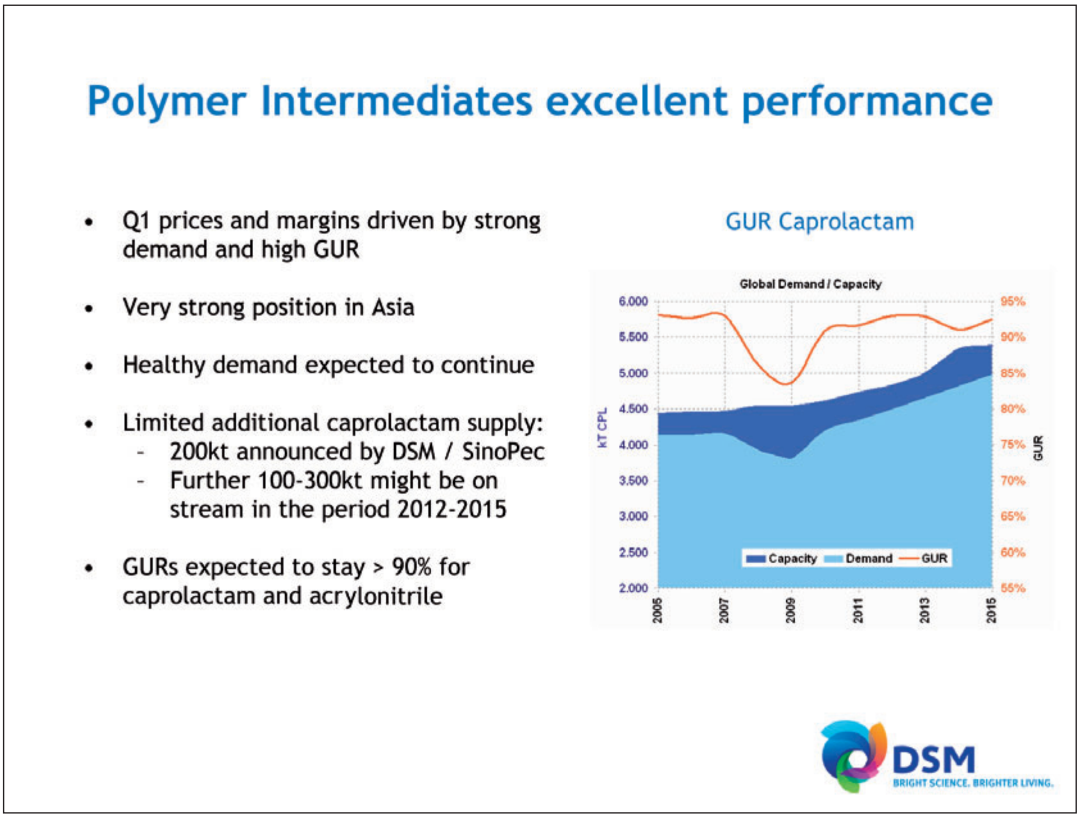
Sales & EBITDA growth



- Trading conditions in the automotive, E&E and packaging end-markets were strong in Q1 2011. DSM's global position in all its Performance Materials business enables DSM to take advantage of the momentum created by the global growth engine: Asia.

- In 2010, prices in the Performance Materials cluster lagged behind the input cost increases. In Q1 2011, further price increases were implemented successfully which, on average, more than offset the increasing raw material prices. This resulted in higher margins. Furthermore, the average period for which prices are agreed in contracts has been reduced. Although the businesses have many longer term contracts and partnership agreements in place, in most cases the validity of the contract prices is no longer than 3 months.

- In spite of this strong increase in feedstock prices, EBITDA is almost back on the pre-crisis levels, although with room for further margin improvement. Further improvement should among other things come from:
  - Further price increases for our products are being implemented
  - Further sales recovery in B&C market
  - Above average growth of DSM Dyneema at above average margins
  - Growth from sustainable innovative solutions at on average higher margins.



- Caprolactam showed another quarter of healthy demand. Demand was strong in all regions. Supply was already tight last year and became even tighter due to planned and unplanned shutdowns in the industry. This has resulted in high GURs and record margins.

- Healthy demand for caprolactam is expected to continue the coming years. Consumption growth is driven by among other things, the increased use of polyamide 6 (PA6) in engineering plastics, PA6 film for food packaging and PA6 for the fiber segments (textiles, carpets, industrial). Demand for caprolactam is expected to grow by > 3% per year, with highest growth being expected (~ 6% annual growth) for the engineering plastics and film segments combined.

- DSM's strong position in China is very important. DSM is the only caprolactam producer with production assets on 3 continents. In the Chinese region (China and Taiwan), consumption of PA6 is expected to grow rapidly in the coming years, primarily driven by strong growth in engineering plastics and film segments (CAGR > 10%). Being the only Western producer with production assets in China, in combination with a partnership with a strong Chinese company (SinoPec), DSM has an excellent position to growth in Asia. DSM's newest and best-in-class technology, which is being implemented in the 2nd line in China, is expected to demonstrate that lower costs (economy) goes hand in hand with better eco-foot print (reduction of waste, reduction of energy use).

- Until 2015, some 300-500kt of caprolactam capacity might come on stream. Not all is, however, confirmed. Apart from DSM-SinoPec's 200kt second line in China in 2014, some 100kt to 300kt might come on stream including some smaller debottlenecking. As the global market is expected to grow by more than 3%, global utilization rates are expected to stay above the healthy level of 90%.

Outlook

- Nutrition results are expected to be clearly above last year
- Pharma results are expected to be lower than in 2010
- Performance Materials results are expected to be clearly above last year
- Polymer Intermediates is expected to continue its excellent performance
- 2011 is expected to be a strong year for DSM towards achieving the 2013 targets

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- Overall, the consensus economic outlook for 2011 is positive. DSM expects the trading conditions experienced during the first quarter to continue in the remainder of the year, with strong growth in China and the other high growth economies, together with moderate growth in mature economies.

- DSM is conscious of the macro-economic uncertainties. The unrest in the Middle East has had no impact on DSM's business, except for the higher oil price causing the prices for energy and certain raw materials to increase. DSM continues to pass on these higher costs through further price increases. At this time, DSM believes that the tragic events in Japan are likely to have only a limited impact on full-year earnings.

- The Nutrition cluster is expected to achieve sustained good sales performance with healthy volume growth and price increases. Currency exchange rates are expected to remain volatile; the weaker US dollar and especially the strong Swiss franc are unfavorable for the Nutrition cluster. The EBITDA with the inclusion of Martek is expected to be clearly above last year.

- The focus within the Pharma cluster will be on strategy execution such as the announced anti-infectives joint venture with Sinochem. Overall business conditions remain challenging and results are expected to be lower than in 2010.

- The Performance Materials cluster is benefiting significantly from continued global growth in the relevant end-markets such as automotive, electronics and packaging. Results are expected to be clearly above last year.

- Polymer Intermediates is expected to continue its excellent performance in 2011 based on DSM's unique global presence and very favorable trading conditions, although the current very tight demand-supply balance might ease somewhat. In Q2 2011 a maintenance shutdown is planned for acrylonitrile.

- Despite the headwinds from higher input costs and on balance unfavorable currencies, 2011 is expected to be a strong year for DSM. This gives DSM confidence that it will meet the EBITDA target of € 1.4 to 1.6 billion in 2013, with ROCE expected to exceed 15%.

DISCLAIMER

This document may contain forward-looking statements with respect to DSM's future (financial) performance and position. Such statements are based on current expectations, estimates and projections of DSM and information currently available to the company.

Examples of forward-looking statements include statements made or implied about the company's strategy, estimates of sales growth, financial results, cost savings and future developments in its existing business as well as the impact of future acquisitions, and the company's financial position. These statements can be management estimates based on information provided by specialized agencies or advisors.

DSM cautions readers that such statements involve certain risks and uncertainties that are difficult to predict and therefore it should be understood that many factors can cause the company's actual performance and position to differ materially from these statements.

These factors include, but are not limited to, macro-economic, market and business trends and conditions, (low-cost) competition, legal claims, the ability to protect intellectual property, changes in legislation, changes in exchange and interest rates, changes in tax rates, pension costs, raw material and energy prices, employee costs, the implementation of the company's strategy, the company's ability to identify and complete acquisitions and to successfully integrate acquired companies, the company's ability to realize planned disposals, savings, restructuring or benefits, the company's ability to identify, develop and successfully commercialize new products, markets or technologies, economic and/or political changes and other developments in countries and markets in which DSM operates.

As a result, DSM's actual future performance, position and/or financial results may differ materially from the plans, goals and expectations set forth in such forward-looking statements.

DSM has no obligation to update the statements contained in this document, unless required by law. The English language version of this document is leading.

A more comprehensive discussion of the risk factors affecting DSM's business can be found in the company's latest Annual Report, a copy of which can be found on the company's corporate website, www.dsm.com

Information about ordinary DSM shares

DSM ordinary shares (ISIN code NL0000009827, fondscode 00982) are listed on the stock exchanges of Amsterdam. Options on DSM shares are traded on the European Option Exchange in Amsterdam. In the USA a sponsored unlisted American Depositary Receipts program is being run via Citibank NA (Cusip 780249108); four ADRs represent one ordinary DSM share.

per ordinary share in €	**2010**	**2009**	**2008**	**2007**	**2006**
net profit before exceptional items	3.27	1.44	3.64	3.07	2.85
net profit	3.03	2.01	3.45	2.35	2.83
cash flow	5.62	6.05	6.20	5.56	5.21
shareholders' equity	31.52	28.92	27.12	30.42	30.03
dividend:	1.35	1.20	1.20	1.20	1.00
- interim dividend	0.40	0.40	0.40	0.33	0.33
- final dividend	0.95	0.80	0.80	0.87	0.67
pay-out including dividend on cumulative preference shares as % of net profit before exceptional items	38%	84%	36%	35%	38%
dividend yield (dividend as % of average price of an ordinary DSM share)	3.8%	4.8%	3.9%	3.3%	2.9%
share prices on Euronext Amsterdam:					
- highest price	42.85	34.84	41.27	39.87	39.70
- lowest price	30.43	16.93	15.76	31.63	28.58
- at 31 December	42.61	34.46	18.33	32.33	37.43
number of ordinary shares outstanding: (x 1,000)					
- at 31 December	166,468	163,037	162,227	166,897	184,850
- average	164,047	162,364	164,196	178,541	189,550
daily trading volumes on Euronext Amsterdam:					
- average	995	1,270	1,783	1,590	1,301
- lowest	85	75	152	94	267
- highest	3,629	4,376	5,894	11,347	5,268

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