Royal DSM N.V.
Q2 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 Q2 2011
- Progress on strategy and outlook

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Overview
• Operational performance Q2 2011
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Highlights Q2 2011

DSM reports strong Q2 results with solid growth

- Q2 EBITDA from continuing operations €339 million, above both Q2 2010 and Q1 2011
- Strong Life Sciences results driven by robust growth in Nutrition
- Very solid results in Materials Sciences due to pricing strength and volume growth
- Martek integration on track; excellent Q2 EBITDA performance
- EPS more than doubled, reflecting strong operating results, lower tax rate and one-off gains
- Interim dividend of €0.45 (+12.5%) representing one third of total dividend for 2010
- 2011 is expected to be a strong year; good progress towards achieving the 2013 targets

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Feike Sijbesma
Chairman of the Managing Board

Dear Investor,

"This has been another strong quarter for DSM with continued progress compared to the first quarter and the same period last year reflecting the strength of our businesses. These results include a positive contribution from Martek but also the negative impact of currency effects and higher raw material and energy costs.

"Whilst general economic forecasts for the year continue to be positive, there are increased uncertainties related to the global economy. However, we believe we are well positioned with our balanced, relatively resilient portfolio in health, nutrition and materials, and with our broad geographic footprint, strong technology and leading market positions. This, in combination with our focus on customers and innovation and our ongoing efficiency improvements, gives us confidence that 2011 will be a strong year for DSM with good progress towards achieving the 2013 targets."

Results Q2 2011 - Key figures

Q2-2011	Q2-2010	Δ%	(€ million)	H1-2011	H1-2010	Δ%
			Continuing operations before exceptional items:			
2,265	2,120	+7%	Net Sales	4,499	4,053	+11%
339	333(*)	+2%(**)	EBITDA	664	617 (*)	+8%(**)
238	231(*)	+3%	EBIT	469	413 (*)	+14%
0.97	0.88	+10%	EPS (€)	1.88	1.58	+19%
			Total DSM before exceptional items:			
2,299	2,406	-4%	Net Sales	4,644	4,636	0%
345	361	-4%	EBITDA	693	696	0%
			Total DSM including exceptional items:			
392	149	+163%	Net profit	558	279	+100%
2.35	0.90	+161%	EPS (€)	3.33	1.68	+98%

* of which €9 million (first half €17 million) IFRS pension adjustment
**5% (first half 11%) if IFRS pension adjustment is excluded

- The monetary and financial instability, caused by continued global sovereign debt challenges worsened in Q2. This was, amongst other factors, reflected in very volatile currency exchange rates. On average, over the quarter the US dollar decreased by 13% and the Swiss franc increased by 11% against the Euro compared to Q2 2010. Inflationary pressure, especially in food, raw materials and energy remained high.

- However, this instability did not affect DSM's markets. Trading conditions remained in line with the positive Q1 environment, as a result of strong growth in high growth economies and moderate, but continuing, growth in Western Europe and North America. The Japanese economy was still weak, following the natural disasters in Q1.

- Within this macro-economic context the majority of DSM's businesses continued to offset increased input cost with pricing strength. The increasingly strong Swiss franc, however, negatively affected the cost base of the Nutrition business. The US dollar had a negative impact for all of DSM.

- Total EBITDA (continuing operations) grew by 2% and on comparable basis by 5% versus last year's Q2. Compared to previous quarter EBITDA increased by 4%.

- Net finance costs amounted to € 18 million in Q2 2011 compared to € 29 million in Q2 2010, mainly as a result of favorable hedge results and lower interest costs.

- The effective tax rate decreased to 21% (Q2 2010 25%) as a result of a different geographic spread of results and the application of preferential tax regimes. The decrease was negatively impacted by the very strong results in Polymer Intermediates, which were partly realized in high tax jurisdictions.

- In Q2 DSM realized one-off profits due to the sale of its shares in Danisco (€ 140 million before tax) and the divestment of DSM Elastomers (€ 110 million before tax). These profits are reported as exceptional items.

- Net profit increased from € 149 million in Q2 2010 to € 392 million in Q2 2011, which was mainly due to the book profits resulting from the divestment of DSM Elastomers and the sale of the Danisco shares as well as a lower tax rate and the strong operating result.

- Net earnings per ordinary share (including exceptional items, total DSM) increased by 161% to a level of € 2.35 per ordinary share in Q2 2011 (Q2 2010: € 0.90).

EBITDA - DSM continuing business

EBITDA (€ million)	H1-2011	H1-2010	H1-2009 (*)	H1-2008 (*)
Nutrition	366	354	330	252
Pharma	12	28	43	68
Performance Materials	173	155	50	191
Polymer Intermediates	192	110	-11	78
Innovation Center (*)	-26	-26	(**)	(**)
Corporate Activities (*)	-53	-4	-77	-46
DSM core business	664	617	335	543

* 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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- Nutrition posted its best quarter ever. It continued to deliver solid volume growth. Currencies had a negative impact of around € 20-25 million on the operating result compared to Q2 2010. Martek, acquired in Q1, delivered an excellent performance.

- Pharma sales and results improved compared to Q1, but DSM is conscious that overall performance of the cluster remains below acceptable levels.

- In Performance Materials unit margins in DSM Engineering Plastics and DSM Resins continued to improve. However, DSM Dyneema was affected by lower sales to the tender driven vehicle protection business. As a consequence the cluster result was somewhat lower than in Q2 last year.

- Polymer Intermediates continued to show an excellent performance. Despite a planned maintenance shutdown for the acrylonitrile plant, results were close to Q1 and substantially above last year's.

- Results in Corporate Activities were lower compared to Q2 2010 due to the changes in the Dutch pension plan, higher share based payment costs following the increase of the share price, additional project expenses related to the implementation of the announced strategy, a lower result in the businesses included in Corporate Activities and higher costs in service organizations.

Net sales growth Q2-2011 versus Q2-2010

(€ million)	Q2-2011	Q2-2010	Diff.	Volume	Price	FX	Other
Nutrition	839	764	10%	8%	-3%	-3%	8%
Pharma	178	195	-9%	-3%	-2%	-4%	
Performance Materials	709	644	10%	2%	11%	-4%	1%
Polymer Intermediates	423	362	17%	4%	20%	-7%	
Innovation Center	14	9					
Corporate Activities	102	146					
Continuing Operations	2,265	2,120	7%	4%	6%	-4%	1%(*)

* 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

- Organic sales growth was 10%, well above target. This is the sixth consecutive quarter with double digit organic growth. Volume growth was 4% and price increases 6%. Currencies (mainly the US dollar and the Chinese yuan) had a negative effect of 4%.

- Nutrition continued to realize strong volume growth, both compared to prior year and Q1. The decreasing price trend was halted during the first half year. Martek added € 84 million to the Nutrition sales, which was partly offset by the shift of DSM Food Specialties' ARA sales to Martek from external sales to internal supplies.

- Although Pharma sales improved compared to Q1, they are still below last year's level.

- Performance Materials continued to post double digit organic growth, mainly due to pricing strength. Volume growth was modest, due to lower sales by DSM Dyneema to the vehicle protection business.

- Polymer Intermediates organic sales growth was an excellent 24%, mainly due to price increases.

Nutrition

Q2-2011	Q2-2010	Δ%	(€ million)	H1-2011	H1-2010	Δ%
839	764	+10%	Net Sales	1,637	1,496	+9%
193	188	+3%	EBITDA	366	354	+3%
154	153	+1%	EBIT	294	286	+3%
23.0%	24.6%		EBITDA margin	22.4%	23.7%	

- Sales including Martek increased by 10%, with good volume growth in Animal Nutrition & Health and DSM Food Specialties
- Performance remained strong and EBITDA was above Q2 last year
- Despite higher input cost and unfavorable FX, EBITDA (excl. Martek) improved compared to Q1 2011, due to volume increases with stable prices

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- Sales including Martek increased by 10% over the same period last year. Organic sales growth was 5% and currencies had an impact of -3%. Organic sales growth was 3% over Q1 2011. There was particularly good volume growth in Animal Nutrition & Health and DSM Food Specialties. Overall prices were lower compared to Q2 last year and in line with Q1 2011.

- The performance of the cluster remained strong and EBITDA was above Q2 last year. EBITDA excluding Martek was lower than the exceptionally strong results of last year, mainly due to the negative impact of the Swiss franc and US dollar which was approximately € 20-25 million for DSM Nutritional Products, net of hedging results. Despite higher raw material and energy costs and unfavorable currency developments, EBITDA (excluding Martek) in Q2 2011 improved compared to Q1 2011, due to volume increases with stable prices. To mitigate the effect of currencies and higher input costs, price increases and cost optimization measures are being implemented.

- Martek delivered an excellent performance with sales of € 84 million and EBITDA of € 28 million.

Pharma

Q2-2011	Q2-2010	Δ%	(€ million)	H1-2011	H1-2010	Δ%
178	195	-9%	Net Sales	341	381	-10%
12	14	-14%	EBITDA	12	28	-57%
0	-1		EBIT	-10	-1	
6.7%	7.2%		EBITDA margin	3.5%	7.3%	

- Sales mainly lower because of the weaker US dollar and lower volumes
- EBITDA was below 2010 level
- EBITDA improved compared to Q1 2011 due to margin improvements in DSM Anti-Infectives and volume improvements in DSM Pharmaceutical Products

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- In Q2, 2011 sales were mainly lower because of the weaker US dollar and lower volumes at DSM Pharmaceutical Products.

- Although EBITDA was below the 2010 level, it improved compared to Q1 2011 due to margin improvements in DSM Anti-Infectives and volume improvements in DSM Pharmaceutical Products. However, the performance is still well below acceptable level.

Performance Materials

Q2-2011	Q2-2010	Δ%	(€ million)	H1-2011	H1-2010	Δ%
709	644	+10%	Net Sales	1,414	1,201	+18%
82	84	-2%	EBITDA	173	155	+12%
53	54	-2%	EBIT	115	93	+24%
11.6%	13.0%		EBITDA margin	12.2%	12.9%	

- Organic sales growth 13%, mainly reflecting price increases to restore unit margins
- Lower sales to the tender driven vehicle protection business at DSM Dyneema
- The lower EBITDA compared to Q2 2010 is fully attributable to DSM Dyneema

- Organic sales growth was 13% in Q2, mainly reflecting price increases to restore unit margins. Volume growth was subdued, especially because of lower sales to the tender driven vehicle protection business at DSM Dyneema and weak Japanese demand, following the natural disasters in March.

- The lower EBITDA compared to last year is fully attributable to DSM Dyneema. Both DSM Engineering Plastics and DSM Resins continue to improve pricing to compensate for the higher raw material prices.

Polymer Intermediates

Q2-2011	Q2-2010	Δ%	(€ million)	H1-2011	H1-2010	Δ%
423	362	+17%	Net Sales	880	676	+30%
93	60	+55%	EBITDA	192	110	+75%
86	52	+65%	EBIT	176	94	+87%
22.0%	16.6%		EBITDA margin	21.8%	16.3%	

- Ongoing tight supply and strong demand resulted in organic sales growth of 24%
- Substantial margin increase compared to Q2 2010

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- Ongoing tight supply and strong demand resulted in organic sales growth in Q2 of 24% compared to Q2 2010, mainly due to price increases.

- Margins showed a substantial increase compared to Q2 2010 which was reflected in a considerably higher EBITDA despite the planned maintenance shutdown in the acrylonitrile business.

Innovation Center

Q2-2011	Q2-2010	Δ%	(€ million)	H1-2011	H1-2010	Δ%
14	9	+56%	Net Sales	28	18	+56%
-13	-13		EBITDA	-26	-26	
-16	-15		EBIT	-32	-31	
-	-		EBITDA margin	-	-	

- Sales developed well and generated additional gross margin which was offset by higher spending on innovation opportunities
- DSM and Roquette announced a commercial scale bio-based succinic acid plant
- Acquisition of C5 Yeast Company B.V. from Royal Cosun, increasing leadership position in 2nd generation biofuels

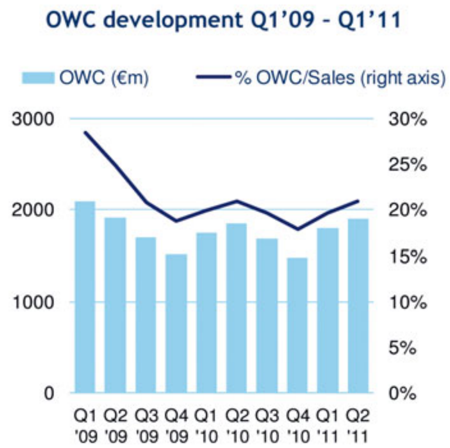
- Second quarter sales developed well and were above last year, generating additional gross margin which was offset by higher spending on innovation opportunities.
- This quarter DSM and Roquette announced that they will build a commercial scale plant for the production of bio-based succinic acid in Cassano, Italy. The plant will be Europe’s largest bio-based succinic acid facility. On July 28 DSM completed the acquisition of C5 Yeast Company B.V. from Royal Cosun, through which it will further increase its leadership position in the field of second generation biofuels. Recent tests have shown that the yield of DSM’s advanced yeast technology for second generation biofuels on cellulose derived C5/C6 sugars to ethanol meets conversion performance criteria for commercialization by its customers.

Cash flow

Cash Flow (€ million)	H1 2011	H1 2010
Cash from operating activities	156	360
Cash from investing activities*	-434	114
Free cash flow from operations	-278	474

Balance sheet (€ million)	Ult. Q2 2011	YE 2010
Net debt	281	-108
Gearing	5%	-2%

* Incl. Martek acquisition, the sale of Danisco shares, and the divestment of DSM Elastomers



- Cash provided by operating activities amounted to € 156 million in the first half of 2011 (€ 133 million in Q2 2011).

- Operating working capital increased to 21.0% of sales, mainly due to seasonal factors and the acquisition of Martek (which requires, because of its business model, a relatively high level of operating working capital). Compared to Q2 2010, excluding the Martek effect, operating working capital was 0.5% lower.

- Cash flow related to capital expenditure amounted to -€ 160 million in the first half of 2011 (Q2 2011: -€ 88 million) compared to -€ 188 million in H1 2010 (Q2 2010: -€ 90 million). The cash flow related to acquisitions amounted to -€ 800 million in the first half of 2011 (Q2 2011: -€ 69 million) compared to -€ 35 million in the first half of 2010.

- Net debt increased from -€ 108 million at the end of 2010 to € 278 million at the end of Q2. This was mainly due to the Martek acquisition. During Q2 net debt decreased by € 372 million. The main positive contributors were the operating profit and proceeds from disposals, which were partly compensated for by an increase in working capital, capital expenditure, acquisitions, the share repurchase program and the payment of the final dividend.

- DSM's dividend policy is to provide a stable and preferably rising dividend. It has been decided to pay an interim dividend of € 0.45 (+12.5%) per ordinary share for the year 2011. As usual, this represents one third of the total dividend paid for the previous year. The interim dividend is no indication of the total dividend for 2011. The dividend will be payable in cash or in the form of ordinary shares, at the option of the shareholder. Dividend in cash will be paid after deduction of 15% Dutch dividend withholding tax. The ex-dividend date is 3 August 2011. The interim dividend will be payable as from 26 August 2011.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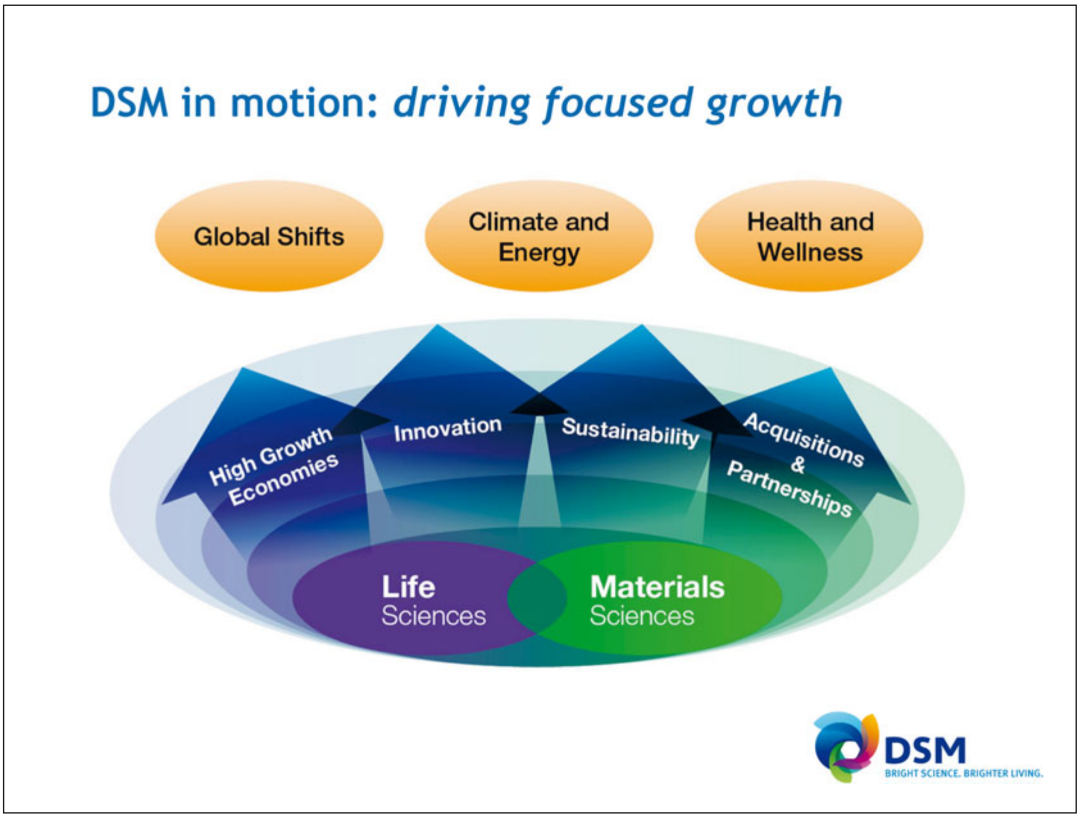

- DSM in motion: driving focused growth marks the shift from an era of intensive portfolio transformation to a strategy for the coming years of maximizing sustainable and profitable growth of 'the new DSM'. The current businesses compose the new core of DSM in Life Sciences and Materials Sciences.

- 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. 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.

- DSM has set itself ambitious targets for the next strategy period. With its transformation completed, DSM can now focus on and accelerate growth.

Strategic progress highlights Q2 2011

- Acquisition of Vitatene® strengthening natural carotenoids offering
- Acquisition of C5 Yeast Company to expand DSM's yeast technology for 2G biofuels
- JV with Roquette building commercial scale biosuccinic acid plant
- New Nutrition Innovation Center opened in the US

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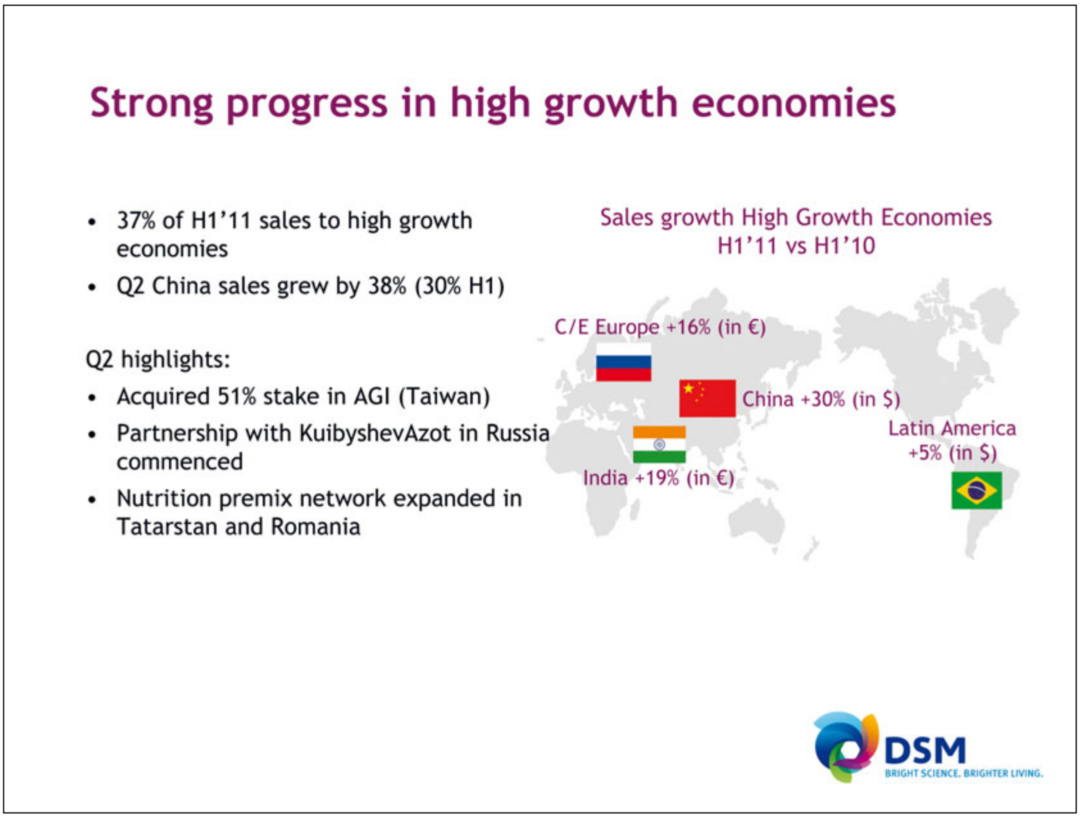
- DSM announced the acquisition of Vitatene S.A.U. (Spain), a producer of natural carotenoids. This acquisition, which has meanwhile been closed, allows DSM to strengthen the natural carotenoids offerings of its nutrition business as consumer demand for natural products continues to grow.

- The acquisition of C5 Yeast Company will further increase DSM's leadership position in advanced yeast and enzyme technologies for second generation biofuels (cellulosic ethanol derived from agricultural residues and non-edible crops). DSM is the only company capable of offering both enzyme and yeast fermentation technologies to increase conversion rates to make the technology commercially viable. Recent tests have shown that the yield of DSM's advanced yeast technology for second generation biofuels on cellulose derived C5/C6 sugars meets conversion performance criteria for commercialization by its customers.

- DSM and the French starch and starch derivatives company Roquette Frères announced that they will build a commercial scale plant for the production of bio-based succinic acid, the first non-fossil feedstock derived chemical building block that allows customers in the chemical industry to choose a bio-based alternative with a lower eco-footprint for a broad range of applications, from packaging to footwear. With a capacity of about 10 kilotons per year, the plant will be Europe's largest bio-based succinic acid facility. It is expected to come on stream in H2 2012 and will be built on the premises of Roquette in Cassano Spinola (Italy).

- DSM opened a state-of-the-art Nutrition Innovation Center in Parsippany, New Jersey (United States). Furthermore, DSM's nutrition business has developed a novel way of sugar fortification, with Vitamin A. This opens a significant additional route to improving the population's micronutrient intake through staple food, next to rice, flour or milk.

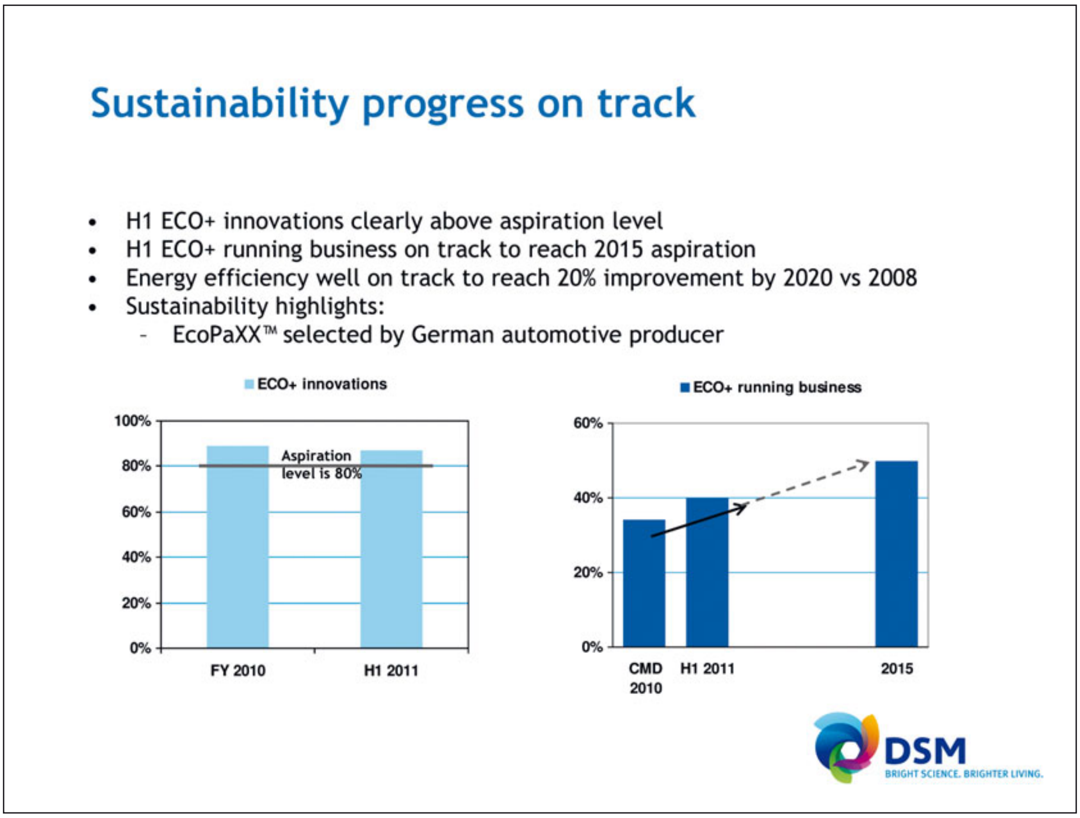


- 37% of DSM's H1 2011 sales were to the high growth economies. Net sales in China (continuing operations, in US dollar) increased by 38% from US dollar 355 million in Q2 2010 to US dollar 489 million in Q2 2011. In India, DSM recorded a sales increase in Q2 2011 (in Euro) of 12%. During H1 sales in China grew by 30% (in US dollar), in Latin America by 5% (in US dollar), India by 19% (in Euro) and in Central/Eastern Europe incl. Russia by 16% (in Euro).

- DSM announced that it has successfully acquired a 51% stake in AGI Corporation of Taiwan (AGI) through a subscription for newly to be issued shares combined with a public tender offer for about € 41 million in total. The acquisition was announced in December 2010 and is consistent with DSM's strategic focus on high growth economies, sustainability, innovation and partnerships. AGI offers a broad range of environmentally friendly UV (ultraviolet) curable resins and other products. These products are used in coatings and inks for wood, flooring, plastics and graphic arts applications. AGI reported net sales in 2010 of NTD 4,050 million (approximately € 97 million). AGI continues to be listed on the emerging companies board of the GreTai Securities Market in Taipei. DSM will consolidate AGI in its financial statements.

- In Q2 2011, DSM and the Russian company KuibyshevAzot OJSC commenced their strategic cooperation and joint ventures in the field of Engineering Plastics and Fibre Intermediates. Furthermore, DSM opened the first feed-premix plant in Russia in a joint venture with Tatenergo JSC (Republic of Tatarstan).

- DSM announced that it will acquire the premix unit of Fatrom, the leading premix manufacturer in Romania.



- DSM is on track with its 2011-2015 sustainability aspirations. In the first half year of 2011, 87% of DSM's innovation pipeline were ECO+ solutions (compared to an aspiration of over 80% for 2011-2015). As a percentage of running business, ECO+ solutions were estimated at almost 40% for the first half year of 2011 compared to an aspired growth from about 34% towards an estimated 50% for the period 2011-2015.

- An example of an ECO+ solution is EcoPaXX™, a 70% bio-based high-performance engineering plastic. In Q2 a German automotive producer selected this material for the engine cover for one of its flagship models.

- Also energy efficiency is well on target: 1.8% improvement in the first half year of 2011 compared to 2010. The aspiration calls for a 20% improvement in 2020 compared to 2008.

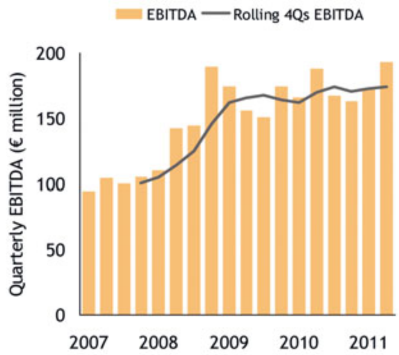
Nutrition: unchanged growth fundamentals

Sustained good business conditions
- Urbanization and need for healthier lifestyle continue to drive demand
- Sales growth aspiration: 2% above GDP
- Excellent performance Martek

Pricing strength
- Price increases announced
- Contract structure delays impact

- Unfavorable currency impact from CHF and US$ (~€ 60m before hedge, ~€ 40m net of hedge for H1'11 y-o-y)

Continuous profit increase



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- The fundamental growth drivers for the nutritional ingredients business remain fully intact and unchanged. The increasing urban population and changing eating habits are expected to continue especially in high growth economies. This will continue to push demand for processed foods as supermarkets and food stores replace the role of traditional markets. Furthermore, increasing consumer wealth is changing diets and driving higher meat demand.

- 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.

- Based on the above growth drivers, DSM has a sales growth aspiration of 2% above GDP while maintaining an EBITDA margin of 20% towards 23% for its Nutrition cluster as set during the launch of its new corporate strategy in September 2010.

- Following the successful completion of the acquisition in Q1, Martek has performed excellently and contributed substantially to the cluster results. Martek's EBITDA contribution in Q2 was € 28 million. The expected EBITDA contribution for the year is around € 80 million.

- DSM has publicly announced price increases in the range of 5-10% for several of its key nutritional ingredients and for its human nutritional premixes. Implementation is underway and the decreasing pricing trend was halted during the first half of the year. Going forward, prices are expected to increase. 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 their full impact.

- The current development of currencies such as the strong Swiss franc vs. the Euro or the weakening US dollar vs. the Euro is creating 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 is also impacting the results.

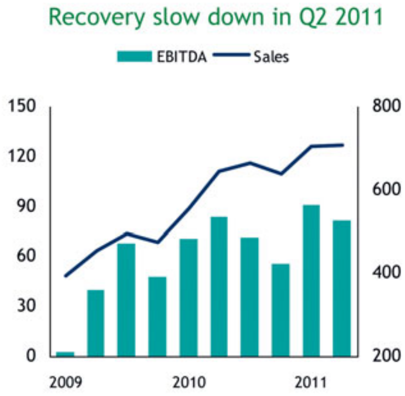
Performance Materials: recovery slowed down

Global demand growth

- Asia continued engine of growth
- Growth in DSM Dyneema fiber solutions
- Growth in automotive and packaging
- Slowdown in E&E
- Lower demand in vehicle protection
- Awaiting demand recovery in B&C

Pricing strength

- Unit margins remained stable, despite higher energy and raw materials cost
- Price initiatives will continue to take effect



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- Global demand growth for the performance materials markets is expected to continue, although at a somewhat lower pace. Asia remains the growth engine and markets like automotive and packaging continue to grow. Engineering plastics for the electronics and electrical (E&E) segment currently show a slowdown in growth. The building and construction market has not recovered from the recession yet.

- DSM Dyneema fiber solutions is experiencing double digit growth typically in segments like marine and industrial applications. In its life-protection business, DSM Dyneema is confronted with lower sales to the tender-driven vehicle protection market, creating volatility in its business results.

- Using the momentum started in FY2010, further price increases have been successfully implemented in Q2 resulting in stable unit margins when compared to Q1 despite the continuous rise in raw materials prices. In the second half of the year pricing initiatives will continue to take effect and input cost pressures are expected to ease.

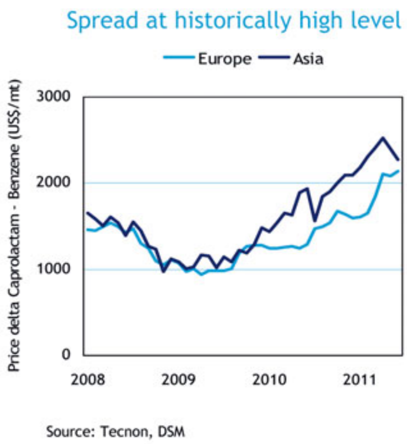
Polymer Intermediates: excellent performance

Excellent business conditions

- High demand growth in China
- Healthy demand expected to continue
- DSM has very strong position in Asia
- Successful planned maintenance shutdown for Acrylonitrile

Pricing strength

- High prices and margins driven by strong demand and high GUR
- Limited additional caprolactam supply:
  - 200kt announced by DSM / SinoPec
  - Further 100-300kt might come on stream in the period 2012-2015
- GUR expected to stay > 90%



- Polymer Intermediates continued to show an excellent performance in spite of a planned and successful turnaround for the acrylonitrile plant. Caprolactam showed the next consecutive quarter of healthy demand in a tight market. Demand was strong in all regions where supply remained tight, resulting in a high global utilization rate. This resulted in a market with high prices and record margins as demonstrated in the graph showing the spread (=difference) between benzene (the main raw material) and caprolactam in the European and Asian markets.

- Healthy demand for caprolactam is expected to continue in 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, industrial). Demand for caprolactam is expected to grow by > 3% per year, with the highest growth (~ 6% annual growth) being expected 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 three continents. In the Chinese region (China and Taiwan), consumption of PA6 is expected to grow rapidly in the coming years (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 grow 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 a better eco-footprint (reduction of waste, reduction of energy use).

- Until 2015, some 300-500kt of caprolactam capacity might come on stream. However, not all of this has been confirmed. Apart from DSM-SinoPec's 200kt second line in China in 2014, some 100kt to 300kt might come on stream, including some capacity increases from smaller debottlenecking projects. 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

- No major changes anticipated to the overall business assumptions
- Nutrition results including Martek 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 full year results are expected to be excellent
- 2011 is expected to be a strong year; good progress towards achieving the 2013 targets

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- Whilst general economic forecasts for the year continue to be positive, there are increased uncertainties related to the global economy caused by sovereign debt challenges, increased inflation and volatile currencies. However, DSM believes that it is well-positioned with its balanced, relatively resilient portfolio in health, nutrition and materials, its broad geographic footprint and strong technology and leading market positions to make further progress.

- DSM, in line with the industry, experienced higher raw material and energy costs during the first half of the year, although this increase is expected to ease during the second half of the year. DSM expects to remain successful in passing on these cost increases due to its strong market positions.

- Currencies have also been a negative factor in the second quarter. The strong Swiss franc and the weakening US dollar will continue to impact results going forward.

- However, at this stage, no major changes are anticipated to the overall business assumptions for the full year.

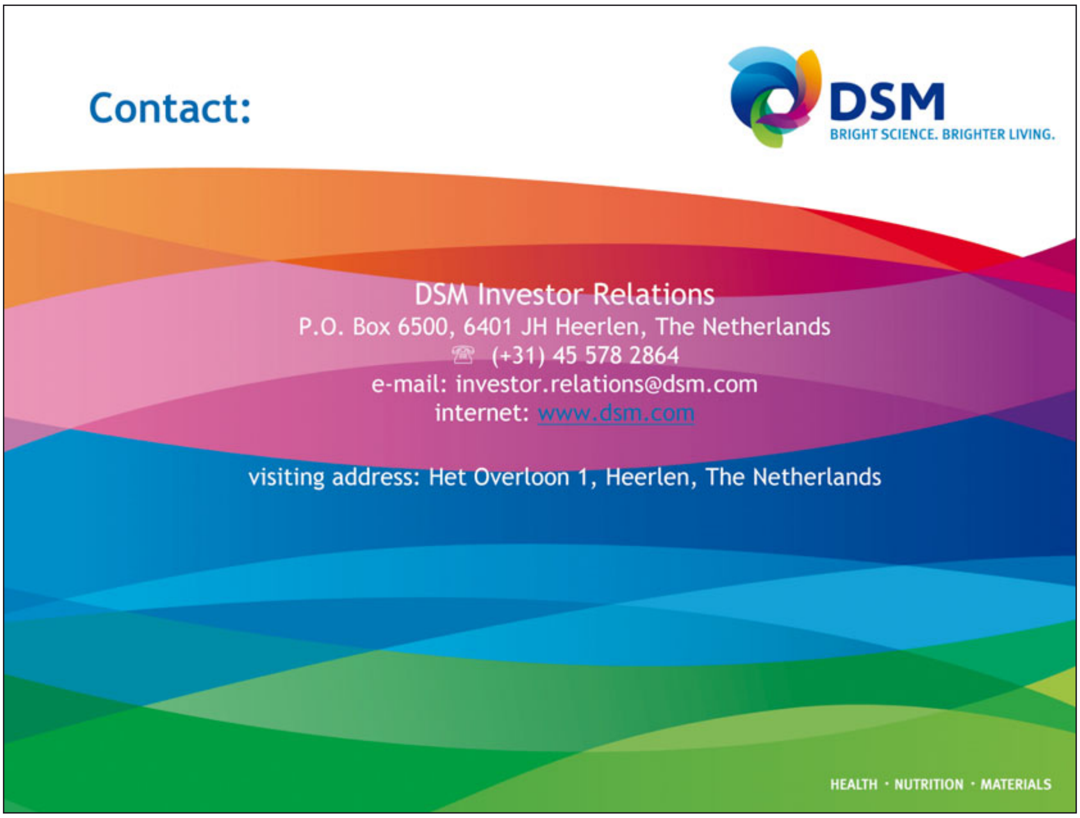
- The Nutrition cluster is expected to maintain its positive momentum, with good volumes, price increases and further cost efficiencies helping to partially offset the adverse impact of the strong Swiss franc and weak US dollar. The cluster is relatively unaffected by changes in the global economy. EBITDA including Martek is likely to be clearly above last year.

- The Pharma cluster continues to be impacted by challenging business conditions and results are expected to be lower than in 2010.

- Performance Materials is expecting continued growth in end-user demand. Overall sales volumes for H2 2011 are expected to be lower than in H1 2011 due to normal seasonal trading patterns. In the second half of the year pricing initiatives will continue to take effect and input cost pressures are expected to ease. Full year results are expected to be clearly above last year.

- Polymer Intermediates' full year results are expected to be excellent, although DSM sees some potential margin decline.

- Taking into consideration all of the above, together with DSM's continued focus on customers, innovation and ongoing efficiency improvements, 2011 is expected to be a strong year for DSM. Therefore DSM believes that good progress is being made towards achieving the EBITDA target of € 1.4 to 1.6 billion in 2013, in conjunction with a ROCE of more than 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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