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Press Release

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DSM reports another strong year and increases dividend

- Q4 EBITDA from continuing operations up 6% to €293 million
- Full year EBITDA from continuing operations increased 12% to €1,296 million
- Life Sciences delivered further EBITDA growth through Nutrition
- Materials Sciences posted a strong year with record Polymer Intermediates results
- Good strategic progress with Martek acquisition and joint venture with Sinochem
- EPS (before exceptional items, continuing operations) up 22% to €3.53
- Dividend increase by €0.10 to €1.45 per ordinary share proposed for 2011
- Cautiously optimistic outlook, on the way to achieve 2013 targets

Commenting on the results, Feike Sijbesma, CEO/Chairman of the DSM Managing Board, said:
"2011 was another strong year for DSM despite the challenges of the global economy, adverse currency movements and high raw material costs. As a consequence we propose to increase our dividend for the second consecutive year. In Nutrition we made good progress once again and Polymer Intermediates delivered its highest profitability in history.

"Furthermore, we made significant steps in the first year of implementing our growth strategy. This included the acquisition of Martek, the formation of the joint venture with Sinochem, the completion of non-core divestments, progress in sustainability-related innovations and expansion into high growth economies, which now account for 39% of sales. At the start of 2012 we announced an exciting joint venture with POET, to make advanced biofuels a reality on a commercial scale.

"We are conscious that risks to the macro-economic global outlook remain, and that weakness in Europe and some of our end markets, especially building and construction, persists. However, we believe that our balanced, relatively resilient portfolio in health, nutrition and materials, our broad geographic spread with a significant presence in high growth economies, together with our strong balance sheet, leave us well placed to achieve our ambitious 2013 targets."

fourth quarter			in € million	full year		
2011	2010	+/-		2011	2010	+/-
			Continuing operations:			
2,227	**2,082**	*7%*	Net sales	**9,048**	**8,176**	*11%*
293	**276***	*6%***	Operating profit before depreciation and amortization (EBITDA)	**1,296**	**1,161***	*12%***
193	163		- Nutrition	735	684	
11	26		- Pharma	36	61	
43	56		- Performance Materials	293	283	
79	67		- Polymer Intermediates	380	223	
-17	-13		- Innovation Center	-57	-49	
-16	-23		- Corporate activities	-91	-41	
			* of which €9 million (full year €33 million) IFRS pension adjustment			
			** 10% (full year 15%) if IFRS pension adjustment is excluded			
166	170*	*-2%*	Operating profit (EBIT)	866	752*	*15%*
			Discontinued operations:			
-	120		Net sales	145	874	
-	14		Operating profit before depreciation and amortization (EBITDA)	29	117	
-	10		Operating profit (EBIT)	29	86	
			Total DSM:			
2,227	**2,202**	*1%*	Net sales	**9,193**	**9,050**	*2%*
293	290	*1%*	Operating profit before depreciation and amortization (EBITDA)	1,325	1,278	*4%*
118	**117**	*1%*	Net profit before exceptional items	**615**	**547**	*12%*
-33	32		Net result from exceptional items	199	-40	
85	**149**	*-43%*	Net profit	**814**	**507**	*61%*
			Net earnings per ordinary share in €:			
0.71	0.63	*13%*	- before exceptional items, continuing operations	3.53	2.89	*22%*
0.53	0.89	*-40%*	- including exceptional items, total DSM	4.86	3.03	*60%*

In this report:

- *'operating profit' (before depreciation and amortization) is understood to be operating profit (before depreciation and amortization) before exceptional items;*
- *'net profit' is the net profit attributable to equity holders of Koninklijke DSM NV;*
- *'continuing operations' refers to the DSM operations excluding DSM Agro, DSM Melamine, DSM Special Products B.V., S.A. Citrique Belge N.V and DSM Elastomers;*
- *'discontinued operations' comprise net sales and operating profit (before depreciation and amortization) of DSM Agro and DSM Melamine up to and including Q2 2010, S.A. Citrique Belge N.V. up to and including Q3 2010, DSM Special Products B.V. up to and including Q4 2010 and DSM Elastomers up to and including Q2 2011.*

Overview

In the **fourth quarter** of 2011 economic growth in Western Europe began to stall. The challenging economic environment impacted most Materials Sciences businesses, which in addition were affected by some inventory adjustments in the value chain.

Economic growth in high growth economies continued to be strong, but measures taken to manage emerging inflation, especially in China, had a negative impact on the availability of credit for some customers. This also impacted demand in Materials Sciences.

As expected, Nutrition was not affected by this economic headwind. Continued growth was supported by improved pricing.

On balance, Q4 EBITDA (€293 million) was 6% higher than in Q4 2010. The main contributor was Nutrition, which, even excluding Martek, delivered a higher result, despite the effect of the strong Swiss franc on its cost base.

The Pharma result was clearly below last year.

Performance Materials posted a drop in EBITDA, which reflects the economic headwind.

The Polymer Intermediates result was clearly above last year despite the economic conditions, although lower than in the previous quarters.

DSM's cash performance in Q4 2011 was excellent. Cash provided by operating activities was €403 million in the quarter, which can largely be attributed to a reduction in working capital.

Net sales *in € million*	**full year** 2011	2010	differ-ence	organic growth	exch. rates	other
Nutrition	3,370	3,005	12%	4%	0%	8%
Pharma	677	739	-8%	3%	-2%	-9%
Performance Materials	2,752	2,507	10%	9%	-1%	2%
Polymer Intermediates	1,820	1,398	30%	32%	-2%	
Innovation Center	60	50				
Corporate activities	369	477				
Total (continuing operations)	9,048	8,176	11%	11%	-1%	1%*
Discontinued operations	145	874				
Total	9,193	9,050				

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

Full year organic sales growth was 11%, well above DSM's strategic target of 5-7%. All clusters, especially Polymer Intermediates, contributed to this growth.

Full year EBITDA was €1,296 million. EBITDA growth (excluding the IFRS pension adjustment) was 15%, which is clearly above sales growth.

The Nutrition result (€735 million) including Martek was higher despite the negative impact of currencies of €70 - 80 million net of hedging results, mainly Swiss franc related.

The Pharma result (€36 million) was lower, but stabilizing. As a result of the formation of the joint venture with Sinochem in anti-infectives, DSM Sinochem Pharmaceuticals was consolidated at 50% in the last 4 months of the year.

Performance Materials posted a higher result for the year (€293 million), despite tough economic conditions in Q4 and weakness in the tender driven vehicle protection business at DSM Dyneema.

Polymer Intermediates had its four best quarters ever in 2011, resulting in a very substantial increase in EBITDA (to €380 million), compared to a strong 2010 performance.

Net sales in China (continuing operations) increased by 30% from USD 1,535 million in 2010 to USD 2,002 million in 2011. Total sales in high growth economies increased to 39% of overall sales in 2011.

Innovation sales - measured as sales from innovative products and applications introduced in the last five years - reached 18% of total net sales in 2011, close to the company's 2015 target of approximately 20%.

Business review by cluster

Nutrition

fourth quarter		*in € million*	**full year**	
2011	2010		2011	2010
865	758	Net sales	3,370	3,005
193	163	EBITDA	735	684
149	132	EBIT	577	551
22.3%	21.5%	EBITDA margin	21.8%	22.8%

Fourth quarter sales increased strongly (+14% compared to Q4 2010) driven by the acquisition of Martek (8%) and organic sales growth of 5%, reflecting higher volumes and prices across most of the businesses. EBITDA grew by 18% mainly due to Martek, higher volumes and prices and continued cost management, which compensated for the negative impact of currencies and increased raw material costs. Martek generated sales of €79 million with an EBITDA of €21 million.

Full year sales increased by 12% with organic sales growth of 4% due to higher volumes across all businesses and stable pricing. Martek (contributing since the end of February 2011) delivered an excellent performance with sales reaching €284 million and EBITDA of €88 million.

Despite a strong currency headwind, which had an impact on EBITDA of €70 - 80 million net of hedging results (mainly Swiss franc related), EBITDA increased to €735 million due to the Martek acquisition, higher volumes and further cost improvements.

Pharma

fourth quarter		*in € million*	**Full year**	
2011	2010		2011	2010
165	190	Net sales	677	739
11	26	EBITDA	36	61
-1	11	EBIT	-8	3
6.7%	13.7%	EBITDA margin	5.3%	8.3%

Fourth quarter organic sales growth was 12% as sales increased for DSM Pharmaceutical Products due to higher customer demand. DSM has proportionally consolidated its anti-infectives joint venture, DSM

Sinochem Pharmaceuticals (DSP) at 50%. This impacted the reported net sales and EBITDA. The lower EBITDA was also due to an unfavorable product mix at DSM Pharmaceutical Products.

Full year organic sales growth was 3% due to higher volumes at DSM Pharmaceutical Products and slightly lower volumes at DSP. Overall sales decreased by 8% mainly as a consequence of the proportional consolidation of DSP.

The cluster's profitability was reduced by tougher market conditions in 2011 in the anti-infectives markets and the proportional consolidation of DSP.

Performance Materials

fourth quarter		*in € million*	**full year**	
2011	2010		2011	2010
627	640	Net sales	2,752	2,507
43	56	EBITDA	293	283
0	27	EBIT	162	163
6.9%	8.8%	EBITDA margin	10.6%	11.3%

Fourth quarter organic sales development was -6% due to lower volumes (-15%) in all businesses, which were partly compensated for by higher pricing (9%) at DSM Engineering Plastics and DSM Resins. Both DSM Engineering Plastics and DSM Resins faced lower demand due to weaker market conditions and some inventory adjustments in building & construction, E&E and European automotive. DSM Dyneema continued its growth in fiber solutions and personal protection but this was more than offset by lower volumes in the tender driven vehicle protection business. EBITDA was lower, mainly due to the performance of DSM Dyneema.

In Q4 2011 some impairment charges were recognized. The most important one was related to the closing of the Swiss production facility of DSM Dyneema.

Full year organic sales growth was 9%. Higher prices at DSM Engineering Plastics and DSM Resins were partly offset by lower volumes at DSM Dyneema and DSM Resins. Despite the lower results in Q4, EBITDA was higher than in 2010.

Polymer Intermediates

fourth quarter		*in € million*	**full year**	
2011	2010		2011	2010
467	382	Net sales	1,820	1,398
79	67	EBITDA	380	223
67	54	EBIT	339	186
16.9%	17.5%	EBITDA margin	20.9%	16.0%

In the **fourth quarter** of 2011 Polymer Intermediates achieved organic sales growth of 20% compared to Q4 2010. The cluster continued to benefit from the high global utilization rate, with prices 8% above the same quarter last year. Volumes were 12% higher due to improved manufacturing performance compared to Q4 last year.

Continued pricing strength and strong manufacturing performance resulted in a higher EBITDA for the fourth quarter compared to the excellent previous year. Due to weaker demand in acrylonitrile and declining unit margins in caprolactam at the end of the quarter, Q4 EBITDA was lower than the exceptional previous quarters of 2011.

Full year organic sales growth was 32%, compared to an already very strong performance in 2010. The cluster benefited from the favorable market conditions and demonstrated an excellent manufacturing performance, resulting in an all time high EBITDA.

Innovation Center

fourth quarter		*in € million*	full year	
2011	2010		2011	2010
17	15	Net sales	60	50
-17	-13	EBITDA	-57	-49
-21	-20	EBIT	-69	-64

Fourth quarter sales developed well. Higher gross margins were offset by increased costs for innovation projects, which include the Actamax joint venture with DuPont in DSM Biomedical and new projects in DSM Bio-based Products & Services.

Similar to the quarter, **full year** sales were above last year, but EBITDA was lower due to the increased innovation costs.

Strategic progress was made in 2011 with the start-up of the Actamax joint venture in surgical biomedical materials. In addition, several development agreements were signed in the main segments of the Biomedical business. DSM and Roquette started the construction of the commercial-scale bio-based succinic acid plant in Italy. The acquisition of C5 Yeast Company B.V. from Royal Cosun was completed, further extending DSM's leadership position in the field of cellulosic bio-ethanol.

Corporate activities

fourth quarter		*in € million*	full year	
2011	2010		2011	2010
86	97	Net sales	369	477
-16	-23	EBITDA*	-91	-41
-28	-34	EBIT*	-135	-87
	9	* of which IFRS pension adjustment		33

Fourth quarter EBITDA improved compared to Q4 2010, mainly as a result of lower project related expenses and lower costs in service organizations.

Excluding the changes in the Dutch pension plan, **full year** EBITDA decreased by €17 million due to a lower contribution of the captive insurance company and higher share based payment costs.

Exceptional items

Total *exceptional items* in the **fourth quarter** of 2011 amounted to a pre-tax loss of €39 million (€33 million after tax), comprising a loss of €18 million in relation to the previously announced restructuring initiatives at DSM Resins, costs for litigation settlements and claims amounting to €20 million and the remainder of the non-recurring value adjustments of inventories in relation to the Martek acquisition.

Full year *exceptional items* amounted to €173 million (€199 million after tax), comprising the book profits on the sale of Danisco shares, the divestment of DSM Elastomers and the establishment of the DSM Sinochem Pharmaceuticals joint venture, and losses regarding the non-recurring value adjustments of inventories in relation to the Martek acquisition, restructuring actions at DSM Resins and costs for litigation settlements and claims.

Net profit
Net finance costs in the **fourth quarter** amounted to €28 million, compared to €27 million in Q4 2010. **Full year** *net finance costs* decreased by €11 million compared to the previous year to a level of €82 million, mainly as a result of favorable hedging results and lower interest costs.

The *effective tax rate* for the **full year** amounted to 19% (2010: 24%). The lower tax rate was a result of a different geographical spread of results and the application of preferential tax regimes in countries where DSM is operating.

Net profit before exceptional items in the **fourth quarter** of €118 million was at the same level as Q4 2010. As a result of exceptional items, *total net profit* decreased by €64 million to €85 million (Q4 2010: €149 million).

Net profit before exceptional items for the **full year** amounted to €615 million, which was €68 million higher than in 2010. *Total net profit* increased by €307 million compared to the previous year and reached a level of €814 million, partly due to exceptional items and a lower tax rate.

Full year *net earnings per ordinary share (continuing operations, excluding exceptional items)* increased by 22% to a level of €3.53 compared to €2.89 in 2010.

Dividend
DSM's dividend policy is to provide a stable and preferably rising dividend. DSM therefore proposes to increase the dividend by €0.10 to €1.45 per ordinary share. This will be proposed to the Annual General Meeting of Shareholders to be held on 11 May 2012. An interim dividend of €0.45 per ordinary share having been paid in August 2011, the final dividend would then amount to €1.00 per ordinary share. 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 15 May 2012.

Cash flow, capital expenditure and financing
Cash provided by operating activities amounted to €403 million in the **fourth quarter** of 2011 (Q4 2010: €413 million), resulting in a **full year** total of €882 million (2010: €1,103 million).

Operating working capital as a percentage of sales amounted to 20.2% at the end of 2011 (of which 0.5% as a result of the Martek acquisition), which is above the target of 19%.

Total cash used for *capital expenditure* in the **fourth quarter** amounted to €173 million (Q4 2010: €165 million). Cash flow related to *capital expenditure* in 2011 was €477 million for the **full year,** compared to €416 million in 2010.

At year-end 2011 *net debt* amounted to €318 million and gearing was 5%.

Progress of strategy DSM in motion: *driving focused growth*
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. Below is an update on DSM's achievements and progress in the full year 2011:

The sale of DSM Elastomers to LANXESS in 2011 completed the final stage of the transformation of DSM that began with the divestment program DSM announced in September 2007 as part of its Accelerated *Vision 2010* program.

Early 2011 DSM successfully completed the acquisition of Martek Biosciences Corporation, the first major acquisition by DSM after its successful transformation into a Life Sciences and Materials Sciences company. The acquisition added a new growth platform for healthy and natural food ingredients for infant formula and other food and beverage applications for DSM's Nutrition cluster.

DSM established the 50/50 global joint venture for its business group DSM Anti-Infectives with Sinochem Group. The joint venture, DSM Sinochem Pharmaceuticals, includes all activities of the former DSM Anti-Infectives business group across the world. It aims to increase its sales to more than €600 million with an EBITDA margin above 15% by 2015.

DSM successfully completed the acquisition of a majority share of 91.75% in Shandong ICD High Performance Fibre Co., Ltd. (ICD) in China. ICD is a manufacturer of UHMWPE (ultra high molecular weight polyethylene) fiber and a strong player in the high-performance fiber market in China.

In China the DSM joint venture Jinling DSM Resins Co., Ltd. (JDR) announced that it will invest approximately €50 million in a new production facility for composite resins in Nanjing. DSM's share in the joint venture is 75%.

With its joint venture partners Sinopec Nanjing Chemical Industry Company and Jiangsu Guoxin Group, DSM has started the expansion project to double its caprolactam capacity in Nanjing (China) to 400 kt, making it the largest caprolactam plant in the world. The investment will be approximately USD 300 million. The new facility is expected to come on stream in Q3 of 2013 and be operating at full capacity in 2014.

DSM acquired a 51% stake in AGI Corporation of Taiwan (AGI), a producer of a broad range of environmentally friendly UV (ultraviolet) curable resins and other products.

In Russia, DSM and KuibyshevAzot OJSC commenced their strategic cooperation in which DSM Engineering Plastics entered into two joint ventures with the Russian company. In addition, KuibyshevAzot was granted a license under DSM Fibre Intermediates' technology for the production of cyclohexanone.
Furthermore, DSM opened the first feed-premix plant in Russia in a joint venture with Tatenergo JSC (Republic of Tatarstan).

In India DSM announced a partnership with Kemrock Industries for the production of specialty composite resins. DSM and Kemrock together will invest USD 25 million in a joint venture.
In India DSM also opened its first Animal Nutrition & Health premix plant, located in Ambernath, Mumbai.

In Romania DSM completed the acquisition of the premix unit of Fatrom Furajeri Additivi, the country's leading premix manufacturer. It allows DSM to expand its global network of premix facilities and offers improved access to the growing Romanian livestock feed market.

DSM acquired C5 Yeast Company, which allows DSM to combine C5 Yeast Company's business with its own advanced yeast and enzyme technologies for advanced biofuels (cellulosic ethanol derived from agricultural residues and non-edible crops), further increasing its leadership position in this field.

DSM and POET, LLC, one of the world's largest ethanol producers, have announced a joint venture to commercially demonstrate and license cellulosic bio-ethanol, the next step in the development of biofuels, based on their proprietary and complementary technologies. The joint venture, POET–DSM Advanced Biofuels, LLC, is scheduled to start production in the second half of 2013 at one of the first commercial-scale cellulosic ethanol plants in the US.

Sustainability
DSM's mission is about creating brighter lives for people today and generations to come. This mission is supported by DSM's core value, which is that its activities should contribute to a more sustainable world. As part of its strategy, DSM in motion: *driving focused growth*, DSM has formulated the ambition to go to the next level in sustainability: from an internal value and a tool for making a responsible contribution to society, to a strategic business driver.

Today DSM is publishing its second integrated annual report, after having published already for more than a decade separate annual- and triple P-reports.

In sustainability DSM set a number of ambitious aspirations in 2010 and in 2011 the company made good progress toward meeting them, as evidenced by the following highlights:

DSM once again retained its number one position in the chemical industry sector in the Dow Jones Sustainability World Index. This is the third consecutive year that DSM has held this top position in worldwide sustainability and the sixth time in total since 2004. In 2007 and 2008, the two years when DSM was not ranked number one, it was also among the leaders in the sector.

In 2011 the percentage of ECO+ solutions in the innovation pipeline was 94%, well above the target set. ECO+ solutions as a percentage of running business increased further to 41%. DSM is on its way toward the 50% aspiration.

DSM is on track with its drive to improve energy efficiency by 20% by 2020 compared to 2008. Including 2011 energy efficiency improved 13% compared to 2008.

In 2011 DSM executed its fourth worldwide Employee Engagement Survey. The main element in the survey is the measurement of DSM's Employee Engagement Index, the percentage of employees scoring favorable on a combination of four attributes: commitment, pride, advocacy and satisfaction. The Employee Engagement Index measured in 2011 again was close to high performance norm with an all time high response rate of 91%.

DSM's People+ strategy will deliver measurably better solutions to improve the lives of people. The company has defined a new People+ framework based on broad stakeholder analyses. The dimensions of health, comfort and well-being, working conditions and community development have been identified as distinct and instrumental categories to measure People+ impact at product level.

In 2011 diversity ambitions for the business groups were defined for the period 2011-2015, to ensure that DSM's organizational readiness is in line with its stretched growth ambitions for 2015. In addition, DSM has addressed the geographical distribution of management and other key functions.

Outlook
DSM's outlook for the year is influenced by the uncertain and volatile economic conditions. At this moment DSM is experiencing a weak economic environment, especially in Europe, which is expected to improve in the second half of the year.

The high growth economies continue to grow fast, albeit at a slower pace than in previous years. Despite these uncertainties, DSM is confident that it will continue to benefit from its balanced, relatively resilient portfolio in health, nutrition and materials, its broad geographic spread with a significant presence in high growth economies and its strong balance sheet.

Nevertheless, in addition to the already announced restructuring initiatives at DSM Resins, DSM is putting in place further cost reduction programs and profit protection plans.

In Nutrition, the impact of the substantial strengthening of the Swiss franc in 2011 was mitigated by a €50 million currency hedge gain, which effect will not occur in 2012. Despite this, DSM anticipates that its Nutrition business will continue to make further progress in 2012. EBITDA is expected to be above 2011.

Trading conditions in the Pharma cluster are expected to remain challenging, although DSM anticipates that it will make further strategic progress. EBITDA is expected to improve slightly compared to last year, despite the impact of the 50% deconsolidation of the anti-infectives business.

Trading conditions in Materials Sciences continue to be volatile and the end market outlook is uncertain owing to weak consumer sentiment in some of DSM's key geographies. However, based on current insights EBITDA of the Performance Materials cluster is expected to be somewhat higher than in 2011.

For Polymer Intermediates another strong year is expected, at a level above the historical average, but EBITDA will be clearly lower than the exceptional result in 2011. In 2012 three planned turnarounds in caprolactam, one in Q1 2012 and two more in Q3 2012, will also impact the results.

Despite macro-economic uncertainties, DSM is cautiously optimistic for the year 2012. DSM expects the second half of the year to be stronger than the first half, on its way to achieve the 2013 targets.

Additional information
Today DSM will hold a conference call for the media from 07.30 AM to 08.00 AM CET and a conference call for investors and analysts from 09.00 AM to 10.00 AM CET. Details on how to access these calls can be found on the DSM website, www.dsm.com. Also, information regarding DSM's full year 2011 results can be found in the Presentation to Investors, which can be downloaded from the Investors section of the DSM website.

Condensed consolidated statement of income for the fourth quarter

fourth quarter 2011			*in € million*	fourth quarter 2010		
before exceptional items	exceptional Items	total		before exceptional items	exceptional Items	total
2,227		2,227	net sales	2,202		2,202
293	-35	258	EBITDA from continuing operations	276	7	283
			EBITDA from discontinued operations	14	-34	-20
293	-35	258	EBITDA total DSM	290	-27	263
166	-39	127	operating profit (EBIT)	180	46	226
			operating profit from discontinued operations	10	28	38
166	-39	127	operating profit from continuing operations	170	18	188
-28		-28	net finance costs	-27		-27
-2		-2	share of the profit of associates	1		1
136	-39	97	profit before income tax expense	144	18	162
-10	6	-4	income tax expense	-31	-6	-37
126	-33	93	net profit from continuing operations	113	12	125
			net profit from discontinued operations	10	20	30
126	-33	93	profit for the period	123	32	155
-8		-8	non-controlling interests	-6		-6
118	-33	85	net profit	117	32	149
118	-33	85	net profit	117	32	149
-2		-2	dividend on cumulative preference shares	-3		-3
116	-33	83	net profit used for calculating earnings per share	114	32	146
127	4	131	depreciation and amortization	110	-73	37
		238	capital expenditure			170
		67	acquisitions			3
			net earnings per ordinary share in €			
0.71	-0.18	0.53	- net earnings, total DSM	0.69	0.20	0.89
0.71	-0.18	0.53	- net earnings, continuing operations	0.63	0.07	0.70
		163.6	average number of ordinary shares (x million)			165.2
		163.3	number of ordinary shares, end of period (x million)			166.5
		22,224	workforce (headcount) at end of period			21,911
		6,205	of which in the Netherlands			6,754

Condensed consolidated statement of income for full year

full year 2011			*in € million*	full year 2010		
before exceptional items	exceptional Items	total		before exceptional items	exceptional Items	total
9,193		9,193	net sales	9,050		9,050
1,296	-5	1,291	EBITDA from continuing operations	1,161	13	1,174
29	110	139	EBITDA from discontinued operations	117	-65	52
1,325	105	1,430	EBITDA total DSM	1,278	-52	1,226
895	33	928	operating profit (EBIT)	838	-36	802
29	110	139	operating profit from discontinued operations	86	-48	38
866	-77	789	operating profit from continuing operations	752	12	764
-82	140	58	net finance costs	-93		-93
3		3	share of the profit of associates	5		5
787	63	850	profit before income tax expense	664	12	676
-147	25	-122	income tax expense	-162	-4	-166
640	88	728	net profit from continuing operations	502	8	510
21	111	132	net profit from discontinued operations	63	-48	15
661	199	860	profit for the period	565	-40	525
-46		-46	non-controlling interests	-18		-18
615	199	814	net profit	547	-40	507
615	199	814	net profit	547	-40	507
-10		-10	dividend on cumulative preference shares	-10		-10
605	199	804	net profit used for calculating earnings per share	537	-40	497
430	72	502	depreciation and amortization	440	-16	424
		528	capital expenditure			427
		974	acquisitions			49
			net earnings per ordinary share in €			
3.66	1.20	4.86	- net earnings, total DSM	3.27	-0.24	3.03
3.53	0.53	4.06	- net earnings, continuing operations	2.89	0.05	2.94
		165.6	average number of ordinary shares (x million)			164.0
		163.3	number of ordinary shares, end of period (x million)			166.5
		22,224	workforce (headcount) at end of period			21,911
		6,205	of which in the Netherlands			6,754

Consolidated balance sheet: assets

in € million	**year-end 2011**		**year-end 2010**	
intangible assets	1,786		1,070	
property, plant and equipment	3,405		2,943	
deferred tax assets	292		326	
associates	35		25	
other financial assets	135		271	
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non-current assets		**5,653**		**4,635**
inventories	1,573		1,340	
trade receivables	1,551		1,361	
other receivables	153		116	
financial derivatives	50		134	
current investments	89		837	
cash and cash equivalents	2,058		1,453	
	--------		--------	
		5,474		5,241
assets to be contributed to joint ventures		-		317
assets held for sale		30		287
		--------		--------
current assets		**5,504**		**5,845**
		--------		--------
total assets		**11,157**		**10,480**

Consolidated balance sheet: equity and liabilities

in € million	year-end 2011		year-end 2010	
shareholders' equity	5,784		5,481	
non-controlling interests	190		96	
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equity		**5,974**		**5,577**
deferred tax liabilities	192		155	
employee benefits liabilities	322		297	
provisions	116		93	
borrowings	2,029		1,992	
other non-current liabilities	69		33	
	--------		--------	
non-current liabilities		**2,728**		**2,570**
employee benefits liabilities	6		24	
provisions	43		33	
borrowings	160		105	
financial derivatives	326		219	
trade payables	1,348		1,277	
other current liabilities	557		512	
	--------		--------	
		2,440		2,170
liabilities to be contributed to joint ventures		-		104
liabilities held for sale		15		59
		---------		--------
current liabilities		**2,455**		**2,333**
		---------		--------
total equity and liabilities		**11,157**		**10,480**
capital employed *		6,581		5,468
equity / total assets*		54%		53%
net debt*		318		-108
gearing (net debt / equity plus net debt)*		5%		-2%
operating working capital, continuing operations		1,795		1,487
OWC / net sales, continuing operations		20.2%		17.9%
ROCE (continuing operations)		14.0%		14.6%

***** Before reclassification to Held for sale

Condensed consolidated cash flow statement

in € million		full year 2011		2010
cash, cash equivalents and current investments at beginning of period		**2,290**		**1,347**
current investments at beginning of period		837		7
cash and cash equivalents at beginning of period		**1,453**		**1,340**
operating activities:				
- EBITDA	1,430		1,226	
- change in working capital	-232		73	
- interest and income tax	-146		-152	
- other	-170		-44	
cash provided by operating activities		882		1,103
investing activities:				
- capital expenditure	-477		-416	
- acquisitions	-929		-61	
- disposal of subsidiaries and businesses	513		363	
- disposal of other non-current assets	229		14	
- change in fixed-term deposits	748		-832	
- other	-77		-32	
cash used in investing activities		7		-964
dividend	-155		-206	
repurchase of shares	-357			
proceeds from re-issued shares	111		95	
other cash from financing activities	59		-50	
cash used in financing activities		-342		-161
changes in consolidation and exchange differences		58		135
cash and cash equivalents at end of period		2,058		1,453
current investments at end of period		89		837
Cash, cash equivalents and current investments at end of period		2,147		2,290

Condensed consolidated statement of comprehensive income

in € million	Full year 2011	2010
exchange differences on translation of foreign operations	57	301
actuarial gains and losses and asset ceiling*	-40	-357
change in fair value reserve	-85	33
change in hedging reserve	-120	45
income tax expense	60	108
	---------	---------
other comprehensive income	-128	130
profit for the period	860	525
	---------	---------
total comprehensive income	732	655

* With the introduction of the defined contribution plan in 2011 for DSM in the Netherlands €765 million has been transferred from the reserve for actuarial gains & losses to the other retained earnings.

Condensed consolidated statement of changes in equity

in € million	Full year 2011	2010
total equity at beginning of period	5,577	5,011
changes:		
- total comprehensive income	732	655
- dividend	-246	-207
- repurchase of shares	-357	
- proceeds from re-issue of ordinary shares	201	95
- other changes	67	23
	---------	---------
total equity at end of period	5,974	5,577

Condensed report business segments

full year 2011 *(in € million)*

	Continuing operations								Discon-tinued operations	Elimina-tion	Total
	Nutrition	Pharma	Perform-ance Materials	Polymer Interme-diates	Innovation Center	Corporate activities	Elimina-tion	Total continuing operations			
net sales	3,370	677	2,752	1,820	60	369		9,048	145		9,193
supplies to other clusters	68	21	21	435	4	23	-571	1	6	-7	
total supplies	3,438	698	2,773	2,255	64	392	-571	9,049	151	-7	9,193
EBITDA	735	36	293	380	-57	-91		1,296	29		1,325
EBIT	577	-8	162	339	-69	-135		866	29		895
total assets	3,826	1,104	2,085	835	255	3,052		11,157			11,157
workforce (headcount) at end of period	8,329	3,324	5,599	1,439	383	3,150		22,224			22,224

full year 2010 *(in € million)*

	Continuing operations								Discon-tinued operations	Elimina-tion	Total
	Nutrition	Pharma	Perform-ance Materials	Polymer Interme-diates	Innovation Center	Corporate activities	Elimina-tion	Total continuing operations			
net sales	3,005	739	2,507	1,398	50	477		8,176	874		9,050
supplies to other clusters	52	14	42	395	4	16	-472	51	100	-151	
total supplies	3,057	753	2,549	1,793	54	493	-472	8,227	974	-151	9,050
EBITDA	684	61	283	223	-49	-41		1,161	117		1,278
EBIT	551	3	163	186	-64	-87		752	86		838
total assets	2,777	1,175	2,253	700	199	3,089		10,193	287		10,480
workforce (headcount) at end of period	7,409	4,079	4,918	1,361	309	3,417		21,493	418		21,911

Geographical information (continuing operations)

full year 2011

	The Nether-lands	Rest of Western Europe	Eastern Europe	North America	Latin America	China	India	Japan	Rest of Asia	Rest of the World	Total
net sales by origin											
in € million	3,151	2,601	91	1,505	247	987	118	78	228	42	9,048
in %	35	29	1	17	3	11	1	0	3	0	100
net sales by destination											
in € million	662	2,689	514	1,692	589	1,438	167	299	793	205	9,048
in %	7	29	6	19	7	16	2	3	9	2	100
total assets in € million	4,184	2,594	93	2,342	269	1,121	72	150	273	59	11,157
workforce (headcount) at end of period	6,205	6,398	334	3,650	824	3,423	481	146	627	136	22,224

full year 2010

	The Nether-lands	Rest of Western Europe	Eastern Europe	North America	Latin America	China	India	Japan	Rest of Asia	Rest of the World	Total
net sales by origin											
in € million	2,941	2,536	65	1,192	223	796	130	108	139	46	8,176
in %	36	31	1	15	3	10	1	1	2	0	100
net sales by destination											
in € million	544	2,602	436	1,518	585	1,157	162	261	712	199	8,176
in %	7	32	5	19	7	14	2	3	9	2	100
total assets in € million	4,239	2,943	75	1,464	372	885	113	163	171	55	10,480
workforce (headcount) at end of period	6,491	6,381	241	2,878	979	3,170	662	139	400	152	21,493

Notes to the financial statements

The full financial statements of DSM are included in the Integrated Annual Report 2011 that is available on www.dsm.com as of today.

Accounting policies
The consolidated financial statements of DSM for the year ended 31 December 2011 were prepared according to International Financial Reporting Standards (IFRS) as adopted by the European Union and valid as of the balance sheet date.

Heerlen, 29 February 2012

The Managing Board

Feike Sijbesma, Chairman/CEO
Rolf-Dieter Schwalb, CFO
Stefan Doboczky
Nico Gerardu
Stephan Tanda

Important dates

Report for the first quarter 2012	Tuesday, 8 May 2012
Annual General Meeting of Shareholders	Friday, 11 May 2012
Report for the second quarter 2012	Tuesday, 7 August, 2012
Report for the third quarter 2012	Tuesday, 6 November 2012

DSM – Bright Science. Brighter Living.™
Royal DSM 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.

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