

Press Release

Heerlen (NL), 3 November 2016

Royal DSM
www.dsm.com

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DSM Q3 2016 results

Highlights

- DSM reports another strong quarter
- Group sales up at €1,998m, with 3% organic growth, and EBITDA up 13% to €323m
- Nutrition: 5% organic sales growth, EBITDA up 8%
- Materials: 5% volume growth, EBITDA up 16%
- Group ROCE improved to 10.6% (end Q3 2015: 7.9%) driven by higher EBIT
- Net profit up 38% to €146m (€322m after exceptionals, including proceeds from Patheon IPO)
- Outlook maintained

Key figures and indicators (continuing operations)

in € million	Q3 2016	Q3 2015	% Change	Volume	Price/mix	FX	Other
Sales	1,998	1,945	3%	3%	0%	0%	0%
Nutrition	1,303	1,253	4%	3%	2%	-1%	0%
Materials	634	631	0%	5%	-5%	-1%	1%
EBITDA	323	287	13%				
Nutrition	231	213	8%				
Materials	118	102	16%				
ROCE (%) ¹	10.6	7.9					

¹ January until September

CEO statement

Feike Sijbesma, CEO/Chairman of the DSM Managing Board, commented: *"We are pleased to report another quarter of strong operational and financial progress. This was driven by both Materials and Nutrition, reflecting the progress we are making on delivering on our Strategy 2018 through our growth initiatives as well as ambitious improvement and cost savings actions."*

Materials had a quarter of strong volume growth driven again by specialties, enhanced by particularly high margins as a result of a very favorable product mix and pro-active margin management, while still benefiting from low input costs. Nutrition delivered good EBITDA growth, despite additional costs in the quarter. Animal Nutrition benefited from increased vitamin prices, with solid volume growth against a tougher prior year comparison. Human Nutrition delivered strong volume growth."

While the global macro-economic environment remains a concern, we continue to expect that for the full year 2016, we will deliver ahead of our medium-term goals, given the strong ongoing performance of our business, underpinned by our continued focus on the improvement programs."

Outlook 2016 maintained

DSM continues to expect to deliver full-year 2016 results ahead of the medium-term targets set out in its Strategy 2018, with a mid-teens EBITDA growth and an increase in ROCE of over 200 basis points.

Key figures and indicators (cont'd)

in € million	Q3 2016	Q3 2015	% Change	Volume	Price/mix	FX	Other
Sales - Continuing Operations	1,998	1,945	3%	3%	0%	0%	0%
Nutrition	1,303	1,253	4%	3%	2%	-1%	0%
Materials	634	631	0%	5%	-5%	-1%	1%
Innovation Center	43	42	2%	2%	0%	0%	0%
Corporate Activities	18	19					
<i>Discontinued Operations</i>	0	157					

January - September							
in € million	2016	2015	% Change	Volume	Price/mix	FX	Other
Sales - Continuing Operations	5,905	5,796	2%	5%	-1%	-2%	0%
Nutrition	3,848	3,699	4%	5%	1%	-3%	1%
Materials	1,874	1,927	-3%	3%	-6%	-1%	1%
Innovation Center	126	115	10%	10%	0%	-1%	1%
Corporate Activities	57	55					
<i>Discontinued Operations</i>	0	1,213					

in € million	Q3 2016			January - September		
	Q3 2016	Q3 2015	% Change	2016	2015	% Change
Sales - Continuing Operations	1,998	1,945	3%	5,905	5,796	2%
Nutrition	1,303	1,253	4%	3,848	3,699	4%
Materials	634	631	0%	1,874	1,927	-3%
Innovation Center	43	42	2%	126	115	10%
Corporate Activities	18	19		57	55	
<i>Discontinued Operations</i>	0	157		0	1,213	
EBITDA - Continuing Operations	323	287	13%	947	814	16%
Nutrition	231	213	8%	693	616	13%
Materials	118	102	16%	330	294	12%
Innovation Center	1	0		2	-8	
Corporate Activities	-27	-28		-78	-88	
<i>Discontinued Operations</i>	0	3		0	94	
EBITDA margin - Continuing operations	16.2%	14.8%		16.0%	14.0%	
EBIT - Continuing Operations	205	170	21%	601	458	31%
Capital Employed - Continuing Operations ¹				7,620	7,558	
Average Capital Employed - Continuing Operations ¹				7,561	7,757	
ROCE - Continuing Operations (%) ²				10.6%	7.9%	
Profit for the period, before exceptional items - Cont. Ops.	146	106	38%	390	285	37%
Profit for the period, after exceptional items - Total DSM	322	33		542	63	
Net EPS before exceptional items - Cont. Ops.	0.81	0.59	37%	2.17	1.61	35%
Net EPS after exceptional items - Total DSM	1.82	0.19		3.04	0.33	
Cash Flow - Continuing Operations	325	300		644	487	
Capital Expenditures - Continuing Operations ³	128	113		305	321	
Net debt ¹				2,054	2,321 ⁴	

1) Before reclassification to held for sale

2) ROCE calculated based on weighted average capital employed

3) Cash, net of customer funding

4) Year-end 2015

In this report:

- 'Organic sales growth' is the total impact of volume and price/mix;
- 'Discontinued operations' comprises net sales and operating profit (before depreciation and amortization) of DSM Fibre Intermediates and DSM Composite Resins up to and including 31 July 2015;
- 'Total Working Capital' refers to the total of 'Operating Working Capital' and 'non-Operating Working Capital'.

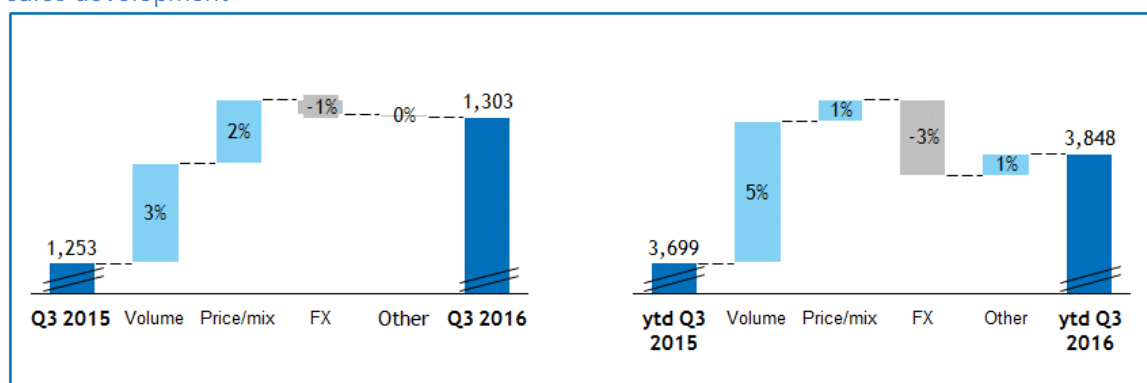
Review by Cluster

Nutrition

in € million	Q3 2016			January - September		
	Q3 2016	Q3 2015	% Change	2016	2015	% Change
Sales	1,303	1,253	4%	3,848	3,699	4%
EBITDA	231	213	8%	693	616	13%
EBITDA margin (%)	17.7%	17.0%		18.0%	16.7%	
EBIT	159	146	9%	485	412	18%
Capital Employed				5,384	5,247	
Average Capital Employed				5,334	5,316	
ROCE (%)				12.1%	10.3%	
Total Working Capital				1,492	1,413	
Total Working Capital as % of Sales ¹				28.6%	28.2%	

1) Annualized last quarter sales

Sales development



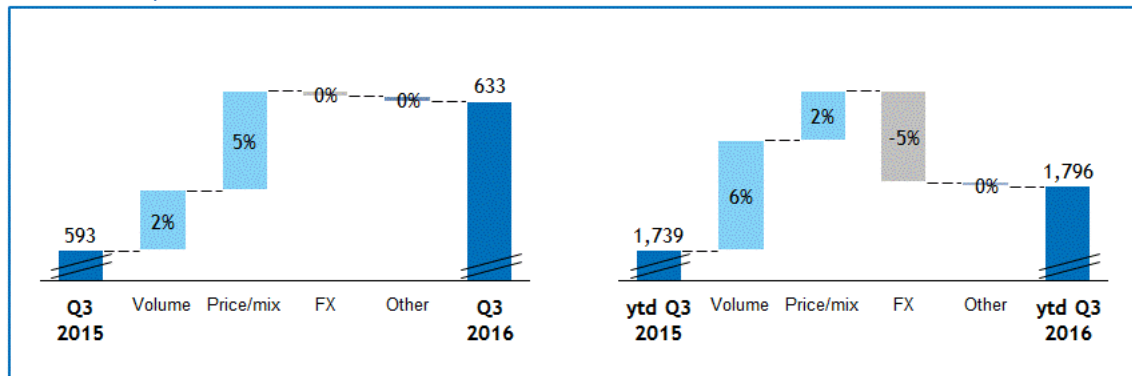
Q3 2016 sales increased by 4% compared to Q3 2015, with a good organic sales growth of 5%. Volumes were up by 3% and price/mix up 2%, driven by higher vitamin prices. Exchange rates had a 1% negative impact on sales, mainly due to a slightly weaker US dollar.

Q3 2016 EBITDA was €231 million, up 8% compared to Q3 2015, as a result of good organic growth and the effects of the improvement programs, despite higher costs related to marketing & sales campaigns in human nutrition and the costs related to the maintenance shut downs in vitamin E and vitamin C. The vitamin C plant in China had an extended shut down for improvement projects.

Q3 2016 EBITDA margin was 17.7% compared to 17.0% in the same period last year, reflecting the good organic growth, supported by the progress made on the improvement programs. The margin was slightly below Q2 2016 (18.3%), as a result of higher costs in the quarter as mentioned above.

Animal Nutrition & Health

Sales development



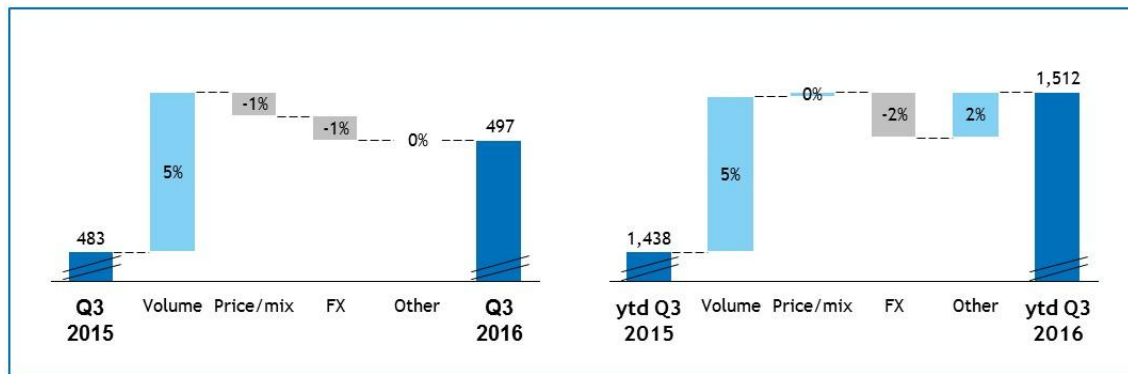
Q3 2016 sales in animal nutrition delivered 7% organic growth, with 2% volume growth and 5% improvement in price/mix compared to Q3 2015.

Volume growth of 2% was achieved against the background of strong comparative figures in 2015 (10% volume growth). Good growth was realized in premix, carotenoids and feed enzymes. Tortuga volumes were only down slightly, which was a good performance considering the tough market conditions in Latin America. Market conditions remained good in North America, Asia and Europe.

Prices showed a 5% increase versus the same period last year, driven by higher vitamin and premixes prices.

Human Nutrition & Health

Sales development



Q3 2016 organic sales growth in human nutrition was 4% compared to Q3 2015, driven by 5% higher volumes. Price/mix was slightly down.

- **Food & beverage** performed well, driven by good sales volumes in Asia and Europe.
- **Dietary Supplements** sales to North America remained relatively weak, both in multi-vitamins and fish-oil based omega-3. Outside North America, sales of these products continued to show good growth.
- **i-Health** delivered strong volume growth in Q3 2016 supported by marketing & sales campaigns.
- **Infant Nutrition** continued to perform well, with solid volume growth in Q3. New regulations in China have brought some volatility to the market.

Food Specialties

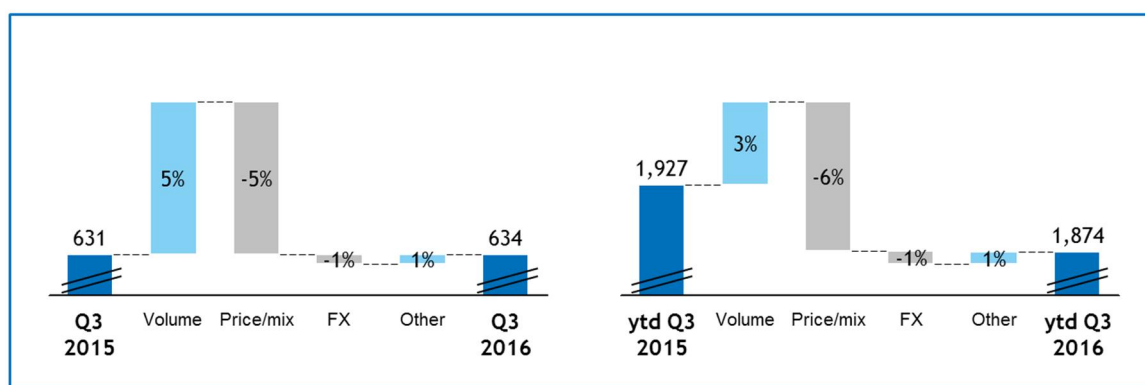
The Food Specialties businesses delivered flat organic growth. Hydrocolloids as well as enzymes continued to deliver good growth, although some capacity constraints prevented the enzymes business from fully benefiting from continued strong customer demand. These were however offset by lower sales in the other product lines.

Materials

in € million				January - September		
	Q3 2016	Q3 2015	% Change	2016	2015	% Change
Sales	634	631	0%	1,874	1,927	-3%
EBITDA	118	102	16%	330	294	12%
EBITDA margin (%)	18.6%	16.2%		17.6%	15.3%	
EBIT	86	69	25%	234	196	19%
Capital Employed				1,798	1,833	
Average Capital Employed				1,763	1,851	
ROCE (%)				17.7%	14.1%	
Total Working Capital				333	332	
Total Working Capital as % of Sales ¹				13.1%	13.2%	

1) Annualized last quarter sales

Sales development



Q3 2016 sales were in line with Q3 2015, with 5% volume growth driven by specialties compensating for 5% lower prices, which reflected lower input costs. The currency effect was slightly negative in Q3 2016 driven by the US dollar.

- DSM Engineering Plastics:**
Volumes were slightly up compared to Q3 2015 driven by growth in specialties, partly offset by planned lower volumes in polyamide 6 polymers. Sales in automotive in the US and Europe were good, and stable in China. Sales to the E&E segment improved in Q3, but were still slightly below the same period last year.
Prices were lower reflecting lower input costs, notably in polyamide 6.
- DSM Resins and Functional Materials:**
Volumes were up in all segments compared to Q3 2015. The quality of the mix improved further. The business group benefited from improving conditions in the European building & construction markets. Specialty Resins made good progress in China and the US. Functional Materials delivered another quarter with growth in fiber-optic materials.
Prices were lower reflecting lower input costs.
- DSM Dyneema:**
Sales were slightly up, with strong growth in life protection, for law enforcement and personal protection, partly offset by weak sales in high performance textiles and commercial marine. Sales to the performance apparel segment are developing well.

Q3 2016 EBITDA increased by 16% compared with Q3 2015 as a result of disciplined margin management, strong growth in the specialty segments, lower input costs, and the benefits of the efficiency and cost saving programs carried out over recent years.

Q3 2016 EBITDA margin was particularly high at 18.6%, up from 16.2% in Q3 2015 (and 18.3% in Q2 2016), reflecting a very favorable mix, while still benefiting from low input costs.

Innovation Center

in € million	Q3 2016	Q3 2015	% Change	January - September		
				2016	2015	% Change
Sales	43	42	2%	126	115	10%
EBITDA	1	0		2	-8	
EBIT	-5	-7		-15	-29	
Capital Employed				553	563	

Q3 2016 sales were 2% above Q3 2015, with the increase fully driven by higher volumes in DSM Biomedical. EBITDA was slightly positive compared to the same period last year.

Corporate Activities

in € million	Q3 2016	Q3 2015	January - September	
			2016	2015
Sales	18	19	57	55
EBITDA	-27	-28	-78	-88
EBIT	-35	-38	-103	-121

Q3 2016 EBITDA improved by €1 million compared to Q3 2015.

Key Joint Ventures and Associates

in € million, based on 100%					January - September		
		Q3 2016	Q3 2015	% Change	2016	2015	% Change
DSM Sinochem	Sales	103	103	0%	329	332	-1%
	EBITDA%	13%	10%		14%	13%	
Patheon ¹	Sales	425	403	5%	1,216	1,177	3%
	EBITDA%	24%	23%		20%	20%	
ChemicalInvest ²	Sales	408	365	12%	1,300	365	n.a.
	EBITDA% ³	5%	3%		3%	3%	

1) Patheon (formerly reported as DPx Holding) respective periods are for the 3rd quarter from 1 May - 31 July and for YTD from 1 November - 31 July

2) ChemicalInvest in 2015 refers to the period from 1 August - 30 September

3) Q3 2016 EBITDA before PPA adjustment

- **DSM Sinochem Pharmaceuticals (50% DSM)** delivered solid results in line with previous quarters.
- **Patheon (33.5% DSM)** delivered strong results.
- **ChemicalInvest (35% DSM)** delivered slightly improved results, although caprolactam market conditions remained challenging.

Financial Overview

Exceptional Items

Exceptional items from continuing operations in Q3 2016 amounted to -€34 million (-€24 million after tax) which included €22 million of restructuring-related costs, and a €12 million asset impairment.

Exceptional items from discontinued operations amounted to -€28 million following adjustments due to various settlements relating to the divestment of DSM Fibre Intermediates and Composite Resins to ChemicalInvest.

Exceptional items regarding the Associates/Joint Control entities amounted to a net profit of €228 million, mainly comprising the gain on the IPO of Patheon for €232 million.

Net profit (continuing operations)

in € million			January - September	
	Q3 2016	Q3 2015	2016	2015
EBIT	205	170	601	458
Financial Income & Expense	-30	-28	-96	-115
Income Tax	-32	-25	-93	-62
Effective Tax Rate (%)			18.5%	18.0%
Share of profit of associates/Joint control entities	3	-11	-22	4
Non-controlling interest	-3	0	-5	3
Net Profit from Cont. Operations (before exceptional items) ¹	143	106	385	288
Net Earnings per ordinary share				
- Cont. Operations, before exceptional items (€)	0.81	0.59	2.17	1.61

¹ Net profit of continuing operations attributable to equity holders of Koninklijke DSM N.V.

Financial income and expense amounted to -€30 million in Q3 2016 compared to -€28 million in Q3 2015, mainly as a result of some unfavorable hedge results (€4 million) which were almost compensated by lower interest expenses (€3 million).

Cash Flow, Capital Expenditures and Financing

in € million			January - September	
	Q3 2016	Q3 2015	2016	2015
Cash from Operating Activities - Continuing Operations	325	300	644	487
Total Working Capital - Continuing Operations			1,528	1,443
Total Working Capital as % of Sales - Continuing Ops.			19.1%	18.6%
Capital Expenditure (cash, net of customer funding)				
- Continuing Operations	128	113	305	321
Net Debt (before reclassification to held for sale)			2,054	2,321 ¹

¹ Year-end 2015

Cash flow from operating activities amounted to €325 million showing an improvement of €25 million compared to Q3 2015.

In Q3 2016 a €750 million bond was launched with a ten-year maturity, at a coupon of 0.75%. This bond issue took advantage of favorable market conditions and allowed the company to lock in low interest rates taking into account the maturing of a €750 million bond in 2017.

Total Working Capital amounted to €1,528 million at the end of Q3 2016 compared to €1,443 million at the end of Q3 2015, which represents 19.1% as a percentage of annualized Q3 sales (Q3 2015 18.6%).

Net debt decreased by €267 million compared to the end of 2015 and stood at €2,054 million. The decrease was mainly due to the receipt of dividend and proceeds from the secondary offering of Patheon in total of €235 million.

Condensed consolidated statement of income for the third quarter

in € million	Q3 2016			Q3 2015		
	Before exceptional items	Exceptional items	Total	Before exceptional items	Exceptional items	Total
Sales - Continuing Operations	1,998		1,998	1,945		1,945
Sales - Discontinued Operations	0		0	157		157
Net sales - Total	1,998		1,998	2,102		2,102
EBITDA - Continuing Operations	323	-22	301	287	-41	246
EBITDA - Discontinued Operations	0	-28	-28	3	-6	-3
EBITDA - Total	323	-50	273	290	-47	243
Operating Profit (EBIT) - Continuing Operations	205	-34	171	170	-66	104
Operating Profit (EBIT) - Discontinued Operations	0	-28	-28	3	-7	-4
Operating Profit (EBIT) - Total	205	-62	143	173	-73	100
Operating Profit - Continuing Operations	205	-34	171	170	-66	104
Net finance costs	-30	0	-30	-28	-15	-43
Profit before income tax	175	-34	141	142	-81	61
Income tax	-32	10	-22	-25	16	-9
Share of profit of associates/ Joint Control entities	3	228	231	-11	-6	-17
Profit for the period - Continuing Operations	146	204	350	106	-71	35
Profit for the period - Discontinued Operations	0	-28	-28	-2	0	-2
Profit for the period - total DSM	146	176	322	104	-71	33
Non-controlling interests - Continuing Operations	-3	0	-3	0	0	0
Non-controlling interests - Discontinued Operations	0	0	0	3	0	3
Net profit attributable to equity holders of DSM	143	176	319	107	-71	36
Dividend on cumulative preference shares	-1	0	-1	-3	0	-3
Net profit used for calculating earnings per share	142	176	318	104	-71	33
Avg. no. of ordinary shares (million)			175.6			174.5
Number of ordinary shares, end of period (million)			176.7			174.9
Net profit used for calculating earnings per share	142	176	318	104	-71	33
Net earnings per ordinary share - Total DSM (€)	0.81	1.01	1.82	0.60	-0.41	0.19
Net profit used for EPS - Continuing Operations	142	204	346	103	-71	32
Net earnings per ordinary share - Cont. operations (€)	0.81	1.17	1.98	0.59	-0.40	0.19
Depreciation & Amortization	118	12	130	117	26	143
Capital Expenditure			116			119
Acquisitions			4			-34
Workforce (headcount) continuing operations			20,802			20,750*
of which in the Netherlands			4,108			4,190*

* End of 2015

This quarterly report has not been audited.

Condensed consolidated statement of income January - September

in € million	January - September 2016			January - September 2015		
	Before exceptional items	Exceptional items	Total	Before exceptional items	Exceptional items	Total
Sales - Continuing Operations	5,905		5,905	5,796		5,796
Sales - Discontinued Operations	0		0	1,213		1,213
Net sales - Total	5,905	0	5,905	7,009		7,009
EBITDA - Continuing Operations	947	-43	904	814	-88	726
EBITDA - Discontinued Operations	0	-28	-28	94	-10	84
EBITDA - Total	947	-71	876	908	-98	810
Operating Profit (EBIT) - Continuing Operations	601	-55	546	458	-132	326
Operating Profit (EBIT) - Discontinued Operations	0	-28	-28	76	-148	-72
Operating Profit (EBIT) - Total	601	-83	518	534	-280	254
Operating Profit - Continuing Operations	601	-55	546	458	-132	326
Net finance costs	-96	0	-96	-115	-15	-130
Profit before income tax	505	-55	450	343	-147	196
Income tax	-93	18	-75	-62	34	-28
Share of profit of associates/ Joint Control entities	-22	217	195	4	-22	-18
Profit for the year - Continuing Operations	390	180	570	285	-135	150
Profit for the year - Discontinued Operations	0	-28	-28	41	-128	-87
Profit for the year - total DSM	390	152	542	326	-263	63
Non-controlling interests - Continuing Operations	-5	0	-5	3	0	3
Non-controlling interests - Discontinued Operations	0	0	0	-1	0	-1
Net profit attributable to equity holders of DSM	385	152	537	328	-263	65
Dividend on cumulative preference shares	-6	0	-6	-8	0	-8
Net profit used for calculating earnings per share	379	152	531	320	-263	57
Avg. no. of ordinary shares (million)			174.8			174.2
Number of ordinary shares, end of period (million)			176.7			174.9
Net profit used for calculating earnings per share	379	152	531	320	-263	57
Net earnings per ordinary share - Total DSM (€)	2.17	0.87	3.04	1.84	-1.51	0.33
Net profit used for EPS - Continuing Operations	379	180	559	280	-135	145
Net earnings per ordinary share - Cont. operations (€)	2.17	1.03	3.20	1.61	-0.77	0.84
Depreciation & Amortization	346	12	358	374	182	556
Capital Expenditure			276			383
Acquisitions			4			106
Workforce (headcount) continuing operations			20,802			20,750
of which in the Netherlands			4,108			4,190

* End of 2015

This quarterly report has not been audited.

Consolidated Balance Sheets - Assets

in € million	30 Sept. 2016	YE 2015
Intangible Assets	3,058	3,228
Property, Plant & Equipment	3,134	3,171
Deferred Tax Assets	370	366
Associates & Joint Ventures	800	872
Other Financial Assets	208	191
Non-Current Assets	7,570	7,828
Inventories	1,697	1,627
Trade Receivables	1,499	1,349
Other Receivables	173	207
Financial Derivatives	35	47
Current Investments	774	9
Cash & Cash Equivalents	714	665
Total	4,892	3,904
Assets Held for Sale	4	11
Current Assets	4,896	3,915
Total Assets	12,466	11,743

Consolidated Balance Sheets - Equity and Liabilities

in € million	30 Sept. 2016	YE 2015
Shareholders' Equity	5,832	5,541
Non-controlling interest	94	90
Equity	5,926	5,631
Deferred Tax Liabilities	294	319
Employee Benefits Liabilities	484	496
Provisions	122	98
Borrowings	3,301	2,557
Other Non-current Liabilities	141	228
Non-current liabilities	4,342	3,698
Employee Benefits	41	44
Provisions	40	41
Borrowings	111	253
Financial Derivatives	165	232
Trade Payables	1,165	1,168
Other Current Liabilities	676	674
Total	2,198	2,412
Liabilities Held for Sale	0	2
Current Liabilities	2,198	2,414
Total Equity and Liabilities	12,466	11,743

in € million	30 Sept. 2016	YE 2015
Capital Employed, continuing operations ¹	7,620	7,553
Equity/ Total Assets ¹	48%	48%
Net Debt ¹	2,054	2,321
Operating Working Capital - Continuing Operations ¹	2,031	1,811
OWC/ Net Sales - Continuing Operations	25.4%	23.5%
Total Working Capital - Continuing Operations ¹	1,528	1,343
Total WC/ Net Sales - Continuing Operations	19.1%	17.4%

1) Before reclassification to held for sale

Condensed Consolidated Cash Flow Statement

in € million	January - September	
	2016	2015
Cash, Cash Equivalents and Current Investments (at beginning of period)	674	675
Current Investments (at beginning of period)	9	6
Cash & Cash Equivalents (at beginning of period)	665	669
Operating Activities		
EBITDA	947	908
Change in Working Capital	-171	-149
Income Tax	-54	-63
Other	-78	-314
Cash provided by Operating Activities	644	382
of which provided by Continuing Operations	644	487
Investing Activities		
Capital Expenditures	-306	-392
Payments regarding drawing rights	-17	-4
Acquisitions	1	-84
Disposal of Subsidiaries, Businesses & Associates	77	283
Disposal of Other Non-current Assets	4	9
Change in Fixed-term Deposits	-766	-2
Interest Received	14	23
Dividend and capital repayments from associates & joint ventures	124	114
Other	-11	16
Cash used in Investing Activities	-880	-37
Dividend	-186	-173
Interest Paid ¹	-77	-184
Purchase of shares	-177	-122
Proceeds from re-issued treasury shares	135	38
Change in Commercial Paper	-150	-280
Proceeds from / repayments of corporate bonds	747	994
Other Cash from/ used in Financing Activities	-1	23
Cash used in / from Financing Activities	291	296
Changes Exchange Differences	-6	4
Cash and Cash Equivalents (end of period)	714	1,314
Current Investment (end of period) ²	774	8
Cash and Cash Equivalents & Current Investments (end of period)	1,488	1,322

¹ Impacted by -€27 million (-€129 million in 2015) due to settlement of interest rate pre-hedge of the bonds.

² Following the issuing of the €750 million bond launched in Q3 2016, the current investments increased to €774 million in Q3 2016.

Condensed Consolidated Statement of Comprehensive Income

in € million	January - September	
	2016	2015
Items that will not be reclassified to profit or loss		
Remeasurements of Defined Benefit Pension Plans	7	3
FX on Translation of Foreign Operations Related to Non-Controlling Interest	-3	17
Items that may subsequently be reclassified to profit or loss		
FX on Translation of Foreign Operations	-65	-96
Change in Fair Value Reserve	3	4
Change in Hedging Reserve	10	-7
Other Comprehensive Income (before tax)	-48	-79
Income Tax Expense	-3	-5
Other Comprehensive Income (net of tax)	-51	-84
Profit for the Period	542	63
Total Comprehensive Income	491	-21

Condensed Consolidated Statement of Changes in Equity

in € million	January - September	
	2016	2015
Total Equity (at beginning of the period)	5,631	5,936
Changes:		
Total Comprehensive Income	491	-21
Dividend	-298	-309
Repurchase of Shares	-177	-122
Proceeds from Reissue of Ordinary Shares	251	175
Other Changes	28	-106
Total Equity (end of period)	5,926	5,553

Geographical Information (continuing operations)

January - September 2016	The Netherlands	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	1,507	1,809	118	1,092	396	600	56	66	212	49	5,905
in %	26	31	2	18	7	10	1	1	3	1	100
Net Sales by Destination											
in € million	229	1,419	367	1,359	734	703	134	189	589	182	5,905
in %	4	25	6	23	12	12	2	3	10	3	100
Total Assets (total DSM) in € million	4,464	2,019	117	3,347	822	1,000	85	141	368	103	12,466
Workforce (headcount, end of period)	4,108	4,611	464	3,166	2,064	4,616	497	191	822	263	20,802
January - September 2015	The Netherlands	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	1,478	1,586	110	1,120	524	612	58	53	202	53	5,796
in %	26	27	2	19	9	11	1	1	3	1	100
Net Sales by Destination											
in € million	211	1,404	342	1,345	786	687	121	158	553	189	5,796
in %	4	24	6	23	14	12	2	3	9	3	100
Total Assets (total DSM, year-end 2015) in € million	3,838	2,038	119	3,486	749	882	82	95	361	93	11,743
Workforce (headcount, year-end 2015)	4,190	4,682	426	3,151	2,021	4,551	521	145	811	252	20,750

Notes to the financial statements

Accounting policies and presentation

The consolidated financial statements of DSM for the year ended 31 December 2015 were prepared according to International Financial Reporting Standards (IFRS) as adopted by the European Union and valid as of the balance sheet date. These accounting policies are applied in the current interim financial statements that are in compliance with IAS 34 'Interim Financial Reporting' and need to be read in conjunction with the Integrated Annual Report 2015 and the discussion by the Managing Board earlier in this interim report.

Audit

These interim financial statements have not been audited.

Scope of the consolidation

DSM has agreed with Japan Fine Coatings (JFC) to increase its stake in the coming years up to 70%. In July 2016 as a first step, DSM Resins and Functional Materials increased its shareholding from 50.0% to 50.1%, thereby obtaining a controlling interest. Prior to obtaining control DSM accounted for its investment in accordance with the equity method. From the date of control the financial statements of JFC are consolidated by DSM and reported in the segment Materials. In accordance with IFRS 3 the purchase price of JFC needs to be allocated to identifiable assets and liabilities acquired and the fair value of the Non-controlling interest needs to be determined. The valuation and purchase price allocation are currently ongoing. As the results are not yet known, the book values of assets and liabilities were used in consolidation. It is expected that the valuation will be completed in Q4 2016. At that time a book profit on revaluation of the existing 50.1% investment in JFC to fair value, which cannot be measured reliably at present, will be recognized.

The impact of the acquisition of JFC on DSM's consolidated balance sheet, at the date of acquisition, is shown in the following table. This information will change when the valuation of the non-controlling interest and purchase price allocation is completed.

Acquisition of JFC in € million	Book value
Property, plant and equipment	16
Other non-current assets	1
Receivables	5
Cash and cash equivalents	3
Total assets	25
Non-controlling interests	4
Current liabilities	17
Total non-controlling interests and liabilities	21
Net assets at book value	4

The consolidation of JFC contributed €9 million to net sales and €2 million to EBITDA in the third quarter.

Related party transactions

Transactions with related parties are conducted at arm's length conditions.

Risks

DSM has a risk management system in place. A description of the system and an overview of potentially important risks for DSM is provided in the Integrated Annual Report 2015 and in the governance section on www.dsm.com. DSM has reviewed the developments and incidents in the first half of 2016 and

assessed the risks for the year. On that basis DSM concluded in August 2016 that the most important risks and responses reported in the Integrated Annual Report 2015 were still applicable.

Dividends and equity

On 24 May the final dividend of €1.10 per share for the year 2015 was paid to holders of ordinary shares and a dividend of €0.15 per share was paid to holders of cumulative preference shares A. The total distribution to shareholders amounting to €198 million was recorded against retained earnings.

An interim dividend for 2016 of €0.55 per ordinary share and €0.03 for cumulative preference shares A was recognized as a liability in the second quarter of 2016. This distribution to shareholders amounting to €98 million was paid out in Q3 2016.

In the first nine months of 2016 5.2 million shares were released into circulation in connection with stock dividend, the exercise of options and delivery of performance shares. 3.5 million shares were repurchased in the same period.

Heerlen, 3 November 2016

The Managing Board

Feike Sijbesma, CEO/Chairman

Geraldine Matchett, CFO

Stephan Tanda

Dimitri de Vreeze

Financial Calendar

15 February 2017	Publication of Q4 2016 Results
2 May 2017	Publication of Q1 2017 Results
3 May 2017	Annual General Meeting of Shareholders
1 August 2017	Publication of Q2 2017 Results
2 November 2017	Publication of Q3 2017 Results

Contact Information

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Additional Information

Today DSM will hold a conference call for media from 08:00 to 08:30 and a conference call for investors and analysts from 09:00 to 10:00. Details on how to access these calls can be found on the DSM website, www.dsm.com.

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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 simultaneously. DSM delivers innovative solutions that nourish, protect and improve performance in global markets such as food and dietary supplements, personal care, feed, medical devices, automotive, paints, electrical and electronics, life protection, alternative energy and bio-based materials. DSM and its associated companies deliver annual net sales of about €10 billion with approximately 25,000 employees. The company is listed on Euronext Amsterdam. More information can be found at www.dsm.com.

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Forward Looking Statement

This press release 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. 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 actual performance and position to differ materially from these statements. DSM has no obligation to update the statements contained in this press release, unless required by law.