DSM in motion: *driving focused growth*

Annual Results 2012

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CEO / Chairman Managing Board

Annual General Meeting of Shareholders
Heerlen, 3 May 2013

HEALTH · NUTRITION · MATERIALS

Safe harbor statement

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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, which can be found on the company's corporate website, www.dsm.com

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Highlights of this week

- Abdication Queen Beatrix of the Kingdom of The Netherlands
- Inauguration of King Willem Alexander with Queen Maxima
- Royal DSM has sent its congratulations

- Q1 2013 Results:
  Good Start to the Year in challenging environment

- AGM on Annual Results 2012

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Overview

- **Financial Results 2012**
- Building a higher value business
- Progress per cluster
- 2013

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Highlights 2012

- Solid results in challenging market conditions:
  - Nutrition performed well, now representing ~70% of EBITDA
  - 2012 results negatively impacted by caprolactam: € 300 million FY impact
- Dividend increase for third consecutive year. Proposal: from € 1.45 to € 1.50
- Significant strategic progress made in 2012, amongst others, via acquisitions
- DSM is positioned for strong EBITDA growth in 2013 following € 2.8bn acquisitions (2010-2012), mainly in Nutrition
- Profit Improvement Program of € 150m expanded to € 200m - € 250m by 2015
- Outlook 2013 unchanged: based upon current economic assumptions, DSM expects to move towards its 2013 EBITDA target of € 1.4bn

Results FY 2012 - Key figures

(€ million)	FY-2012	FY-2011	Δ%
Continuing operations before exceptional items:			
Net Sales	9,131	9,048	+1%
EBITDA	1,109	1,296	-14%
EBIT	635	866	-27%
EPS (€)	2.58	3.53	-27%
Core EPS (€)*	2.78	3.66	-24%
Total DSM before exceptional items:			
Net Sales	9,131	9,193	-1%
EBITDA	1,109	1,325	-16%
Total DSM including exceptional items:			
Net profit	288	814	-65%
EPS (€)	1.68	4.86	-65%

* Core earnings per share' is understood to be earnings per share before exceptional items and before acquisition related (intangible) asset amortization

EBITDA FY 2012- DSM continuing business

EBITDA (€ million)	2012	2011	2010	2009*
Nutrition	793	735	684	655
Pharma	39	36	61	91
Performance Materials	280	293	283	174
Polymer Intermediates	129	380	223	36
Innovation Center*	-38	-57	-49	(**)
Corporate Activities*	-94	-91	-41	-122
DSM	1,109	1,296	1,161	834

* 2009 not restated for changes in pension accounting and corporate research costs
** 2009 Innovation Center was reported in Corporate activities

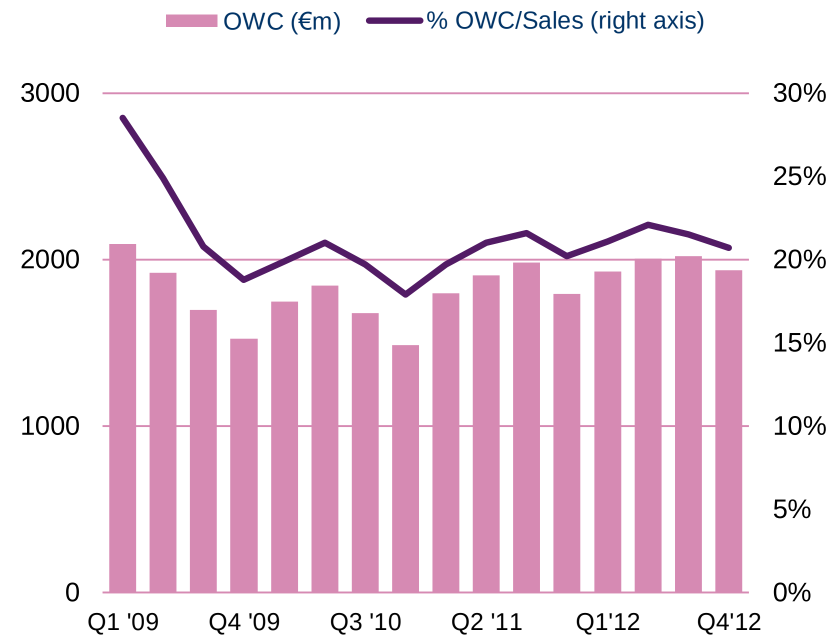
Cash flow

Cash Flow (€ million)	FY '12	FY '11
Cash from operating activities	730	882
Cash from investing activities*	-1,933	-741
Free cash flow from operations	-1,203	141

Balance sheet (€ million)	YE 2012	YE 2011
Net debt	1,668	318
Gearing	22%	5%

* Excl. changes in fixed-term deposits

OWC development Q1'09 - Q4'12



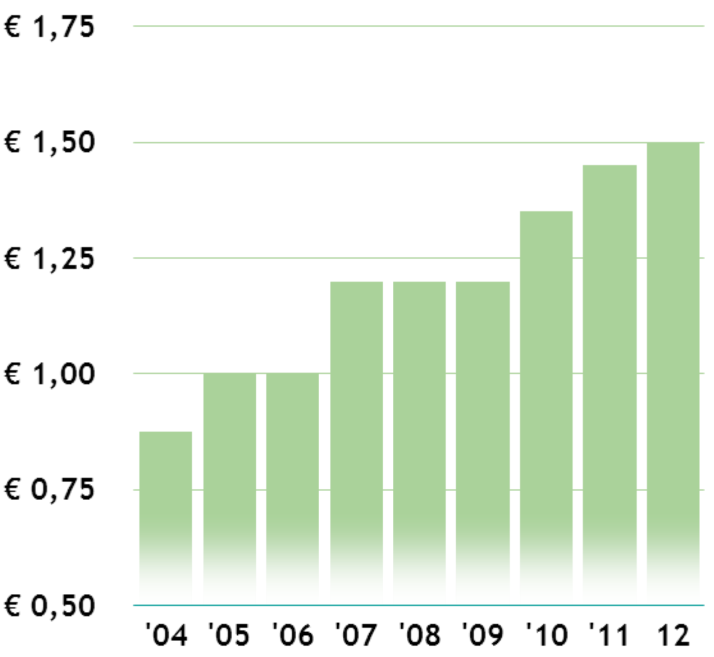
Dividend to increase for the 3rd consecutive year

- Dividend policy “stable and preferably rising”

- Proposal to AGM (May 2013) to increase dividend by € 0.05 to € 1.50 per ordinary share
  - € 0.48 interim dividend
  - € 1.02 final dividend

- Payable in cash or ordinary shares

Dividend per ordinary share (€)



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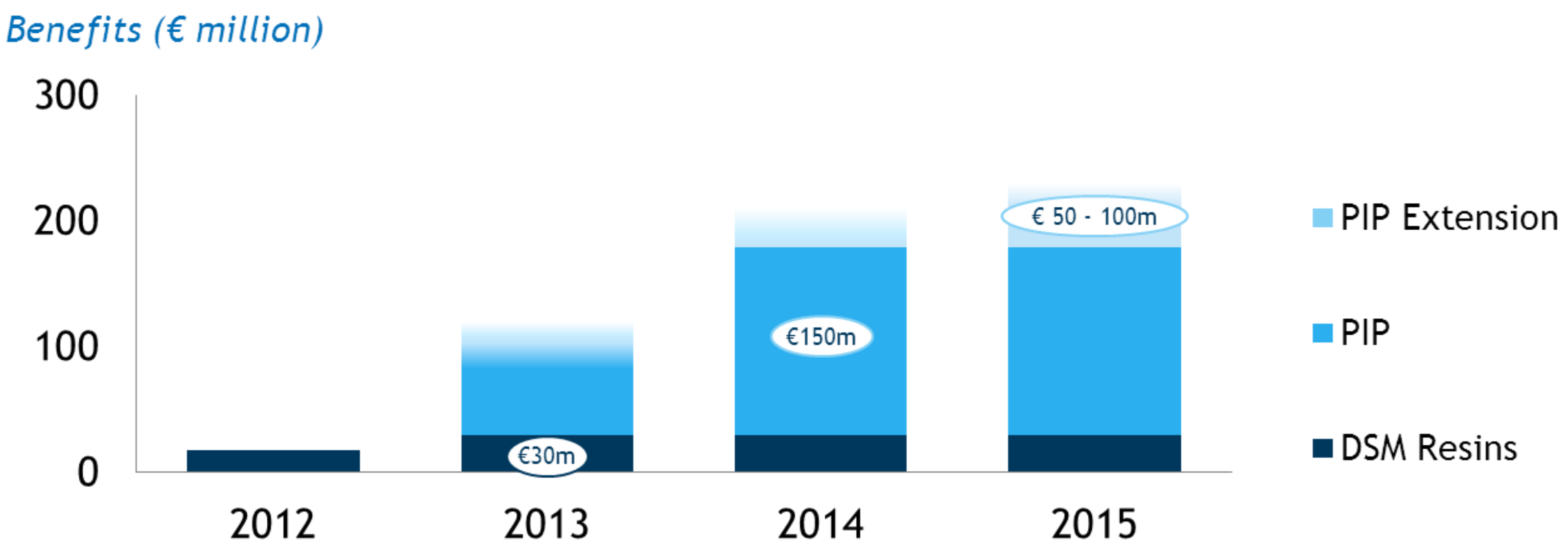
Profit Improvement Program



- Company-wide programs to support mid-term strategic targets
- Expected structural annual benefits:

– DSM Resins:	€ 30m	by 2013
– PIP:	€ 150m	by 2014
– PIP Extension	€ 50-100m	by 2015

- PIP one-off cash costs taken in 2012 (~ € 120m), PIP Extension one-off cash costs ~€ 70-80m will be taken in 2013

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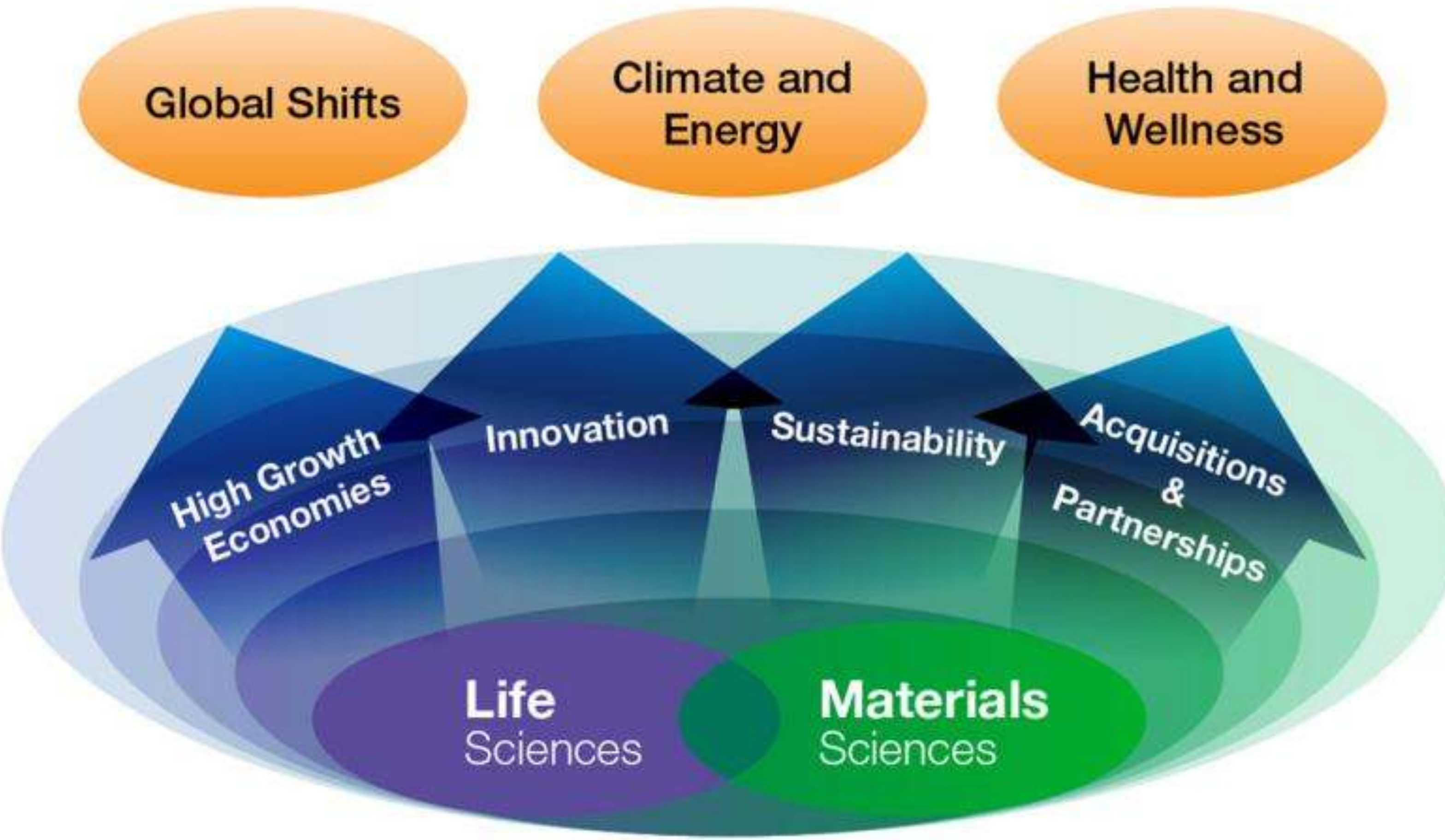
DSM in motion: *driving focused growth*



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Good 2012 progress on DSM's growth drivers

	High Growth Economies	Innovation	Sustainability	Acquisitions & Partnerships
	From reaching out To *becoming truly global*	From building the machine To *doubling the output*	From responsibility To *business driver*	From portfolio transformation To *growth*
Target 2015	From ~32% towards ~50% of total sales	From ~12% to ~20% of total sales	ECO+ sales from ~34% to 50%	M&A Nutrition, PM, EBA's Partnerships Pharma Reduce exposure caprolactam
Progress 2012	**38%,** Good progress	**18%,** Well on track	**43%,** Well on track	**€ 2.8bn** M&A* Well on track

* Since September 2010

Major acquisitions done in 2012

Acquisition of Kensey Nash

- Making DSM biomedical leading medical device materials supplier in regenerative medicine

EV ~€ 275m; 2010/11 sales ~US$ 72m, EBITDA ~US$ 29m

Acquisition of Ocean Nutrition Canada

- Strengthens and complements DSM's global Nutritional Lipids growth platform, based on healthy, polyunsaturated fatty acids (PUFAs)

EV ~ € 420m; expected 2012 sales ~€ 150m, EBITDA ~€ 45m

Acquisition of Fortitech

- Creating global leadership position in food ingredient blends for food and beverage, infant nutrition and dietary supplements industries

EV ~ € 495m; expected 2013 sales ~US$270m,EBITDA ~US$70m

Announced acquisition of Tortuga

- Building leading position in LATAM by acquiring Brazilian market leader in nutritional supplements with focus on pasture raised beef and dairy cattle

EV ~ € 465m- € 490m; expected 2012 sales ~€ 385m, EBITDA ~€ 60m

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Value creation and differentiation in Nutrition

Broad product portfolio

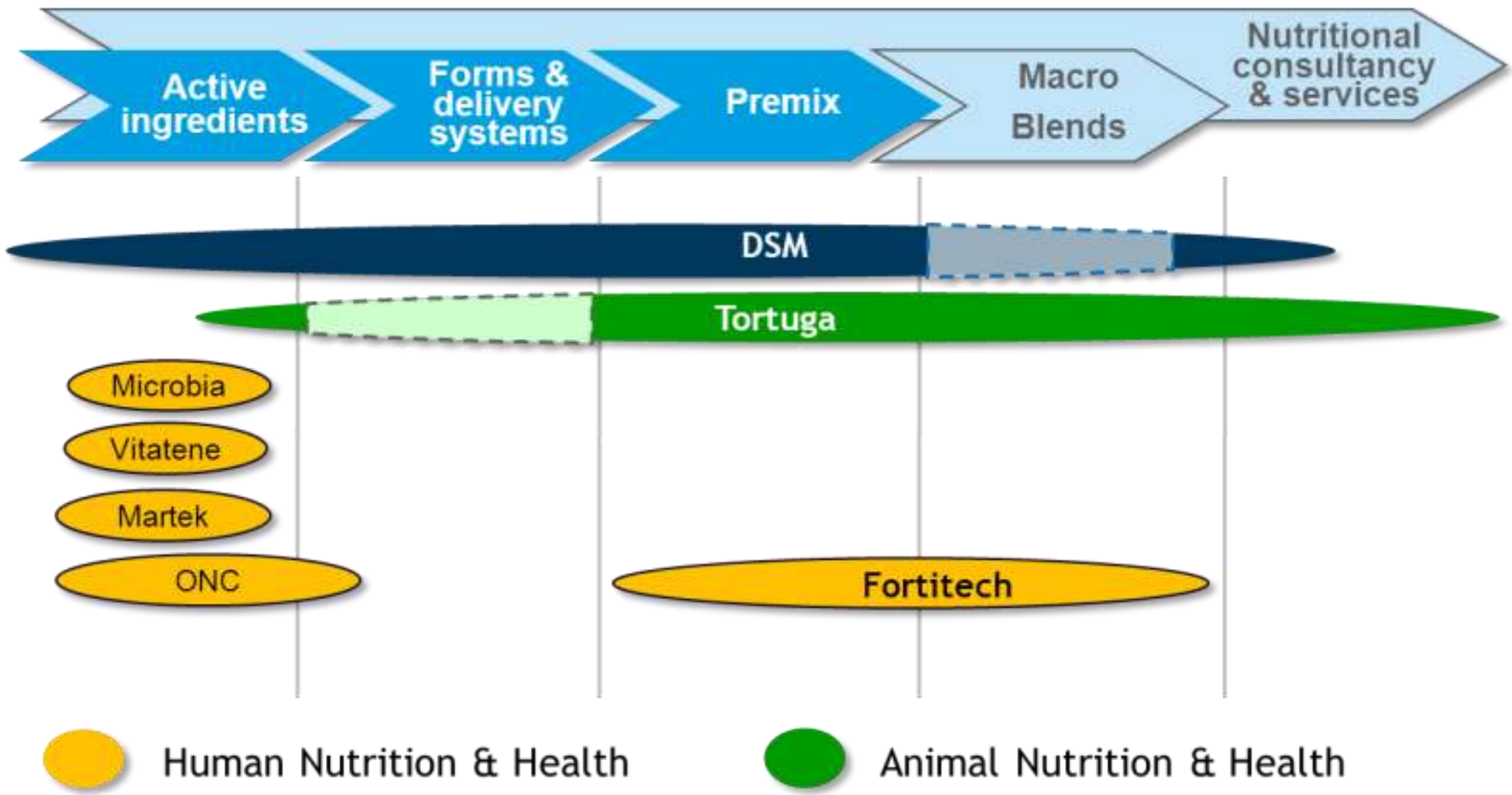
Active ingredients → **Delivery Systems** → **Premix & Blends**

Active ingredients	Delivery Systems	Premix & Blends
One hundred ingredients	**Several thousand forms**	**Tens of thousands of recipes**
Vitamins Carotenoids Enzymes Yeasts Nutritional Lipids Cultures Nutritional ingredients Organic trace minerals Personal care ingredients	Stability / Shelf Life Delivery / Solubility Bio-availability Powder / Flow Properties	Custom Formulation Dilution 3rd party ingredients

Quality, Reliability, Traceability, Sustainability

Full Value Chain Player

Building unique value chain position in Nutrition



Portfolio broadened, value chain extended and global presence increased

Since 2010 strong progress in Acquisitions & Partnerships

ACQUISITIONS

~ € 2.4bn

Nutrition
- Martek (microbial DHA/ARA)
- Vitatene (natural carotenoids),
- Premix plants (Romania, Italy, China)
- Food enzymes business and technology (Verenium)
- Ocean Nutrition Canada (fish derived Omega-3)
- Tortuga (animal dietary supplements)
- Cargill Bio-products (enzymes, cultures)
- Fortitech (food ingredient blends)

~ € 0.3bn

Innovation center
- Kensey Nash (biomedical materials)
- C5 Yeast Company (cellulosic bio-ethanol)

~ € 0.1bn

Performance Materials
- ICD China; High performance fibers
- AGI Taiwan; UV resins

PARTNERSHIPS

Nutrition
- Premix plant Russia

Pharma
- DSM Sinochem Pharmaceuticals

Innovation center
- POET; cellulosic bioethanol
- Roquette: bio-succinic acid
- DuPont: Actamax, biomedical materials
- BP: biodiesel

Performance Materials
- KuibyshevAzot Russia; PA6
- Kemrock India; composite resins

* Since September 2010

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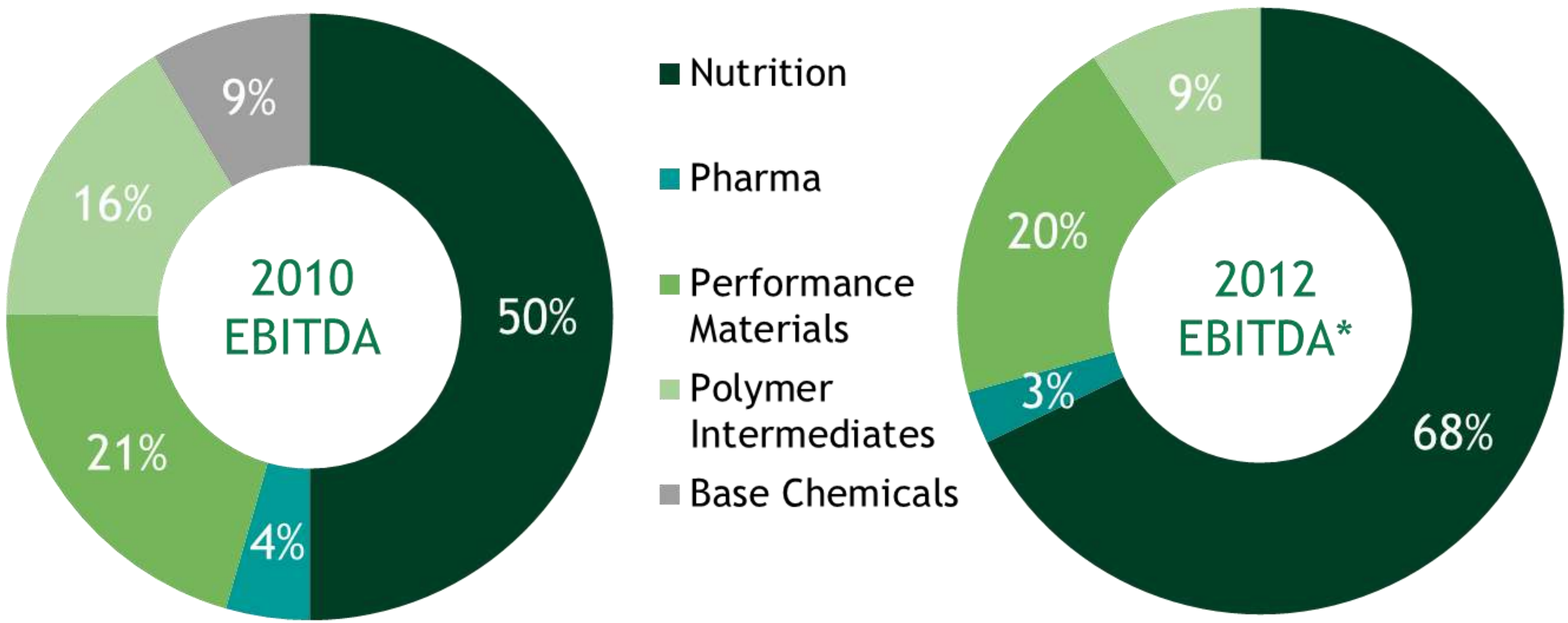
Enhancing the quality of DSM's earnings profile



*: 2012 EBITDA is including annualized proforma EBITDA of acquisitions

2012 progress in High Growth Economies

Sales

- 38% of total sales
    - Nutrition & Performance Materials ~10% growth

Highlights

- *China*:
    - New plants anti-infectives and composite resins
    - 2nd Caprolactam plant under construction
- *Latin Amercia, Brazil*:
    - Acquisition of Tortuga
    - New premix facilities
- *India*:
    - Global shared service center opened
    - Solar power plant built using panels with anti-reflective coatings from KhepriCoat®

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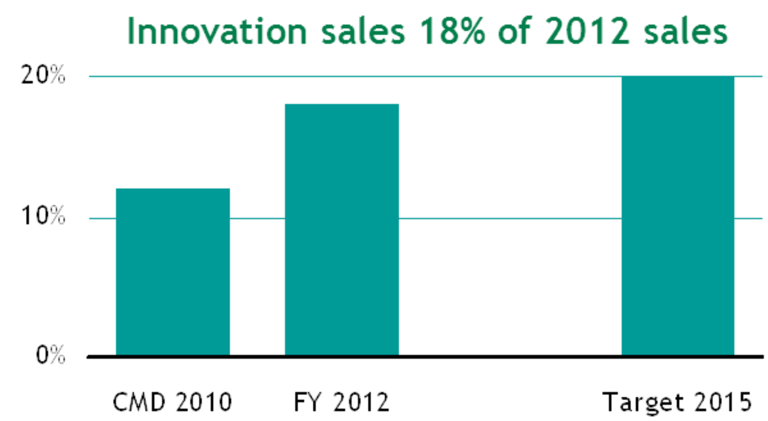
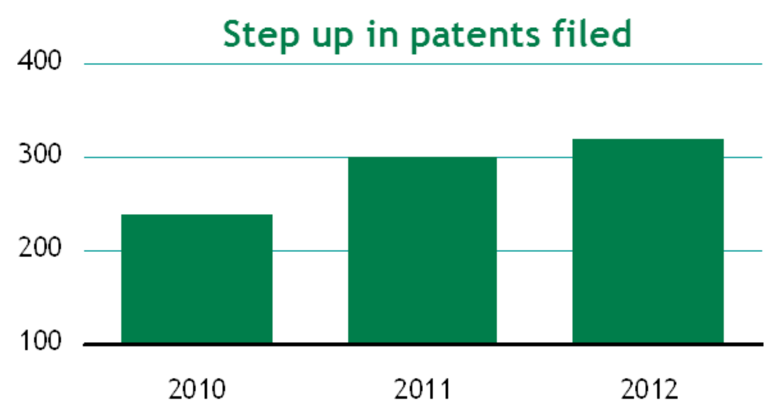
Investing in innovation

- Innovation Sales: 18% of sales
- 319 new Patents added (DSM in top in NL/Eur)
- R&D expenditure: € 490m (5.4% of sales)
- New investments in R&D facilities:
  - Biotech in Delft
  - Materials Sciences in NL and Singapore
- New venturing investments in:
  - Regentis Biomaterials (tissue repair)
  - Venture Capital Funds
- Start-up Bioprocess Pilot Facility in Delft-NL (open innovation)





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DSM Bio-based Products & Services

- *Cellulosic bio-ethanol*:
  - Advanced C5 yeast and enzymes commercialized
  - Construction of POET-DSM 20-25m gallon ***cellulosic bio-ethanol*** plant (Iowa), start up beginning 2014

- *Advanced bio-diesel,* DSM and BP extended cooperation on the development of microbial oils

- *Advanced Biogas:* refocus on industrial waste processes

- *Biochemicals*:
  - Bio-succinic acid plant in Italy starting production
  - Pipeline bio-based solutions, e.g. bio-based adipic acid

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DSM Biomedical and DSM Advanced Surfaces

- In *DSM Biomedical*:
  - Acquisition of Kensey Nash making DSM a leading medical device materials supplier

- In *DSM Advanced Surfaces*:
  - Strategic approach: focus on solutions for solar industry, with anti-reflective coating KhepriCoat®
  - New capacity for KhepriCoat®

Innovation (EBA's): € 1bn high margin sales aspiration by 2020 confirmed

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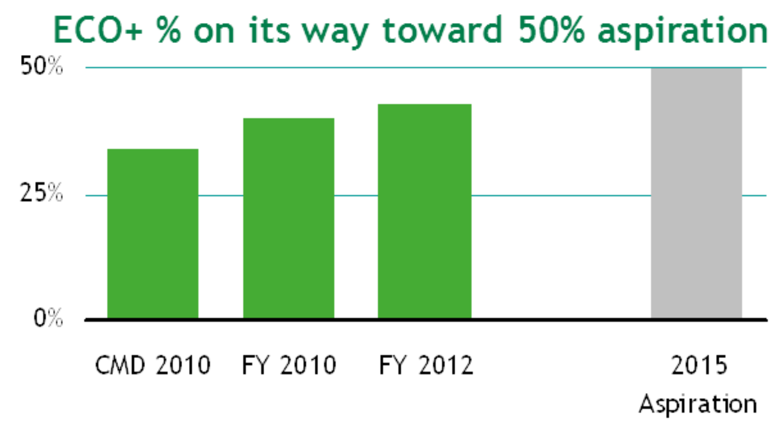
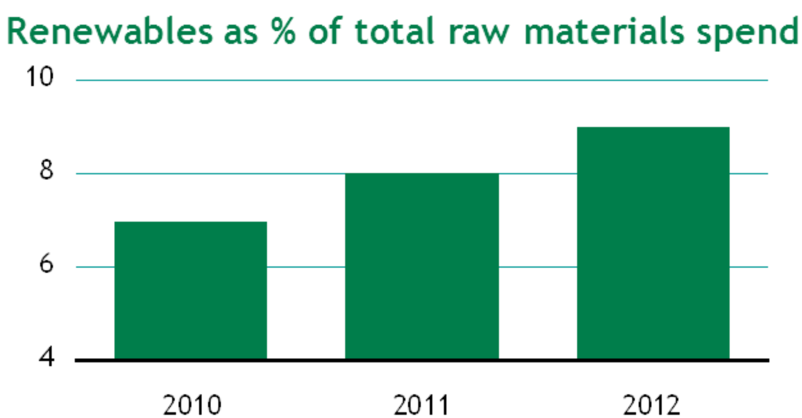
Sustainability as business driver

- DSM again among leaders Dow Jones Sustainability Index
- ECO+ solutions: 43% of running business
- 2012 energy efficiency improved by 14% compared to 2008, on track toward 2020 aspiration of 20%
- Renewables: ~9% of raw materials spend
- Employee Engagement Index 2012 improved further
- People+ program started: strategy for measurably improving people's lives





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Partnerships to combat malnutrition

Offering tailored nutritional solutions to fight hunger and malnutrition around the world

- At World Economic Forum in Davos (2013), DSM and UN World Food Programme strengthened partnership
  - 3-year extension to 2015
  - plan to double beneficiaries up to 30 million per year

- DSM engaged in various other nutrition partnerships, incl.
  - the Scaling Up Nutrition movement (SUN)
  - the United States Agency for International Development (USAID)

People, Planet, Profit: We can't be successful in a world that fails

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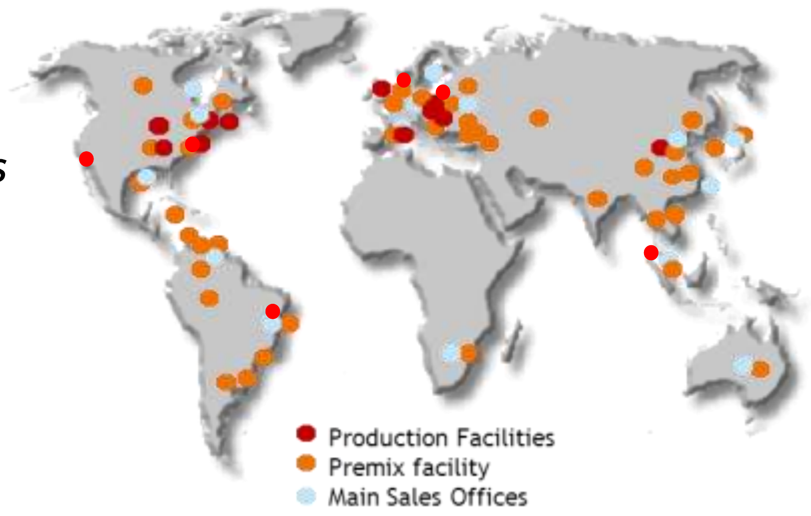
Nutrition: Continued value growth

2012 progress:
portfolio broadened, value chain extended and global presence increased

- Continued EBITDA growth driven by advanced forms, premixes, nutritional lipids and contributions from acquisitions
- New growth platform, *DSM Nutritional Lipids* established in Omega-3 and Omega-6
- Value chain extended with macro blends and nutritional services
- Global premix network expanded
- Expansion in food enzymes & cultures



Strong focus on organic growth & acquisition integration, to maximize synergies

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Pharma: Leveraging partnerships for growth

2012 progress

- Business conditions remained challenging, but good progress was made:
  - Anti-infectives plants started up
  - Biologics facility in Brisbane, to open 2013
- Atorvastatin commercialized
- CMO pipeline improved

DSM Pharmaceutical Products will pursue results improvements through own strength initiatives, while simultaneously looking at partnership options

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PM: Growing via innovative sustainable solutions

2012 progress

At *DSM Engineering Plastics:*

- Strong performance specialty polymers, partly offset by weakness in PA-6 chain
- New capacities for specialty polymers

At *DSM Dyneema:*

- Result below prior year due to absence of large vehicle protection tenders
- Continued above average growth in commercial marine and sports

DSM Resins & Functional Materials:

- Impressive improvement, despite weakness in building and construction
- Focus in Coating Resins on sustainable systems

Portfolio set to outperform once global macro-economic conditions improve

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PI: Strengthening backward integration for DEP

2012 progress

- Significantly lower results:
  - high benzene prices
  - new capacities in market
  - combined with weak end-use markets in fibers

  caused a sharp deterioration of margins

- 2nd 200kt line in China under construction with partner Sinopec (start-up end of 2013)

- Investment in sustainable lowest cost ammonium-sulphate facility

DSM will look for opportunities to reduce exposure to merchant CPL markets

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Q1'13: good start to the year in challenging environment

- EBITDA higher than in previous and prior year quarters:
  - Nutrition – which accounts for about 70% of group EBITDA - demonstrates once again its resilience, with high and stable margins
  - Q1 negatively impact by caprolactam (€ 65m)

- No change to full year outlook

- 2013 focus is fully on the operational performance; No major acquisitions to be expected in 2013

- Significant PIP is progressing well, supporting profitability in current volatile environment, as well as provides financial flexibility for longer term

- Integration of acquisitions is 100% on track with good growth from ONC and Fortitech. Synergies on track

2013 Outlook unchanged

- **Nutrition** is expected to show clearly higher results than in 2012 due to organic growth moving towards the target of 2% above GDP and the acquisitions
- Business conditions in **Pharma** are likely to remain challenging though DSM is confident of being able to deliver substantially better results notwithstanding the usual uneven delivery patterns between quarters
- **Performance Materials** is expected to show improved results in 2013, despite the expected negative effects of caprolactam especially compared to the first half of 2012
- **Polymer Intermediates** is expected to show lower results than in 2012
- For the **Innovation Center** the activity level will be in line with 2012, with EBITDA clearly improving following the full year contribution of Kensey Nash
- Overall, based on current economic assumptions, DSM expects a step-up in EBITDA during 2013 due to stronger organic growth, supported by DSM's Profit Improvement Program and as the benefits of acquisitions and a more resilient portfolio start to have impact. In 2013 the focus will be on the operational performance and integration of the acquisitions DSM completed in 2012 with special attention to capturing synergies. Overall, based on current economic assumptions, the above will enable DSM to move towards its 2013 EBITDA target of € 1.4 billion

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