

Press Release

Heerlen (NL), 7 May 2019

16E

DSM reports Q1 2019 results

Highlights^{1,2,3}

- DSM reports a good start to the year
- Results compared to Underlying business in Q1 2018:
 - Group sales up 3%, Adjusted EBITDA up 10% to €412m (up 14% to €424m including IFRS 16 impact of €12m)
 - Nutrition: organic sales +3%, Adjusted EBITDA up 11% to €309m (up 14% to €316m including IFRS 16 impact of €7m)
 - Materials: organic sales -5%, Adjusted EBITDA flat on €126m (up 1% to €127m including IFRS 16 impact of €1m)
- Adjusted Net Operating Free Cash Flow €60m
- Total Net profit €196m, up versus Q1 2018 of €331m when correcting for the temporary vitamin effect of €165m EBITDA following an exceptional supply disruption in the industry
- Full year outlook increased

Key figures and indicators

in € million	Q1 2019	Q1 2018			% Change				
		Underlying ¹ business	Temp. vitamin effect	Total Group	Underlying ¹ Organic growth	FX & 'other' ¹	Underlying ¹ total growth	Temporary vitamin effect	Total Group
Sales	2,292	2,215	220	2,435	1%	2%	3%	-9%	-6%
Nutrition	1,517	1,430	220	1,650	3%	3%	6%	-14%	-8%
Materials	717	738		738	-5%	2%	-3%		-3%
Adjusted EBITDA	424	373	165	538			14%	-35%	-21%
Nutrition	316	277	165	442			14%	-43%	-29%
Materials	127	126		126			1%		1%
Innovation	6	-1		-1					
Corporate	-25	-29		-29					
EBITDA	416	361	165	526					
Adjusted EBITDA margin	18.5%	16.8%		22.1%					

¹ Underlying (business) in 2018 is defined as the performance measures sales and Adjusted EBITDA, corrected for DSM's best estimate of the temporary vitamin effect.

² Adjusted EBITDA is an Alternative Performance Measure (APM) that reflects continuing operations.

³ IFRS 16 is only effective as per 1 January 2019, the 2018 figures have not been adjusted.

CEO statement

Feike Sijbesma, CEO/Chairman DSM Managing Board, commented: *"I am pleased to report a good start to the year, with continued positive momentum, led by our Nutrition business, while Materials continues to demonstrate its resilience. Last year we benefitted from an exceptional growth and profit contribution in Nutrition following a supply disruption in the vitamin industry. When comparing our results excluding this special event, we realized strong, double digit Adjusted EBITDA growth in the first quarter against a very strong comparable period in the Underlying business."*

"With our business performance progressing in-line with our plans, we remain confident in our positive outlook for 2019. We are well positioned to deliver on our ambitious Strategy 2021 targets, which aim to deliver above market growth and strong financial performance, driven by our commitment to be a purpose led, performance driven science-based company in Nutrition, Health and Sustainable Living."

Outlook 2019

DSM increases its full year outlook 2019 and now expects to deliver a full year 2019 high single digit increase in Adjusted EBITDA compared to prior year Underlying Adjusted EBITDA (pre-temporary vitamin effect), together with an improvement in Adjusted Net Operating Free Cash Flow in line with its Strategy 2021 targets. This outlook excludes the impact of IFRS16 (see page 18).

Share Buy-Back program started

As per 1 April, DSM commenced its ordinary share repurchase program of an aggregate market value of €1 billion as announced on 14 February 2019, with the intention to reduce its issued capital. This program is in addition to the usual repurchase programs which DSM executes from time to time to cover commitments under share-based compensation plans and the stock dividend.

Key figures and indicators (comparison with Q1 2018 excluding temporary vitamin effect)

in € million	YTD			Volume	Price / mix	FX	Other
	Q1 2019	Q1 2018	% Change				
Sales	2,292	2,215	3%	1%	0%	2%	0%
Nutrition	1,517	1,430	6%	3%	0%	2%	1%
Materials	717	738	-3%	-6%	1%	2%	0%
Innovation Center	47	36					
Corporate Activities	11	11					

Q1 2019 excluding IFRS 16 impact in € million	YTD			Q1 2019	Q1 2018	% Change
	Q1 2019	Q1 2018	% Change			
Sales	2,292	2,215	3%	2,292	2,215	3%
Adjusted EBITDA	412	373	10%	412	373	10%
Nutrition	309	277	11%	309	277	11%
Materials	126	126	0%	126	126	0%
Innovation Center	5	-1		5	-1	
Corporate Activities	-28	-29		-28	-29	
Adjusted EBITDA margin	18.0%	16.8%		18.0%	16.8%	
ROCE (%)	13.2%	13.3%				

Q1 2019 including IFRS 16 impact in € million	YTD			Q1 2019	Q1 2018	% Change
	Q1 2019	Q1 2018	% Change			
Adjusted EBITDA	424	373	14%	424	373	14%
Nutrition	316	277	14%	316	277	14%
Materials	127	126	1%	127	126	1%
Innovation Center	6	-1		6	-1	
Corporate Activities	-25	-29		-25	-29	
Adjusted EBITDA margin	18.5%	16.8%		18.5%	16.8%	
ROCE (%)	12.9%	13.3%				

In this report:

- 'Organic sales growth' is the total impact of volume and price/mix;
- 'Total Working Capital' refers to the total of 'Operating Working Capital' and 'non-Operating Working Capital';
- 'Adjusted Net Operating Free Cash Flow' is the cash flow from operating activities, corrected for the cash flow of the APM adjustments, minus the cash flow of capital expenditures and drawing rights.

Key figures and indicators (comparison with Q1 2018 including temporary vitamin effect)

in € million	YTD			Volume	Price / mix	FX	Other
	Q1 2019	Q1 2018	% Change				
Sales	2,292	2,435	-6%	0%	-8%	2%	0%
Nutrition	1,517	1,650	-8%	2%	-13%	2%	1%
Materials	717	738	-3%	-6%	1%	2%	0%
Innovation Center	47	36					
Corporate Activities	11	11					

in € million	YTD			Q1 2019	Q1 2018	% Change
	Q1 2019	Q1 2018	% Change			
Sales	2,292	2,435	-6%	2,292	2,435	-6%
Adjusted EBITDA	424	538	-21%	424	538	-21%
Nutrition	316	442	-29%	316	442	-29%
Materials	127	126	1%	127	126	1%
Innovation Center	6	-1		6	-1	
Corporate Activities	-25	-29		-25	-29	
Adjusted EBITDA margin	18.5%	22.1%		18.5%	22.1%	
EBITDA	416	526		416	526	
Adjusted EBIT	279	423	-34%	279	423	-34%
EBIT	271	411		271	411	
Capital Employed	8,907	7,741				
Average Capital Employed	8,652	7,753				
ROCE (%)	12.9%	21.8%				
Effective tax rate¹	18.0%	18.0%				
Adjusted net profit²	200	337	-41%	200	337	-41%
Net profit - Total DSM²	196	331	-41%	196	331	-41%
Adjusted net EPS	1.12	1.91	-41%	1.12	1.91	-41%
Net EPS - Total DSM	1.10	1.88		1.10	1.88	
Operating cash flow	201	310	-35%	201	310	-35%
Adjusted Net Operating Free Cash Flow	60	154	-61%	60	154	-61%
Capital expenditures³	148	170		148	170	
Net debt⁴	414	579				
Average number of ordinary shares	176.1	174.8		176.1	174.8	
Workforce (headcount end of period)	21,438	20,977 ⁵				

¹ Over Adjusted taxable result² Including result attributed to non-controlling interest³ Cash, net of customer funding, investment grants and excluding leases⁴ Net debt end of Q1 2019 includes €206 million following the adoption of IFRS 16 on 'Leases'⁵ Year-end 2018

Review by Cluster

Nutrition

Underlying business

Underlying business in 2018 is defined as the sales and Adjusted EBITDA, corrected for the temporary vitamin effect due to exceptional supply disruptions in the industry in the first nine months of 2018, with additional sales of €220 million and a corresponding Adjusted EBITDA of €165 million in Q1 2018, as estimated and reported last year.

in € million (estimated)	YTD			Q1 2019	Q1 2018	
	Q1 2019	Q1 2018	% Change			
Sales	1,517	1,430	6%	1,517	1,430	6%
Adjusted EBITDA ¹	316	277	14%	316	277	14%
Adjusted EBITDA margin (%) ¹	20.8%	19.4%		20.8%	19.4%	
ROCE (%)	15.1%	15.3%		15.1%	15.3%	

Temporary vitamin effect

in € million (estimated)	YTD	temp.
	vit. effect	vit. effect
	Q1 2018	Q1 2018
Sales	220	220
Adjusted EBITDA	165	165

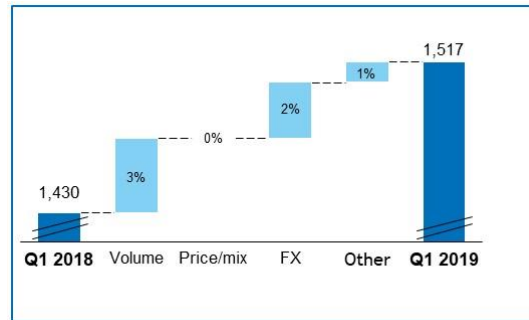
Total cluster

in € million	YTD			Q1 2019	Q1 2018	% Change
	Q1 2019	Q1 2018	% Change			
Sales	1,517	1,650	-8%	1,517	1,650	-8%
Adjusted EBITDA ¹	316	442	-29%	316	442	-29%
Adjusted EBITDA margin (%) ¹	20.8%	26.8%		20.8%	26.8%	
Adjusted EBIT	228	370	-38%	228	370	-38%
Capital Employed	6,286	5,406				
Average Capital Employed	6,035	5,413				
ROCE (%)	15.1%	27.4%				
Total Working Capital	1,650	1,434				
Average Total Working Capital as % of Sales	26.3%	22.8%				

¹ Including IFRS 16 impact of €7 million in Q1 2019

Nutrition

Sales development



All comparisons on this page are versus the Underlying business in Q1 2018

Q1 2019 sales

Nutrition reported 3% organic growth, against a tough comparison of 12% organic growth in Q1 2018 (excluding the one-time vitamin effect). Total sales were 6% higher compared to Q1 2018. Currencies, especially the US dollar had a 2% positive effect on sales. The consolidation of Andre Pectin contributed 1% sales growth (€12 million).

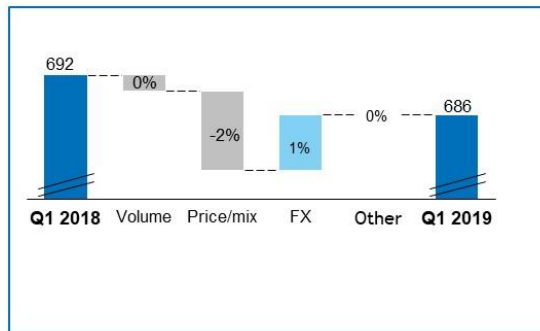
Q1 2019 Adjusted EBITDA

Nutrition reported 14% growth in Adjusted EBITDA. This increase includes €4 million contribution from the consolidation of Andre Pectin and €7 million from IFRS 16. Excluding these two items, Adjusted EBITDA growth was 10%.

Q1 2019 Adjusted EBITDA margin was 20.8% (excluding IFRS 16: 20.4%) compared to 19.4% in Q1 2018. The margin growth in Q1 2019 was driven by a positive business mix and some support from one-off lower costs and foreign exchange effects.

Animal Nutrition & Health

Sales development



All comparisons on this page are versus the Underlying business in Q1 2018

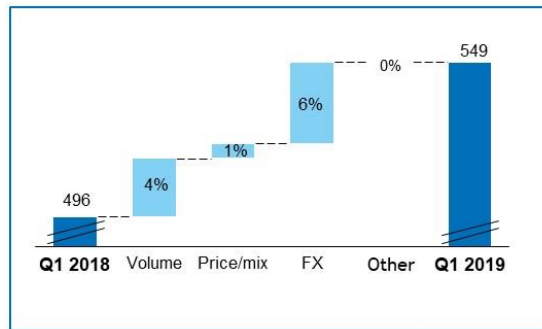
Q1 2019 organic sales

The first quarter saw continued good business conditions across all regions except for China where the African swine fever intensified. The effect was partly compensated by higher poultry production in the region and increased pork production in other regions, demonstrating DSM's integrated and diversified business model.

Animal Nutrition reported -2% organic sales with stable volumes and price/mix slightly down 2%. This is a solid performance when compared with the 18% organic growth in Q1 2018. Overall, sales were 1% lower as currencies had a 1% positive impact resulting from a stronger US-dollar, partly offset by a weaker Brazilian real.

Human Nutrition & Health

Sales development



All comparisons on this page are versus the Underlying business in Q1 2018

Q1 2019 organic sales

Overall business conditions were good across regions and segments. i-Health, pharma and early life nutrition performed strongly. Food and beverage showed strong premix sales to regional and smaller customers. Dietary supplements delivered a solid performance.

Q1 saw organic growth of 5%, a good result especially when compared with a strong comparable period last year with 8% organic growth. Total sales were up 11% as sales growth was supported by a 6% foreign exchange effect largely US-dollar related.

Other Nutrition activities

DSM's other Nutrition activities which include Food Specialties, Personal Care, Aroma Ingredients and Hydrocolloids, delivered a strong performance with 12% organic sales growth.

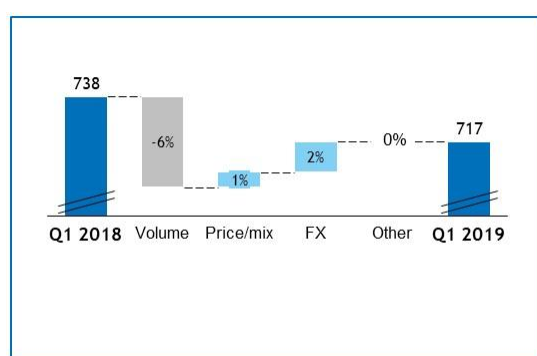
Andre Pectin was re-consolidated in Q1 2019 after DSM acquired an additional 46% of the shares in the company, bringing DSM's total shareholding in Andre Pectin to 75%. Andre Pectin realized in Q1 €12 million sales with an EBITDA of €4 million.

Materials

in € million	YTD			Q1 2019	Q1 2018	% Change
	Q1 2019	Q1 2018	% Change			
Sales	717	738	-3%	717	738	-3%
Adjusted EBITDA ¹	127	126	1%	127	126	1%
Adjusted EBITDA margin (%) ¹	17.7%	17.1%		17.7%	17.1%	
Adjusted EBIT	93	95	-2%	93	95	-2%
Capital Employed	1,959	1,824				
Average Capital Employed	1,930	1,805				
ROCE (%)	19.2%	21.0%				
Total Working Capital	443	367				
Average Total Working Capital as % of Sales	15.3%	11.9%				

¹ Including IFRS 16 impact of €1 million in Q1 2019

Sales development



Q1 2019 organic sales

Market conditions for some of DSM's businesses remained challenging, especially in Asia. Automotive, building & construction and electrical & electronics markets experienced continued softness, while the market conditions in the other business segments stayed robust. DSM remains well positioned with its specialty portfolio and continues to drive innovation in the future growth areas such as new mobility.

Organic sales development of -5%, driven by 6% lower volumes against a tough comparable period with 7% volume growth. Overall sales were 3% lower as currencies had a 2% positive impact resulting from a stronger US dollar.

- **DSM Engineering Plastics** saw continued softness in automotive (China and Europe) and electrical & electronics (Asia). Business conditions in other segments remained robust.
- **DSM Resins & Functional Materials** continued to face subdued building & construction markets, especially in Europe and Asia. The high-margin functional materials business continued to perform well.
- **DSM Dyneema** had a good first quarter, driven by continued high demand in personal protection. New production lines in the US and the Netherlands are scheduled to be completed in the second half of 2019, to fulfil the growing demand, especially for law enforcement.

Q1 2019 Adjusted EBITDA of €127 million (excluding IFRS 16: €126 million) is in line with the same period in Q1 2018. Lower volumes were compensated by good margin management, cost savings, a small benefit from currencies and a positive mix effect.

Q1 2019 Adjusted EBITDA margin was 17.7% (excluding IFRS 16: 17.6%) compared to 17.1% in Q1 2018 demonstrating the resilience of the business.

Innovation Center

in € million	YTD			Q1 2019	Q1 2018	% Change
	Q1 2019	Q1 2018	% Change			
Sales	47	36	31%	47	36	31%
Adjusted EBITDA ¹	6	-1		6	-1	
Adjusted EBIT	-1	-6		-1	-6	
Capital Employed	614	553				

¹ Including IFRS 16 impact of €1 million in Q1 2019

Innovation Center had a good start to the year. Biomedical showed a solid top and bottom line growth. Bio-based Products & Services also contributed strongly to the results partly based on new and recurring license income for yeast technologies used for bio-based fuels. Solar showed continued softness due to the subdued Chinese market. In total, the Adjusted EBITDA increased from -€1 million in Q1 2018 to €6 million in Q1 2019.

Corporate Activities

in € million	YTD		Q1 2019	Q1 2018
	Q1 2019	Q1 2018		
Sales	11	11	11	11
Adjusted EBITDA ¹	-25	-29	-25	-29
Adjusted EBIT	-41	-36	-41	-36

¹ Including IFRS 16 impact of €3 million in Q1 2019

Q1 2019 adjusted EBITDA improvement compared to Q1 2018 mainly due to the adoption of IFRS 16.

Condensed Cash Flow Statement and (Operating) Working Capital

in € million	YTD		Q1 2019	Q1 2018
	Q1 2019	Q1 2018		
Cash provided by Operating Activities	201	310	201	310
- Cash from APM adjustments	11	19	11	19
- Cash from capital expenditures	-150	-172	-150	-172
- Cash from drawing rights	-2	-3	-2	-3
Adjusted Net Operating Free Cash Flow	60	154	60	154
Operating Working Capital	2,430	2,117		
Average Operating Working Capital as % of Sales	25.7%	22.0%		
Total Working Capital	1,941	1,616		
Average Total Working Capital as % of Sales	20.5%	17.3%		

Adjusted Net Operating Free Cash Flow amounted to €60 million in Q1 2019 compared to €154 million in Q1 2018 which includes the impact from the temporary vitamin effect of €165 million EBITDA.

Operating Working Capital and Total Working Capital were negatively impacted by exchange rates, the re-consolidation of Andre Pectin as well as timing effects of both receivables and payables. Inventories remained stable. The cash impact from working capital was -€165 million in Q1 2019 versus -€233 million in the comparable period last year.

Overview of Alternative Performance Measures (APM) adjustments to EBIT(DA)

The following overview gives a summary of the APM adjustments for the first quarter of 2019 (for reconciliation see page 14).

Nutrition: EBITDA adjustments amounted to -€4 million (EBIT -€4 million) of which -€3 million related to restructuring costs and -€1 million to acquisition related costs.

Corporate Activities: EBITDA adjustments amounted to -€4 million (EBIT -€4 million) of which -€2 million related to restructuring costs and -€2 million to acquisition related costs.

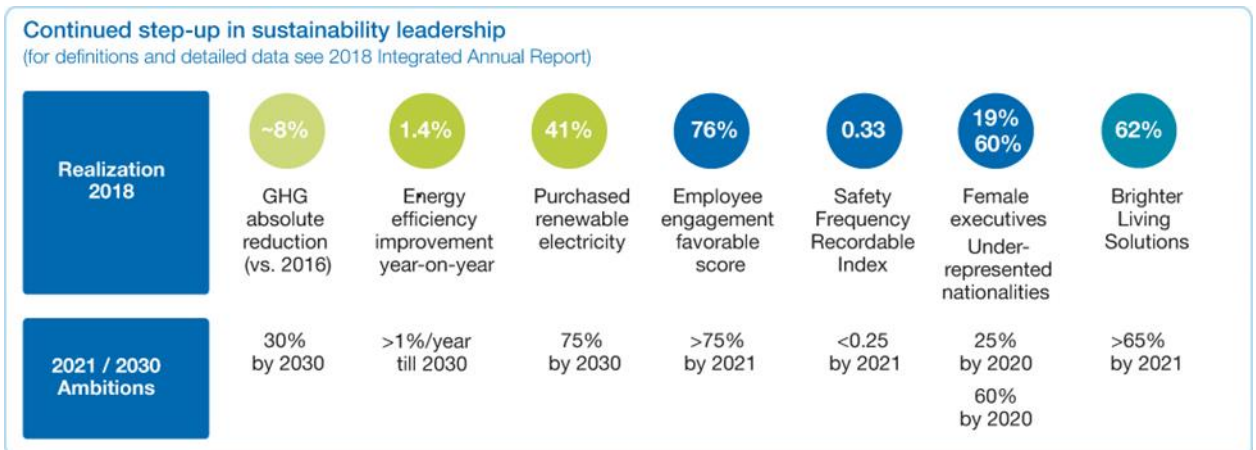
Sustainability performance

Integrated Annual Report 2018

In March DSM published its [Integrated Annual Report 2018 \(IAR\)](#), which demonstrates DSM’s consistent progress as a Purpose Led, Performance Driven company which creates value for all its stakeholders across the three dimensions of People, Planet and Profit. The report offers detailed insights into the company’s successful delivery of Strategy 2018, its business development, financial results, environmental and social performance, and corporate governance, its purpose and new Strategy 2021 as well as its engagement with the United Nations Sustainable Development Goals (SDGs). Our external auditor has provided a reasonable assurance opinion on the sustainability information contained in the IAR, which reflects our commitment to a rigorous reporting system on our sustainability efforts.

Key highlights of the IAR 2018 include:

- DSM reaches approximately 2.5 billion people worldwide with its products and services in its three focus domains Nutrition & Health, Climate & Energy and Resources & Circularity.
- Our GHG efficiency improved from 26% in 2017 to 33% in 2018 versus our 2008 baseline, strongly outperforming our aspirations. Also, in absolute terms our structural emissions fell by approximately 8% in 2018 versus 2016.
- Well over 60% of DSM’s products are so called Brighter Living Solutions – solutions that are better than the mainstream reference solution for people and/or the planet.
- Key innovations demonstrating how DSM is enabling its customers to deliver more sustainable solutions to their (end) consumers, via its waterborne coatings, sustainable mobility solutions, healthy nutrients, and its new innovations like project Clean Cow, Veramaris, fermentative stevia and NIAGA®.
- Consistent increase in the gender diversity of the company’s executive population (from 17 to 19% female, and now 3 out of 7 Executive Committee members being female) and delivery on its under-represented nationalities target (60%) ahead of schedule.
- Improvement of its employee engagement (from 75% to all time high of 76%).
- DSM continued to invest in projects addressing water, waste and circular economy.



Q1 2019 sustainability highlights

Planet

DSM further *improved* the environmental impact of its own operations:

- In March, DSM set new science-based reduction targets for greenhouse gas emissions that have been reviewed and approved by the Science Based Targets initiative and aligned with the Paris climate agreement. DSM was the first European company in its sector to join the group of almost 180 leading companies with validated science-based targets.
- DSM is progressing well to its target to reduce 30% of its greenhouse gas emissions from direct production and to have 75% of its purchased electricity in absolute terms by 2030 compared to 2016:
 - DSM, together with energy company ENGIE and Swiss energy provider ewz opened a new green energy plant at its vitamin facility in Sisseln (Switzerland), reducing CO₂ emissions by 50,000 tons/year (about ~4% of total group emission reduction)
 - DSM opened a newly expanded 66-acre solar field in Belvedere (NJ, USA). This is now the largest net-metered solar installation in New Jersey and is estimated to produce 25,000,000 kWh of renewable electricity annually.
- DSM introduced a system for a 30 to 40% reduction of waste to landfill at its Zhangbin site (Taiwan), supporting DSM's ambition level of 80-90% waste recycled in 2020.
- DSM made progress with innovations such as project Clean Cow, Veramaris, fermentative stevia and NIAGA[®], *enabling* its customers to deliver more sustainable solutions to their (end) consumers.

DSM *advocated* for environmental topics such as putting a responsible price on carbon and convergence of financial and sustainability disclosures.

People

- DSM put additional attention in improving further its safety performance which was below target in 2018. In Q1 we launched an update of our 12 Life Saving Rules, incorporating lessons learned over recent years. These rules should prevent any accidents from happening and cover those activities with the highest risk. They are part of a broader range of safety rules.
- DSM continued its Inclusion & Diversity journey:
 - With the appointment of the new Chief Innovation Officer, 43% of DSM's Executive Committee is female. Also, the newly appointed President DSM Netherlands is female.
 - With the proposed (re)appointment of members of the Supervisory Board, DSM will have an even more diverse board in terms of gender, nationality, background, knowledge and experience; including 5 different nationalities and 50% female members.
 - With these percentages DSM is clearly achieving its aim to have at least 30% male and at least 30% female members in the Executive Committee, Managing Board and Supervisory Board.

DSM's Annual General Meeting will take place on 8 May. An update on DSM's progress on governance can be found in the [notes to agenda](#).

Condensed consolidated statement of income for the first quarter

in € million	Q1 2019	Q1 2018
Sales	2,292	2,435
EBITDA	416	526
Operating profit (EBIT)	271	411
Financial income and expense	-29	-18
Profit before income tax expense	242	393
Income tax expense	-44	-67
Share of the profit of associates/ joint control entities	-2	5
Net profit	196	331
Of which:		
Profit attributable to non-controlling interests	-1	-1
Net profit attributable to equity holders of DSM	195	330
Dividend on cumulative preference shares	-2	-2
Net profit available to holders of ordinary shares	193	328
Depreciation and amortization	145	115

Reconciliation to Alternative Performance Measures for the first quarter

in € million	Q1 2019	Q1 2018
EBITDA	416	526
Acquisitions/divestments	3	-10
Restructuring	5	22
Other	0	0
Sub-total APM adjustments to EBITDA	8	12
Adjusted EBITDA	424	538
Operating profit (EBIT)	271	411
APM adjustments to EBITDA	8	12
Impairments of PPE and Intangible assets	0	0
Sub-total APM adjustments to operating profit (EBIT)	8	12
Adjusted operating profit (EBIT)	279	423
Net profit	196	331
APM adjustments to operating profit (EBIT)	8	12
APM adjustments to financial income and expense	0	0
Income tax related to APM adjustments	-1	-6
APM adjustments to share of the profit of associates/joint control entities	-3	0
Sub-total APM adjustments to net profit	4	6
Adjusted net profit	200	337
Net profit available to holders of ordinary shares	193	328
APM adjustments to net profit	4	6
Adjusted net profit available to holders of ordinary shares	197	334

Condensed Consolidated Balance Sheet

in € million	31 March 2019	year-end 2018
Intangible Assets	3,264	3,090
Property, Plant & Equipment	3,798	3,511
Deferred Tax Assets	233	248
Share in Associates & Joint Ventures	168	205
Financial derivatives	13	14
Other Financial Assets	260	263
Non-Current Assets	7,736	7,331
Inventories	2,065	1,993
Trade Receivables	1,836	1,575
Income tax receivables	65	83
Other Current Receivables	84	80
Financial Derivatives	30	21
Current Investments	1,430	1,277
Cash & Cash Equivalents	1,043	1,281
Current Assets	6,553	6,310
Total Assets	14,289	13,641
Shareholders' Equity	8,169	7,782
Non-controlling interest	57	33
Equity	8,226	7,815
Deferred Tax Liabilities	241	254
Employee Benefits Liabilities	411	413
Provisions	116	116
Borrowings	2,433	2,272
Financial derivatives	8	3
Other Non-current Liabilities	178	197
Non-current liabilities	3,387	3,255
Employee Benefits	45	46
Provisions	33	37
Borrowings	429	380
Financial Derivatives	60	51
Trade Payables	1,471	1,430
Income tax payable	99	100
Other Current Liabilities	539	527
Current Liabilities	2,676	2,571
Total Equity and Liabilities	14,289	13,641
Net debt*	414	113
Equity/Total Assets	58%	57%

* Net debt end of Q1 2019 includes €206 million following the adoption of IFRS 16 on 'Leases'

Condensed Consolidated Cash Flow Statement

in € million	Q1 2019	Q1 2018
Cash, Cash Equivalents and Current Investments (at beginning of period)	2,558	1,853
Current Investments (at beginning of period)	1,277	954
Cash & Cash Equivalents (at beginning of period)	1,281	899
Operating Activities		
EBITDA	416	526
Change in Working Capital	-165	-233
Income Tax	-24	-22
Other	-26	39
Cash provided by Operating Activities (Operating cash flow)	201	310
Investing Activities		
Capital Expenditures	-150	-172
Payments regarding drawing rights	-2	-3
Acquisitions	-157	-2
Disposal of Subsidiaries, Businesses & Associates	2	26
Disposal of Other Non-current Assets	3	0
Change in Fixed-term Deposits	-153	0
Interest Received	1	8
Dividend and capital (re)payments	-17	-8
Other	-1	8
Cash used in Investing Activities	-474	-143
Interest Paid	-5	-4
Repurchase of shares	0	-12
Proceeds from re-issued treasury shares	55	17
Payment of lease liabilities	-12	
Other Cash from/ used in Financing Activities	-2	13
Cash from / used in Financing Activities	36	14
Exchange Differences	-1	6
Cash and Cash Equivalents (end of period)	1,043	1,086
Current Investment (end of period)	1,430	954
Cash and Cash Equivalents & Current Investments (end of period)	2,473	2,040

Geographical Information

Q1 2019	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	590	764	48	400	122	243	20	23	69	13	2,292
in %	26	33	2	17	5	11	1	1	3	1	100
Net Sales by Destination											
in € million	90	581	144	537	258	249	59	75	230	69	2,292
in %	4	25	6	24	11	11	3	3	10	3	100
Total Assets (total DSM) in € million	5,184	2,901	139	2,899	1,009	1,221	141	176	504	115	14,289
Workforce (headcount, end of period)	3,819	5,095	545	3,272	2,218	4,520	548	208	920	293	21,438
Q1 2018											
Net Sales by Origin											
in € million	599	917	51	341	141	197	30	35	103	21	2,435
in %	25	38	2	14	6	8	1	1	4	1	100
Net Sales by Destination											
in € million	111	629	168	533	253	281	59	78	253	70	2,435
in %	5	26	7	22	10	12	2	3	10	3	100
year-end 2018:											
Total Assets in € million	5,094	2,732	143	2,778	939	1,064	132	170	482	107	13,641
Workforce (headcount)	3,827	5,069	523	3,281	2,214	4,104	556	204	904	295	20,977

Notes to the condensed financial statements

The financial statements and other reported data in this press release have not been audited.

Accounting policies and presentation

The consolidated financial statements of DSM for the year ended 31 December 2018 are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. These accounting policies are applied in this report. As reported in the Integrated Annual Report 2018, as of January 2019 DSM has also adopted IFRS 16 on 'Leases' using the modified retrospective approach. This resulted in the following impact on DSM's condensed consolidated balance sheet:

<i>in € million</i>	1 January 2019	Change	31 March 2019
Lease liability	215	-9	206
Right of Use ('RoU') assets	215	-9	206

In addition to the balance sheet impact, the nature of expenses related to leases changed as IFRS 16 replaces the operating lease expense with a straight-line depreciation charge for RoU assets, and interest expenses on lease liabilities. The table below summarizes the impact of IFRS 16 on the consolidated income statement for the first quarter of 2019:

<i>in € million</i>	Reported	IFRS 16 impact	Excluding IFRS 16 impact
<u>Adjusted EBITDA</u>	424	12	412
- Nutrition	316	7	309
- Materials	127	1	126
- Innovation	6	1	5
- Corporate Activities	-25	3	-28
Depreciation	145	11	134
Adjusted EBIT	279	1	278
Financial income and expense	-29	-2	-27
Net profit	196	-1	197
EPS	1.10	0.00	1.10
Capital employed	8,907	206	8,701
Average capital employed	8,652	210	8,442
ROCE	12.9%	-0.3%	13.2%
Net debt	414	206	208
<u>Cash flow</u>			
- Operating cash flow	201	12	189
- Payment of lease liabilities in Financing Activities	-12	-12	0

Under IAS 17 operating lease cashflows were presented as operating cash flows, while under IFRS 16, these are now reported as financing cash flows.

Heerlen, 7 May 2019
The Managing Board

Feike Sijbesma, CEO/Chairman
Geraldine Matchett, CFO
Dimitri de Vreeze

Financial calendar

8 May 2019	Annual General Meeting of Shareholders
1 August 2019	Publication of the first half year results of 2019
5 November 2019	Publication of the results of the first nine months of 2019
13 February 2020	Publication of full year 2019 results

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Additional Information

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

DSM - Bright Science. Brighter Living.™

Royal DSM is a global, purpose-led, science-based company active in Nutrition, Health and Sustainable Living. DSM's purpose is to create brighter lives for all. DSM addresses with its products and solutions some of the world's biggest challenges while simultaneously creating economic, environmental and societal value for all its stakeholders - customers, employees, shareholders, and society at large. DSM delivers innovative solutions for human nutrition, animal nutrition, personal care and aroma, medical devices, green products and applications, and new mobility and connectivity. DSM and its associated companies deliver annual net sales of about €10 billion with approximately 23,000 employees. The company was founded in 1902 and is listed on Euronext Amsterdam. More information can be found at www.dsm.com.

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Forward Looking Statements

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. The English language version of the press release is leading.