This presentation outlines how DSM's corporate strategy – DSM in motion: driving focused growth – will be driven through our pharma cluster.

DSM has made considerable progress in addressing the challenges that it faces in both its Anti-Infectives (DAI) and Pharmaceutical Products (DPP) businesses, and has created a solid foundation on which to grow and develop. To accelerate this growth, DSM continues to investigate opportunities in partnering with ambitious companies in the high growth economies.

- The pharmaceutical market in general is struggling with a range of quickening trends and dynamics that question existing business models and are leading to some fundamental changes in the industry.

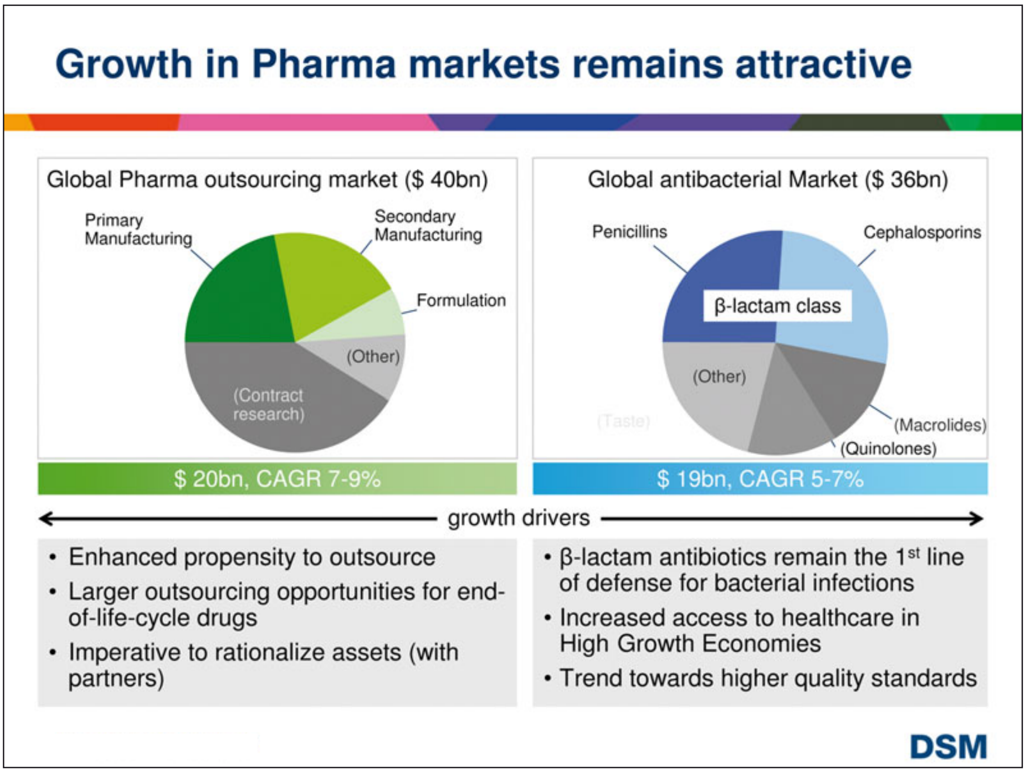
- The patented pharma market's challenges are well documented. It is becoming ever harder to discover new active molecules with sufficient additional patient benefits and an acceptable risk profile – and which the FDA and other regulatory bodies are prepared to approve. This perfect storm of developments is calling into question the 'blockbuster model': costs are rising at the same time as all health service providers – governments or insurance companies – are under enormous pressure to reduce cost. Medicines are becoming an increasing element of healthcare costs, typically accounting for around 10% of total healthcare spend. As a consequence, both governments and insurance companies are looking to save by going 'out to tender' for drug supply contracts, explicitly searching for the lowest cost.

- At the same time, the industry is facing a 'patent cliff': it is estimated that $260bn worth of sales will go 'off patent' in the next 5 years. This is reflected in the steep growth of generic sales in both developing and developed markets, including emerging 'bio-similars'. Latest estimates indicate that generics and bio-similars will rise from 10-12% of global spending on medicines to 15% by 2015.

- The implications of all this are profound. Pharmaceutical companies are consolidating, reviewing their business models and product ranges, and competing to develop increasingly 'niche', narrow spectrum and specialized drugs, often 'difficult to administer' drugs and bio-pharmaceuticals used only in hospitals. Whilst these can be high value, volumes are lower.

- At the same time pharmaceutical companies are also pursuing the opposite: high volume, lower value opportunities in High Growth Economies.

- In response, many Western pharma companies have sought partnerships with low-cost country producers, with whom they can manufacture and market branded generic options, and focus on outsourcing. Also, the general importance of manufacturing and supply chain costs as a source of margin improvement for pharma companies has become much more prominent.

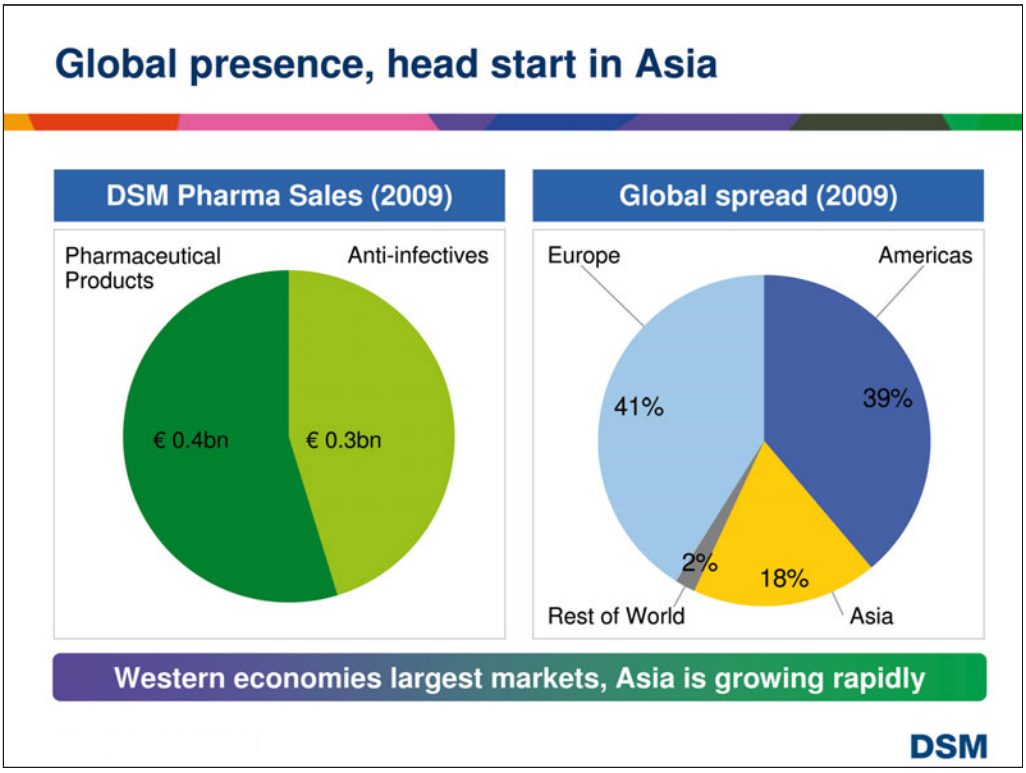


- The changes in the industry present attractive growth opportunities for DSM.

- The intensity of cost pressure and openness to review business models across the industry is likely to mean above-GDP growth in the pharma outsourcing market. We see an increasing trend towards outsourced manufacturing, particularly for drugs nearing their end of (patented) life cycle. The imperative to rationalize assets will lead to greater focus on finding experienced and highly qualified partners to optimize the value chain.

- Anti-infectives are a fast growing class of drugs in the High Growth Economies, with the ß-lactams class – DSM's area of leadership – accounting for more than half of the current $36bn market. As healthcare coverage and quality expands in these countries, DSM sees attractive growth – around 5 – 7% per year – coupled with an increasing focus on quality. DSM is seen as an industry leader with clear market advantages, communicated via the DSM Puractives™ brand.

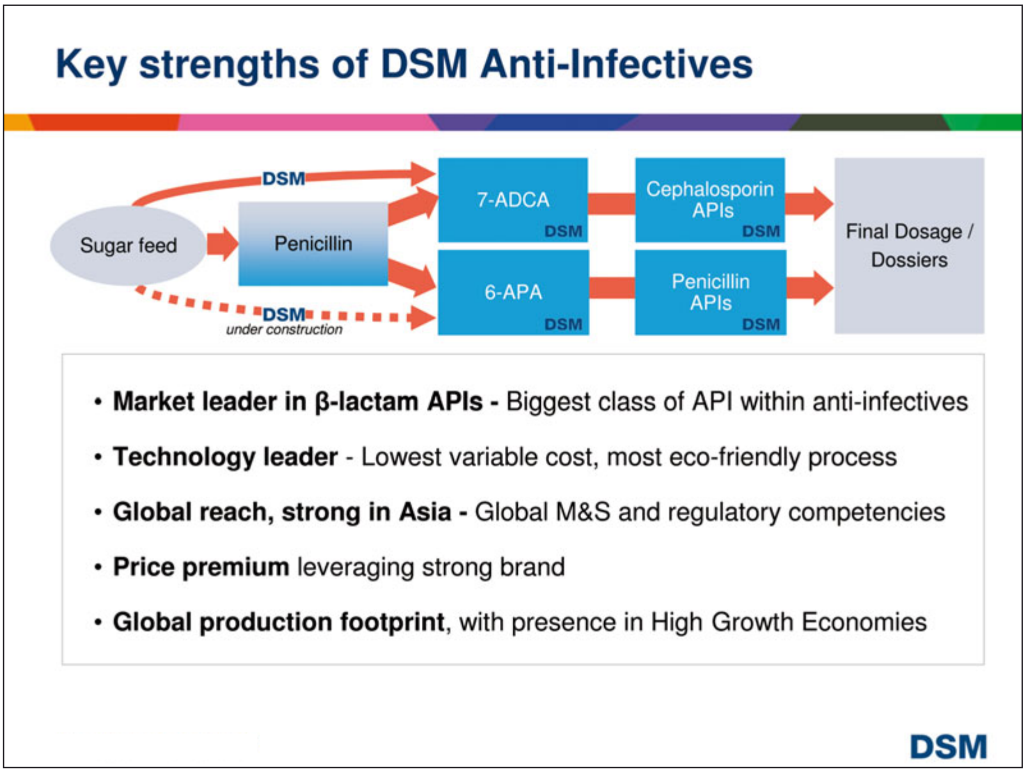
- The DSM Puractives™ brand covers a range of high-quality semi-synthetic penicillins and cephalosporins, produced via innovative enzymatic technology, which consists of Purimox® (Amoxicillin Trihydrate), Purilex® (Cephalexin) and Puridrox® (Cefadroxil).



- DSM's pharma revenue is already disproportionately large in Asia – giving the company a clear head start in the world's fastest growing markets for pharmaceuticals in general, and anti-infectives in particular. This market currently represents only about 6-7% of total global pharmaceutical spend, but is estimated to rise to 20% by 2020 (Source: Credit Suisse/IMS). We are well positioned to take advantage of this.

- DSM has already established a significant footprint in Asia, with its anti-infectives business having two production sites in China and one in India, supported by a network of sales offices.

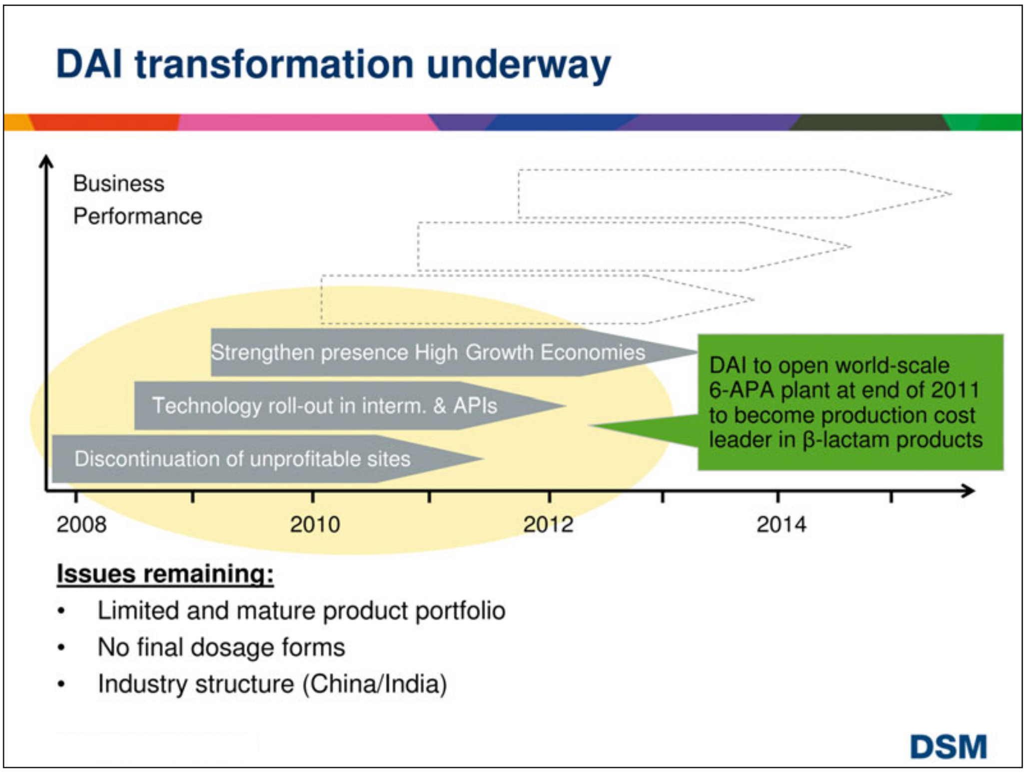
- In total, DSM's Pharma cluster sales of around €700m represents around 8-9% of total DSM revenue in 2009.



- The central tenet of our optimism in anti-infectives is that we are global market leaders in ß-lactams, which are the biggest class of active pharmaceutical ingredients (APIs) in anti-infectives.

- DSM's anti-infectives business does not sell penicillin (PEN), but manufactures, for the most part, ß-lactam intermediates using proprietary biotechnology, which gives DSM leadership in terms of both costs and in sustainability: it reduces energy use and minimizes the need for solvents. Consequently emissions and costs are considerably lower than with conventional technology. The scheduled opening of the new 6-APA plant in China at the end of 2011 will mark the completion of this technology rollout across the entire global production footprint.

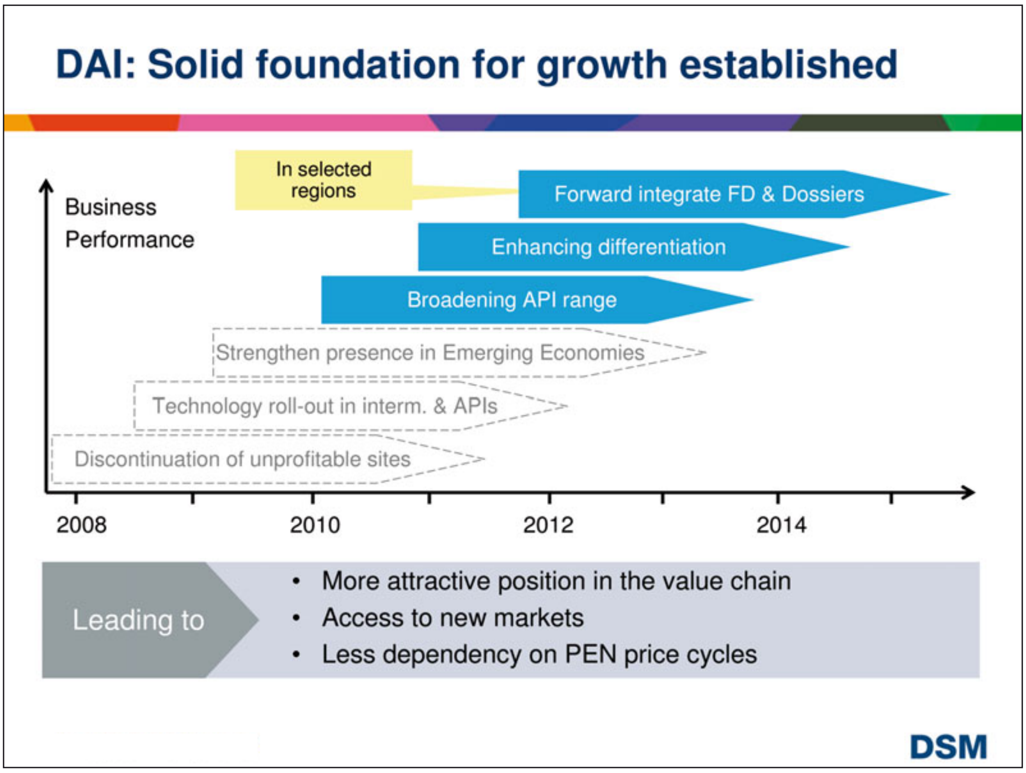
- In combination with high-quality production and a strong commitment to health and safety, this has created a strong brand positioning for DSM in the anti-infectives marketplace.



- Over the past few years, DSM has decisively tackled the challenging issues that were hampering its AI business. The tough but necessary decisions to rationalize the site portfolio have been taken, and by 2011 DSM will have completed shifting its asset base eastwards with the opening of a new 6-APA plant. Not only will this significantly increase DSM Anti-Infectives' exposure to High Growth Economies in line with the DSM corporate strategy, it will also make the business less dependent on external penicillin sources.

- DSM's new plant was granted a permit by the Chinese authorities, despite the fact that there is already over-capacity in China and India, because the authorities recognized that DSM will produce at significantly enhanced sustainability standards compared to some domestic players who are operating older, less efficient and, in some cases, highly polluting plants.

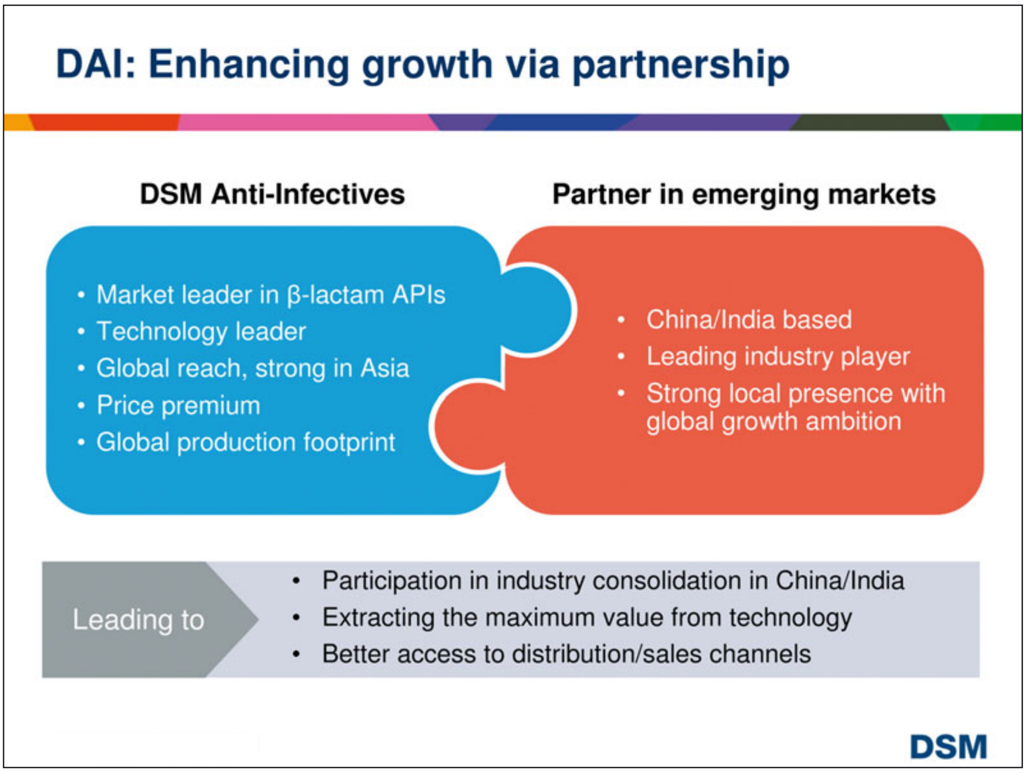
- DSM is aware that, in order to capture the full value of these advances, it also needs to address rejuvenation of its product range, which means that today it is still missing out on significant opportunities. Furthermore, DSM recognizes the need to improve its position in the value chain by expanding into final dosage forms.



- Following DAI's transformation, DSM believes it is ready to grow this business again. Growth will come from market share gains in the present business scope by adding differentiated, higher-value specialty products to the product range: one example is a special grade of Purimox® for direct compression in combination with Clavulanic acid, which means that the customer has significantly fewer steps in making the tablet, and DSM realizes a significant price premium at minimal additional costs. Moreover, DSM will grow its portfolio of APIs and, in certain regions, also forward integrate into final dose (FD) products and, additionally, provide the regulatory approval support (dossiers), that customers need.

- In effect, this means DSM taking a final dosage form all the way through design, testing and approval in certain markets, and then 'white box' (private label) supply that product, to be branded and sold by its customers. Alternatively, approved dossiers will be licensed to third parties.

- As a result, DSM will create a more powerful offering to the marketplace, and, by creating higher value business based on our own penicillin supply, we will be much less exposed to PEN price cycles.

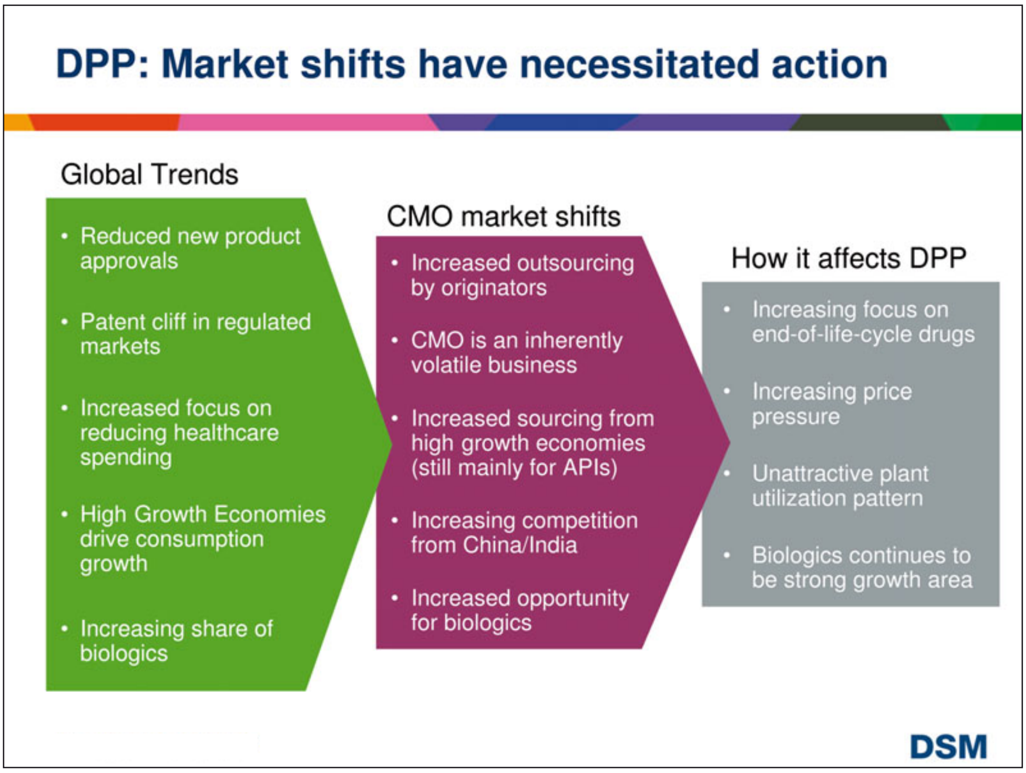


- In 2007, DSM announced that it intended to pursue a partnership strategy for DAI, with a strong focus to strengthen DAI's position in 6-APA and China. After the discontinuation of the partnership discussions with NCPC, DSM has planned and implemented the range of actions outlined previously to improve its business and its intrinsic long-term prospects.

- The result of this work is that DSM's anti-infectives business, complete with the new 6-APA plant in China, could grow successfully under its own steam.

- However, it is still clear that growth and profit improvement in DAI would be accelerated if we were to participate in the inevitable industry consolidation that is beginning in China and India. This would allow us to maximize the value of our technology and grow market share by bringing high-quality, high-value and sustainable products to fast growing markets.

- We therefore continue to seek a partner, and are having purposeful discussions with interested companies in China and India to this effect.



- The same global trends as outlined earlier are also impacting our Pharmaceutical Products business, bringing rapid change to the pharmaceutical outsourcing market. Whilst on the one hand outsourcing is becoming increasingly common, the business remains inherently volatile. Customer demand fluctuates, sometimes quite violently, as they take production back in house seeking to fill their own capacity, or see planned production phases delayed by the FDA or because of other business challenges. The rise of Eastern competitors is particularly keenly felt.

- There has been a sharp increase in outsourced manufacturing to the High Growth Economies, although this has tended to remain at the level of ingredients (now moving towards regulated active ingredients) rather than final dosage products. As a result, a number of new entrants have come into the industry over the past few years.

- Finally, the changing nature of global regulations is creating increased opportunities for bio-similar and bio-better production.

- This market context has fundamental implications for our Pharmaceutical Products business. The biggest opportunities now lie where our pharma customers expect the greatest cost pressure, that is, innovative drugs nearing the end of their patent protection and support in rationalizing supply chains.

Characteristics of DSM Pharmaceutical Products

CMO - final dosage

CMO - Chemicals

Key strengths of CMO Final Dosage/Chemicals

- Well recognized high-quality supplier to leading pharma houses
- Excellent regulatory track record
- Outstanding R&D and manufacturing competencies
- Strong competence in tech-transfer and site/plant/process optimization
- Cost conscious mindset in pharma quality environment

Issues remaining:

- Less attractive cost position
- DPP emphasis mainly on patented drugs
- "Lumpiness" due to CMO business model

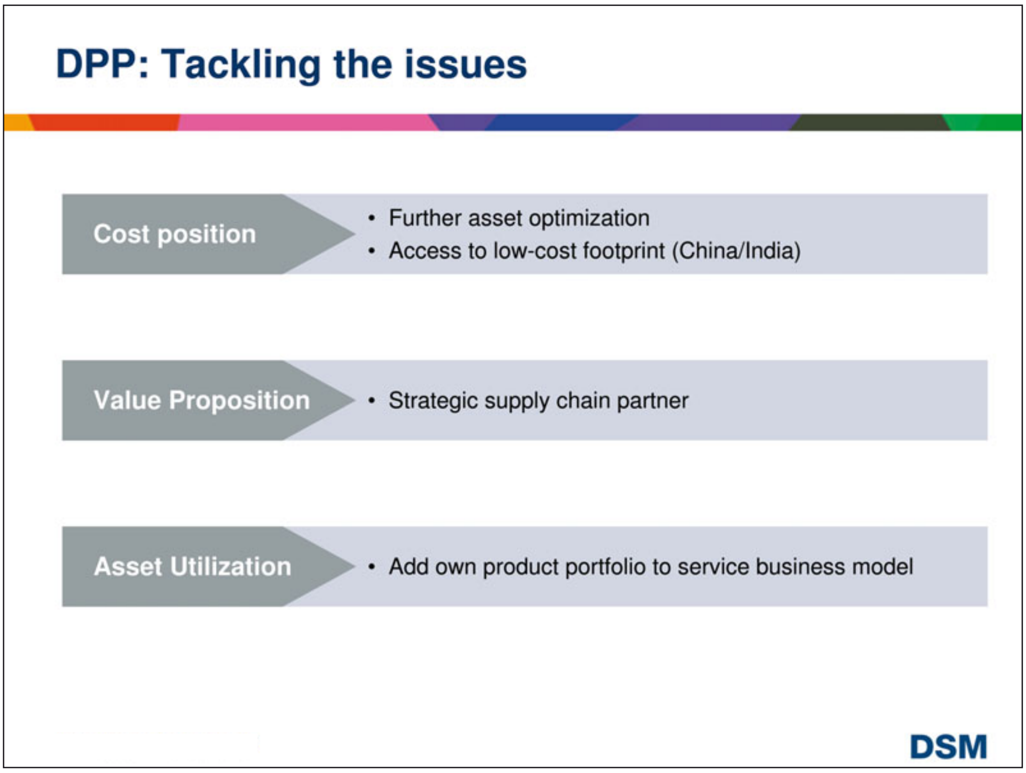
DSM

- Despite the presence of toughening market conditions, DPP retains several key strengths which are important in determining our future strategy.

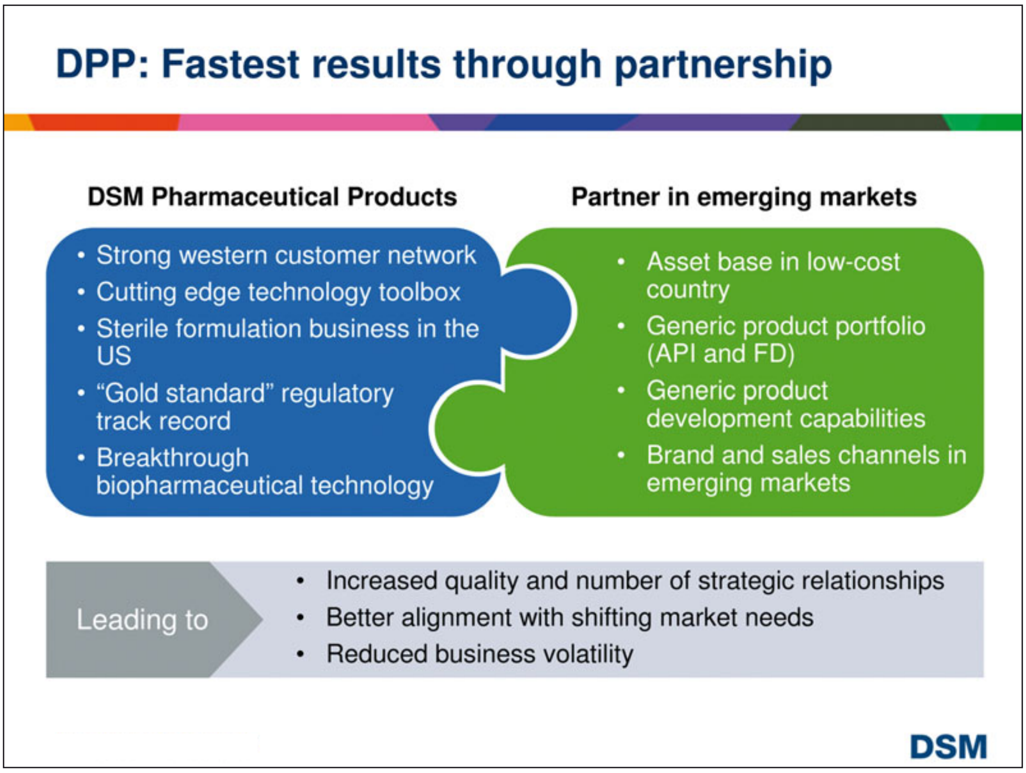
- We are recognized as a trusted and high quality provider, with an excellent track record in regulatory affairs and with outstanding R&D and manufacturing capabilities. More than this, our customers see us as understanding well the intricacies of technology transfer and asset optimization.

- All of these strengths mark us out as a leading player in the outsourcing market able to successfully manage and deliver complex manufacturing solutions – in other words we are now a quality leader in a market that is more driven by cost.

- It is undeniable that DPP's business model (100% contract manufacturing) and cost position is currently out of step with market needs, leading to unsatisfactory results.



- These disadvantages in the marketplace are being determinedly addressed.
- We will further optimize our current assets and re-focus them towards new customer requirements. That essentially means re-balancing towards lower cost assets in the High Growth Economies.
- We have also reviewed our value proposition. Our strength lies in being able to operate as a truly strategic supply chain partner, able to harness a full range of tools and experiences to support our customers.
- The inherent volatility of the CMO business model makes optimizing asset utilization very challenging. In order to address this, DSM intends to significantly expand its range of own products.
- This must be DSM's focus moving forward.



- As with our AI business, DSM believes it will drive positive results most rapidly if it partners with another company which has strengths complementary to its own.

- DSM is in the process of selecting partners who fulfill the criteria of being successful, established players in High Growth Economies, having their own portfolio of generics (across both active ingredients and final dosage) and product development capabilities, and who will bring also the right go-to-market networks. Additionally, such a partnership would help ensure much more optimal use of assets, given the increase in product range.

- The combination of this with DSM's quality and technology, and its Western-based customer network, will ensure that both parties can grow sales via an increased number of relationships and be better prepared to take advantage of the growth in the outsourcing market outlined earlier.

DSM Biologics driving the technology evolution

Key strengths of DSM Biologics

- Most cost-effective manufacturing technology (XD™, Rhobust®)
- Lowest investment plant concept
- DSM biotech heritage

Next steps

- *Technology:* Next generation facility in Australia ("Factory of the future")
- *Biosimilars:* Licensing deals with biosimilar developers
- *CMO:* Focused business development

Capturing the value of unique DSM technology position

DSM

- DSM Biologics is a global provider of manufacturing technology and services to the biopharmaceutical industry. In addition to offering world-class manufacturing services, DSM Biologics also provides and develops technologies relevant for optimized mammalian cell culture processes. A good example is the proprietary XD™ Technology for recombinant proteins and antibodies, which, together with DSM's Rhobust® system for downstream processing, leads to very high yields and reduced manufacturing costs.

- In May 2010 DSM announced a partnership with the Australian Governments (Queensland State Government and the Commonwealth of Australia) to design, build and operate the first major Australia-based mammalian biopharmaceutical manufacturing facility, which will be located in Brisbane.

- This 'factory of the future' is the first of its kind, and will offer commercial-scale mammalian process development and cGMP clinical and commercial manufacturing services, continuing and expanding the services we currently provide out of our small-scale production facility in Groningen (Netherlands). It will be operational in 2013.

- The innovative biologics market in 2010 is estimated to be around $100bn. With a CAGR of around 12%, this extremely fast-growing market is expected to be around $200bn in 2015.

- There are a number of major biologics which are now coming off patent, but at present no regulatory pathway exists for "bio-generics" due to the perceived complexity of product quality control. As a result, an increasing number of countries and regions – including the EU, Australia, Canada, and Japan, with USA expected to follow soon – have established a "bio-similar" registration route, entailing extensive clinical trials for these products. Several bio-similars are already on the market in the EU.

- Market estimates are highly uncertain due to uncertainty in pricing and market acceptance (no substitution at pharmacy allowed): range $2-10bn in 2015 (Source: Credit Suisse/Datamonitor) to >$20bn in 2020.

Strategy implementation

DSM Anti-Infectives

- Building a lowest-cost, world-scale 6-APA plant in China
- Launch of several new APIs
- Development of special grades for existing products
- Forward integration into Final Dosage & Dossiers in selected regions

DSM Pharmaceutical Products

- Establish operating position in India/China
- Integrate offering of APIs & final dosage (FD)
- Obtain own product positions for generic APIs/FDs
- Offer total supply chain solutions
- Build on biologics technology position

Pharma EBITDA margin back towards 15% - 20% range

DSM

Contact:

DSM Investor Relations

P.O. Box 6500, 6401 JH Heerlen, The Netherlands
☏ (+31) 45 578 2864
(+31) 10 45 90275
e-mail: investor.relations@dsm.com
internet: www.dsm.com




visiting address: Het Overloon 1, Heerlen, The Netherlands

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This document may contain forward-looking statements with respect to DSM's future (financial)performance and position. Such statements are based on current expectations, estimates and projections of DSM and information currently available to the company.

Examples of forward-looking statements include statements made or implied about the company's strategy, estimates of sales growth, financial results, cost savings and future developments in its existing business as well as the impact of future acquisitions, and the company's financial position. These statements can be management estimates based on information provided by specialized agencies or advisors.

DSM cautions readers that such statements involve certain risks and uncertainties that are difficult to predict and therefore it should be understood that many factors can cause the company's actual performance and position to differ materially from these statements.

These factors include, but are not limited to, macro-economic, market and business trends and conditions, (low-cost) competition, legal claims, the ability to protect intellectual property, changes in legislation, changes in exchange and interest rates, changes in tax rates, pension costs, raw material and energy prices, employee costs, the implementation of the company's strategy, the company's ability to identify and complete acquisitions and to successfully integrate acquired companies, the company's ability to realize planned disposals, savings, restructuring or benefits, the company's ability to identify, develop and successfully commercialize new products, markets or technologies, economic and/or political changes and other developments in countries and markets in which DSM operates.
As a result, DSM's actual future performance, position and/or financial results may differ materially from the plans, goals and expectations set forth in such forward-looking statements.

DSM has no obligation to update the statements contained in this document, unless required by law. The English language version of this document is leading.

A more comprehensive discussion of the risk factors affecting DSM's business can be found in the company's latest Annual Report, a copy of which can be found on the company's corporate website, **www.dsm.com**

Abbreviation	Explanation
3P	Triple P (People, Planet, Profit)
6-APA	6-amino-penicillanic acid
ACN	Acrylonitrile
Acq.	acquisition
7-ADCA	7-amino-deacetoxycephalosporanic acid
AGM	Annual General Meeting of Shareholders
AM	Advanced Manufacturing
ANH	Animal Nutrition & Health
API	Active pharmaceutical ingredients
BF	Bio-Fuel
bn	billion
bps	Basis Points
BC&M	Base Chemicals and Materials
BoP	Base of the Pyramid
CAGR	Compound Annual Growth Rate
CAPEX	Capital Expenditures
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CFROI	Cash Flow Return On Investment
cGMP	current good manufacturing practice
CHF	Swiss Franc
CMO	Contract Manufacturing Outsourcing
COS	Cost of Sales
DAI	DSM Anti-Infectives
DBM	DSM BioMedical
DBPS	DSM Bio-based Products & Services
DD	DSM Dyneema
DEC	DSM Expert Center
DEP	DSM Engineering Plastics
DFI	DSM Fibre Intermediates
DFS	DSM Food Specialties
Divest.	Divestment
DJSI	Dow Jones Sustainability Indexes
DNP	DSM Nutritional Products
DPP	DSM Pharmaceutical Products
DR	DSM Resins
E&E	Electrical & Electronic Industry
EBA	Emerging Business Area
EBIT	Earnings before Interest and Taxes
EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortization
ECO+	The Greenhouse Dialogue
EDPM	Ethylene Propylene Diene Monomer
EPS	Earnings per Share
EU	European Union
adj. FfO	Adjusted Funds from Operations
FD	Finished dosage / final dose
FDA	Food and Drugs Administration
FOOP	Fixed Out of Pocket costs
FX	Foreign Exchange (exchange rates)
G&A	General and Administrative
GDP	Gross Domestic Product
GHG	Greenhouse Gas
GRI	Global Reporting Initiative
GUR	Global Utilization Rate
HNH	Human Nutrition & Health
ICT	Information and Communication Technology
Inno center	Innovation Center
IFRS	International Financial Reporting Standards
IP	Intellectual property
JV	Joint Venture
kt	kiloton
KPI	Key Performance Indicators
LATAM	Latin America
LS&MS	Life Sciences and Materials Sciences
m	million
M&A	Merger & Acquisitions
M&S	Marketing and Sales
MB	Managing Board
MCC	Mitsubishi Chemical Corporation
NCPC	North China Pharmaceutical Corporation
NPC	Nylon Polymer Company LLC
OWC	Operating Working Capital
p/a	per annum
PA6	Polyamide 6
PBT	Polybutylene terephtalate
PEN	Penicillin
PET	Polyethene terephtalate
PTG	The Polymer Technology Group
P&L	Profit and Loss
R&D	Research and Development
ROCE	Return on Capital Employed
SBB	Share Buy-Backs
TPV	Thermoplastic Vulcanizate
Triple P	Triple P (People, Planet, Profit)
TSR	Total Shareholder Return
UD	Unidirectional
UHMwPE	Ultra-High Molecular Weight Polyethylene
US	United States (of America)
USA	United States of America
USD	United States Dollar
US$	United States Dollar
WACC	Weighted average cost of capital
WTO	World trade Organization