

DSM Composite Resins
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20th July 2007

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DSM announces price increase on all products related to higher Feedstock and raw material costs.

Schaffhausen, July 20, 2007 – DSM Composite Resins, Europe's largest unsaturated polyester resin producer, is increasing the prices of all its unsaturated polyester resin and gelcoat products for shipments on or after September 1st, 2007. All unsaturated polyester resin and gelcoat products will be increased with 100 Euro/ton.

Gertjan de Koning, Business Director DSM Composite Resins Europe, states that raw material prices will increase significantly more than expected in Q4 2007, to a large extent caused by the extreme tightness in supply from the main raw materials suppliers. With limited additional capacity coming on stream in the near future, combined with a strong growing demand in UPR, even minor disruptions cause major disturbance in this fine balance. Alternative supply then becomes costly. Because of its excellent long-term relationship with raw material suppliers, DSM has been able so far to fulfill all of its increased need for feedstock. In addition record prices on crude oil, feedstock to our suppliers, although temporary offset by favourable Euro/Dollar exchange rate are expected to continue rising both short and long term.

DSM Composite Resins would like to confirm to our loyal customers that we remain fully committed to the composite industry. "As I stated previously, it is important our customers understand the gravity of the current situation", continues de Koning, "these market conditions are a continuing trend, reinforced by the fast growing composites industry, even outpacing our planned production capacity increases, leading to additional tightness in supply."

We are advising our customers to contact their account manager for further information.

About DSM

DSM is active worldwide in nutritional and pharma ingredients, performance materials and industrial chemicals. The company creates innovative products and services that help improve the quality of life. DSM's products are used in a wide range of end markets and applications such as human and animal nutrition and health, cosmetics, pharmaceuticals, automotive and transport, coatings, housing and electrics & electronics (E&E). DSM's strategy, named Vision 2010 – Building on Strengths, focuses on accelerating profitable and innovative growth of the company's specialties portfolio. Market-driven growth, innovation and increased presence in emerging economies are key drivers of this strategy. The group has annual sales of over EUR 8 billion and employs some 22,000 people worldwide. DSM ranks among the global leaders in many of its fields. The company is headquartered in the Netherlands, with locations in Europe, Asia, Africa and the Americas. More information can be found on www.dsm.com.

For more information:

DSM Composite Resins

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