

# Financial statements 2007

## DSM figures: five-year summary

### Balance sheet

x € million	2007 <sup>1</sup>	2006 <sup>1</sup>	2005 <sup>1</sup>	2004 <sup>1</sup>	2004	2003
<b>Assets</b>						
Intangible assets	1,037	1,008	1,003	453	369	405
Property, plant and equipment	3,440	3,655	3,750	3,811	3,809	4,188
Deferred tax assets	346	496	533	492	-	-
Prepaid pension costs	1,169	918	478	166	-	-
Associates	20	26	43	78	491	371
Other financial assets	126	100	189	82	-	-
<b>Non-current assets</b>	<b>6,138</b>	<b>6,203</b>	<b>5,996</b>	<b>5,082</b>	<b>4,669</b>	<b>4,964</b>
Inventories	1,547	1,515	1,535	1,348	1,347	1,474
Receivables	1,687	1,739	1,597	1,556	1,669	1,746
Financial derivatives	83	79	36	244	-	-
Current investments	4	3	5	6	4	4
Cash and cash equivalents	369	552	902	1,261	1,247	1,212
	<b>3,690</b>	<b>3,888</b>	<b>4,075</b>	<b>4,415</b>	<b>4,267</b>	<b>4,436</b>
Assets held for sale	-	-	43	-	-	-
<b>Current assets</b>	<b>3,690</b>	<b>3,888</b>	<b>4,118</b>	<b>4,415</b>	<b>4,267</b>	<b>4,436</b>
<b>Total assets</b>	<b>9,828</b>	<b>10,091</b>	<b>10,114</b>	<b>9,497</b>	<b>8,936</b>	<b>9,400</b>
<b>Equity and liabilities</b>						
Royal DSM N.V. Shareholders' equity	5,310	5,784	5,501	4,668	4,812	4,918
Minority interests	73	71	67	22	22	43
<b>Equity</b>	<b>5,383</b>	<b>5,855</b>	<b>5,568</b>	<b>4,690</b>	<b>4,834</b>	<b>4,961</b>
Deferred tax liabilities	344	383	219	134	-	-
Employee-benefits liabilities	273	304	383	378	-	-
Provisions	170	188	166	284	874	901
Borrowings	1,560	907	1,381	1,497	1,045	1,505
Other non-current liabilities	35	44	53	60	-	-
<b>Non-current liabilities</b>	<b>2,382</b>	<b>1,826</b>	<b>2,202</b>	<b>2,353</b>	<b>1,919</b>	<b>2,406</b>
Employee-benefits liabilities	9	21	23	39	-	-
Provisions	91	127	220	219	-	-
Borrowings	192	607	329	527	543	382
Financial derivatives	42	41	65	59	-	-
Other current liabilities	1,729	1,614	1,699	1,610	1,640	1,651
	<b>2,063</b>	<b>2,410</b>	<b>2,336</b>	<b>2,454</b>	<b>2,183</b>	<b>2,033</b>
Liabilities held for sale	-	-	8	-	-	-
<b>Current liabilities</b>	<b>2,063</b>	<b>2,410</b>	<b>2,344</b>	<b>2,454</b>	<b>2,183</b>	<b>2,033</b>
<b>Total equity and liabilities</b>	<b>9,828</b>	<b>10,091</b>	<b>10,114</b>	<b>9,497</b>	<b>8,936</b>	<b>9,400</b>
Capital employed	5,982	6,303	6,221	5,558	5,554	6,162
Capital expenditure:						
- Intangible assets and property, plant and equipment	475	457	401	348	334	433
- Acquisitions	93	44	573	0	0	1,561
Disposals	52	165	222	28	28	17
Depreciation and amortization	424	451	567	613	632	516
Net debt <sup>2</sup>	1,338	921	832	339	337	671
Ratios <sup>2</sup>						
- Net sales / average capital employed	1.43	1.34	1.34	1.34	1.32	1.21
- Current assets / current liabilities	1.78	1.61	1.76	1.80	1.95	2.18
- Equity / total assets	0.55	0.58	0.55	0.49	0.54	0.53
- Gearing (net debt / equity plus net debt)	0.20	0.14	0.13	0.07	0.07	0.12

1 After the change to IFRS as primary basis of accounting. The figures for previous periods were prepared in accordance with NL GAAP.

2 To enhance comparability the net debt and ratios for 2004 do not include the impact of the temporary reclassification of cumulative preference shares A.

<b>Income statement</b>						
x € million	2007 <sup>1</sup>	2006 <sup>1</sup>	2005 <sup>1</sup>	2004 <sup>1</sup>	2004	2003
Net sales	8,757	8,380	8,195	7,832	7,752	6,050
Operating profit plus depreciation and amortization (EBITDA)	1,247	1,274	1,311	1,067	1,013	723
Operating profit (EBIT)	823	834	808	562	489	294
Net finance costs	(75)	(81)	(70)	(56)	(51)	(31)
Income tax expense	(183)	(198)	(180)	(103)	(98)	(49)
Share of the profit of associates	(2)	1	(2)	9	8	5
<b>Net profit before exceptional items</b>	<b>563</b>	<b>556</b>	<b>556</b>	<b>412</b>	<b>348</b>	<b>219</b>
Net profit from exceptional items	(129)	(4)	(36)	(142)	(97)	(94)
<b>Profit for the year</b>	<b>434</b>	<b>552</b>	<b>520</b>	<b>270</b>	<b>251</b>	<b>125</b>
Profit attributable to minority interests	(5)	(5)	7	23	11	14
Net profit attributable to equity holders of Royal DSM N.V.	<b>429</b>	<b>547</b>	<b>527</b>	<b>293</b>	<b>262</b>	<b>139</b>
Net profit attributable to holders of cumulative preference shares	(10)	(10)	(16)	(22)	(22)	(22)
Net profit used for calculating earnings per share	<b>419</b>	<b>537</b>	<b>511</b>	<b>271</b>	<b>240</b>	<b>117</b>
Workforce at 31 December (x 1000)	23	22	22	24	24	26
Employee-benefits costs (x € million)	1,389	1,332	1,385	1,411	1,487	1,215
Percentage ratios:						
- EBIT / net sales	9.4	10.0	9.9	7.2	6.3	4.9
- CFROI	8.3	8.5	9.1	8.1	7.6	5.8
- Net profit / average Royal DSM N.V. shareholders' equity available to holders of ordinary shares	7.9	9.9	10.1	5.8	5.3	2.5
EBITDA / net finance costs	16.6	15.7	18.7	19.1	19.9	23.3
Dividend (x € million)	214	197	207	190	190	188

<sup>1</sup> After the change to IFRS as primary basis of accounting, including discontinued operations. The figures for previous periods were prepared in accordance with NL GAAP.

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## DSM figures: five-year summary

### Information about ordinary DSM shares <sup>1</sup>

Per ordinary share in €	2007 <sup>2</sup>	2006 <sup>2</sup>	2005 <sup>2</sup>	2004 <sup>2</sup>	2004	2003
Net profit before exceptional items	3.07	2.85	2.82	2.09	1.76	1.11
Net profit	2.35	2.83	2.68	1.41	1.25	0.62
Cash flow	5.56	5.21	5.65	4.52	3.99	2.88
Royal DSM N.V. Shareholders' equity	30.42	30.03	27.59	25.19	23.86	23.86
Dividend:	1.20 <sup>3</sup>	1.00	1.00	0.875	0.875	0.875
- Interim dividend	0.33	0.33	0.29	0.290	0.290	0.290
- Final dividend	0.87	0.67	0.71	0.585	0.585	0.585
Pay-out including dividend on cumulative preference shares as % of net profit before exceptional items	35%	38%	33%	45%	53%	81%
Dividend yield (based on average price of an ordinary DSM share)	3.3%	2.9%	3.4%	4.3%	4.3%	4.5%
Share prices on Euronext Amsterdam:						
- Highest price	39.87	39.70	35.22	23.85	23.85	22.50
- Lowest price	31.63	28.58	23.07	17.88	17.88	15.65
- At 31 December	32.33	37.43	34.50	23.81	23.81	19.52
(x 1000)						
Number of ordinary shares outstanding:						
- At 31 December	166,897	184,850	190,923	191,957	191,957	191,537
- Average	178,541	189,550	190,783	191,617	191,617	189,430
Daily trading volumes on Euronext Amsterdam:						
- Average	1,590	1,301	1,063	1,014	1,014	1,126
- Lowest	94	267	238	26	26	130
- Highest	11,347	5,268	6,563	6,494	6,494	6,540

1 On 5 September 2005 DSM effected a share split on a two-for-one basis (two shares for one old share) in order to increase the liquidity of the DSM share. The data regarding the number of shares and earnings per share in the overview have been presented as if the splitting of the ordinary DSM shares had taken place prior to all periods presented.

2 After the change to IFRS as primary basis of accounting. The figures for previous periods were prepared in accordance with NL GAAP

3 Subject to approval by the Annual General Meeting of Shareholders.