

Information about the DSM share

Shares and listings

Ordinary shares in Royal DSM N.V. are listed in NL 00983 on the Euronext stock exchange in Amsterdam, the Netherlands (Stock code 00982, ISIN code NL0000009827).

Options on ordinary DSM shares are traded on the European Option Exchange in Amsterdam, the Netherlands (Euronext.liffe).

In the United States a sponsored unlisted American Depositary Receipts (ADR) program is offered by Citibank NA (Cusip 780249108), with four ADRs representing the value of one ordinary DSM share.

Besides the ordinary shares, 44.04 million cumulative preference shares A are in issue, which are not listed on the stock exchange; these have been placed with institutional investors. The cumprefs A have the same voting rights as ordinary shares, as their nominal value of €1.50 per share is equal to the nominal value of the ordinary shares.

Transfer of the cumprefs A requires the approval of the Managing Board, unless the shareholder is obliged to transfer his shares to a previous shareholder by virtue of the law.

The information referred to in the Resolution of 5 April 2006 regarding the implementation of article 10 of Directive 2004/25/EC of the European Parliament and the Council of the European Union pertaining to a takeover bid is given in this section of the annual report (insofar as it is relevant to this section) and in the following places elsewhere in the report: the Corporate governance section starting on page 77, notes 17 (page 117), 19 (page 120) and 27 (page 134 to the financial statements and the Other information section starting on page 147).

Share buy-back program

On 27 September 2006 DSM announced a share buy-back program with a total value of €750 million as a main building block to realize the desired balance sheet structure in the framework of the *Vision 2010* strategy. In 2006 the company had purchased a total of 6,700,000 shares under the first phase of this program for a total consideration of €242.1 million. On 27 April 2007, the company initiated the second phase of the program. During this second phase the company bought 13,828,008 shares for a consideration of €507.9 million. The second phase, and hence the first program, was completed on 10 September 2007.

As resolved by the Annual General Meeting of Shareholders on 29 March 2006 and 28 March 2007, the shares bought back under the above program were cancelled. This means that DSM cancelled 20,528,008 shares in 2007.

On 27 September 2007 DSM announced a second share buy-back program, identical to the program launched in 2006. The first phase of this second program started on 1 October 2007 and continued until 12 December 2007. During this phase the company bought 6,855,000 shares for a total consideration of €250 million. The remainder of the program will be executed in 2008, subject to the approval of the Annual Meeting of Shareholders in March 2008. The company will only cancel shares bought under the second program if the 10% shareholding threshold for own shares is exceeded, to keep flexibility for major acquisitions. In addition, of course, we may halt the buy-back at any time, if a major acquisition needs financing.

The total number of ordinary DSM shares outstanding decreased by 17,952,977 in 2007 as a result of the share buy-back programs. On 31 December the company had 166,896,860 shares outstanding.

The average number of ordinary shares outstanding in 2007 was 178,540,706. All shares in issue are fully paid.

Dividend Re-Investment Plan for shareholders of Royal DSM N.V.

ABN AMRO Bank NV offers DSM's shareholders the option of participating in a Dividend Re-Investment Plan (DRIP). By participating in this plan, DSM shareholders are able to directly reinvest their net dividends in additional DSM shares.

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Development of the number of ordinary DSM shares

	Issued	Repurchased	Outstanding
Balance at 31 December 2006	201,953,008	17,103,171	184,849,837
Changes:			
Reissue of shares in connection with exercise of option rights	-	(2,730,031)	2,730,031
Repurchase of own shares	-	20,683,008	(20,683,008)
Cancellation of own shares	(20,528,008)	(20,528,008)	-
Balance at 31 December 2007	181,425,000	14,528,140	166,896,860
Average number of shares outstanding		178,540,706	
DSM share prices on Euronext Amsterdam (€ per ordinary share):			
Highest closing price		39.87	
Lowest closing price		31.63	
At 31 December		32.33	

Distribution of shares

Under the Dutch Major Holdings Disclosure Act, shareholdings of 5% or more in any Dutch company must be disclosed to the Netherlands Authority for the Financial Markets (AFM). According to the register kept by the AFM the following shareholders had disclosed that they owned between 5 and 10% of DSM's total share capital on 1 January 2008:

- Fortis Utrecht N.V.
- Barclays Global Investors
- ING Groep N.V.
- Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A.
- Aviva plc

Issue of shares

The issue of shares takes place by a decision of the Managing Board. The decision is subject to the approval of the Supervisory Board. The scope of this power of the Managing Board shall be determined by a resolution of the General Meeting of Shareholders and shall relate to at most all unissued shares of the authorized capital, as applicable now or at any time in the future. In the Annual General Meeting of Shareholders of 28 March 2007 this power was extended up to and including 28 September 2008, on the understanding that

- in the case of the issue of ordinary shares this authorization of the Managing Board will be limited to a number of shares with a nominal value amounting to 10% of the issued capital, and to an additional 10% of the issued capital if the issue takes place within the context of a merger or acquisition, and
- in the case of the issue of preference shares this authorization

of the Managing Board will relate to all non-issued preference shares of the authorized capital at the level at which it now stands or may stand at any future time.

Repurchase of own shares

The company may acquire paid-up own shares by virtue of a decision of the Managing Board, provided that the par value of the shares in its capital amounts to no more than one tenth of the issued capital. Such a decision is subject to the approval of the Supervisory Board. In the Annual General Meeting of Shareholders of 28 March 2007 the Managing Board was authorized to acquire own shares for a period of 18 months from said date.

DSM Managing Board members' holdings in DSM shares

In October 2007, after the announcement of the acceleration of *Vision 2010*, all DSM Managing Board members privately invested in DSM shares. The cumulative holdings of the five board members increased in 2007 from 1,836 to 12,036 shares.

Board member	Holdings on 31 December 2006	Holdings on 31 December 2007
Feike Sijbesma	-	2,500
Jan Zuidam	1,836	2,336
Rolf-Dieter Schwalb	-	2,500
Nico Gerardu	-	2,500
Stephan Tanda	-	2,200

These shareholdings serve as a long-term investment in the company.

Geographical spread of DSM shares (excl. cumprefs A)

In %	2007	2006
Netherlands	39	32
North America	16	13
Belgium / Luxembourg	6	14
France	4	3
United Kingdom	18	30
Germany	6	1
Switzerland	4	4
Other countries	7	3

DSM share

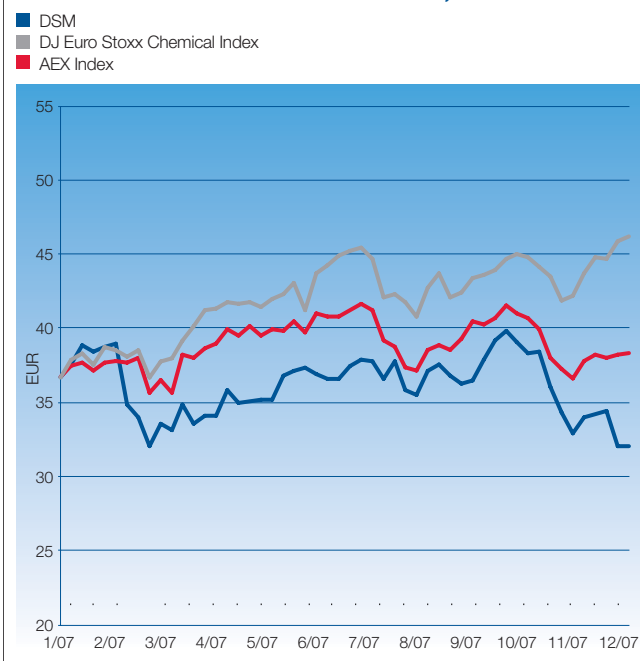
The year 2007 was a turbulent one for stock markets worldwide. The development of the DSM share was no exception. After considerable outperformance in most of the recent years, the DSM share departed from this pattern in 2007.

In February 2007 the company gave a full-year guidance that, according to analysts, disappointed the market. The share price fell 10.6% on the day of the announcement but showed recovery in the weeks thereafter.

After the company raised its outlook twice, the recovery gained further momentum. After the announcement of the acceleration of the *Vision 2010 – Building on Strengths* strategy in September, the share price reached a record for the year of €39.95 on 10 October 2007.

In the last few months of the year the DSM share – in line with the broader market – came under pressure. DSM closed 2007 at €32.33.

DSM share price development versus AEX and Dow Jones Euro Stoxx Chemical Index, 2007



Trading volumes DSM shares 2007

