

We submit the financial statements to the Annual General Meeting of Shareholders, and propose that the shareholders adopt them and discharge the Managing Board from all liability in respect of its managerial activities and the Supervisory Board from all liability in respect of its supervision of the Managing Board. The profit appropriation as approved by the Supervisory Board is presented on page 89 of this report.

The acquisition of NeoResins, which will substantially strengthen the Performance Materials cluster, means that DSM has now achieved most of the strategic goals set out in *Vision 2005: Focus and Value*, and represents the final step in the group's transformation into a specialty company.

In the light of the difficulties encountered by the Life Science Products cluster and the further decline in the value of the dollar on the one hand, and the improvement in profits that has been achieved thanks in part to a range of major restructuring measures, the significantly improved performances posted by the Performance Materials and Industrial Chemicals clusters and the strong contribution from DSM Nutritional Products on the other hand, the group's profit for 2004 is a good step forward.

The Supervisory Board wishes to express its appreciation for the achievements and efforts of the Managing Board and all employees.

Heerlen, 16 February 2005

THE SUPERVISORY BOARD

Cor Herkströter, chairman
Henk Bodt, deputy chairman
Ewald Kist
Okko Müller
Enrique Sosa
Ceas van Woudenberg

CORPORATE ORGANIZATION

SUPERVISORY BOARD

COR A. HERKSTRÖTER (1937, m), CHAIRMAN

First appointed: 2000. End of current term: 2008.

Position: retired; last position held: President of Koninklijke Nederlandsche Petroleum Maatschappij N.V. and Chairman of the Committee of Managing Directors of Royal Dutch/Shell Group.

Nationality: Dutch.

Supervisory directorships and other positions held: chairman of the Supervisory Board of the ING Group, chairman of the Advisory Committee on the Listing and Issuing Rules of Euronext Amsterdam N.V., trustee of the International Accounting Standards Committee Foundation (IASCF), professor of International Management at the University of Amsterdam, chairman of the Board of Trustees of the Erasmus University (Rotterdam), chairman of the Social Advisory Council of the Tinbergen Institute, member of the Advisory Council of Robert Bosch.

HENK BODT (1938, m), DEPUTY CHAIRMAN

First appointed: 1996. End of current term: 2008.

Position: retired; last position held: Executive Vice President of Philips Electronics N.V.

Nationality: Dutch.

Supervisory directorships and other positions held: member of the Supervisory Boards of ASM Lithography N.V., Neopost SA and Delft Instruments N.V.

EWALD KIST (1944, m)

First appointed: 2004. End of current term: 2008.

Position: retired; last position held: Chairman of the Managing Board of the ING Group.

Nationality: Dutch.

Supervisory directorships and other positions held: member of the Supervisory Boards of De Nederlandsche Bank N.V., Philips Electronics N.V. and Moody's Investor Services, member of the Board of Governors of the Peace Palace in The Hague (the Netherlands).

OKKO MÜLLER (1936, m)

First appointed: 1994. End of current term: 2005.

Position: retired; last position held: member of the Managing Boards of Unilever N.V. and Unilever PLC.

Nationality: German.

Supervisory directorships and other positions held: Chairman of the Supervisory Board of Unilever Deutschland Holding GmbH.

ENRIQUE J. SOSA (1940, m)

First appointed: 2000. End of current term: 2008.

Position: retired; last position held: President of BP Amoco Chemicals.

Nationality: US.

Supervisory directorships and other positions held: member of the Board of FMC Corporation, member of the Board of Amtrak Reform and member of the Board of Pediatrix Health Systems Inc.

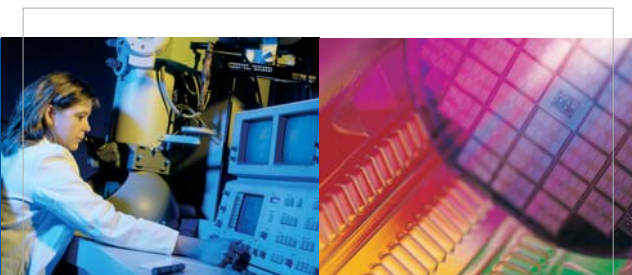
CEES VAN WOUDENBERG (1948, m)

First appointed: 1998. End of current term: 2006.

Position: member of the KLM Managing Board.

Nationality: Dutch.

Supervisory directorships and other positions held: member of the Supervisory Boards of Transavia CV, Mercurius Group Wormerveer



Electronics and IT equipment

B.V. and Coöperatieve Vereniging Verenigde Bloemenvailing Aalsmeer B.A., member of the management committee of the Confederation of Netherlands Industry and Employers (VNO-NCW); chairman of the Dutch employers' association AWWN (with effect from 1 April 2005).

MANAGING BOARD

PETER A. ELVERDING (1948, m), CHAIRMAN

Position: chairman of DSM's Managing Board since July 1999; member of the Managing Board since October 1995.

Nationality: Dutch.

Supervisory directorships and other positions held: chairman of the European Chemical Industry Council (CEFIC), member of the Board of the American Chemical Council (ACC), member of the Supervisory Board of N.V. Nederlandse Gasunie and chairman of the Committee of Delegate Members of the Supervisory Board of N.V. Nederlandse Gasunie, vice-chairman of the Supervisory Board of De Nederlandsche Bank N.V., member of the Supervisory Board of VNU N.V., treasurer of the General Council of the Confederation of Netherlands Industry and Employers (VNO-NCW), chairman of the management committee of Stichting Management Studies; member of the Board of Trustees of the University of Maastricht and the Transnational University of Limburg and chairman of the Supervisory Board of the SRL-Associated Rehabilitation Centres in Limburg.

e-mail: peter.elverding@dsm.com

JAN ZUIDAM (1948, m), DEPUTY CHAIRMAN

Position: deputy chairman of DSM's Managing Board since January 2001; member of the Managing Board since January 1998.

Nationality: Dutch.

Supervisory directorships and other positions held: member of the Supervisory Board and the Committee of Delegate Members of the Supervisory Board of N.V. Nederlandse Gasunie, member of the Supervisory Board of Gamma Holding N.V., vice-chairman of the Dutch Chemical Industry Association (VNCI), chairman of the Supervisory Board of the ORBIS medicare group, chairman of the Netherlands Forum for Technology and Science; member of the Supervisory Board of the Bonnefanten Museum in Maastricht (the Netherlands), chairman of the Technology Committee of the Confederation of Netherlands Industry and Employers (VNO-NCW).

e-mail: jan.zuidam@dsm.com

JAN DOPPER (1947, m)

Position: member of DSM's Managing Board since July 1999.

Nationality: Dutch.

Supervisory directorships and other positions held: member of the Social Council of the Order of Organization Consultants (O.A.A.), board member of Stichting Techniek & Marketing (STEM), vice-chairman of the Dutch and Japanese Trade Federation (DUJAT), member of the Industrial Advisory Council of the Dutch Energy Research Centre (ECN), member of the Research & Science Board of the European Chemical Industry Council (CEFIC).

e-mail: jann.dopper@dsm.com

HENK VAN DALEN (1952, m)

Position: member of DSM's Managing Board since January 2000.

Nationality: Dutch.

Supervisory directorships and other positions held: member of the Supervisory Board of Macintosh Retail Group N.V., member of the Steering Committee of the Dutch Energy Efficiency Benchmarking Covenant on behalf of the Dutch chemical industry, chairman of the

Advisory Council of the Dutch Federation of Rubber and Plastics Industries (NRK), member of the Supervisory Board of Stichting Verpakking en Milieu Pact (SVM) (on behalf of the Dutch polymer sector), board member of the Foundation for Responsible Entrepreneurship (SVA), member of the Board of Advisors of AIESEC Nederland, chairman of the Board of Governors of the Autism Society of the Netherlands (NVA), member of 'Ambassadeurs-netwerk', a council set up by the Dutch government to promote women's participation in governance and leadership.

e-mail: henk.dalen-van@dsm.com

FEIKE SIJBESMA (1959, m)

Position: member of DSM's Managing Board since July 2000.

Nationality: Dutch.

Supervisory directorships and other positions held: chairman of the Board and the Executive Committee of EuropaBio (European Association for Biotech Industries), board member of the Wageningen Centre for Food Sciences (WCFS), member of the Boards of Trustees of the University of Utrecht and the Dutch Genomics Initiative, member of the board of the Dutch Food Chain Sustainability Foundation (DuVo) and member of the Board of the Swiss Chemical Association (SGCI).

e-mail: feike.sijbesma@dsm.com

OTHER CORPORATE OFFICERS

Corporate Secretary

Paul Fuchs (1946)

DIRECTORS OF BUSINESS GROUPS

DSM Fine Chemicals	Jan Wolters (1943)
DSM Pharmaceutical Products	Leendert Staal (1950)
DSM Anti-Infectives	Nico Gerardu (1951)
DSM Food Specialties	Rob van Leen (1957)
DSM Bakery Ingredients	Bert Jongejan (1952)
DSM Elastomers	Ben van Kooten (1951)
DSM Engineering Plastics	Jos Goessens (1951)
DSM Coating Resins	Don Verstegen (1944)
DSM Composite Resins	Jan Paul de Vries (1958)
DSM Fibre Intermediates	Bill Price (1944)
DSM Melamine	Hans Dijkman (1948)
DSM Agro	Renso Zwiers (1955)
DSM Energy	Frank Choufoer (1951)
DSM Venturing & Business Development	Henk Numan (1949)

DIRECTORS OF CORPORATE DEPARTMENTS

Finance & Economics	Arnold Gratama van Andel (1946)
Human Resources	Ben van Dijk (1951)
Planning & Development	Hein Schreuder (1951)
Chief Technology Officer	Emmo Meijer (1951)
Safety, Health, Environment & Manufacturing	John Prooi (1946)
DSM Nederland BV / DSM Industrial Services	Just Fransen van de Putte (1943)
Chief Information Officer	Jo van den Hanenberg (1947)
Research & Engineering	Hans van Suijdam (1950)
Communications	Bernard van Schaik (1951)
Energie Beheer Nederland	Rob Atsma (1946)
President of DSM China	Stefan Sommer (1959)
Chief Purchasing Officer	Ton Trommelen (1950)
Legal Affairs	Pieter de Haan (1954)
Operational Audit	Roelof Mulder (1946)

For an overview of the directors of DSM Nutritional Products see page 27.