

Presentation to Investors

May / June 2001

Operating profit Q1'01 clearly above Q4'00

- **EBITA Q1 2001 € 166 million**

- **EBIT Q1 2001 € 159 million**

- ▶ 21% above Q4'00

- ▶ 20% down from Q1'00

- **Net profit € 177 million**

- ▶ From ordinary activities €106 million

- ▶ Extraordinary net result € 70 million

First Quarter 2001 Comparison

(€ million)	first quarter		%
	2001	2000	
Net sales	2,125	1,970	+ 8
EBITDA	289	311	- 7
EBITA	166	199	- 17
EBIT	159	199	- 20
Net profit from ordinary activities	106	137	- 23
Extraordinary profit	70		
Net profit	177	138	+ 28
Net result per ordinary share	1.79	1.37	+ 31

Life Science Products

(€ million)	first quarter		
	2001	2000	%
Net sales	555	479	+ 16
EBITDA	94	77	+ 22
EBIT	58	48	+ 21

- **DSM Food Specialties increased sales and margins**
- **DSM Anti-Infectives well on track**
- **Catalytica contribution in line with expectations**

Performance Materials

(€ million)	first quarter		
	2001	2000	%
Net sales	495	523	- 5
EBITDA	58	59	- 0
EBIT	36	35	+ 3

- **Divestment DSM Engineering Plastic Products**
- **Strong increases of sales and profits with remaining business**

Polymers & Industrial Chemicals

(€ million)	first quarter		
	2001	2000	%
Net sales	957	928	+ 3
EBITDA	94	143	- 34
EBIT	45	97	- 54

- Petrochemicals better than expected
- Fibre Intermediates under pressure
- EBIT compared to Q4'2000 up 29%

Cash flow Q1 very strong

	(€ million)	
▶ Cash inflow	+ 307	
▶ Change in working capital	- 82	
▶ Other changes	<u>- 89</u>	
● Cash flow from operations		+136
▶ Investments	- 99	
▶ Divestments	+ 202	
▶ Other changes	<u>28</u>	
● Cash flow investments/divestments		<u>+131</u>
● Funds balance Q1 2001		+ 267
● Redemption of short term debt		<u>- 215</u>
● Increase cash position in Q1 2001		+ 52

Balance sheet highlights

(€ million)

	ultimo	Q1'01	2000	%
Capital employed		5,790	4,776	+ 21
Net Debt		1,973	2,148	- 8
Solvency ratio		38%	39%	
Gearing		63%	70%	
Interest coverage		5.7	13.2	

Outlook 2001

Major uncertainties: GDP development
Oil and gas prices
Utilization rate P & IC
€ / \$ exchange rate

P & IC primarily affected, however LSP and PM will not remain unaffected. Expected total profit contribution in 2000 of LSP and PM above 2000.

DSM EXPECTS

Operating profit in Q2 2001 ~ level of Q1 2001
Given uncertainties no result 2001 forecast yet

FOCUS

**VISION
2005**

VALUE

- Sales ~ € 10 billion
- Specialties ~ 80% of sales
- Petrochemicals withdrawal

- Stable earnings growth
- Operational Excellence
- Market capitalization more than doubled

New projects in Life Science Products

- **Biologics: new fermentation plant**
- **Food Specialties: PUFAs**
- **Anti-Infectives: start-up ZOR-F Delft**
- **Fine Chemicals: several projects**



New projects in Performance Materials

- **Elastomers: new EPDM plant**
- **Dyneema: boosting capacity by 70%**
- **Desotech: rapid expansion**
- **Engineering Plastics: Stanyl capacity up 30%**



Withdrawal from Petrochemicals

- formation of DSM Petrochemicals
- internal separation completed in Q1'2001
- discussions with potential partners to follow

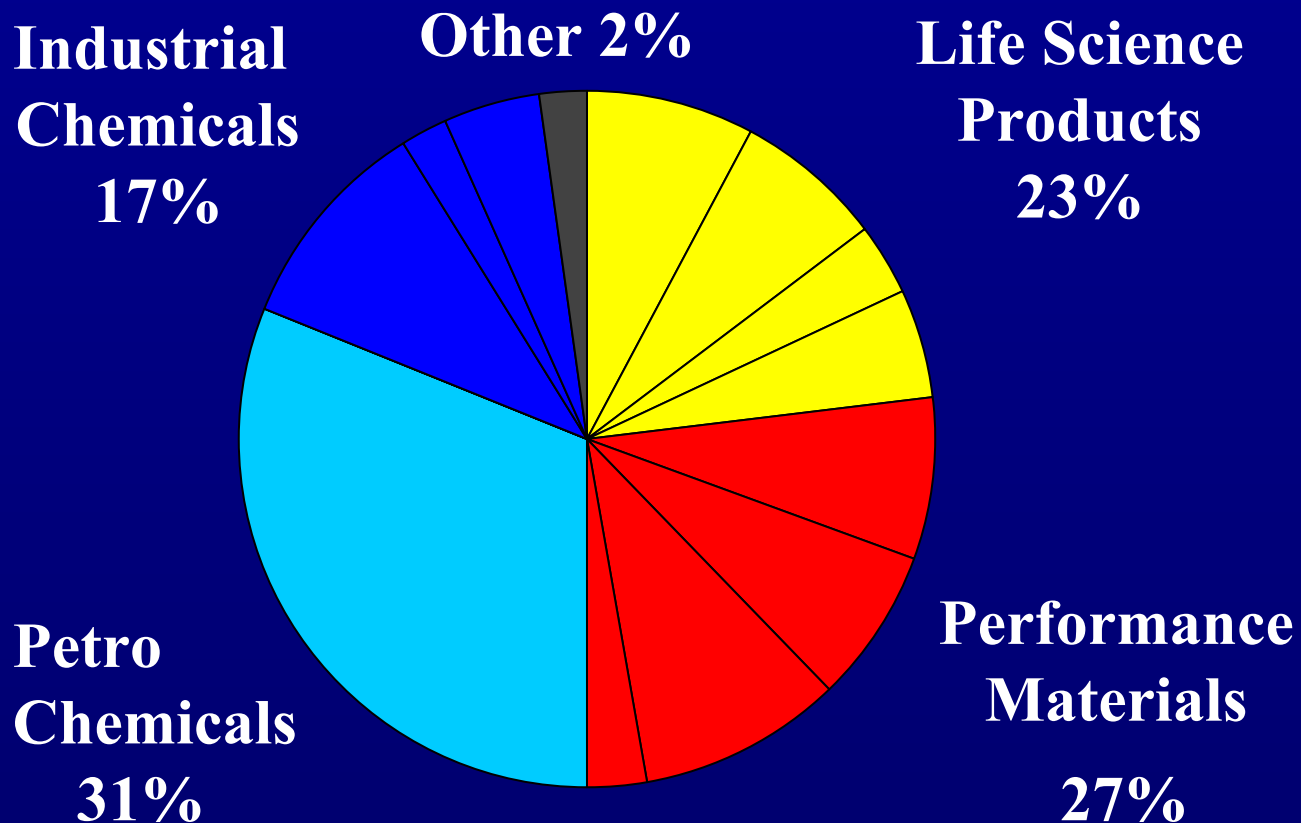


New projects in Industrial Chemicals

- Melamine: new SLP plant
- Caprolactam: HPO plus



DSM's Business Portfolio



Sales 2000: € 8,090 million

Disclaimer

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