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FOR IMMEDIATE RELEASE

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DSM Desotech to Expand Manufacturing to China

Elgin, Illinois, July 15, 2004— DSM Desotech Inc., a world leader in the development and supply of UV-curable materials, is expanding its operations in China with the establishment of a manufacturing facility in Shanghai. The facility, DSM Desotech Specialty Chemicals (Shanghai) Ltd., is scheduled to begin operations in late 2004.

DSM Desotech Specialty Chemicals (Shanghai) Ltd. will be Desotech's fourth manufacturing facility to date, joining existing plants in: Hoek van Holland, the Netherlands; Stanley, North Carolina, USA; and Tsukuba, Japan. The Tsukuba plant is part of Japan Fine Coatings Co., Ltd—a joint venture between DSM and JSR.

According to Weber Lin, DSM Desotech Sales Director-Asia, expansion efforts come in direct response to significant growth in the Asian optical fiber and cable market. Industry reports indicate that current growth is expected to continue through 2006.

"The Chinese optical fiber industry continues to be quite strong as compared to the rest of the world," says Lin. "A manufacturing facility in Shanghai will enable us to quickly meet this increase in Asian demand while maintaining the high quality that the industry has come to expect from DSM Desotech optical fiber materials."

Desotech Marketing Manager David Chase states, "The Shanghai manufacturing facility is the next logical step in DSM's longtime commitment to the Chinese optical fiber and cable market." In 1999, DSM Desotech established its first local sales office in Shanghai, followed by the opening of a

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technical service center and a distribution center in 2003. The new plant will produce DSM Desotech's Cablelite[®] materials, used in the manufacture of optical fiber cable.

About DSM Desotech

DSM Desotech is the world's leading supplier of high-performance UV-curable materials used for the production of optical fiber and optical fiber cable, including: DeSolite[®] Optical Fiber Coatings, Cablelite[®] Inks and Matrix Materials, and Bufferlite[™] Tight Buffer Materials. DSM Desotech is also a producer of specialty UV-curable products used in a variety of other industries.

DSM Desotech operates as a business unit of DSM. In addition to its Elgin headquarters facility, Desotech operates manufacturing facilities in the United States, Europe and Japan and maintains a global network of sales agents throughout more than 20 countries. More information about DSM Desotech can be found at: www.dsmdesotech.com

DSM

DSM is active worldwide in life science and nutritional products, performance materials and industrial chemicals. The company specializes in innovative products and services that help improve the quality of life and DSM products are currently 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). The group has annual sales (pro forma including the recent acquisition - renamed DSM Nutritional Products) of approximately EUR 8 billion and employs about 26,000 people around the world. Ranking among the global leaders in many of its fields, DSM is headquartered in the Netherlands, with locations in Europe, Asia and the Americas. More information about DSM can be found at www.dsm.com <<http://www.dsm.com/>>

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