Agenda

1. Introduction
2. 2017 Highlights - Delivering higher value for all Stakeholders
3. Future Proofing our Results
4. 2018 Q1 Results
Royal DSM @ a glance: a company with a purpose (2017 numbers)

- Sales: ~€8,632m (up 9%)
- EBITDA: ~€1,445m (up 15%)
- ROCE: 12.3% (up 190bps)
- Adj. Net Profit: up 36% (2017; even tripled incl. Patheon)
- Dividend: €1.85 (up €0.10/share)
- TSR: 43% in 2017 (share price up 39%)
  (Total Shareholders Return)
- Global: 44% sales from emerging economies
- Innovation: 21% of sales
- Workforce: ~ 25,000 (71->75% engagement)
- Strategy: aligned with the UN SDG’s & trends
- Sustainability: on track (GHG, energy, etc.)
DSM history | Successful transformation building on an impressive history

Coal Mining | (Petro) Chemicals | Life Sciences & Materials Sciences
Strategy 2018 | Driving profitable growth through science-based, sustainable solutions

Global shifts & Digitization
Climate & Energy
Health & Wellness
High Growth Economies
Innovation
Sustainability
Acquisitions & Partnerships

HEALTH . NUTRITION . MATERIALS
BRIGHT SCIENCES

IMPROVING FINANCIAL RESULTS

2018 TARGETS

Growth
annual Adj. EBITDA growth: high single-digit percentage

Cost & Productivity
annual ROCE growth: high double-digit bps

Capital Efficiency

Result-driven organization & culture
Strategy 2018 is well aligned with the UN Sustainable Development Goals
Stepping-up *sustainability* aspirations on our own operations

- Brighter living solutions 65% of DSM products by 2020
- GHG efficiency improvement 45% by 2025
- Energy efficiency improvement >10% (2016-2025)
- 50% purchased from renewable sources by 2025
- Employee engagement favorable score 75% by 2020
- Safety: Frequency Recordable Index of 0.25 by 2020
- Leading in reporting benchmarks

2017

- 62%
- 45%
- 65%
- 50%
- 75%
- 25%

Diversity step up: 15 to 17% female exec.

- DJSI Gold Class
- Leader in Sustainalytics
- AA in MSCI

65%
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Highlights Full Year 2017

Delivering higher value for all Stakeholders
DSM group sales: €8,632m with 9% organic growth - clearly above market

DSM group sales up 9%, mainly driven by 7% volume growth. All business contributed well to this growth. Prices slightly up, currencies somewhat weaker.
All businesses delivering on their programs, outpacing market growth

Animal Nutrition
Organic growth

<table>
<thead>
<tr>
<th>Year</th>
<th>CAGR</th>
<th>Market 2016-18</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011-15</td>
<td>5%</td>
<td>2-3%</td>
<td>8%</td>
<td>11%</td>
</tr>
</tbody>
</table>

Human Nutrition
Organic growth

<table>
<thead>
<tr>
<th>Year</th>
<th>CAGR</th>
<th>Market 2016-18</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011-15</td>
<td>1%</td>
<td>2-3%</td>
<td>4%</td>
<td>7%</td>
</tr>
</tbody>
</table>

Materials
Volume growth

<table>
<thead>
<tr>
<th>Year</th>
<th>CAGR</th>
<th>Market 2016-18</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011-15</td>
<td>2%</td>
<td>~3%</td>
<td>4%</td>
<td>7%</td>
</tr>
</tbody>
</table>

DSM
BRIGHT SCIENCE. BRIGHTER LIVING.
DSM has been outperforming its 2 headline financial targets again.

**High single-digit % annual Adjusted EBITDA growth**

<table>
<thead>
<tr>
<th>Adj. EBITDA €m</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adj. EBITDA %</td>
<td>13.9%</td>
<td>15.9%</td>
<td>16.7%</td>
</tr>
</tbody>
</table>

**High double-digit basis point annual ROCE growth**

<table>
<thead>
<tr>
<th>Adj. EBITDA %</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adj. EBITDA %</td>
<td>7.6%</td>
<td>10.4%</td>
<td>12.3%</td>
</tr>
</tbody>
</table>

Excellent results driven by both Nutrition & Materials
Nutrition: continued strong momentum & outperforming aspirations

Sales €5,579m, up 8%
8% Organic growth

Adj. EBITDA €1,053m, up 13%
EBITDA-margin: 18.9% (2016: 18.0%)

- Successful implementation growth initiatives, both in Animal & Human Nutrition, clearly outpacing market growth
- Further expansion premix network - incl. China and Africa Improved Foods plant (Rwanda)
- Acquisitions: Twilmij premix(NL), BioCare (DK), Inner Mongolia Rainbow Biotech (CN) - hydrocolloids, Amyris’ Brotas (BR)
- Strong progress sustainable innovation: Green Ocean, Clean Cow, Stevia & new food/biotech innovation center (Delft-NL)
- Strong growth in B2C i-Health including Culturelle®, world’s top branded probiotic supplement
Materials: Strong growth in specialties driving strong performance

- All 3 businesses groups delivered a **double-digit % organic growth**
  - **Engineering Plastics** continued shift toward higher-value, sustainable, specialty materials for electrics & electronics and automotive industries; growth supported by new applications, as well as clean energy initiatives
  - **Resins & Functional Materials**: continued benefit from strong demand for non-solvent based environmental friendly specialties (esp. in China); new bio-based wall paint using Discovery® resins; started-up Niaga® line; expanded 3D printing offering; continued strong growth in fiber optics
  - **Dyneema**: strong growth personal protection (Dyneema® Force Multiplier Technology) and commercial marine markets

Materials | for more connection, convenience & sustainable living

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**Sales €2,825, up 12%**

13% Organic growth (7% volumes)

**Adj. EBITDA €488m, up 12%**

EBITDA-margin: 17.3% (2016: 17.3%)
Well balanced global footprint & focused innovation as key drivers

- 44% sales to High Growth Economies
- 21% Sales from Innovation

<table>
<thead>
<tr>
<th>Region</th>
<th>Aspiration</th>
<th>2016</th>
<th>2017</th>
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<tbody>
<tr>
<td>Americas</td>
<td>20%</td>
<td>22%</td>
<td>21%</td>
</tr>
<tr>
<td>Europe</td>
<td>20%</td>
<td>22%</td>
<td>21%</td>
</tr>
<tr>
<td>Africa</td>
<td>20%</td>
<td>22%</td>
<td>21%</td>
</tr>
<tr>
<td>Asia</td>
<td>20%</td>
<td>22%</td>
<td>21%</td>
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</tbody>
</table>
Ambitious cost reduction & efficiency improvement programs

Cost savings of €270-280m (2018)

Timing cumulative cost savings

- DSM-wide support functions €125-150m
- Nutrition Program €130-150m

- Realized
- Forecast

~25, ~110, ~195, ~270-280

2015 2016 2017 2018

rigorously executed & fully on track
**Patheon transaction:** realized cash proceeds of ~€2bn (~€1.5bn in 2017)

Extracting value from partnerships ahead of schedule

<table>
<thead>
<tr>
<th>€m, 100%</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>418</td>
<td>431</td>
<td>440</td>
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<tr>
<td>Adj. EBITDA %</td>
<td>14%</td>
<td>14%</td>
<td>17%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>€m, 100%</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
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<tbody>
<tr>
<td>Sales</td>
<td>756</td>
<td>1,802</td>
<td>1,933</td>
</tr>
<tr>
<td>Adj. EBITDA %</td>
<td>0%</td>
<td>6%</td>
<td>11%</td>
</tr>
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</table>
Working Capital improved & Net Debt further reduced

Total Working Capital
Aim: <20% by 2018

Net debt significantly reduced
(€ million)

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Working Capital</th>
<th>Aim</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
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</thead>
<tbody>
<tr>
<td>2015</td>
<td>2,321</td>
<td>20%</td>
<td>17.4%</td>
<td>18.4%</td>
<td>17.2%</td>
</tr>
<tr>
<td>2016</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2017</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>Net Debt (€ million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>2,321</td>
</tr>
<tr>
<td>2016</td>
<td>2,070</td>
</tr>
<tr>
<td>2017</td>
<td>742</td>
</tr>
</tbody>
</table>
Making a significant step-up in adj. Net profit & adj. Earnings per share

Adj. Net profit up 36% (Total Net profit up 183%)

Adj. Earnings per Share up 35%
Highlights Full Year 2017

Profit ✔

Planet

People

Delivering higher value for all Stakeholders
Planet highlights Full Year 2017

21% 26% 3% A-rating

Purchased electricity from renewable sources, up from 8% in 2016.


Energy efficiency improvement cumulative versus 2015. Ambition of more than 10% in 2025.

CDP Climate and Water. Ranks no.1 Sustainalytics and Gold Class DJSI.
There’s only **ONE** Planet Earth

Climate Change & Alternative Energies?

Whose responsibility?

62% Sales of Brighter Living Solutions (ECO+ / People+), working toward 65% by 2020

DSM *reduces* its own environmental impact, *enables* our customers to do the same, and *advocates* for climate action
Whose responsibility? - Advocating ‘Climate Action’

DSM CEO Feike Sijbesma (on behalf WBG): One Planet Summit - Paris, organized by President Macron - December 2017:

“The world is not yet on track to deliver on the Paris Agreement. But we should, since it is our moral, societal, and economic obligation to take care of the planet we borrow from our children.”
Thriving in a low (fossil) carbon economy

- Securing a cleaner future energy supply
- Enhancing efficiency
- Offering climate-relevant Brighter Living Solutions
- Shaping partnerships and policies that accelerate the shift
- Ensuring climate readiness (internal CO₂ price €50/ton)
Highlights Full Year 2017

Delivering higher value for all Stakeholders
People highlights Full Year 2017

75% employee engagement index, up 4% from 2016 (71%)

27/73 Female/male ratio index, stable versus 2016

17% Female executives, up 2% from 2016 (15%)*

0.36 frequency index of recordable injuries (0.33 in 2016)

*) clearly over 30% women in DSM Boards; over 20% in leadership team
People: Strengthened DSM organization drives performance

Global organizational and operational adjustments implemented

- New strengthened top structure
- New operating model: leveraged support functions
- People: building strong leadership teams
- Culture focused on: accountability, agility and collaboration

ONE DSM Culture Agenda
- External Orientation
- Accountability for Performance
- Inclusion & Diversity
- Collaboration with Speed

Leadership Model
- shape
- deliver
- develop
- insight
- connect

DSM
BRIGHT SCIENCE. BRIGHTER LIVING.
People, Planet, profit go hand-in-hand together
Opening Africa Improved Foods plant in Kigali (Rwanda) in 2017
Full Year 2017: delivered on ALL targets & aspirations

Profit ✓  Planet ✓  People ✓

Delivered higher value for all Stakeholders
... Strong performance reflected in higher dividend...

2018

DSM Dividend €1.85

+85%

2007

DSM Dividend €1.00

+85% in 10 years

Dividend proposal for 2017 per ordinary DSM share - €1.85
... and significantly higher share price

DSM
Share-price up ~150% in 10 years
(compared to AEX +20%)

DSM’s value ~75% (~€7bn) higher, since start Strategy 2018; outperforming markets
... reflected in external recognition for our responsible leadership
Fortune’s recognition: change the world - greatest leaders

2nd in Fortune’s Change the World list

The World's 50 Greatest Leaders
Our annual list of the thinkers, speakers, and doers who are stepping up to meet today's challenges.
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Innovation-driven growth will continue to support DSM growth

**Nutrition**
- Fermentative Stevia
- Algae-based omega-3 (aquaculture)
- Clean cow
- Hydrocolloids
- Eubiotics
- i-Health (B2C nutrients)
- New bio colorants (blue/red)

**Materials**
- ForTii® (HPPO polymer)
- Niaga® (recycle carpets)
- Discovery® (bio-based resins)
- Apparel (Dyneema® textile apps)
- Force multiplier tech (light personal protection)

**Emerging Business Areas**
- 3D options (combine Somos, Resins, Biomedical & Engineering Plastics)
- Advanced solar materials
- Bio-based products & services
- New bio-medical products
Innovation-driven growth will continue to support DSM growth

Nutrition
- Fermentative Stevia
- Algae-based omega-3 (aquaculture)
- Clean cow
- Hydrocolloids
- Eubiotics
- i-Health (B2C nutrients)
- New bio colorants (blue/red)

Materials
- Conventional aquaculture
  - Natural marine algae
  - Zooplankton
  - Fish
  - Fishing vessel
  - Fish oil
  - Salmon aquaculture
  - DSM and Evonik breakthrough – shortening the natural food chain
    (light personal protection)
  - New bio-medical products

Emerging Business Areas
- Green Ocean/Veramaris
- ForTii® (HPPO polymer)
- Niaga® (recycle carpets)
- Decovery® (bio-based resins)
- Apparel (Dyneema® textile apps)
- 3D options (combine Somos, Resins, Biomedical & Engineering Plastics)
- Advanced solar materials
- Bio-based products & services
Innovation-driven growth will continue to support DSM growth

**Nutrition**
- Fermentative Stevia
- Algae-based omega-3 (aquaculture)
- **Clean cow**
- Hydrocolloids
- Eubiotics
- i-Health (B2C nutrients)
- New bio colorants (blue/red)

**Materials**

**Emerging Business Areas**
- 3D options (combine Somos, Resins, Biomedical & Engineering Plastics)
- Advanced solar materials
- Bio-based products & services
- New bio-medical products
Innovation-driven growth will continue to support DSM growth

**Nutrition**
- Fermentative Stevia
- Algae-based omega-3 (aquaculture)
- Clean cow
- Hydrocolloids
- Eubiotics
- i-Health (B2C nutrients)
- New bio colorants (blue/red)

**Materials**
- ForTii® (HPPO polymer)
- Niaga
- Discovery® (biodegradable)

**Emerging Business Areas**
- Use
- Install
- Discover
- Manufacture
- Back to Materials
- Recover
- New bio-medical products
- Combine
- Services

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Continued delivery in 2018, outlook 2018 increased

Confident DSM will continue to outgrow its markets through organic and innovation driven growth

Optionality of enhanced growth through M&A

Regular strategic review process brought forward: CMD June 20 2018
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## Highlights Q1 2018

<table>
<thead>
<tr>
<th>Description</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Continued strong organic sales growth in underlying business estimated at 11%</td>
<td></td>
</tr>
<tr>
<td>Adj. EBITDA growth underlying business estimated at 8%, despite significant FX headwind</td>
<td></td>
</tr>
<tr>
<td>ROCE of underlying business estimated at 13.3%, up 200 bps compared to Q1 2017</td>
<td></td>
</tr>
<tr>
<td>Additional temporary vitamin price benefit estimated at €165m on Adjusted EBITDA</td>
<td></td>
</tr>
<tr>
<td>Cash from operating activities up 58%, amounting to €310m</td>
<td></td>
</tr>
<tr>
<td>Increased full year outlook confirmed</td>
<td></td>
</tr>
</tbody>
</table>
Example of an Innovation driving growth: Clean cow reducing methane emission

- Cows produce significant amount of methane, a potent greenhouse gas that causes climate change
- Trials with Clean Cow show >30% reduction in emissions
- Focused on markets with highly developed dairy and beef production
- Launch after 2019

Attractive market potential of €1-2bn
Example of an innovation driving growth: Sustainable Omega-3 solution for aquaculture

- Veramaris, a JV with Evonik
- Omega-3 fatty acids (EPA and DHA) from natural algae for animal nutrition without using fish oil from wild-caught fish
- Investing US$200m for a new facility in the US; scheduled to open in 2019 (investment of ~US$100m for each party, over 2 years)
- Initial annual production capacity: ~15% of current annual demand for EPA and DHA in salmon aquaculture

Attractive market potential of €1-2bn
Example of an Innovation driving growth: Circularity by design: Specialty Resins Niaga - 100% recyclable carpet

- In the US, ~2 billion kg of carpet ends in landfill every year (~85% of all discarded carpet), making it one of the highest contributors to landfill
- Niaga® Technology is based on using a simple set of clean materials (without additives) enabling 100% recycling
- Manufacturing line operational
- Lead customers:
  - Mohawk Industries (carpets, flooring)
  - Auping (mattress)