Press Release
Heerlen (NL), 3 November 2016

Royal DSM
www.dsm.com

DSM Q3 2016 results

Highlights

- DSM reports another strong quarter
- Group sales up at €1,998m, with 3% organic growth, and EBITDA up 13% to €323m
- Nutrition: 5% organic sales growth, EBITDA up 8%
- Materials: 5% volume growth, EBITDA up 16%
- Group ROCE improved to 10.6% (end Q3 2015: 7.9%) driven by higher EBIT
- Net profit up 38% to €146m (€322m after exceptionals, including proceeds from Patheon IPO)
- Outlook maintained

Key figures and indicators (continuing operations)

<table>
<thead>
<tr>
<th>in € million</th>
<th>Q3 2016</th>
<th>Q3 2015</th>
<th>% Change</th>
<th>Volume</th>
<th>Price/mix</th>
<th>FX</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>1,998</td>
<td>1,945</td>
<td>3%</td>
<td>3%</td>
<td>0%</td>
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</tr>
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<td>1,303</td>
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<td>287</td>
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<tr>
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<td>102</td>
<td>16%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ROCE (%) ¹</td>
<td>10.6</td>
<td>7.9</td>
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¹ January until September

CEO statement

Feike Sijbesma, CEO/Chairman of the DSM Managing Board, commented: “We are pleased to report another quarter of strong operational and financial progress. This was driven by both Materials and Nutrition, reflecting the progress we are making on delivering on our Strategy 2018 through our growth initiatives as well as ambitious improvement and cost savings actions.

Materials had a quarter of strong volume growth driven again by specialties, enhanced by particularly high margins as a result of a very favorable product mix and pro-active margin management, while still benefiting from low input costs. Nutrition delivered good EBITDA growth, despite additional costs in the quarter. Animal Nutrition benefited from increased vitamin prices, with solid volume growth against a tougher prior year comparison. Human Nutrition delivered strong volume growth.

While the global macro-economic environment remains a concern, we continue to expect that for the full year 2016, we will deliver ahead of our medium-term goals, given the strong ongoing performance of our business, underpinned by our continued focus on the improvement programs.”

Outlook 2016 maintained

DSM continues to expect to deliver full-year 2016 results ahead of the medium-term targets set out in its Strategy 2018, with a mid-teens EBITDA growth and an increase in ROCE of over 200 basis points.
Key figures and indicators (cont’d)

### Q3 2016 results DSM

#### In € million

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<thead>
<tr>
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</tr>
<tr>
<td>Innovation Center</td>
<td>43</td>
<td>42</td>
<td>2%</td>
<td>2%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
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<tr>
<td>Corporate Activities</td>
<td>18</td>
<td>19</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Discontinued Operations</strong></td>
<td>0</td>
<td>157</td>
<td></td>
<td></td>
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#### January - September

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<tbody>
<tr>
<td><strong>Sales - Continuing Operations</strong></td>
<td>5,905</td>
<td>5,796</td>
<td>2%</td>
<td>5%</td>
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<td>-2%</td>
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<tr>
<td>Nutrition</td>
<td>3,848</td>
<td>3,699</td>
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<td>5%</td>
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<td>-3%</td>
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<tr>
<td>Materials</td>
<td>1,874</td>
<td>1,927</td>
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<td>3%</td>
<td>-6%</td>
<td>-1%</td>
<td>1%</td>
</tr>
<tr>
<td>Innovation Center</td>
<td>126</td>
<td>115</td>
<td>10%</td>
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<td>0%</td>
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<tr>
<td>Corporate Activities</td>
<td>57</td>
<td>55</td>
<td></td>
<td></td>
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<td><strong>Discontinued Operations</strong></td>
<td>0</td>
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### Q3 2016 results DSM

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<tr>
<td><strong>EBIT - Continuing Operations</strong></td>
<td>205</td>
<td>170</td>
<td>21%</td>
<td>5%</td>
<td>14.8%</td>
<td>16%</td>
<td>14.0%</td>
</tr>
</tbody>
</table>

#### Capital Employed - Continuing Operations

|                         | 205     | 170     | 21%       | 5%     | 14.8%     | 16%| 14.0% |

#### Average Capital Employed - Continuing Operations

|                         | 205     | 170     | 21%       | 5%     | 14.8%     | 16%| 14.0% |

#### ROCE - Continuing Operations (%)

|                         | 205     | 170     | 21%       | 5%     | 14.8%     | 16%| 14.0% |

#### Profit for the period, before exceptional items - Cont. Ops.

|                         | 146     | 106     | 38%       | 3%     | 0%        | 3% | 7.9%  |

#### Profit for the period, after exceptional items - Total DSM

|                         | 322     | 33      | 3%        | 3%     | 3%        | 3% | 3%    |

#### Net EPS before exceptional items - Cont. Ops.

|                         | 0.81    | 0.59    | 37%       | 3%     | 3%        | 3% | 3%    |

#### Net EPS after exceptional items - Total DSM

|                         | 1.82    | 0.19    | 3%        | 3%     | 3%        | 3% | 3%    |

#### Cash Flow - Continuing Operations

|                         | 325     | 300     | 3%        | 3%     | 3%        | 3% | 3%    |

#### Capital Expenditures - Continuing Operations

|                         | 128     | 113     | 3%        | 3%     | 3%        | 3% | 3%    |

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<td>EBITDA margin - Continuing Operations</td>
<td>16.2%</td>
<td>14.8%</td>
<td>16.0%</td>
<td>14.0%</td>
</tr>
</tbody>
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### Profit for the period, after exceptional items - Total DSM

|                         | 322     | 33      | 3%        | 3%     | 3%        | 3% | 3%    |

### Cash Flow - Continuing Operations

|                         | 325     | 300     | 3%        | 3%     | 3%        | 3% | 3%    |

### Capital Expenditures - Continuing Operations

|                         | 128     | 113     | 3%        | 3%     | 3%        | 3% | 3%    |

### Net debt

|                         | 2,054   | 2,321   | 4%        | 4%     | 4%        | 4% | 4%    |

1) Before reclassification to held for sale
2) ROCE calculated based on weighted average capital employed
3) Cash, net of customer funding
4) Year-end 2015

In this report:
- ‘Organic sales growth’ is the total impact of volume and price/mix;
- ‘Discontinued operations’ comprises net sales and operating profit (before depreciation and amortization) of DSM Fibre Intermediates and DSM Composite Resins up to and including 31 July 2015;
- ‘Total Working Capital’ refers to the total of ‘Operating Working Capital’ and ‘non-Operating Working Capital’. 
Q3 2016 results DSM

Review by Cluster

Nutrition

Sales development

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</tr>
<tr>
<td>ROCE (%)</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Total Working Capital</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Total Working Capital as % of Sales</td>
<td></td>
<td></td>
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</tbody>
</table>

1) Annualized last quarter sales

Q3 2016 sales increased by 4% compared to Q3 2015, with a good organic sales growth of 5%. Volumes were up by 3% and price/mix up 2%, driven by higher vitamin prices. Exchange rates had a 1% negative impact on sales, mainly due to a slightly weaker US dollar.

Q3 2016 EBITDA was €231 million, up 8% compared to Q3 2015, as a result of good organic growth and the effects of the improvement programs, despite higher costs related to marketing & sales campaigns in human nutrition and the costs related to the maintenance shut downs in vitamin E and vitamin C. The vitamin C plant in China had an extended shut down for improvement projects.

Q3 2016 EBITDA margin was 17.7% compared to 17.0% in the same period last year, reflecting the good organic growth, supported by the progress made on the improvement programs. The margin was slightly below Q2 2016 (18.3%), as a result of higher costs in the quarter as mentioned above.
Q3 2016 sales in animal nutrition delivered 7% organic growth, with 2% volume growth and 5% improvement in price/mix compared to Q3 2015.

Volume growth of 2% was achieved against the background of strong comparative figures in 2015 (10% volume growth). Good growth was realized in premix, carotenoids and feed enzymes. Tortuga volumes were only down slightly, which was a good performance considering the tough market conditions in Latin America. Market conditions remained good in North America, Asia and Europe.

Prices showed a 5% increase versus the same period last year, driven by higher vitamin and premixes prices.
Human Nutrition & Health

Sales development

Q3 2016 organic sales growth in human nutrition was 4% compared to Q3 2015, driven by 5% higher volumes. Price/mix was slightly down.

- **Food & beverage** performed well, driven by good sales volumes in Asia and Europe.
- **Dietary Supplements** sales to North America remained relatively weak, both in multi-vitamins and fish-oil based omega-3. Outside North America, sales of these products continued to show good growth.
- **i-Health** delivered strong volume growth in Q3 2016 supported by marketing & sales campaigns.
- **Infant Nutrition** continued to perform well, with solid volume growth in Q3. New regulations in China have brought some volatility to the market.

Food Specialties

The Food Specialties businesses delivered flat organic growth. Hydrocolloids as well as enzymes continued to deliver good growth, although some capacity constraints prevented the enzymes business from fully benefiting from continued strong customer demand. These were however offset by lower sales in the other product lines.
Materials

Q3 2016 sales were in line with Q3 2015, with 5% volume growth driven by specialties compensating for 5% lower prices, which reflected lower input costs. The currency effect was slightly negative in Q3 2016 driven by the US dollar.

- **DSM Engineering Plastics:**
  Volumes were slightly up compared to Q3 2015 driven by growth in specialties, partly offset by planned lower volumes in polyamide 6 polymers. Sales in automotive in the US and Europe were good, and stable in China. Sales to the E&E segment improved in Q3, but were still slightly below the same period last year.
  Prices were lower reflecting lower input costs, notably in polyamide 6.

- **DSM Resins and Functional Materials:**
  Volumes were up in all segments compared to Q3 2015. The quality of the mix improved further. The business group benefited from improving conditions in the European building & construction markets. Specialty Resins made good progress in China and the US. Functional Materials delivered another quarter with growth in fiber-optic materials.
  Prices were lower reflecting lower input costs.

- **DSM Dyneema:**
  Sales were slightly up, with strong growth in life protection, for law enforcement and personal protection, partly offset by weak sales in high performance textiles and commercial marine. Sales to the performance apparel segment are developing well.

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<td>16%</td>
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<td>EBITDA margin (%)</td>
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<td>16.2%</td>
<td>16%</td>
<td>17.6%</td>
</tr>
<tr>
<td>EBIT</td>
<td>86</td>
<td>69</td>
<td>25%</td>
<td>234</td>
</tr>
<tr>
<td>Capital Employed</td>
<td>1,798</td>
<td>1,833</td>
<td>-2%</td>
<td>1,969</td>
</tr>
<tr>
<td>Average Capital Employed</td>
<td>1,763</td>
<td>1,851</td>
<td>-5%</td>
<td></td>
</tr>
<tr>
<td>ROCE (%)</td>
<td>17.7%</td>
<td>14.1%</td>
<td></td>
<td>13.3%</td>
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<tr>
<td>Total Working Capital</td>
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<tr>
<td>Total Working Capital as % of Sales ¹</td>
<td>1,798</td>
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<td>-2%</td>
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</table>

1) Annualized last quarter sales

Q3 2016 results DSM | Page 6 of 19

Sales development
Q3 2016 EBITDA increased by 16% compared with Q3 2015 as a result of disciplined margin management, strong growth in the specialty segments, lower input costs, and the benefits of the efficiency and cost saving programs carried out over recent years.

Q3 2016 EBITDA margin was particularly high at 18.6%, up from 16.2% in Q3 2015 (and 18.3% in Q2 2016), reflecting a very favorable mix, while still benefiting from low input costs.

### Innovation Center

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</tr>
<tr>
<td>EBITDA</td>
<td>1</td>
<td>0</td>
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<td>2</td>
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<tr>
<td>EBIT</td>
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<td>-7</td>
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<tr>
<td>Capital Employed</td>
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<td>553</td>
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</table>

Q3 2016 sales were 2% above Q3 2015, with the increase fully driven by higher volumes in DSM Biomedical. EBITDA was slightly positive compared to the same period last year.

### Corporate Activities

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<td>-28</td>
<td>-78</td>
</tr>
<tr>
<td>EBIT</td>
<td>-35</td>
<td>-38</td>
<td>-103</td>
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</tbody>
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Q3 2016 EBITDA improved by €1 million compared to Q3 2015.
Key Joint Ventures and Associates

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</tr>
<tr>
<td>Patheon 1</td>
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</tr>
<tr>
<td>Sales</td>
<td>425</td>
<td>403 5%</td>
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<tr>
<td>EBITDA%</td>
<td>24%</td>
<td>23%</td>
<td>20%</td>
</tr>
<tr>
<td>ChemicalInvest 2</td>
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<tr>
<td>Sales</td>
<td>408</td>
<td>365 12%</td>
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</tr>
<tr>
<td>EBITDA% 3</td>
<td>5%</td>
<td>3%</td>
<td>3%</td>
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1) Patheon (formerly reported as DPx Holding) respective periods are for the 3rd quarter from 1 May - 31 July and for YTD from 1 November - 31 July.
2) ChemicalInvest in 2015 refers to the period from 1 August - 30 September.
3) Q3 2016 EBITDA before PPA adjustment.

- DSM Sinochem Pharmaceuticals (50% DSM) delivered solid results in line with previous quarters.
- Patheon (33.5% DSM) delivered strong results.
- ChemicalInvest (35% DSM) delivered slightly improved results, although caprolactam market conditions remained challenging.
Financial Overview

Exceptional Items

Exceptional items from continuing operations in Q3 2016 amounted to -€34 million (-€24 million after tax) which included €22 million of restructuring-related costs, and a €12 million asset impairment.

Exceptional items from discontinued operations amounted to -€28 million following adjustments due to various settlements relating to the divestment of DSM Fibre Intermediates and Composite Resins to ChemicalInvest.

Exceptional items regarding the Associates/Joint Control entities amounted to a net profit of €228 million, mainly comprising the gain on the IPO of Patheon for €232 million.

Net profit (continuing operations)

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<td>170</td>
<td>601</td>
</tr>
<tr>
<td>Financial Income &amp; Expense</td>
<td>-30</td>
<td>-28</td>
<td>-96</td>
</tr>
<tr>
<td>Income Tax</td>
<td>-32</td>
<td>-25</td>
<td>-93</td>
</tr>
<tr>
<td>Effective Tax Rate (%)</td>
<td></td>
<td>18.5%</td>
<td>18.0%</td>
</tr>
<tr>
<td>Share of profit of associates/Joint control entities</td>
<td>3</td>
<td>-11</td>
<td>-22</td>
</tr>
<tr>
<td>Non-controlling interest</td>
<td>-3</td>
<td>0</td>
<td>-5</td>
</tr>
<tr>
<td>Net Profit from Cont. Operations (before exceptional items)</td>
<td>143</td>
<td>106</td>
<td>385</td>
</tr>
<tr>
<td>- Cont. Operations, before exceptional items (€)</td>
<td>0.81</td>
<td>0.59</td>
<td>2.17</td>
</tr>
</tbody>
</table>

1 Net profit of continuing operations attributable to equity holders of Koninklijke DSM N.V.

Financial income and expense amounted to -€30 million in Q3 2016 compared to -€28 million in Q3 2015, mainly as a result of some unfavorable hedge results (€4 million) which were almost compensated by lower interest expenses (€3 million).

Cash Flow, Capital Expenditures and Financing

<table>
<thead>
<tr>
<th>In € million</th>
<th>Q3 2016</th>
<th>Q3 2015</th>
<th>January - September</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash from Operating Activities - Continuing Operations</td>
<td>325</td>
<td>300</td>
<td>644</td>
</tr>
<tr>
<td>Total Working Capital - Continuing Operations</td>
<td>1,528</td>
<td>1,443</td>
<td>1,443</td>
</tr>
<tr>
<td>Total Working Capital as % of Sales - Continuing Ops.</td>
<td>19.1%</td>
<td>18.6%</td>
<td>18.6%</td>
</tr>
<tr>
<td>Capital Expenditure (cash, net of customer funding)</td>
<td>128</td>
<td>113</td>
<td>305</td>
</tr>
<tr>
<td>- Continuing Operations</td>
<td>2,054</td>
<td>2,321</td>
<td></td>
</tr>
</tbody>
</table>

1 Year-end 2015

Cash flow from operating activities amounted to €325 million showing an improvement of €25 million compared to Q3 2015.

In Q3 2016 a €750 million bond was launched with a ten-year maturity, at a coupon of 0.75%. This bond issue took advantage of favorable market conditions and allowed the company to lock in low interest rates taking into account the maturing of a €750 million bond in 2017.

Total Working Capital amounted to €1,528 million at the end of Q3 2016 compared to €1,443 million at the end of Q3 2015, which represents 19.1% as a percentage of annualized Q3 sales (Q3 2015 18.6%).

Net debt decreased by €267 million compared to the end of 2015 and stood at €2,054 million. The decrease was mainly due to the receipt of dividend and proceeds from the secondary offering of Patheon in total of €235 million.
## Condensed consolidated statement of income for the third quarter

<table>
<thead>
<tr>
<th></th>
<th>Q3 2016</th>
<th>Q3 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Before exceptional items</td>
<td>Exceptional items</td>
</tr>
<tr>
<td><strong>Sales - Continuing Operations</strong></td>
<td>1,998</td>
<td>1,998</td>
</tr>
<tr>
<td>Sales - Discontinued Operations</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Net sales - Total</strong></td>
<td>1,998</td>
<td>1,998</td>
</tr>
<tr>
<td><strong>EBITDA - Continuing Operations</strong></td>
<td>323</td>
<td>-22</td>
</tr>
<tr>
<td>EBITDA - Discontinued Operations</td>
<td>0</td>
<td>-28</td>
</tr>
<tr>
<td><strong>EBITDA - Total</strong></td>
<td>323</td>
<td>-50</td>
</tr>
<tr>
<td><strong>Operating Profit (EBIT) - Continuing Operations</strong></td>
<td>205</td>
<td>-34</td>
</tr>
<tr>
<td>Operating Profit (EBIT) - Discontinued Operations</td>
<td>0</td>
<td>-28</td>
</tr>
<tr>
<td><strong>Operating Profit (EBIT) - Total</strong></td>
<td>205</td>
<td>-62</td>
</tr>
<tr>
<td><strong>Operating Profit - Continuing Operations</strong></td>
<td>205</td>
<td>-34</td>
</tr>
<tr>
<td>Net finance costs</td>
<td>-30</td>
<td>0</td>
</tr>
<tr>
<td><strong>Profit before income tax</strong></td>
<td>175</td>
<td>-34</td>
</tr>
<tr>
<td>Income tax</td>
<td>-32</td>
<td>10</td>
</tr>
<tr>
<td>Share of profit of associates/ Joint Control entities</td>
<td>3</td>
<td>228</td>
</tr>
<tr>
<td><strong>Profit for the period - Continuing Operations</strong></td>
<td>146</td>
<td>204</td>
</tr>
<tr>
<td>Profit for the period - Discontinued Operations</td>
<td>0</td>
<td>-28</td>
</tr>
<tr>
<td><strong>Profit for the period - total DSM</strong></td>
<td>146</td>
<td>176</td>
</tr>
<tr>
<td>Non-controlling interests - Continuing Operations</td>
<td>-3</td>
<td>0</td>
</tr>
<tr>
<td>Non-controlling interests - Discontinued Operations</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Net profit attributable to equity holders of DSM</strong></td>
<td>143</td>
<td>176</td>
</tr>
<tr>
<td>Dividend on cumulative preference shares</td>
<td>-1</td>
<td>0</td>
</tr>
<tr>
<td><strong>Net profit used for calculating earnings per share</strong></td>
<td>142</td>
<td>176</td>
</tr>
<tr>
<td>Avg. no. of ordinary shares (million)</td>
<td>175.6</td>
<td>174.5</td>
</tr>
<tr>
<td>Number of ordinary shares, end of period (million)</td>
<td>176.7</td>
<td>174.9</td>
</tr>
<tr>
<td>Net profit used for calculating earnings per share</td>
<td>142</td>
<td>176</td>
</tr>
<tr>
<td><strong>Net earnings per ordinary share - Total DSM (€)</strong></td>
<td>0.81</td>
<td>1.01</td>
</tr>
<tr>
<td>Net profit used for EPS - Continuing Operations</td>
<td>142</td>
<td>204</td>
</tr>
<tr>
<td><strong>Net earnings per ordinary share - Cont. operations (€)</strong></td>
<td>0.81</td>
<td>1.17</td>
</tr>
<tr>
<td>Depreciation &amp; Amortization</td>
<td>118</td>
<td>12</td>
</tr>
<tr>
<td>Capital Expenditure</td>
<td>116</td>
<td></td>
</tr>
<tr>
<td>Acquisitions</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>Workforce (headcount) continuing operations</td>
<td>20,802</td>
<td></td>
</tr>
<tr>
<td>of which in the Netherlands</td>
<td>4,108</td>
<td></td>
</tr>
</tbody>
</table>

* End of 2015

This quarterly report has not been audited.
### Condensed consolidated statement of income January - September

<table>
<thead>
<tr>
<th></th>
<th>January - September 2016</th>
<th>January - September 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Before exceptional items</td>
<td>Exceptional items</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Sales - Continuing Operations</strong></td>
<td>5,905</td>
<td>5,796</td>
</tr>
<tr>
<td><strong>Sales - Discontinued Operations</strong></td>
<td>0</td>
<td>1,213</td>
</tr>
<tr>
<td><strong>Net sales - Total</strong></td>
<td>5,905</td>
<td>7,009</td>
</tr>
<tr>
<td><strong>EBITDA - Continuing Operations</strong></td>
<td>947</td>
<td>814</td>
</tr>
<tr>
<td><strong>EBITDA - Discontinued Operations</strong></td>
<td>0</td>
<td>94</td>
</tr>
<tr>
<td><strong>EBITDA - Total</strong></td>
<td>947</td>
<td>908</td>
</tr>
<tr>
<td><strong>Operating Profit (EBIT) - Continuing Operations</strong></td>
<td>601</td>
<td>458</td>
</tr>
<tr>
<td><strong>Operating Profit (EBIT) - Discontinued Operations</strong></td>
<td>0</td>
<td>76</td>
</tr>
<tr>
<td><strong>Operating Profit (EBIT) - Total</strong></td>
<td>601</td>
<td>534</td>
</tr>
<tr>
<td><strong>Net finance costs</strong></td>
<td>-96</td>
<td>-96</td>
</tr>
<tr>
<td><strong>Profit before income tax</strong></td>
<td>505</td>
<td>343</td>
</tr>
<tr>
<td><strong>Income tax</strong></td>
<td>-93</td>
<td>-62</td>
</tr>
<tr>
<td><strong>Share of profit of associates/ Joint Control entities</strong></td>
<td>-22</td>
<td>4</td>
</tr>
<tr>
<td><strong>Profit for the year - Continuing Operations</strong></td>
<td>390</td>
<td>285</td>
</tr>
<tr>
<td><strong>Profit for the year - Discontinued Operations</strong></td>
<td>0</td>
<td>41</td>
</tr>
<tr>
<td><strong>Profit for the year - total DSM</strong></td>
<td>390</td>
<td>326</td>
</tr>
<tr>
<td><strong>Non-controlling interests - Continuing Operations</strong></td>
<td>-5</td>
<td>3</td>
</tr>
<tr>
<td><strong>Non-controlling interests - Discontinued Operations</strong></td>
<td>0</td>
<td>-1</td>
</tr>
<tr>
<td><strong>Net profit attributable to equity holders of DSM</strong></td>
<td>385</td>
<td>328</td>
</tr>
<tr>
<td><strong>Dividend on cumulative preference shares</strong></td>
<td>-6</td>
<td>-8</td>
</tr>
<tr>
<td><strong>Net profit used for calculating earnings per share</strong></td>
<td>379</td>
<td>320</td>
</tr>
</tbody>
</table>

|                                | Before exceptional items  | Exceptional items        | Total          |
|                                |                           |                          |                |
| **Avg. no. of ordinary shares (million)** | 174.8                     | 174.2                    |                |
| **Number of ordinary shares, end of period (million)** | 176.7                     | 174.9                    |                |
| **Net profit used for calculating earnings per share** | 379                      | 320                      | -263           |
| **Net earnings per ordinary share - Total DSM (€)** | 2.17                      | 1.84                     | 0.33           |
| **Net profit used for EPS - Continuing Operations** | 379                      | 280                      | -135           |
| **Net earnings per ordinary share - Cont. operations (€)** | 2.17                      | 1.61                     | 0.84           |

|                                | 346                       | 374                      | 556            |
| **Depreciation & Amortization** | 12                        | 182                      |                |
| **Capital Expenditure**        | 276                       | 383                      |                |
| **Acquisitions**               | 4                         | 106                      |                |
| **Workforce (headcount) continuing operations** | 20,802                    | 20,750                   | 5                |
| **of which in the Netherlands** | 4,108                     | 4,190                    |                |

* End of 2015

This quarterly report has not been audited.
## Consolidated Balance Sheets - Assets

<table>
<thead>
<tr>
<th></th>
<th>30 Sept. 2016</th>
<th>YE 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intangible Assets</td>
<td>3,058</td>
<td>3,228</td>
</tr>
<tr>
<td>Property, Plant &amp; Equipment</td>
<td>3,134</td>
<td>3,171</td>
</tr>
<tr>
<td>Deferred Tax Assets</td>
<td>370</td>
<td>366</td>
</tr>
<tr>
<td>Associates &amp; Joint Ventures</td>
<td>800</td>
<td>872</td>
</tr>
<tr>
<td>Other Financial Assets</td>
<td>208</td>
<td>191</td>
</tr>
<tr>
<td><strong>Non-Current Assets</strong></td>
<td><strong>7,570</strong></td>
<td><strong>7,828</strong></td>
</tr>
<tr>
<td>Inventories</td>
<td>1,697</td>
<td>1,627</td>
</tr>
<tr>
<td>Trade Receivables</td>
<td>1,499</td>
<td>1,349</td>
</tr>
<tr>
<td>Other Receivables</td>
<td>173</td>
<td>207</td>
</tr>
<tr>
<td>Financial Derivatives</td>
<td>35</td>
<td>47</td>
</tr>
<tr>
<td>Current Investments</td>
<td>774</td>
<td>9</td>
</tr>
<tr>
<td>Cash &amp; Cash Equivalents</td>
<td>714</td>
<td>665</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>4,892</strong></td>
<td><strong>3,904</strong></td>
</tr>
<tr>
<td>Assets Held for Sale</td>
<td>4</td>
<td>11</td>
</tr>
<tr>
<td><strong>Current Assets</strong></td>
<td><strong>4,896</strong></td>
<td><strong>3,915</strong></td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>12,466</strong></td>
<td><strong>11,743</strong></td>
</tr>
</tbody>
</table>
## Consolidated Balance Sheets - Equity and Liabilities

<table>
<thead>
<tr>
<th></th>
<th>30 Sept. 2016</th>
<th>YE 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shareholders’ Equity</td>
<td>5,832</td>
<td>5,541</td>
</tr>
<tr>
<td>Non-controlling interest</td>
<td>94</td>
<td>90</td>
</tr>
<tr>
<td><strong>Equity</strong></td>
<td><strong>5,926</strong></td>
<td><strong>5,631</strong></td>
</tr>
<tr>
<td>Deferred Tax Liabilities</td>
<td>294</td>
<td>319</td>
</tr>
<tr>
<td>Employee Benefits Liabilities</td>
<td>484</td>
<td>496</td>
</tr>
<tr>
<td>Provisions</td>
<td>122</td>
<td>98</td>
</tr>
<tr>
<td>Borrowings</td>
<td>3,301</td>
<td>2,557</td>
</tr>
<tr>
<td>Other Non-current Liabilities</td>
<td>141</td>
<td>228</td>
</tr>
<tr>
<td><strong>Non-current liabilities</strong></td>
<td><strong>4,342</strong></td>
<td><strong>3,698</strong></td>
</tr>
<tr>
<td>Employee Benefits</td>
<td>41</td>
<td>44</td>
</tr>
<tr>
<td>Provisions</td>
<td>40</td>
<td>41</td>
</tr>
<tr>
<td>Borrowings</td>
<td>111</td>
<td>253</td>
</tr>
<tr>
<td>Financial Derivatives</td>
<td>165</td>
<td>232</td>
</tr>
<tr>
<td>Trade Payables</td>
<td>1,165</td>
<td>1,168</td>
</tr>
<tr>
<td>Other Current Liabilities</td>
<td>676</td>
<td>674</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2,198</strong></td>
<td><strong>2,412</strong></td>
</tr>
<tr>
<td>Liabilities Held for Sale</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td><strong>Current Liabilities</strong></td>
<td><strong>2,198</strong></td>
<td><strong>2,414</strong></td>
</tr>
<tr>
<td><strong>Total Equity and Liabilities</strong></td>
<td><strong>12,466</strong></td>
<td><strong>11,743</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>30 Sept. 2016</th>
<th>YE 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Employed, continuing operations</td>
<td>7,620</td>
<td>7,553</td>
</tr>
<tr>
<td>Equity/ Total Assets</td>
<td>48%</td>
<td>48%</td>
</tr>
<tr>
<td>Net Debt</td>
<td>2,054</td>
<td>2,321</td>
</tr>
<tr>
<td>Operating Working Capital - Continuing Operations</td>
<td>2,031</td>
<td>1,811</td>
</tr>
<tr>
<td>OWC/ Net Sales - Continuing Operations</td>
<td>25.4%</td>
<td>23.5%</td>
</tr>
<tr>
<td>Total Working Capital - Continuing Operations</td>
<td>1,528</td>
<td>1,343</td>
</tr>
<tr>
<td>Total WC/ Net Sales - Continuing Operations</td>
<td>19.1%</td>
<td>17.4%</td>
</tr>
</tbody>
</table>

1) Before reclassification to held for sale
### Condensed Consolidated Cash Flow Statement

<table>
<thead>
<tr>
<th>in € million</th>
<th>January - September</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2016</td>
</tr>
<tr>
<td>Cash, Cash Equivalents and Current Investments (at beginning of period)</td>
<td>674</td>
</tr>
<tr>
<td>Current Investments (at beginning of period)</td>
<td>9</td>
</tr>
<tr>
<td><strong>Cash &amp; Cash Equivalents (at beginning of period)</strong></td>
<td><strong>665</strong></td>
</tr>
</tbody>
</table>

**Operating Activities**

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA</td>
<td>947</td>
<td>908</td>
</tr>
<tr>
<td>Change in Working Capital</td>
<td>-171</td>
<td>-149</td>
</tr>
<tr>
<td>Income Tax</td>
<td>-54</td>
<td>-63</td>
</tr>
<tr>
<td>Other</td>
<td>-78</td>
<td>-314</td>
</tr>
<tr>
<td><strong>Cash provided by Operating Activities</strong></td>
<td><strong>644</strong></td>
<td><strong>382</strong></td>
</tr>
<tr>
<td>of which provided by Continuing Operations</td>
<td><strong>644</strong></td>
<td><strong>487</strong></td>
</tr>
</tbody>
</table>

**Investing Activities**

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Expenditures</td>
<td>-306</td>
<td>-392</td>
</tr>
<tr>
<td>Payments regarding drawing rights</td>
<td>-17</td>
<td>-4</td>
</tr>
<tr>
<td>Acquisitions</td>
<td>1</td>
<td>-84</td>
</tr>
<tr>
<td>Disposal of Subsidiaries, Businesses &amp; Associates</td>
<td>77</td>
<td>283</td>
</tr>
<tr>
<td>Disposal of Other Non-current Assets</td>
<td>4</td>
<td>9</td>
</tr>
<tr>
<td>Change in Fixed-term Deposits</td>
<td>-766</td>
<td>-2</td>
</tr>
<tr>
<td>Interest Received</td>
<td>14</td>
<td>23</td>
</tr>
<tr>
<td>Dividend and capital repayments from associates &amp; joint ventures</td>
<td>124</td>
<td>114</td>
</tr>
<tr>
<td>Other</td>
<td>-11</td>
<td>16</td>
</tr>
<tr>
<td><strong>Cash used in Investing Activities</strong></td>
<td><strong>-880</strong></td>
<td><strong>-37</strong></td>
</tr>
</tbody>
</table>

**Cash used in / from Financing Activities**

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dividend</td>
<td>-186</td>
<td>-173</td>
</tr>
<tr>
<td>Interest Paid ¹</td>
<td>-77</td>
<td>-184</td>
</tr>
<tr>
<td>Purchase of shares</td>
<td>-177</td>
<td>-122</td>
</tr>
<tr>
<td>Proceeds from re-issued treasury shares</td>
<td>135</td>
<td>38</td>
</tr>
<tr>
<td>Change in Commercial Paper</td>
<td>-150</td>
<td>-280</td>
</tr>
<tr>
<td>Proceeds from / repayments of corporate bonds</td>
<td>747</td>
<td>994</td>
</tr>
<tr>
<td>Other Cash from/ used in Financing Activities</td>
<td>-1</td>
<td>23</td>
</tr>
<tr>
<td><strong>Cash used in / from Financing Activities</strong></td>
<td><strong>291</strong></td>
<td><strong>296</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Changes Exchange Differences</td>
<td>-6</td>
<td>4</td>
</tr>
</tbody>
</table>

**Cash and Cash Equivalents (end of period)**

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and Cash Equivalents (end of period)</td>
<td>714</td>
<td>1,314</td>
</tr>
<tr>
<td>Current Investment (end of period) ²</td>
<td>774</td>
<td>8</td>
</tr>
<tr>
<td><strong>Cash and Cash Equivalents (end of period)</strong></td>
<td><strong>1,488</strong></td>
<td><strong>1,322</strong></td>
</tr>
</tbody>
</table>

¹ Impacted by -€27 million (-€129 million in 2015) due to settlement of interest rate pre-hedge of the bonds.

² Following the issuing of the €750 million bond launched in Q3 2016, the current investments increased to €774 million in Q3 2016.
### Condensed Consolidated Statement of Comprehensive Income

<table>
<thead>
<tr>
<th>Item</th>
<th>January - September</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2016</td>
</tr>
<tr>
<td><strong>Items that will not be reclassified to profit or loss</strong></td>
<td></td>
</tr>
<tr>
<td>Remeasurements of Defined Benefit Pension Plans</td>
<td>7</td>
</tr>
<tr>
<td>FX on Translation of Foreign Operations Related to Non-Controlling Interest</td>
<td>-3</td>
</tr>
<tr>
<td><strong>Items that may subsequently be reclassified to profit or loss</strong></td>
<td></td>
</tr>
<tr>
<td>FX on Translation of Foreign Operations</td>
<td>-65</td>
</tr>
<tr>
<td>Change in Fair Value Reserve</td>
<td>3</td>
</tr>
<tr>
<td>Change in Hedging Reserve</td>
<td>10</td>
</tr>
<tr>
<td><strong>Other Comprehensive Income (before tax)</strong></td>
<td>-48</td>
</tr>
<tr>
<td>Income Tax Expense</td>
<td>-3</td>
</tr>
<tr>
<td><strong>Other Comprehensive Income (net of tax)</strong></td>
<td>-51</td>
</tr>
<tr>
<td>Profit for the Period</td>
<td>542</td>
</tr>
<tr>
<td><strong>Total Comprehensive Income</strong></td>
<td>491</td>
</tr>
</tbody>
</table>

### Condensed Consolidated Statement of Changes in Equity

<table>
<thead>
<tr>
<th>Item</th>
<th>January - September</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2016</td>
</tr>
<tr>
<td><strong>Total Equity (at beginning of the period)</strong></td>
<td>5,631</td>
</tr>
<tr>
<td>Changes:</td>
<td></td>
</tr>
<tr>
<td>Total Comprehensive Income</td>
<td>491</td>
</tr>
<tr>
<td>Dividend</td>
<td>-298</td>
</tr>
<tr>
<td>Repurchase of Shares</td>
<td>-177</td>
</tr>
<tr>
<td>Proceeds from Reissue of Ordinary Shares</td>
<td>251</td>
</tr>
<tr>
<td>Other Changes</td>
<td>28</td>
</tr>
<tr>
<td><strong>Total Equity (end of period)</strong></td>
<td>5,926</td>
</tr>
</tbody>
</table>
### Geographical Information (continuing operations)

#### January - September 2016

<table>
<thead>
<tr>
<th></th>
<th>The Netherlands</th>
<th>Rest of Western Europe</th>
<th>Eastern Europe</th>
<th>North America</th>
<th>Latin America</th>
<th>China</th>
<th>India</th>
<th>Japan</th>
<th>Rest of Asia</th>
<th>Rest of the World</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Sales by Origin</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>in € million</td>
<td>1,507</td>
<td>1,809</td>
<td>118</td>
<td>1,092</td>
<td>396</td>
<td>600</td>
<td>56</td>
<td>66</td>
<td>212</td>
<td>49</td>
<td>5,905</td>
</tr>
<tr>
<td>in %</td>
<td>26</td>
<td>31</td>
<td>2</td>
<td>18</td>
<td>7</td>
<td>10</td>
<td>1</td>
<td>1</td>
<td>3</td>
<td>1</td>
<td>100</td>
</tr>
<tr>
<td><strong>Net Sales by Destination</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>in € million</td>
<td>229</td>
<td>1,419</td>
<td>367</td>
<td>1,359</td>
<td>734</td>
<td>703</td>
<td>134</td>
<td>189</td>
<td>589</td>
<td>182</td>
<td>5,905</td>
</tr>
<tr>
<td>in %</td>
<td>4</td>
<td>25</td>
<td>6</td>
<td>23</td>
<td>12</td>
<td>12</td>
<td>2</td>
<td>2</td>
<td>3</td>
<td>3</td>
<td>100</td>
</tr>
<tr>
<td><strong>Total Assets (total DSM)</strong> in € million</td>
<td>4,464</td>
<td>2,019</td>
<td>117</td>
<td>3,347</td>
<td>822</td>
<td>1,000</td>
<td>85</td>
<td>141</td>
<td>368</td>
<td>103</td>
<td>12,466</td>
</tr>
<tr>
<td><strong>Workforce (headcount, end of period)</strong></td>
<td>4,108</td>
<td>4,611</td>
<td>464</td>
<td>3,166</td>
<td>2,064</td>
<td>4,616</td>
<td>497</td>
<td>191</td>
<td>822</td>
<td>263</td>
<td>20,802</td>
</tr>
</tbody>
</table>

#### January - September 2015

<table>
<thead>
<tr>
<th></th>
<th>The Netherlands</th>
<th>Rest of Western Europe</th>
<th>Eastern Europe</th>
<th>North America</th>
<th>Latin America</th>
<th>China</th>
<th>India</th>
<th>Japan</th>
<th>Rest of Asia</th>
<th>Rest of the World</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Sales by Origin</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>in € million</td>
<td>1,478</td>
<td>1,586</td>
<td>110</td>
<td>1,120</td>
<td>524</td>
<td>612</td>
<td>58</td>
<td>53</td>
<td>202</td>
<td>53</td>
<td>5,796</td>
</tr>
<tr>
<td>in %</td>
<td>26</td>
<td>27</td>
<td>2</td>
<td>19</td>
<td>9</td>
<td>11</td>
<td>1</td>
<td>1</td>
<td>3</td>
<td>1</td>
<td>100</td>
</tr>
<tr>
<td><strong>Net Sales by Destination</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>in € million</td>
<td>211</td>
<td>1,404</td>
<td>342</td>
<td>1,345</td>
<td>786</td>
<td>687</td>
<td>121</td>
<td>158</td>
<td>553</td>
<td>189</td>
<td>5,796</td>
</tr>
<tr>
<td>in %</td>
<td>4</td>
<td>24</td>
<td>6</td>
<td>23</td>
<td>14</td>
<td>12</td>
<td>2</td>
<td>2</td>
<td>3</td>
<td>3</td>
<td>100</td>
</tr>
<tr>
<td><strong>Total Assets (total DSM, year-end 2015)</strong> in € million</td>
<td>3,838</td>
<td>2,038</td>
<td>119</td>
<td>3,486</td>
<td>749</td>
<td>882</td>
<td>82</td>
<td>95</td>
<td>361</td>
<td>93</td>
<td>11,743</td>
</tr>
<tr>
<td><strong>Workforce (headcount, year-end 2015)</strong></td>
<td>4,190</td>
<td>4,682</td>
<td>426</td>
<td>3,151</td>
<td>2,021</td>
<td>4,551</td>
<td>521</td>
<td>145</td>
<td>811</td>
<td>252</td>
<td>20,750</td>
</tr>
</tbody>
</table>
Notes to the financial statements

Accounting policies and presentation
The consolidated financial statements of DSM for the year ended 31 December 2015 were prepared according to International Financial Reporting Standards (IFRS) as adopted by the European Union and valid as of the balance sheet date. These accounting policies are applied in the current interim financial statements that are in compliance with IAS 34 ‘Interim Financial Reporting’ and need to be read in conjunction with the Integrated Annual Report 2015 and the discussion by the Managing Board earlier in this interim report.

Audit
These interim financial statements have not been audited.

Scope of the consolidation
DSM has agreed with Japan Fine Coatings (JFC) to increase its stake in the coming years up to 70%. In July 2016 as a first step, DSM Resins and Functional Materials increased its shareholding from 50.0% to 50.1%, thereby obtaining a controlling interest. Prior to obtaining control DSM accounted for its investment in accordance with the equity method. From the date of control the financial statements of JFC are consolidated by DSM and reported in the segment Materials. In accordance with IFRS 3 the purchase price of JFC needs to be allocated to identifiable assets and liabilities acquired and the fair value of the Non-controlling interest needs to be determined. The valuation and purchase price allocation are currently ongoing. As the results are not yet known, the book values of assets and liabilities were used in consolidation. It is expected that the valuation will be completed in Q4 2016. At that time a book profit on revaluation of the existing 50.1% investment in JFC to fair value, which cannot be measured reliably at present, will be recognized.

The impact of the acquisition of JFC on DSM’s consolidated balance sheet, at the date of acquisition, is shown in the following table. This information will change when the valuation of the non-controlling interest and purchase price allocation is completed.

<table>
<thead>
<tr>
<th>Acquisition of JFC</th>
<th>Book value in € million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property, plant and equipment</td>
<td>16</td>
</tr>
<tr>
<td>Other non-current assets</td>
<td>1</td>
</tr>
<tr>
<td>Receivables</td>
<td>5</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>3</td>
</tr>
<tr>
<td>Total assets</td>
<td>25</td>
</tr>
<tr>
<td>Non-controlling interests</td>
<td>4</td>
</tr>
<tr>
<td>Current liabilities</td>
<td>17</td>
</tr>
<tr>
<td>Total non-controlling interests and liabilities</td>
<td>21</td>
</tr>
<tr>
<td>Net assets at book value</td>
<td>4</td>
</tr>
</tbody>
</table>

The consolidation of JFC contributed €9 million to net sales and €2 million to EBITDA in the third quarter.

Related party transactions
Transactions with related parties are conducted at arm’s length conditions.

Risks
DSM has a risk management system in place. A description of the system and an overview of potentially important risks for DSM is provided in the Integrated Annual Report 2015 and in the governance section on www.dsm.com. DSM has reviewed the developments and incidents in the first half of 2016 and
assessed the risks for the year. On that basis DSM concluded in August 2016 that the most important risks and responses reported in the Integrated Annual Report 2015 were still applicable.

**Dividends and equity**

On 24 May the final dividend of €1.10 per share for the year 2015 was paid to holders of ordinary shares and a dividend of €0.15 per share was paid to holders of cumulative preference shares A. The total distribution to shareholders amounting to €198 million was recorded against retained earnings.

An interim dividend for 2016 of €0.55 per ordinary share and €0.03 for cumulative preference shares A was recognized as a liability in the second quarter of 2016. This distribution to shareholders amounting to €98 million was paid out in Q3 2016.

In the first nine months of 2016 5.2 million shares were released into circulation in connection with stock dividend, the exercise of options and delivery of performance shares. 3.5 million shares were repurchased in the same period.

Heerlen, 3 November 2016

The Managing Board

Feike Sijbesma, CEO/Chairman
Geraldine Matchett, CFO
Stephan Tanda
Dimitri de Vreeze
Financial Calendar

15 February 2017  
Publication of Q4 2016 Results  
2 May 2017  
Publication of Q1 2017 Results  
3 May 2017  
Annual General Meeting of Shareholders  
1 August 2017  
Publication of Q2 2017 Results  
2 November 2017  
Publication of Q3 2017 Results

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Additional Information

Today DSM will hold a conference call for media from 08:00 to 08:30 and a conference call for investors and analysts from 09:00 to 10:00. Details on how to access these calls can be found on the DSM website, www.dsm.com.

DSM - Bright Science. Brighter Living.™

Royal DSM is a global science-based company active in health, nutrition and materials. By connecting its unique competences in life sciences and materials sciences DSM is driving economic prosperity, environmental progress and social advances to create sustainable value for all stakeholders simultaneously. DSM delivers innovative solutions that nourish, protect and improve performance in global markets such as food and dietary supplements, personal care, feed, medical devices, automotive, paints, electrical and electronics, life protection, alternative energy and bio-based materials. DSM and its associated companies deliver annual net sales of about €10 billion with approximately 25,000 employees. The company is listed on Euronext Amsterdam. More information can be found at www.dsm.com.

Find us on: 

Forward Looking Statement

This press release may contain forward-looking statements with respect to DSM’s future (financial) performance and position. Such statements are based on current expectations, estimates and projections of DSM and information currently available to the company. DSM cautions readers that such statements involve certain risks and uncertainties that are difficult to predict and therefore it should be understood that many factors can cause actual performance and position to differ materially from these statements. DSM has no obligation to update the statements contained in this press release, unless required by law.