



DSM in motion: *driving focused growth*

Anti-infectives partnership in China - a growth platform

17 December 2010

Safe Harbor Statement

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The English language version of this document is leading.

A more comprehensive discussion of the risk factors affecting DSM's business can be found in the company's latest Annual Report, which can be found on the company's corporate website, www.dsm.com

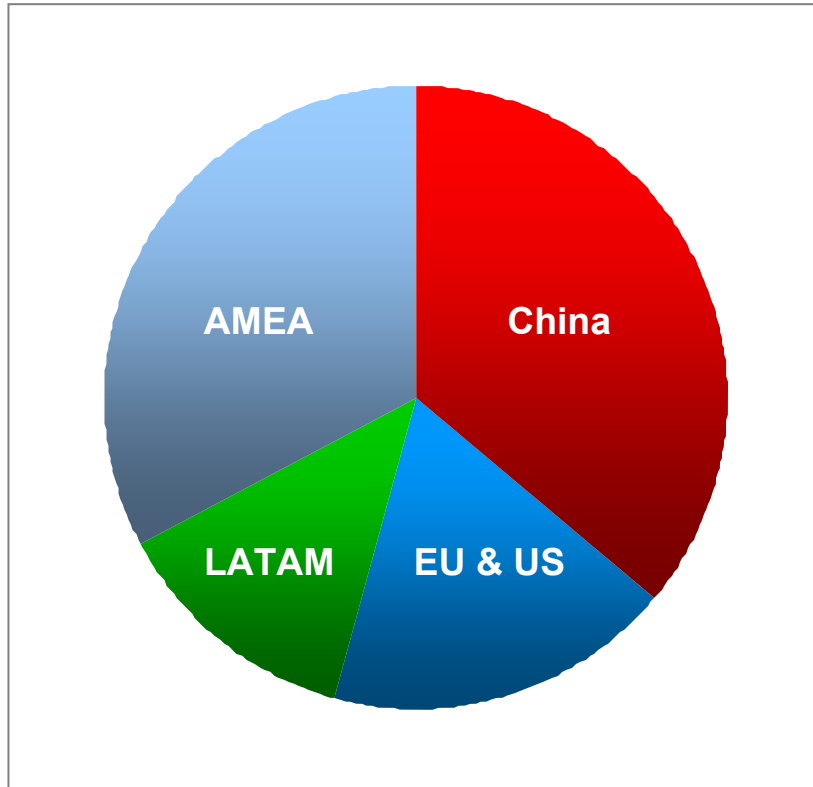
Execution DAI strategy

- Demand and supply moving to Asia and high growth economies
- DSM strongest global player (market and technology position)
- DAI partnership in Asia/China key for further development
- Sinochem excellent JV partner in context of DAI strategy
- JV will enable accelerated growth in high growth economies
- Global 50/50 joint venture with Sinochem
 - Strategic focus of JV fully in line with DSM strategy
 - Strengthening position of the β -lactam anti infectives business, especially in China
 - Forward integration into finished dosage in selected markets
 - 50 % Participation by Sinochem for € 210m
 - Closing expected in Q2 2011, following customary approvals and notifications
- Confidence in meeting DSM's financial objectives

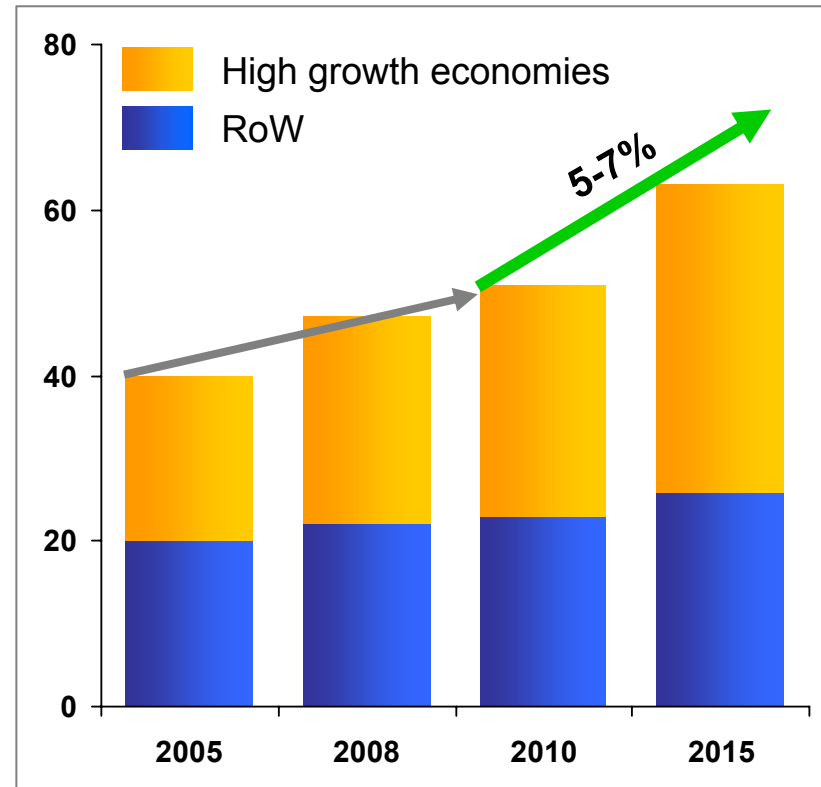
Major milestone in pharma strategy execution

Large β -lactam API market with accelerated growth

Geographical market distribution
(SSP and SSC, 2010E)

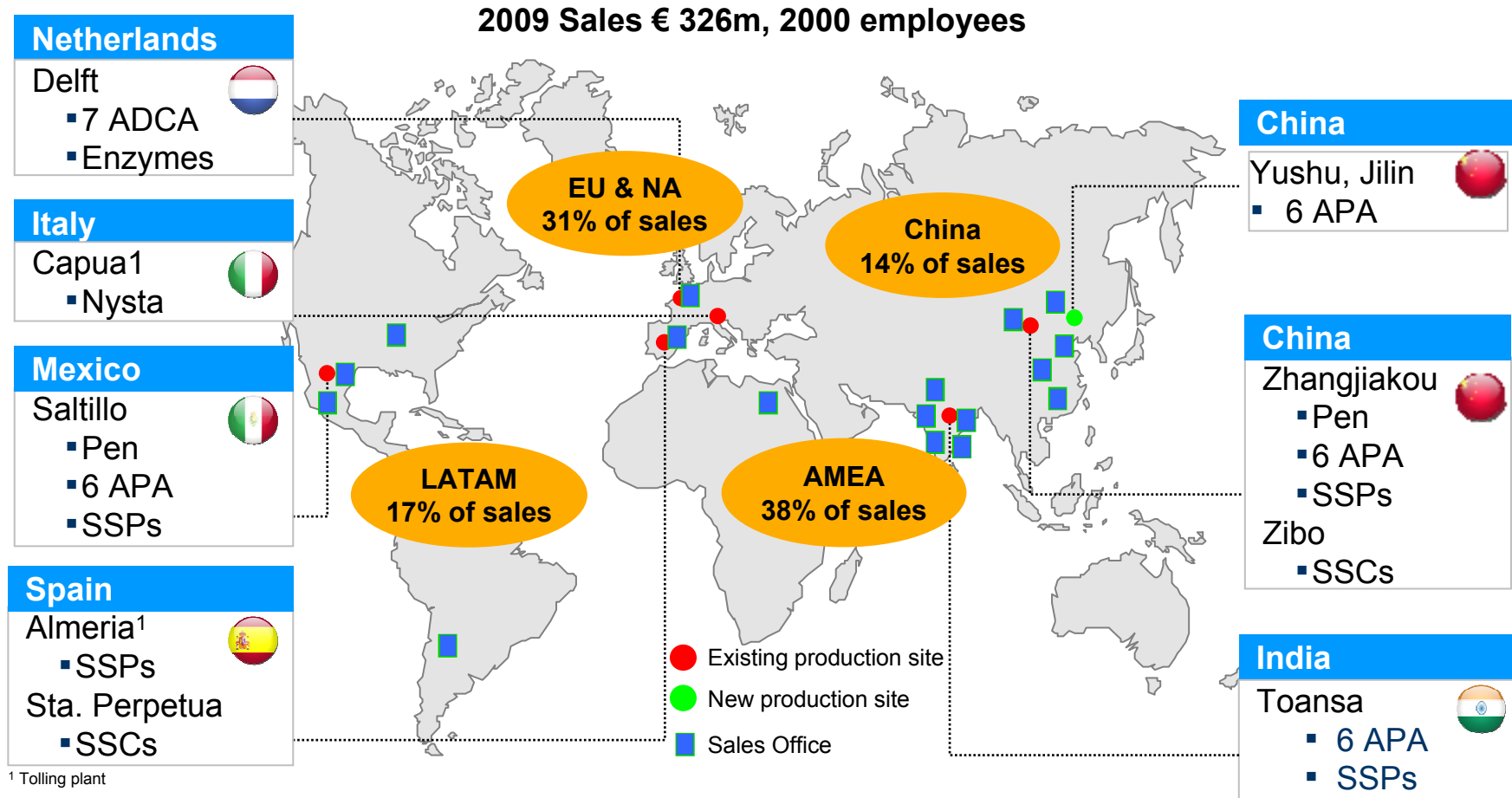


β -lactam APIs market development
(SSP and SSC in kta)



China and AMEA are the largest markets

DAI: unique global reach, leading technology



Strong market positions, biggest growth opportunity in China

Complementary strengths of partners

Unlimited. **DSM**

- Market leader in β -lactam APIs - Biggest class of API within anti-infectives
- Technology leader - Lowest variable cost, most eco-friendly process
- Global reach, strong in Asia - Global M&S and regulatory competencies
- Price premium leveraging strong brand
- Global production footprint, with presence in High Growth Economies



SINOCHEM GROUP

- One of China's biggest central-state owned enterprises
- Strategic intent and financial resources to grow business in (generic) pharmaceuticals
- Proven track record in accelerated growth in China
- Wide experience in global pharmaceuticals distribution
- Broader strategic intent to enter biochemicals industry

Partnership will enable strong growth in China

JV with Sinochem in β -lactam anti-infectives

- Focused growth in High Growth Economies accelerated through partnership



High Growth Economies

- Lowest cost process through proprietary DSM technology
- Active portfolio expansion and going forward in the value chain



Innovation

- Lowest energy consumption and waste production
- DSM's "Peace of mind" quality mindset with lowest cost position



Sustainability

- JV with global ambition between strong partners with complementary strengths



Acquisitions & Partnerships

Strategic fit: *Leveraging partnerships for growth*

Financial impact and expectations

Financial impact of JV

- 50% Participation by Sinochem for € 210m
- Transaction will have retro-active effect from 1 January 2011

Expectations by 2015

- DAI to increase its sales to > € 600m
- EBITDA margin >15%

Accounting effects

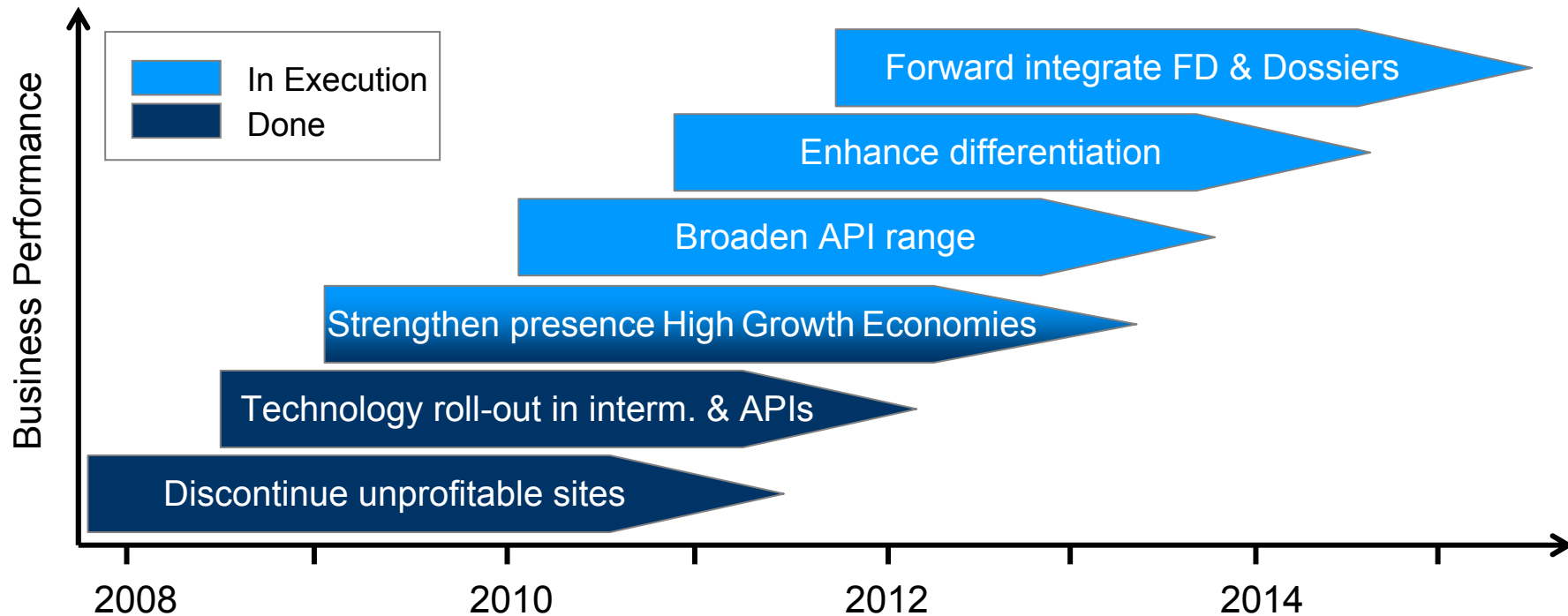
- proportionate consolidation by DSM for 50%

Closing is expected in Q2 2011 following customary approvals and notifications



Value creation now and tomorrow

DAI growth strategy underway



End of 2011:

- New world-scale 6-APA plant on-stream to become production cost leader in β -lactam APIs

Improved position, access to new markets, lower PEN dependency

Conclusions

- Vision 2010 transformation completed with divestment of Elastomers
- Major milestone pharma strategy execution
 - DAI to increase sales to > € 600m by 2015
 - DAI EBITDA margin > 15% by 2015
- Confident about reaching DSM's targets by 2013:
 - EBITDA of € 1.4 - 1.6 bn
 - ROCE >15%

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