

FIRST SUPPLEMENT TO THE BASE PROSPECTUS RELATING TO THE PUBLICATION OF THE ANNUAL REPORT 2006 AND SECOND QUARTER RESULTS FOR THE FINANCIAL YEAR 2007 OF KONINKLIJKE DSM N.V. DATED 10 OCTOBER 2007 IN RELATION TO THE



KONINKLIJKE DSM N.V.

EUR 2,000,000,000

Debt Issuance Programme
(the "**Programme**")

Koninklijke DSM N.V. (the "**Issuer**") with its registered office in Heerlen, The Netherlands is solely responsible for the information given in this Supplemental Prospectus (as defined below). The Issuer hereby declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Supplemental Prospectus (as defined below) is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

This Supplemental Prospectus is supplemental to, forms part of and should be read in conjunction with, the Base Prospectus. Terms defined in this Supplemental Prospectus shall have the same meaning in the Base Prospectus, unless specified otherwise.

Full information on the Issuer and any Series or Tranche of Notes is only available on the basis of the combination of the Base Prospectus, this Supplemental Prospectus and the relevant Final Terms.

This Supplemental Prospectus does not constitute an offer or an invitation to subscribe for or purchase the Notes. This Supplemental Prospectus may not be used for the purpose of an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

This Supplemental Prospectus has been approved by and filed with the Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*, the "**AFM**"). The Issuer has requested the AFM to provide the competent authority in Luxembourg and the United Kingdom with a certificate of approval attesting that this Supplemental Prospectus has been drawn up in

accordance with the Dutch Financial Markets Supervision Act (*Wet op het financieel toezicht*, the "FMSA") and related regulations which implement Directive 2003/71/EC (the "**Prospectus Directive**") in Dutch law ("**Notification**"). The Issuer may request the AFM to provide competent authorities in additional Member States within The European Economic Area with a Notification.

The Base Prospectus and this Supplemental Prospectus are available from Deutsche Bank AG, Grosse Gallusstrasse 10-14, 60272 Frankfurt am Main, Germany, on the website of Koninklijke DSM N.V. at www.dsm.com and are available for viewing at the office of Koninklijke DSM N.V. at Het Overloon 1, 6411 TE Heerlen, The Netherlands where copies of the Base Prospectus and this Supplemental Prospectus and any documents incorporated by reference may also be obtained free of charge.

SUPPLEMENTAL INFORMATION

1. The following sections of the Annual Report 2006, which Annual Report 2006 has been filed with the AFM, shall be deemed to be incorporated by reference in, and to form part of, this Supplemental Prospectus:

- a. Report by the Managing Board: pages 24 - 39
- b. Review of Business: pages 40 - 63
- c. Corporate Organization: pages 66 - 67
- d. Financial Statements: pages 81 - 139

Any parts contained in the Annual Report 2006 other than the abovementioned sections relating to DSM shall not be deemed to be incorporated in, and form part of, this Supplemental Prospectus and such non-incorporated parts are either not relevant to investors or covered elsewhere in the Prospectus.

2. The 2007 second quarter investor report as published on the website of Koninklijke DSM N.V. (www.dsm.com) shall be deemed to be incorporated by reference in, and to form part of, this Supplemental Prospectus.

3. With regard to the Terms and Conditions of the Notes, Condition 5(e)(ii) on pages 31 and 32 as included in the Base Prospectus, such Condition 5(e)(ii), first paragraph shall be deemed to be deleted and replaced in its entirety by the following:

(ii) In addition to the right to call for redemption in accordance with Condition 9, if it is specified herein that the Put Option is only exercisable, if the Notes are rated with the agreement of the Issuer, on the occurrence of a Change of Control and if there occurs a Change of Control and within the Change of Control Period a Rating Downgrade in respect

of that Change of Control occurs or, if the Notes are not rated, a Negative Rating Event in respect of that Change of Control occurs (in either case called a "**Put Event**"), the holder of each Note will have the option (unless, prior to the giving of the Put Event Notice referred to below, the Issuer gives notice to redeem the Notes under Condition 5 c), to require the Issuer to redeem or, at the Issuer's option, purchase (or procures the purchase of) that Note on the Optional Redemption Date (as defined below) at (x) its principal amount together with (or, where purchased, together with an amount equal to) accrued interest to but excluding the Optional Redemption Date (in the case of Notes other than Zero Coupon Notes, Index Linked Notes, Dual Currency Notes or other structured Notes) or (y) the Optional Redemption Amount together with (or, where purchased, together with an amount equal to) accrued interest to but excluding the Optional Redemption Date (in the case of Zero Coupon Notes, Index Linked Notes, Dual Currency Notes or other structured Notes).

4. With regard to the Terms and Conditions of the Notes, the definition of "Change of Control Period" in Condition 5(e)(ii) as included in the Base Prospectus shall be deemed to be deleted and replaced in its entirety by the following:

"Change of Control Period" means the period commencing on the earlier of (a) the date of the relevant Change of Control and (b) the date of the earliest Relevant Potential Change of Control Announcement (if any) and ending 180 days after the public announcement of the Change of Control having occurred.

5. With regard to the Terms and Conditions of the Notes, the following definitions shall be inserted directly following the definition of "Change of Control Period" in Condition 5(e)(ii) of the Base Prospectus:

A "**Negative Rating Event**" shall be deemed to have occurred if (i) the Issuer does not within the Change of Control Period seek, and thereafter use all reasonable endeavours to obtain from a Rating Agency, a rating or (ii) if it does not seek and use such endeavours, it has not at the expiry of the Change of Control Period and as a result of such Change of Control obtained an Investment Grade Rating, provided that the Rating Agency publicly announces or publicly confirms in writing that its declining to assign an Investment Grade Rating was the result of the applicable Change of Control.

"Relevant Potential Change of Control Announcement" means any formal public announcement or statement by or on behalf of DSM or any actual or potential bidder or any advisor thereto relating to any potential Change of Control where, within 180 days of the date of such announcement or statement, a Change of Control occurs.

6. With regard to the section titled "Description of the Issuer", a new paragraph titled "Recent Developments" shall be deemed to be incorporated therein following the sub-paragraph titled

"Macro-economic outlook for 2006" on page 75 and prior to the paragraph titled "Final Remark" on page 75:

"Recent Developments

DSM attempts to accelerate the shift to a Life Sciences (Nutrition and Pharma) and Materials Sciences (Performance Materials) company. This shift positions DSM in areas such as nutrition and health as well as advanced materials to improve the quality of life and the environment. As a consequence DSM initiates a divestment program for non-core businesses and steps-up its search for acquisitions in core business areas to achieve external growth.

New growth targets include:

- raising the organic sales growth target to more than 5% per year;
- raising the sales target for China in 2010 from USD 1,000,000,000 to USD 1,500,000,000;
- committing to deliver Euro 1,000,000,000 in additional sales from innovation by 2010;
- recommending a dividend increase of 20% per share at the AGM in March 2008;
- initiating a new Euro 750,000,000 share buy-back; and
- reconfirming the sustainability targets and doubling the energy savings target."

7. With regard to the Section in the Base Prospectus titled "General Information" and the paragraph titled "Ratings" included therein, the entire first sentence of such paragraph shall be deemed to be replaced by the following sentence:

"The Issuer has a senior debt rating from Standard & Poor's Ratings Services, a division of the McGraw Hill Companies Inc. ("**Standard & Poor's**"), of A-, and from Moody's Investors Services Limited ("**Moody's**") of A3."

Only investors who have already agreed to purchase or subscribe for Notes before the date of this Supplemental Prospectus have the right, exercisable within two working days after the date of this Supplemental Prospectus, to withdraw their acceptances.

This Supplemental Prospectus should be read and understood in accordance with any amendment or supplement hereto and with any other documents incorporated herein by reference.