

NOTES TO THE AGENDA FOR THE ANNUAL GENERAL MEETING OF ROYAL DSM N.V. TO BE HELD ON 25 MARCH 2009

NOTES TO AGENDA ITEM 2

Annual Report for 2008 by the Managing Board

The Managing Board will comment on the Report by the Managing Board in DSM's annual report for 2008 (see pp. 22 to 67 of the annual report for 2008¹).

Subsequently, those present at the meeting will be given the opportunity to ask questions or make remarks about the Annual Report by the Managing Board for 2008 as well as the report by the Supervisory Board (included in the annual report for 2008 on pp. 68 to 77) and the Triple P report for 2008. Under this agenda point questions can be asked also on DSM's approach to the implementation of the Dutch corporate governance code.

NOTES TO AGENDA ITEM 3

Adoption of the Financial Statements for 2008

Resolution

The Supervisory Board approved on 17 February 2009 the Financial Statements for 2008 drawn up by the Managing Board. The Financial Statements were published on 18 February 2009 and are now submitted for adoption by the General Meeting (see Article 31, section 2, of the Articles of Association).

NOTES TO AGENDA ITEM 4

a. Reserve policy and dividend policy

The reserve policy is unchanged compared with last year. The reserve policy is closely linked to the dividend policy. Every year the Managing Board, with the approval of the Supervisory Board, decides what part of the profit is to be appropriated to the reserves. The portion of the profit then remaining and after deduction of the dividend on cumulative preference shares, is at the disposal of the General Meeting.

The dividend that the company pays its shareholders depends on business conditions, the company's financial performance and other relevant factors. DSM aims to provide a stable and preferably rising dividend. The entire dividend is distributed in cash.

b. Adoption of the dividend for 2008

Resolution

With the approval of the Supervisory Board, the Managing Board is presenting to the General Meeting for adoption the proposal that the dividend per ordinary share to be paid for 2008 be € 1.20 (see Article 32, section 6 of the Articles of Association). An interim dividend of € 0.40 per ordinary share having been paid in August 2008, the final dividend thus amounts to € 0.80 per ordinary share.

¹ The page numbers refer to the electronic version of the 2008 Annual Report on the DSM website

NOTES TO AGENDA ITEM 5

a. Release from liability of the members of the Managing Board **Resolution**

It is proposed that the members of the Managing Board be released from liability in respect of their managerial activities (see Article 31, section 3, of the Articles of Association).

b. Release from liability of the members of the Supervisory Board **Resolution**

It is proposed that the members of the Supervisory Board be released from liability in respect of their supervisory role (see Article 31, section 3, of the Articles of Association).

NOTES TO AGENDA ITEM 6

Reappointment of members of the Supervisory Board

According to the rotation schedule, Mr P. Hochuli and Mr C. Sonder are due to resign. Mr P. Hochuli and Mr C. Sonder have put themselves up for reappointment.

a. Reappointment of Mr P. Hochuli **Resolution**

In accordance with Article 24, section 2, of the Articles of Association, the Supervisory Board nominates Mr Hochuli for reappointment as a member of the Supervisory Board of DSM on the basis of his extensive international experience in and knowledge of the life sciences industry and his qualities as Supervisory Board member as demonstrated during his past period as member of DSM's Supervisory Board. Mr Hochuli is an independent member of the Supervisory Board within the meaning of the Dutch corporate governance code and Article 1.4 of the Supervisory Board Regulations.

It is proposed that the Meeting reappoint Mr Hochuli as a member of the Supervisory Board of DSM in accordance with the nomination of the Supervisory Board.

Mr Hochuli was born in 1947 and is a Swiss national. From 1976 until 1999 he worked for Monsanto, where he held various posts in Europe, South America and the USA, his last positions being President International and next to this Corporate Executive Vice President and member of the Monsanto Executive Board. From 2000 to 2003 he was Managing Partner of Polytechnos Venture Partners in Munich (Germany). From 2003 until his retirement in 2007 Mr Hochuli was chairman of the Board of Directors of Devgen N.V., chairman of the Executive Committee and member of the Board of Directors of Unibioscreen S.A. and member of the Board of Directors of Oncomethylome S.A.

Mr Hochuli holds no DSM shares.

b. Reappointment of Mr C. Sonder **Resolution**

In accordance with Article 24, section 2, of the Articles of Association, the Supervisory Board nominates Mr Sonder for reappointment as a member of the Supervisory Board of DSM on the basis of his extensive international and general managerial experience and his broad-based knowledge of all aspects of the chemical industry and his qualities as Supervisory Board member as demonstrated during his past period as a member of DSM's Supervisory Board. Mr Sonder is an independent member of the Supervisory Board within the meaning of the Dutch corporate governance code and Article 1.4 of the Supervisory Board Regulations.

It is proposed that the Meeting reappoint Mr Sonder as a member of the Supervisory Board of DSM in accordance with the nomination of the Supervisory Board.

Mr Sonder was born in 1942 and is a dual national (Brazilian and German). Between 1966 and 1999 he worked for Hoechst, where he held various posts in Brazil and Germany before his appointment, in 1996, as a member of the Managing Board. From 1999 until his retirement in 2004, Mr Sonder was the chairman of the Managing Board of Celanese.

Mr Sonder is also a member of the Supervisory Boards of Companhia Suzano de Papel e Celulose S.A., Lojas Renner S.A., RBS-Media Group, Cyrela Brazil Realty S.A. and Hospital Albert Einstein. He is also a member of the Board of the Latin-America Association, Hamburg (Germany).

Mr Sonder holds no DSM shares.

NOTES TO AGENDA ITEM 7

Withdrawn

NOTES TO AGENDA ITEM 8

Powers of the Managing Board

In order to be able to finance acquisitions in whole or in part through the issuance of shares, if necessary, and in order to be able to service the option rights of DSM managers and employees, it is desirable for the Managing Board to have restricted authority to issue ordinary shares and to grant options on ordinary shares.

In accordance with Articles 10 and 11 of the Articles of Association, the General Meeting, by virtue of the resolution adopted on 26 March 2008, has extended the period during which the Managing Board is authorized to issue shares and to limit or exclude the preferential right when issuing ordinary shares by 18 months. This authorization will therefore end on 27 September 2009, if it is not extended. The duration of the extension of this authorization is restricted by law to a maximum of five years. However, as in previous years, it is proposed that the authorization be extended to a date 18 months from the date of this General Meeting.

Resolutions whereby the Managing Board exercises these powers to issue ordinary shares and to limit or exclude the preferential right when issuing ordinary shares are subject to approval by the Supervisory Board.

a. Extension of the period during which the Managing Board is authorized to issue ordinary shares

Resolution

A proposal is submitted to the General Meeting to extend the period during which the Managing Board is authorized to issue ordinary shares, which includes the granting of rights for the taking up of ordinary shares as provided for in Article 10 of the Articles of Association, to a date 18 months from the date of this General Meeting (i.e. up to and including 25 September 2010), on the understanding that this authorization of the Managing Board is limited to a number of ordinary shares with a nominal value amounting to 10% of the issued capital at the time of issue, and to an additional 10% of the issued capital at the time of issue, if the issue takes place within the context of a merger or acquisition within the scope of DSM's Vision 2010 strategy. The issue price will be determined by the Managing Board and shall as much as possible be calculated on the basis of the trading prices of ordinary shares on the Euronext Amsterdam Exchange.

b. Extension of the period during which the Managing Board is authorized to limit or exclude the preferential right when issuing ordinary shares

Resolution

A proposal is submitted to the General Meeting to extend the period during which the Managing Board is authorized to limit or exclude the preferential right when issuing ordinary shares, including the granting of rights for the taking up of ordinary shares, as provided for in Article 11 of the Articles of Association, to a date 18 months from the date of this General Meeting (i.e. up to and including 25 September 2010) on the understanding that this authorization of the Managing Board is limited to a number of ordinary shares amounting to 10% of the issued capital at the time of issue, and to an additional 10% of the issued capital at the time of issue if the issue takes place within the context of a merger or acquisition within the scope of DSM's Vision 2010 strategy.

NOTES TO AGENDA ITEM 9

Authorization of the Managing Board to have the company repurchase shares

Resolution

DSM considers it desirable to have flexibility with regard to the repurchase of its own shares e.g. to service share options granted to management and personnel, or as part of a share buy-back program, or otherwise.

In accordance with Article 13 of the Articles of Association, the company may acquire its own shares by virtue of a resolution of the Managing Board, which resolution is subject to approval by the Supervisory Board. Under Article 98 of Book 2 of the Dutch Civil Code, this requires authorization by the General Meeting.

The duration of such authorization is limited by law to a maximum of 18 months.

It is proposed that the General Meeting authorizes the Managing Board to repurchase shares, on the stock exchange or otherwise, as meant in Article 13 of the Articles of Association, for a period of 18 months from the date of this General Meeting (i.e. up to and including 25 September 2010), up to a maximum of 10% of the issued capital. The repurchase can take place – in the case of ordinary shares – for a price between the nominal value and the opening price on the Euronext Amsterdam Exchange on the day of purchase plus 10% and – in the case of cumulative preference shares A – for a price between the par value and the computation base referred to in Article 32, section 3, of the Articles of Association, plus 10%. The price range enables the company to adequately repurchase its own ordinary shares, also in volatile market conditions.

The authority of the Managing Board to repurchase shares may be withdrawn by the General Meeting.

NOTES TO AGENDA ITEM 10

Reduction of the issued capital by cancelling shares

Resolution

The issue of ordinary shares, for instance in connection with the exercise of the option rights annually granted to DSM's management and personnel, may lead to dilution of the share capital. To the extent that DSM's financial position allows this and the possibilities therefore exist on the share market, this disadvantage for holders of ordinary shares shall be offset as much as possible by the purchasing and possible cancellation of shares in DSM's own capital. The authorization to repurchase company shares is requested under item 9 of the agenda. The Managing Board, with due observance of the provisions of Article 14 of the Articles of Association and with the approval of the Supervisory Board, proposes that the General Meeting resolves to reduce the issued capital by cancellation of ordinary shares held by the company in its own capital up to a maximum of the number that is or will be bought by the company. This will enable the company to further optimize its equity structure.

The number of ordinary shares to be cancelled under this resolution shall be determined by the Managing Board and shall be limited to a maximum of 10% of the issued capital as appearing from the Financial Statements for 2008. The amount of the capital reduction shall always appear from a resolution adopted to this end by the Managing Board, which will be filed at the Trade Register.

The cumulative preference shares C were purchased by the company in 2004 and have been retained as company shares since that date. It is unlikely that these company shares will be sold by the company. The Managing Board, with the approval of the Supervisory Board, proposes that the company reduces the issued capital by cancellation of all cumulative preference shares C.

The capital reduction shall take place with due observance of the applicable provisions of the law and the Articles of Association.

NOTES TO AGENDA ITEM 11

Amendment to Articles of Association

Resolution

The proposal for the amendment to the Articles of Association is tabled by the Managing Board and has been approved by the Supervisory Board.

The reason for the amendment of the Articles of Association is related to some recent Dutch legislative changes arising from European directives. In June 2008 a change in the law was introduced that made it possible to repurchase (and retain) company shares of a company like Koninklijke DSM N.V. up to 50% of the issued capital. It is proposed to bring Article 13 paragraph 1 of the Articles of Association in line with this change in the law. For good order's sake it is noted that the authorization to the Managing Board to resolve to acquire shares, including the maximum number thereof, needs to be given by the General Meeting.

Also, on 1 January 2009 the implementation Act regarding the Transparency Directive has come into effect. This Act requires an amendment of Article 30 paragraph 2. The term for preparing the annual accounts is shortened by one month to four months after expiry of the financial year.

Furthermore it is proposed that the class cumulative preference shares C will be removed from the Articles of Association under the condition that these shares have been cancelled in accordance with the proposal under item 10 of the agenda.

The full text of the proposal to the amendment of the Articles of Association with a separate explanation is annexed to this agenda.

The proposal for the amendment of the Articles of Association entails the granting of authorization to each member of the Managing Board, the Corporate Secretary, the director of Corporate Legal Affairs as well as each (junior) civil-law notary and notarial employee of Allen & Overy LLP, lawyers, civil-law notaries and tax advisers in Amsterdam, to request a certificate of no objections on the draft deed of amendment of the Articles of Association, and to have the deed executed.

It is proposed to amend the Articles of Association in accordance with the text of the proposal and to grant the authorization described above.