

Value creation

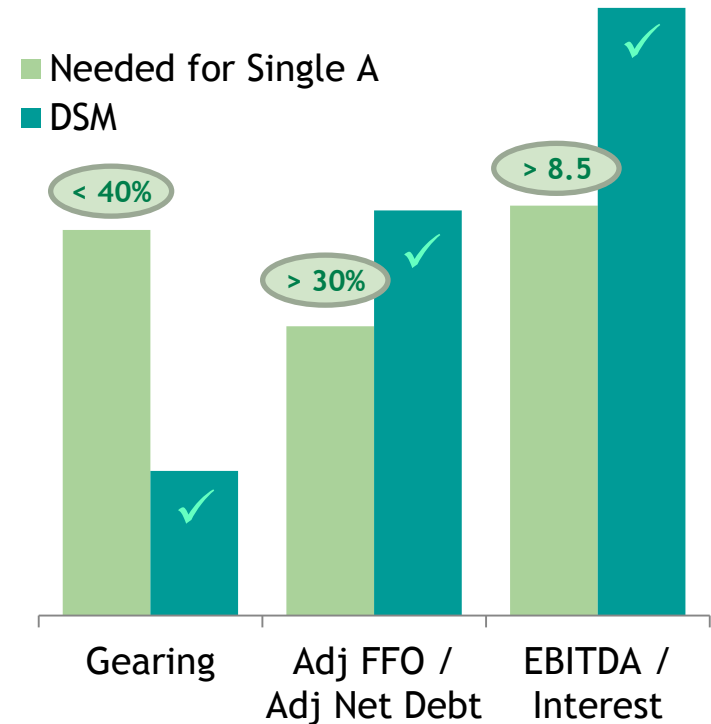
Rolf-Dieter Schwalb
Chief Financial Officer

Capital Markets Days 2012

Financial policies as business enablers

- Priorities for cash allocation unchanged:
 1. Capex for organic growth
 2. Dividend
 3. Acquisitions
 4. Cash return to shareholders
- Dividend policy
“stable and preferably rising dividend”
- Commitment to Single A rating
- Systematic, risk-management-oriented hedging strategy

Commitment to Single A Rating



Two-thirds of growth capex in High Growth Economies

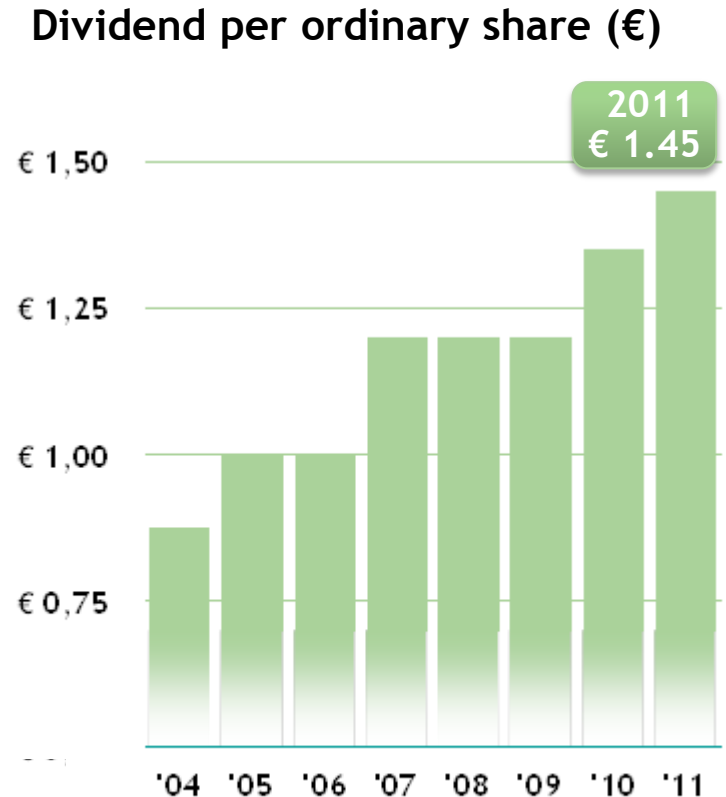


Expected total capex 2012 > € 600m

* Geographic distribution as % of total DSM

Dividend increased for 2nd consecutive year

- Dividend policy “stable and preferably rising”
 - In cash or ordinary shares
- May 2012 (AGM): dividend increase of € 0.10 to € 1.45
 - Since announcement of new CSD, dividend has been increased by 21% from € 1.20 to € 1.45
- Interim dividend for the year 2012: € 0.48 per ordinary share, which, as usual, represents one third of the total dividend paid for the previous year (2011)



Conservative & successful acquisition approach

Strategic / Business fit

Add / increase leadership positions

Strengthening market / technology position

Increase innovation potential

Contribute to our geographic ambitions

Add to our sustainability drive

One or more of the above

Balance sheet / Cash

Sustained Single A rating

Cash EPS accretive from beginning

Supportive to other financial targets

All of the above

Nutrition: acquisitions fuel further growth

Acquisition	Portfolio	Key Region**	Sales	Growth***	EBITDA
Martek	Omega 3 DHA Omega 6 ARA	N-AM	~ € 350m*	> 10%	~ € 100m
ONC	Omega 3 EPA Omega 3 DHA	N-AM	~ € 150m	> 10%	~ € 45m
Tortuga	Organic Trace Minerals, Phosphorus	L-AM	~ € 385m	> 10%	~ € 60m
Verenium Cargill bio**** Vitaten Microbia	Enzymes Cultures & Enzymes Natural Carotenoids Natural Carotenoids	EUR/N-AM	~ € 80m	> 10%	not disclosed
Total			€ 950-€ 1000m	> 10%	> € 200m

- * Martek sales after deduction of internal DSM supplies
- ** All products are introduced/leveraged globally
- *** 5 yr forward sales CAGR
- **** Possible acquisition of Cargill's cultures and enzymes business

...creating attractive shareholder value

Acquisition	EV	EBITDA	EBITDA /Sales	EV/ EBITDA '12	Full NPV*	FCF Yield (year 1)
Martek	~ € 730m	~ € 100m	~ 30%	7.3	€ 1.4bn	~7%
ONC	~ € 420m	~ € 45m	~ 30%	9.0	€ 850m	~ 8%
Tortuga	~ € 465m	~ € 60m	~ 16%	7.8	not disclosed	~ 8-9%
Other						
Total	~ € 1.8bn	> € 200m	~ 23%	< 8		

Acquisitions at conservative multiples provide full strategic & operational fit, creating profitable growth and shareholder value

* DSM base case including synergies

DSM paying conservative multiples in Nutrition

DSM's acquisitions in Nutrition

- Martek 7.3
- ONC 9.0
- Tortuga 7.8

Total EV/EBITDA < 8

Nutrition - Industry References*

- Chr.Hansen - IPO 12.6
- Cognis 9.6
- Danisco 14.9
- Provimi 10.3

Total EV/EBITDA ~ 9-15

* Multiple based on published EV and last actual reported EBITDA before acquisition

Acquisitions contributing to EBITDA growth

ACQUISITIONS

Nutrition

- Martek (microbial DHA/ARA)
- Vitatene (natural carotenoids),
- Premix plants (Romania, Italy)
- Food enzymes business and technology (Verenium)
- Ocean Nutrition Canada (fish derived Omega-3)
- Tortuga (animal dietary supplements)

~ € 1.8bn

Innovation center

- Kensey Nash (biomedical materials)
- C5 Yeast Company (cellulosic bioethanol)

~ € 0.3bn

Performance Materials

- ICD China; High performance fibers
- AGI Taiwan; UV resins

~ € 0.1bn

PARTNERSHIPS

Nutrition

- Premix plant Russia

Pharma

- DSM Sinochem Pharmaceuticals

Innovation center

- POET; cellulosic bio-ethanol
- DuPont: Actamax, biomedical materials

Performance Materials

- KuibyshevAzot Russia; PA6
- Kemrock India; composite resins

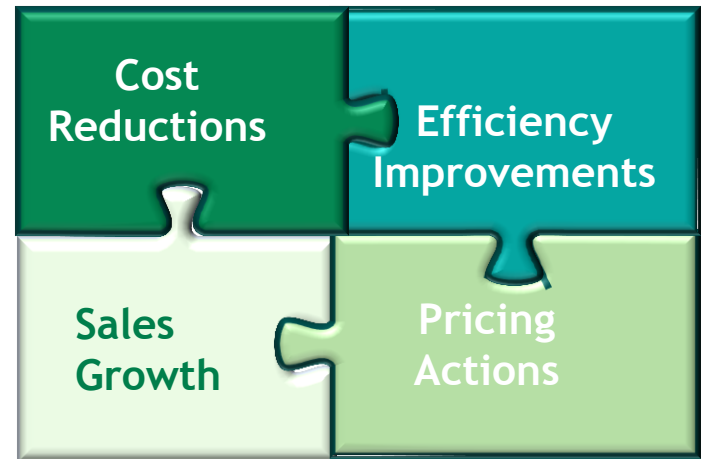
Total acquisitions now reaching ~ € 2.2bn*
Adding ~ € 250m high quality EBITDA to DSM

* Since September 2010

2013 Targets: Profit Improvement Program

Profit Improvement Program	2013	2014
• Benefits of 2012 plan	~ € 75m	~ € 150m

- Company-wide program with main focus on costs & efficiency
- Expected structural annual benefits of € 150m
- Reduction in global headcount of ~1,000 positions
- In addition to the previously announced restructuring at DSM Resins (€ 25-30m EBITDA by 2013)
- Committed to seeking additional efficiencies



Examples of a broad range of projects started

Life Sciences

- Improving competitiveness of key vitamins (Bs and C) with projects in Grenzach (D) and Dalry (UK)
- Reduction of the Swiss Franc dependency
- Closing of the LTP plant in Sweden
- Termination of Percivia's Biosimilar business
- Other programs in Pharma

Materials Sciences

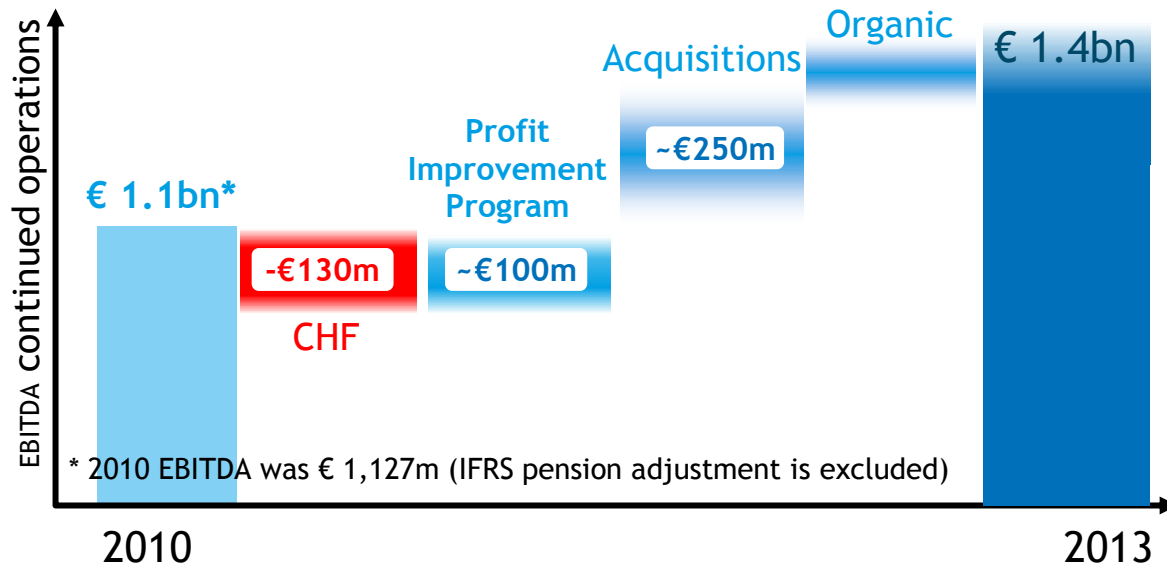
- Reduce fixed costs, improve efficiency at DSM Engineering Plastics
- Alignment of DSM Dyneema with vehicle protection business
- Intensifying the previously announced restructuring initiatives at DSM Resins (further initiatives focused on Composite Resins)

Other

- Standardizing and offshoring transactional services in accounting and ICT

2013 EBITDA target confirmed

Profitability Targets	Target 2013	Current Expectation
• EBITDA	€ 1.4 - € 1.6bn	~ € 1.4bn
• ROCE	> 15%	< 15%



- Assuming no further deterioration of the economic conditions, and based on its strategy, financial strength, and the additional actions now taken, DSM will move towards the 2013 strategic targets
- The ROCE target is unlikely to be achieved due to accelerated acquisitions and deterioration in global macro-economic conditions

Conclusions

- Successful strategic progress continued
- Biggest share of ~ € 2.2bn M&A since CSD announcement, has been realized in Nutrition
- These acquisitions contribute ~ € 250m high quality EBITDA to DSM's portfolio, but in the short term, they have a negative impact on the ROCE
- A company wide € 150m Profit Improvement Program has been announced to mitigate the impact from macro economic developments
- Outlook 2012 confirmed
- Assuming no further deterioration of the economic conditions, and based on its strategy, financial strength, and the additional actions now taken, DSM will move towards the 2013 strategic targets