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| Press Release  Heerlen (NL), 1 August 2019 |  |

**DSM reports H1 2019 results**

Highlights1,2,3

* DSM reports a good H1
* Results compared to Underlying business in H1 2018:
* Group sales +3%, Adjusted EBITDA up 12% (including 3% from IFRS 16)
* Nutrition: organic sales +4%, Adjusted EBITDA up 13% (including 2% from IFRS 16)
* Materials: organic sales -6%, Adjusted EBITDA flat (including 1% from IFRS 16)
* Adjusted Net Operating Free Cash Flow €257m, up 14% versus H1 2018
* Total Net profit €401m, up versus H1 2018 of €633m when correcting for the temporary vitamin effect of €275m EBITDA following an exceptional supply disruption in the industry
* Interim dividend of €0.77 per ordinary share
* Full year outlook maintained

Key figures and indicators

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| in € million | **H1 2019** | **H1 2018** | | | % Change | | | | |
|  |  | Underlying1  business | Temp. vitamin effect | Total  Group | Underlying1  Organic  growth | FX & ‘other’1 | Underlying1  total growth | Temporary vitamin effect | Total  Group |
| **Sales** | 4,568 | 4,429 | 365 | 4,794 | 1% | 2% | 3% | -8% | -5% |
| Nutrition | 3,029 | 2,840 | 365 | 3,205 | 4% | 3% | 7% | -12% | -5% |
| Materials | 1,427 | 1,492 |  | 1,492 | -6% | 2% | -4% |  | -4% |
| **Adjusted EBITDA** | 862 | 771 | 275 | 1,046 |  |  | 12% | -30% | -18% |
| Nutrition | 639 | 564 | 275 | 839 |  |  | 13% | -37% | -24% |
| Materials | 262 | 261 |  | 261 |  |  | 0% |  | 0% |
| Innovation | 11 | 0 |  | 0 |  |  |  |  |  |
| Corporate | -50 | -54 |  | -54 |  |  |  |  |  |
| EBITDA | 823 | 754 | 275 | 1,029 |  |  |  |  |  |
| Adjusted EBITDA margin | 18.9% | 17.4% |  | 21.8% |  |  |  |  |  |

1 In 2018 DSM benefitted from a temporary vitamin effect (see page 6). Underlying (business) is defined as the performance measure sales and Adjusted EBITDA, corrected for DSM’s best estimate of this temporary vitamin effect.

2 Adjusted EBITDA is an Alternative Performance Measure (APM) that reflects continuing operations.

3 DSM adopted IFRS 16 as per its effective date of 1 January 2019 and has not restated 2018 (see page 23).

CEO statement

Feike Sijbesma, CEO/Chairman DSM Managing Board, commented: *“I am pleased to report a good performance for the first half year, achieved against a challenging macro-economic environment. The Nutrition business saw continued good business conditions and delivered a strong performance, demonstrating the quality of its innovative portfolio of value-added solutions.* *Materials experienced ongoing soft market conditions in some of its end-markets, especially in China. Through a continued strong performance in the Dyneema and Functional Materials businesses, combined with good margin management, our Materials business demonstrated resilience with stable earnings.*

*DSM continues to be well positioned to deliver on our ambitious Strategy 2021 targets, driven by our commitment to be a purpose led, performance driven science-based company in Nutrition, Health and Sustainable Living. We reiterate our outlook for the full year.”*

Q2 Highlights1,2,3

* DSM reports another good quarter
* Results compared to Underlying business in Q2 2018:
  + Group sales +3%, Adjusted EBITDA up 10% (including 3% impact from IFRS 16)
  + Nutrition: organic sales +4%, Adjusted EBITDA up 13% (including 3% impact from IFRS 16)
  + Materials: organic sales -7%, Adjusted EBITDA flat (including 1% impact from IFRS 16)

Key figures and indicators

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| in € million | **Q2 2019** | **Q2 2018** | | | % Change | | | | |
|  |  | Underlying1  business | Temp. vitamin effect | Total  Group | Underlying1  Organic  growth | FX & ‘other’1 | Underlying1  total growth | Temporary vitamin effect | Total  Group |
| **Sales** | 2,276 | 2,214 | 145 | 2,359 | 1% | 2% | 3% | -7% | -4% |
| Nutrition | 1,512 | 1,410 | 145 | 1,555 | 4% | 3% | 7% | -10% | -3% |
| Materials | 710 | 754 |  | 754 | -7% | 1% | -6% |  | -6% |
| **Adjusted EBITDA** | 438 | 398 | 110 | 508 |  |  | 10% | -24% | -14% |
| Nutrition | 323 | 287 | 110 | 397 |  |  | 13% | -32% | -19% |
| Materials | 135 | 135 |  | 135 |  |  | 0% |  | 0% |
| Innovation | 5 | 1 |  | 1 |  |  |  |  |  |
| Corporate | -25 | -25 |  | -25 |  |  |  |  |  |
| EBITDA | 407 | 393 | 110 | 503 |  |  |  |  |  |
| Adjusted EBITDA margin | 19.2% | 18.0% |  | 21.5% |  |  |  |  |  |

Outlook 2019

DSM maintains its full year outlook as provided at Q1 2019: DSM expects to deliver a full year 2019 high single digit increase in Adjusted EBITDA compared to prior year Underlying Adjusted EBITDA (pre-temporary vitamin effect), together with an improvement in Underlying Adjusted Net Operating Free Cash Flow in line with its Strategy 2021 targets. This outlook excludes the impact of IFRS 16 (see page 23).

Share Buy-Back program

On 1 April 2019, DSM commenced its ordinary share repurchase program of an aggregate market value of €1 billion, with the intention to reduce its issued capital, as first announced on 14 February 2019. This program is in addition to the regular repurchase programs to cover commitments under share-based compensation plans and the stock dividend. As per 30 June DSM has repurchased 2.6 million shares for a total consideration of €265 million; 2 million shares relate to the regular repurchase programs and 0.6 million shares relate to the €1 billion share buy-back program.

Note for the editors: for the full text of the press release see enclosed pdf or click [here](https://www.dsm.com/corporate/media/informationcenter-news/2019/08/32-19-dsm-h1-2019-results.html)>

**Financial calendar**

5 November 2019 Publication of the results of the first nine months of 2019

13 February 2020 Publication of full year 2019 results

7 May 2020 Publication of the results of the first three months of 2020

8 May 2020 Annual General Meeting of Shareholders

4 August 2020 Publication of the half year results of 2020

3 November 2020 Publication of the results of the first nine months of 2020

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**Additional Information**

Today DSM will hold a conference call for **media** at 08:00 CET and a conference call for **investors and analysts** at 09:00 CET. Details on how to access these calls can be found on the DSM website, [www.dsm.com](http://www.dsm.com).

**DSM – Bright Science. Brighter Living.™**

Royal DSM is a global, purpose-led, science-based company active in Nutrition, Health and Sustainable Living. DSM’s purpose is to create brighter lives for all. DSM addresses with its products and solutions some of the world’s biggest challenges while simultaneously creating economic, environmental and societal value for all its stakeholders – customers, employees, shareholders, and society at large. DSM delivers innovative solutions for human nutrition, animal nutrition, personal care and aroma, medical devices, green products and applications, and new mobility and connectivity. DSM and its associated companies deliver annual net sales of about €10 billion with approximately 23,000 employees. The company was founded in 1902 and is listed on Euronext Amsterdam. More information can be found at [www.dsm.com](http://www.dsm.com/).

**Forward Looking Statements**

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. The English language version of the press release is leading.