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| Press Release | Royal DSM |
| Heerlen (NL), 12 April 2018 | [media.contacts@dsm.com](mailto:media.contacts@dsm.com) |
|  | [www.dsm.com](http://www.dsm.com) |
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|  | 07-E-2018 |

DSM announces preliminary Q1 2018 results and increases outlook

**Royal DSM, a global science-based company active in health, nutrition and materials, today issues preliminary results for Q1 2018, ahead of the scheduled Q1 results announcement on 8 May 2018.**

Q1 preliminary results - highlights

* Continued strong organic sales growth in underlying business estimated at 11%
* Adjusted EBITDA growth of underlying business estimated at 7% despite significant FX headwind
* Additional temporary vitamin price benefit estimated at €165m on Adjusted EBITDA
* Overall very strong quarter with total Adjusted EBITDA up 55%

Key preliminary figures and indicators1

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| in € million |  | **Q1 2018** |  | **Q1 2017** | % Change | | | | |
|  | Underlying2  business | Temporary2 vitamin effect | Total  Group | Reported | Underlying2  organic growth | FX2 | Underlying2  total growth | Temporary2 vitamin effect | Total  Group |
| **Sales** | **2,215** | 220 | 2,435 | **2,159** | **11%** | -8% | 3% | 10% | **13%** |
| Nutrition | **1,430** | 220 | 1,650 | **1,398** | **12%** | -10% | 2% | 16% | **18%** |
| Materials | **735** |  | 735 | **701** | **11%** | -6% | 5% |  | **5%** |
| **Adjusted EBITDA** | **370** | 165 | 535 | **345** |  |  | 7% | 48% | **55%** |
| Nutrition | **275** | 165 | 440 | **257** |  |  | 7% | 64% | **71%** |
| Materials  Innovation  Corporate | **125**  **-1**  **-29** |  | 125  -1  -29 | **113**  **1**  **-26** |  |  | 11% |  | **11%** |
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1 Adjusted EBITDA is an Alternative Performance Measure (APM) that reflects continuing operations.

2 Underlying business is defined in this press release as the performance measures sales and adjusted EBITDA, corrected for DSM’s best estimate of the vitamin effect, which is expected to be temporary.

CEO statement

Feike Sijbesma, CEO/Chairman DSM Managing Board, commented on the preliminary results: *“We are very pleased that the strong underlying performance of our business continues, with growth well above market. In addition, we are currently benefitting from substantially higher prices in some vitamins due to exceptional supply disruptions in the industry, which are expected to be temporary and heavily weighted towards the first half of the year. These two combined result in a significantly higher outlook for the full year 2018.”*

Outlook 2018

DSM raises its full year outlook 2018 and now expects an Adjusted EBITDA growth towards 25% and a related higher ROCE growth. This is based on:

* a low double-digit Adjusted EBITDA growth in the underlying business at constant currencies,
* a negative foreign exchange effect on Adjusted EBITDA of about €80 million, and
* an additional Adjusted EBITDA benefit estimated at €250 – 300 million from an exceptional vitamin pricing environment, that is expected to be temporary and heavily weighted towards the first half of the year

First quarter DSM total

DSM expects to report a very strong first quarter, with an estimated organic sales growth from the underlying business of 11%. Including the negative foreign currency effects, the total sales growth in the underlying business is estimated to be 3% and the Adjusted EBITDA growth 7%.

The first quarter also benefitted from an additional Adjusted EBITDA contribution estimated at €165 million from an exceptional vitamin pricing environment.

First quarter Nutrition

Organic sales growth in the underlying Nutrition business is estimated to be 12%, driven by continued strong volume growth of 7%, well above market. Higher prices in the quarter of 5% partly off-set the negative foreign currency effects and higher input costs.

Including the negative foreign exchange effects, the Adjusted EBITDA of the underlying business is estimated to be up 7%, with an Adjusted EBITDA margin of about 19%.

In addition, due to the exceptional supply disruptions in the industry, the first quarter also benefitted from an estimated €165 million additional Adjusted EBITDA contribution from an exceptional vitamin price environment expected to be temporary.

First quarter Materials

Organic sales growth in Materials is expected to be 11% resulting from about 7% in volume growth and about 4% higher prices, driven by the implementation of price increases to off-set higher input costs.

Including the negative foreign exchange effects, the Adjusted EBITDA is expected to be up 11%, with an Adjusted EBITDA margin of about 17%.

**Additional Information**

Today DSM will hold a conference call for the media from 09.00 AM to 09.30 AM CET and a conference call for investors and analysts from 10.00 AM to 10.30 AM CET. Details on how to access these calls:

Media call: dial-in number Netherlands: +31(0)203418249    UK:  [+44 20 3365 3210](tel:+44%2020%203365%203210)

Investor call: Please use the following registration link to register your participation: <https://www.kpneventcall.nl/EventRegistration/4a5a5424-4cf3-464b-ae5b-aee9ca2b2a7a>

**For more information:**

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**Financial calendar**

8 May 2018 Publication of the results of the first three months of 2018

9 May 2018 Annual General Meeting of Shareholders

11 May 2018 Ex-dividend

20 June 2018 Capital Markets Day

1 August 2018 Publication of the half year results of 2018

31 October 2018 Publication of the results of the first nine months of 2018

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

Royal DSM is a global science-based company active in health, nutrition and materials. By connecting its unique competences in life sciences and materials sciences DSM is driving economic prosperity, environmental progress and social advances to create sustainable value for all stakeholders simultaneously. DSM delivers innovative solutions that nourish, protect and improve performance in global markets such as food and dietary supplements, personal care, feed, medical devices, automotive, paints, electrical and electronics, life protection, alternative energy and bio-based materials. DSM and its associated companies deliver annual net sales of about €10 billion with approximately 25,000 employees. The company is listed on Euronext Amsterdam. More information can be found at [www.dsm.com](http://www.dsm.com).

Or find us on: **[Description: ico-facebook](http://www.facebook.com/DSMcompany) [Description: ico-twitter](http://twitter.com/#!/DSM) [Description: ico-linkedin](http://www.linkedin.com/company/3108) [Description: ico-youtube](http://www.youtube.com/user/dsmcompany)**

**Forward Looking Statement**

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.

