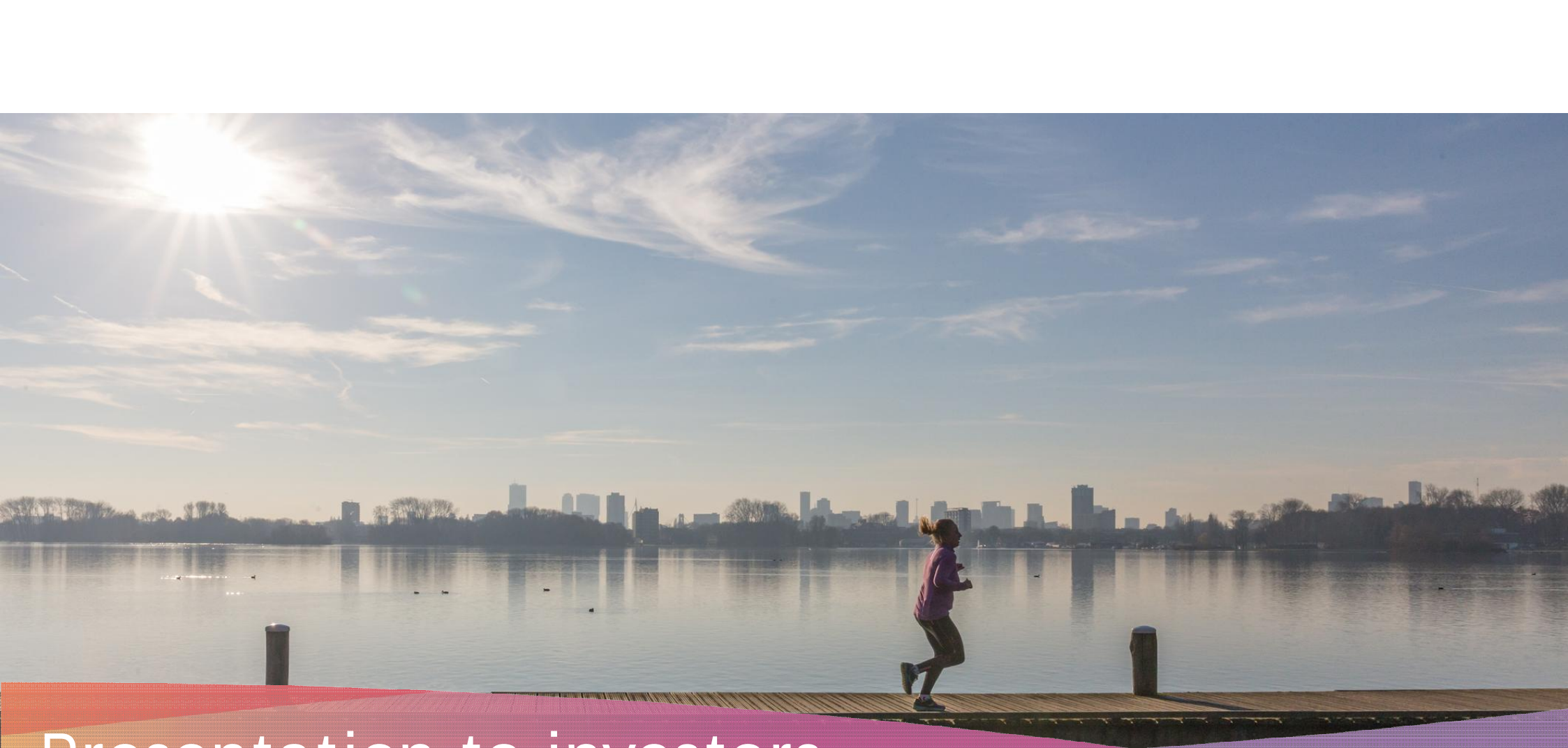




Presentation to investors

Q1 2017 results

ROYAL DSM
HEALTH NUTRITION MATERIALS



Safe harbor statement

- This presentation 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 presentation, unless required by law.
- More details on DSM's Q1 2017 performance can be found in the Q1 2017 results press release, published together with this presentation. A more comprehensive discussion of the risk factors affecting DSM's business can be found in the company's latest Annual Report, which can be found on the company's corporate website, www.dsm.com

Highlights Q1 2017

- DSM reports a very strong first quarter
- Sales up 13% to €2,159m, with 9% organic growth
- Adjusted EBITDA up 17% to €345m
- ROCE up 150 bps to 11.3%
- Cash from operating activities up 43% to €196m
- Net profit up 75% to €149m
- Outlook maintained: DSM aims to deliver high-single digit percentage Adjusted EBITDA growth and high double-digit basis point ROCE growth in line with the targets set out in its Strategy 2018

Quote from CEO Feike Sijbesma



Feike Sijbesma
CEO / Chairman of
the DSM Managing Board

- *"We are pleased to report a very good start to the year, with continued positive momentum in all businesses as we execute on our mid-term strategic and financial ambitions. Nutrition continued to deliver on its objectives with good growth from Animal and Human Nutrition. Materials demonstrated once again the benefit of its focus on specialties. Both businesses achieved strong volume growth, well above the market."*

Notwithstanding the current global socio-economic volatility, we are confident that we will be able to deliver against our full-year objectives given our focus on improving our financial performance through our growth initiatives and our extensive and ambitious profit improvement programs. At the same time we continue to manage our business for the longer term by pursuing our innovation-driven growth strategy."

Group | Key financials

in € million	Q1 2017	Q1 2016	% Change
Sales	2,159	1,913	13%
Adjusted EBITDA	345	296	17%
Adjusted EBITDA margin	16.0%	15.5%	
ROCE (%)	11.3%	9.8%	
Adjusted net profit	163	109	50%
Net profit - Total DSM	149	85	75%
Adjusted net EPS	0.92	0.60	53%
Net EPS - Total DSM	0.84	0.46	
Cash Flow	196	137	43%

Group | Net sales development

in € million	Q1 2017	Q1 2016	% Change	Volume	Price/mix	FX	Other
Sales - Continuing Operations	2,159	1,913	13%	6%	3%	3%	1%
Nutrition	1,398	1,250	12%	5%	3%	4%	0%
Materials	701	600	17%	11%	3%	1%	2%
Innovation Center	43	43	0%	3%	-5%	2%	0%
Corporate Activities	17	20					

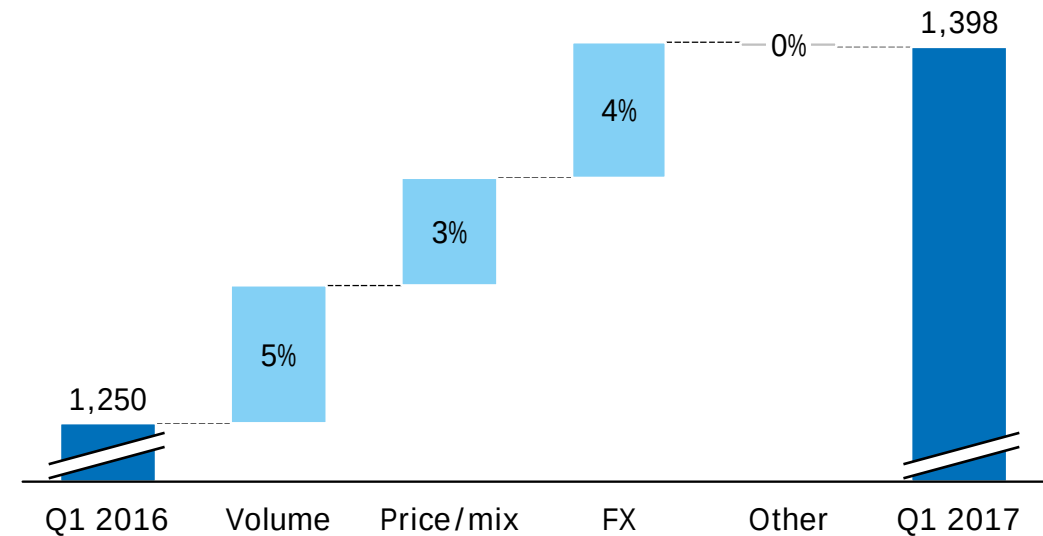
Group | EBITDA development

in € million	Q1 2017	Q1 2016	% Change
Adjusted EBITDA	345	296	17%
Nutrition	257	225	14%
Materials	113	95	19%
Innovation Center	1	1	
Corporate Activities	-26	-25	

Nutrition | Sales overview

- Q1 2017 sales increased by 12% compared to Q1 2016, driven predominantly by organic growth of 8%
 - Volume growth continued to be good across all business lines, with both animal and human nutrition benefiting in part from timing of sales between quarters
 - Higher prices were driven by animal nutrition
 - Exchange rates had a 4% positive effect, mainly coming from a stronger US dollar and Brazilian real

Sales bridge | Q1 2016 to Q1 2017



Nutrition | Key financials

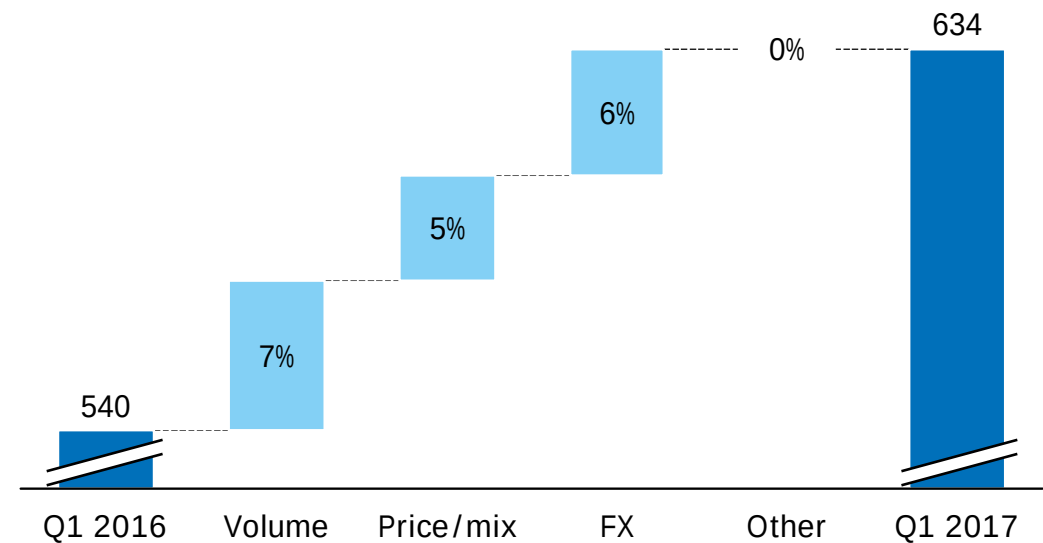
in € million	Q1 2017	Q1 2016	% Change
Sales	1,398	1,250	12%
Adjusted EBITDA	257	225	14%
Adjusted EBITDA margin (%)	18.4%	18.0%	
Adjusted EBIT	185	161	15%
Capital Employed	5,555	5,252	
Average Capital Employed	5,546	5,281	
ROCE (%)	13.3%	12.1%	
Total Working Capital	1,500	1,399	
Average Total Working Capital as % of Sales	27.2%	27.5%	

- **Q1 2017 Adjusted EBITDA** was €257 million, up 14% compared to Q1 2016
 - Resulting from good organic growth and the profit improvement programs
 - Currencies had a positive effect with the stronger US dollar and Brazilian real, partly offset by the stronger Swiss franc
- **Q1 2017 Adjusted EBITDA margin** was 18.4%, up from 18.0% in Q1 2016

Animal Nutrition & Health | Sales overview

- Q1 2017 sales were up 18% versus Q1 2016, driven mainly by organic growth of 12%
 - All regions delivered good volume growth
 - Our Latin America business, where markets remained weak, benefited from a low comparable reporting period, when volumes were impacted by pre-buying in Q4 2015. Normalized for this effect, Q1 2017 volume growth was 4-5%
 - Prices were up in several vitamins and premixes
 - Exchange rate effects were driven by a stronger US dollar and Brazilian real, partly offset by the weaker Chinese renminbi

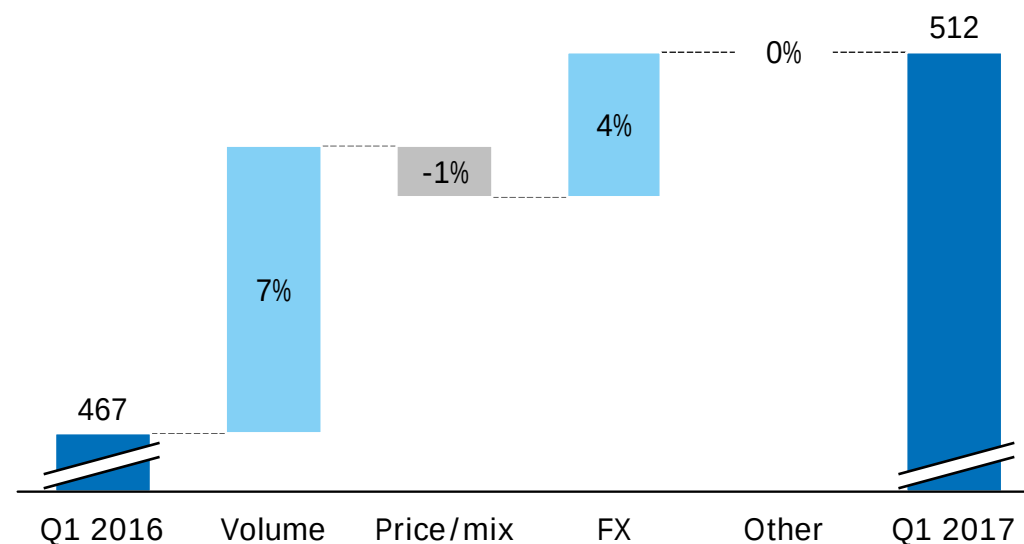
Sales bridge | Q1 2016 to Q1 2017



Human Nutrition & Health | Sales overview

- Q1 2017 sales were 10% higher compared to Q1 2016 driven predominantly by higher volumes
 - Good growth across all regions and market segments, well above market
 - The reported volume growth in human nutrition in the quarter benefited from additional vitamin C volumes that could not be delivered in Q4. Normalized for this effect, Q1 2017 volume growth was about 5%
 - Prices were slightly down with lower contractual prices in Infant Nutrition and a product mix effect
 - Exchange rates had a positive effect led by the stronger US dollar

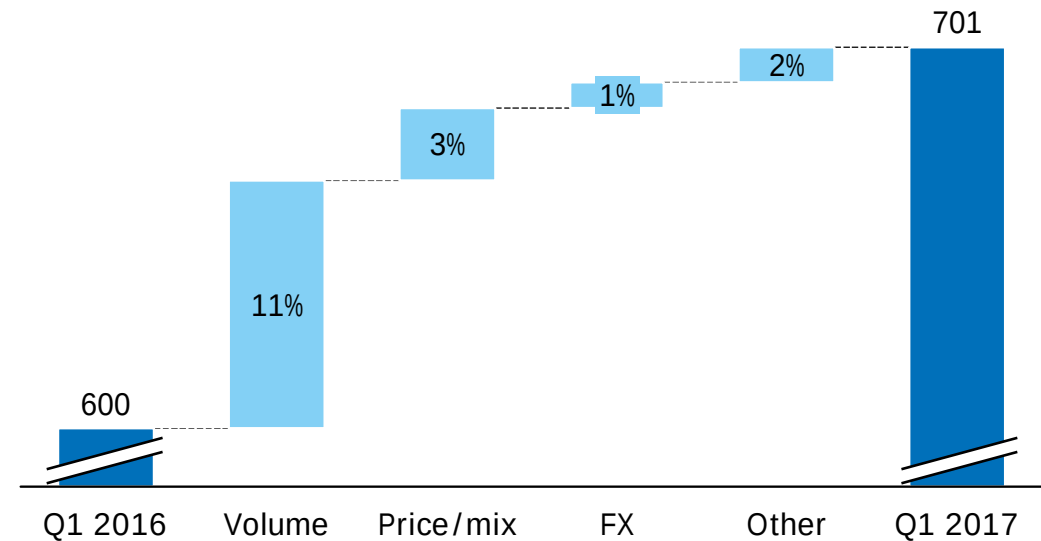
Sales bridge | Q1 2016 to Q1 2017



Materials | Sales overview

- Q1 2017 sales were 17% higher than Q1 2016, with high demand for specialties and some stocking effects in parts of the value chain resulting in an exceptionally high volume growth of 11%
 - DSM Resins & Functional Materials benefited from improved business conditions in the European building and construction markets, while DSM Dyneema continued to see strong demand for life protection in law enforcement
 - Higher prices resulted from higher input costs

Sales bridge | Q1 2016 to Q1 2017



Materials | Key financials

in € million	Q1 2017	Q1 2016	% Change
Sales	701	600	17%
Adjusted EBITDA	113	95	19%
Adjusted EBITDA margin (%)	16.1%	15.8%	
Adjusted EBIT	81	62	31%
Capital Employed	1,831	1,755	
Average Capital Employed	1,819	1,739	
ROCE (%)	17.9%	14.4%	
Total Working Capital	332	293	
Average Total Working Capital as % of Sales	12.3%	11.7%	

- Q1 2017 Adjusted EBITDA increased by 19% compared with Q1 2016, as a result of higher volumes, focus on specialties and a slightly positive FX effect
- The Adjusted EBITDA margin in Q1 2017 was 16.1% versus 15.8% in Q1 2016; higher input costs were only partially reflected in customer pricing in the quarter

Innovation | Key financials

in € million	Q1 2017	Q1 2016	% Change
Sales	43	43	0%
Adjusted EBITDA	1	1	
Adjusted EBIT	-5	-5	
Capital Employed	602	549	

- Q1 2017 sales and Adjusted EBITDA were stable compared to Q1 2016
 - Higher volumes in Biomedical and Advanced Solar and positive FX effects were offset by overall lower price/mix

Corporate Activities | Key financials

in € million	Q1 2017	Q1 2016
Sales	17	20
Adjusted EBITDA	-26	-25
Adjusted EBIT	-39	-33

- Q1 2017 sales and Adjusted EBITDA were in line with Q1 2016
 - EBIT was impacted by an impairment of an IT tool

Key joint ventures/associates | Financial overview

in € million, based on 100%		Q1 2017	Q1 2016	% Change
DSM Sinochem	Sales	110	112	-2%
	Adjusted EBITDA%	17%	16%	
Patheon ¹	Sales	430	376	14%
	Adjusted EBITDA%	17%	15%	
ChemicalInvest	Sales	535	455	18%
	Adjusted EBITDA%	8%	4%	

- **DSM Sinochem Pharmaceuticals (50% DSM)** showed stable results
- **Patheon (33.5% DSM)** continued to make good progress, as reported in their first quarter earnings release published on 16 March 2017
- **ChemicalInvest (35% DSM)** reported improved results due to higher caprolactam prices

1. Patheon respective period is from 1 November – 31 January

Joint ventures/associates | Net result contribution

in € million	Q1 2017	Q1 2016
DSM Sinochem (50%)	3	3
Patheon (33.5%)	7	-12
ChemicalInvest (35%)	0	-3
Other	-4	-5
Total share of the profit of associates/joint ventures	6	-17

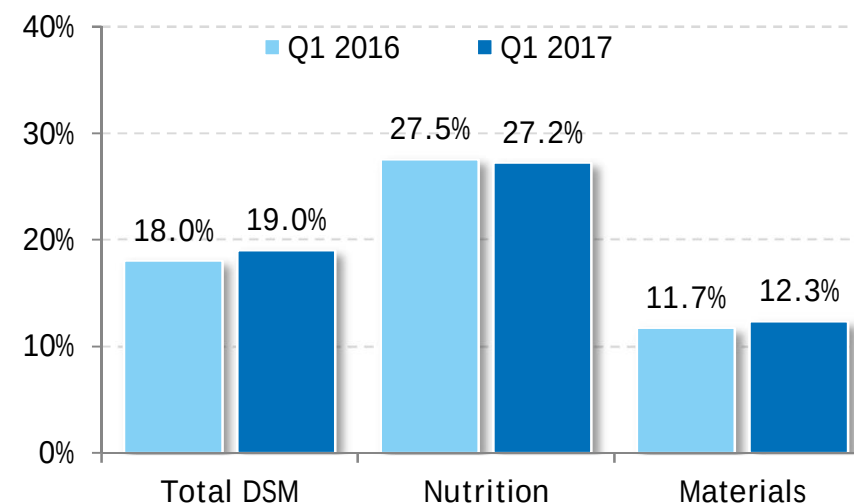
Cash flow and Working Capital | Overview

Cash flow

in € million	Q1 2017	Q1 2016
EBITDA	334	271
Change in Working Capital	-109	-112
Income Tax	-15	-22
Other	-14	0
Cash from Operating Activities	196	137
Cash from Investing Activities ¹	-198	-79
Free Cash Flow from Operations	-2	58

1) Excl. changes in fixed-term deposits, incl. acquisitions

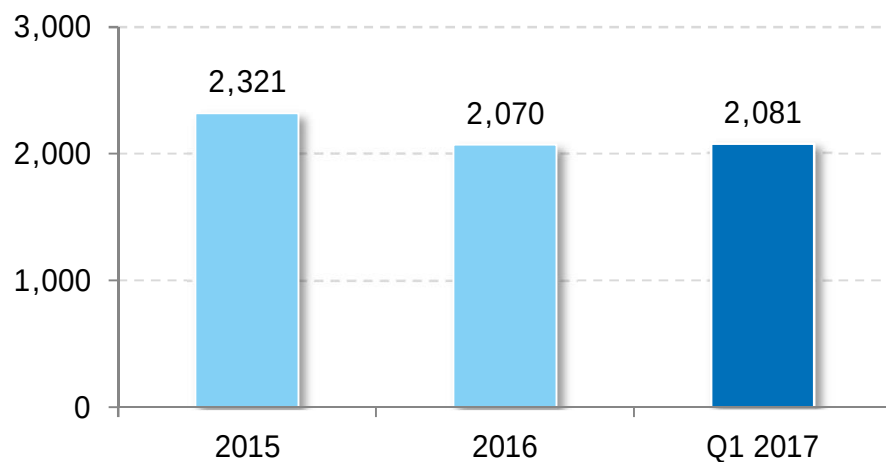
Average Working Capital %



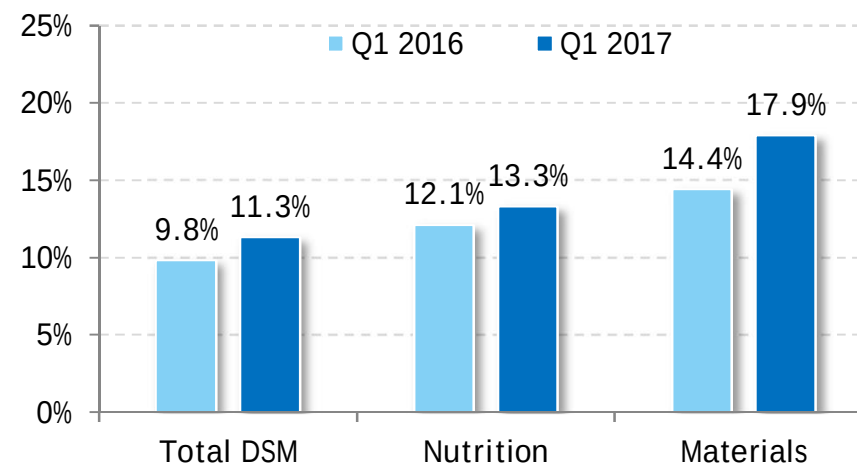
- **Cash flow from operating activities** amounted to €196 million in Q1 2017 showing an improvement of €59 million (+43%) compared to Q1 2016
- **Total Working Capital** amounted to €1,574 million at the end of Q1 2017 compared to €1,394 million at the end of Q1 2016

Net debt and ROCE | Overview

Net debt



ROCE

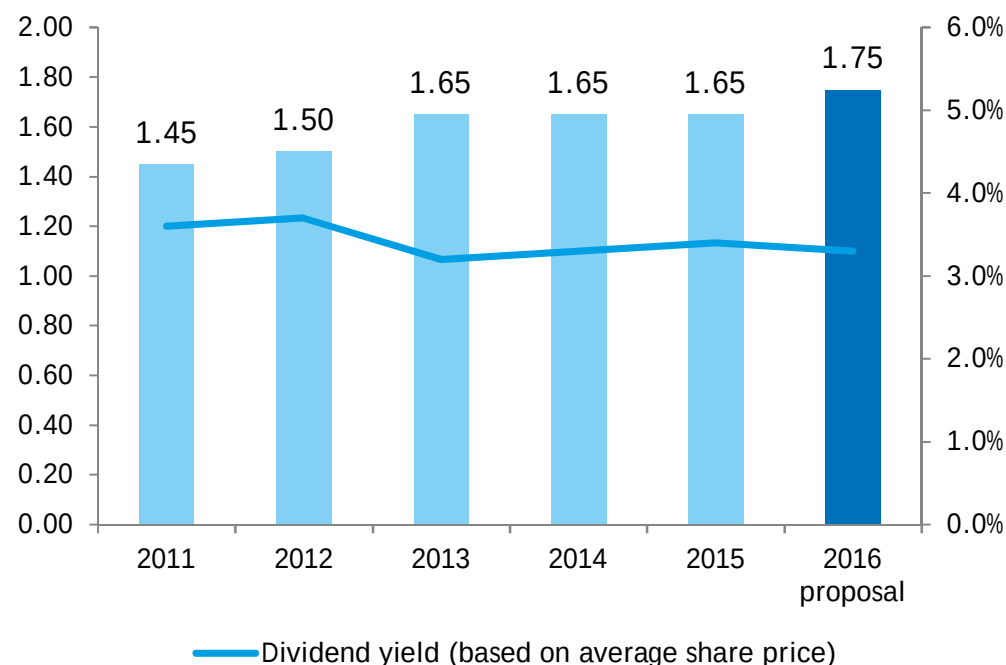


- **Net debt** increased slightly by €11 million compared to the end of 2016 and stood at €2,081 million
- **ROCE** up 150 bps to 11.3% (vs. 9.8% in Q1 2016)

Dividend | Proposal to AGM: Increase dividend to €1.75 per ordinary share

- Dividend policy “stable and preferably rising”
- Reflecting its confidence in the financial performance of the company, DSM proposes to increase the dividend
- Proposal to the AGM on 3 May 2017: Increase dividend from €1.65 to €1.75 per ordinary share in 2016
 - €0.55 interim dividend (paid in August 2016)
 - €1.20 final dividend (payable 26 May 2017)
- The dividend will be payable in cash or in the form of ordinary shares, at the option of the shareholder
 - A maximum of 40% of the total dividend amount is available for stock dividend
 - Dividend in cash will be paid after deduction of 15% Dutch dividend withholding tax
- The ex-dividend date is 5 May 2017

Dividend per ordinary share - €



== SAVE THE DATE ==

DSM Investor Seminar 2017

25 - 26 September 2017



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