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| Press Release  Heerlen (NL), 1 August 2018 | Royal DSM  [media.contacts@dsm.com](mailto:media.contacts@dsm.com)  [www.dsm.com](http://www.dsm.com) |

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**DSM reports H1 2018 results**

H1 Highlights

* DSM reports a very good H1 with strong performance across all businesses
* Continued strong organic sales growth in underlying business estimated at 10%
* Adjusted EBITDA growth of underlying business estimated at 7%, despite significant FX headwind
* ROCE of underlying business estimated at 13.8%, up 160 bps
* Additional temporary vitamin price benefit estimated at €275m on Adjusted EBITDA
* Total Adjusted EBITDA up 45% and Net profit up 103% to €633m
* Cash from Operating Activities €503m up 53%
* Interim dividend of €0.77, reflecting the proposed dividend increase of about 25% for 2018
* Full year outlook reconfirmed

Key figures and indicators1

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| in € million |  | **H1 2018** |  | **H1 2017** | % Change | | | | |
|  | Underlying2  business | Temporary2 vitamin effect | Total  Group | Reported | Underlying2  organic growth | FX & ‘other’2 | Underlying2  total growth | Temporary2 vitamin effect | Total  Group |
| **Sales** | 4,429 | 365 | 4,794 | 4,320 | 10% | -7% | 3% | 8% | 11% |
| Nutrition | 2,840 | 365 | 3,205 | 2,778 | 10% | -8% | 2% | 13% | 15% |
| Materials | 1,492 |  | 1,492 | 1,426 | 9% | -4% | 5% |  | 5% |
| **Adjusted EBITDA** | 771 | 275 | 1,046 | 721 |  |  | 7% | 38% | 45% |
| Nutrition | 564 | 275 | 839 | 528 |  |  | 7% | 52% | 59% |
| Materials | 261 |  | 261 | 241 |  |  | 8% |  | 8% |
| Innovation | 0 |  | 0 | 1 |  |  |  |  |  |
| Corporate | -54 |  | -54 | -49 |  |  |  |  |  |
| EBITDA | 754 | 275 | 1,029 | 689 |  |  |  |  |  |
| Adjusted EBITDA margin | 17.4% |  | 21.8% | 16.7% |  |  |  |  |  |

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:

*“Our ongoing focus on driving above market growth while pursuing efficiency initiatives and maintaining capital discipline, continues to drive our results. Following a strong start to the year, we are very pleased to report very good H1 results, with organic growth above market across all our businesses, and strong underlying Adjusted EBITDA growth despite significant foreign exchange headwinds. During the quarter, we also took another important step in monetizing our partnerships through announcing our exits from Fibrant and DSM Sinochem Pharmaceuticals. Our business conditions remain strong and we reiterate our full year 2018 outlook.*

*We are convinced our recent strategy update will create enhanced organic sales growth and continued EBITDA momentum, as DSM evolves further towards a purpose-led, science-based company in Nutrition, Health and Sustainable Living. The step-up in our dividend for 2018, already reflected in the interim dividend, demonstrates our confidence in our future earnings growth*.”

Q2 Highlights

* DSM reports a very good Q2 with strong performance across all businesses
* Continued strong organic sales growth in underlying business estimated at 8%
* Adjusted EBITDA growth of underlying business estimated at 6%, despite significant FX headwind
* Nutrition: an estimated 8% underlying organic sales growth and Adjusted EBITDA growth of underlying business estimated at 6%
* Materials: 7% organic sales growth and Adjusted EBITDA growth of 5%
* Additional temporary vitamin price benefit estimated at €110m on Adjusted EBITDA
* Total Adjusted EBITDA up 35%

Key figures and indicators1

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| in € million |  | **Q2 2018** |  | **Q2 2017** | % Change | | | | |
|  | Underlying2  business | Temporary2 vitamin effect | Total  Group | Reported | Underlying2  organic growth | FX & ‘other’2 | Underlying2  total growth | Temporary2 vitamin effect | Total  Group |
| **Sales** | 2,214 | 145 | 2,359 | 2,161 | 8% | -6% | 2% | 7% | 9% |
| Nutrition | 1,410 | 145 | 1,555 | 1,380 | 8% | -6% | 2% | 11% | 13% |
| Materials | 754 |  | 754 | 725 | 7% | -3% | 4% |  | 4% |
| **Adjusted EBITDA** | 398 | 110 | 508 | 376 |  |  | 6% | 29% | 35% |
| Nutrition | 287 | 110 | 397 | 271 |  |  | 6% | 40% | 46% |
| Materials | 135 |  | 135 | 128 |  |  | 5% |  | 5% |
| Innovation | 1 |  | 1 | 0 |  |  |  |  |  |
| Corporate | -25 |  | -25 | -23 |  |  |  |  |  |
| EBITDA | 393 | 110 | 503 | 355 |  |  |  |  |  |
| Adjusted EBITDA margin | 18.0% |  | 21.5% | 17.4% |  |  |  |  |  |

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Outlook 2018

DSM confirms its full year outlook 2018, as provided at Q1 2018, and 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 €70 million, and
* an additional Adjusted EBITDA benefit estimated at €275 million from a temporary exceptional vitamin pricing environment

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/2018/08/23-18-dsm-h1-2018-results.html)

**Financial calendar**

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

14 February 2019 Publication of full year 2018 results

7 May 2019 Publication of the results of the first three months of 2019

8 May 2019 Annual General Meeting of Shareholders

1 August 2019 Publication of the half year results of 2019

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

**Contact Information**

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| Investor Relations | Dave Huizing  t. +31 (0) 45 578 2864  e. investor.relations@dsm.com |
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| Media Relations | Lieke de Jong  t. +31 (0) 45 578 2420  e. [media.contacts@dsm.com](mailto:media.contacts@dsm.com) |

**Additional Information**

Today DSM will hold a conference call for **media** at 08:00 and a conference call for **investors and analysts** at 09:00. 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 purpose-led global science-based company in Nutrition, Health and Sustainable Living. DSM is driving economic prosperity, environmental progress and social advances to create sustainable value for all stakeholders. DSM delivers innovative business 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 is listed on Euronext Amsterdam. More information can be found at [www.dsm.com](http://www.dsm.com).

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**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.