

Press Release

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www.dsm.com

DSM and NHU inaugurate joint venture to produce high performance PPS compounds

Royal DSM, a global science-based company active in health, nutrition and materials, and specialty chemicals producer Zhejiang NHU Special Materials Co., Ltd. (NHU), have officially inaugurated their joint venture company for polyphenylene sulfide (PPS) compounds, DSM NHU Engineering Plastics (Zhejiang) Co Ltd., on 22nd August. The JV, which was announced May 2015, has been established in Zhejiang province, close to NHU's linear PPS polymer plant in Shangyu, for manufacturing of the high performance compounds.

DSM has a 60% share in DSM NHU Engineering Plastics (Zhejiang) Co Ltd., with NHU holding the remaining 40%. Products, which are branded Xytron™ PPS, are marketed globally and targeted principally at automotive, electrical and electronics, water management and industrial markets. DSM will be marketing the product globally, including China.

The PPS polymer plant operated by NHU uses proven technology to provide high quality base polymer for the compounds. The joint venture will take over NHU's existing compounding capacity. DSM for its part brings its long-standing expertise in application development and materials science, as well as access to its global customer network.

"Xytron PPS compounds will further enhance DSM's offering in the high temperature performance engineering plastics space, adding to our leadership positions with Stanyl® polyamide 46 and our ForTii® polyamide 4T," says Roeland Polet, President DSM Engineering Plastics. "They also complement our offerings in Akulon polyamide 6 and 66, and in Arnite and Arnitel thermoplastic polyesters for engineering applications."

"We now have a strengthened portfolio of solutions for customers operating in key markets. Strategic customers have welcomed the addition of PPS to our portfolio and are eager for us to develop new materials and applications."

DSM NHU Engineering Plastics (Zhejiang) Co Ltd. is initially offering two standard commercial grades. These are Xytron G4010T, containing 40% glass fiber reinforcement, and Xytron M6510A, which contains 65% glass fiber and mineral filler. Recently DSM has added to its portfolio a 30% glass reinforced grade and a 40% glass reinforced low chlorine grade (especially important for electronic applications) which are currently being evaluated by customers. Grades under development include types with enhanced wear resistance and low friction, with high flow/low flash, and with increased impact strength.

In the run-up to the official inauguration, the joint venture has already captured business in three important applications in both China and Europe, with materials currently being evaluated by numerous customers, including key automotive OEMs and Tier Ones. One of the three products already commercialized is an engine block heater for electric generators, which is required to operate in continuous contact with water at temperatures between 35 and 50°C.

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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.









NHU-Innovating Chemical Technology, Improving Life Quality

Zhejiang NHU Co., Ltd is established in 1999 and headquartered in Xinchang Zhejiang Province. NHU specializes in the production of food additives, feed additives, polymers & materials, and flavors & aromas. In 2004, NHU was listed as the first enterprise in Small-and Medium-sized Enterprises Board in Shenzhen with the stock code of 002001.

Zhejiang NHU Special Materials Co., Ltd is a subsidiary committed to develop high performance engineering plastics. It now has successfully launched Polyphenylene Sulfide (PPS) and Polyphthalamid (PA6T) with polymerization annual capacity 5000 MT and 1000 MT respectively.

NHU will adhere to the professional way, focus in the fine chemicals business, strive for the aim of "Innovating Fine Chemical Technology, Improving the Quality of Human Life", and make NHU a well respectable fine chemical company in the world. More information can be found at www.nhumaterials.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.



DSM and NHU inaugurate joint venture to produce high performance PPS compounds. (Photo: DSM Engineering Plastics: DSMPR482)

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