Umicore FY 2019 performance

7 February 2020

Overview

- Highlights 2019
- 2020 outlook
- 2019 business review
- 2019 financial review
- Wrap up
- Q&A

Highlights 2019

Strong performance in challenging environment

CATALYSIS

- Market share gains in gasoline catalyst applications
- Leading light-duty catalyst provider in China, largest car market worldwide
- Strong growth from fuel cell catalyst applications

ENERGY & SURFACE TECHNOLOGIES

- Growth in cathode materials for EVs in line with the market
- Higher cathode materials sales in H2, sequentially and YoY
- Cobalt price halved vs 2018
- Higher D&A and upfront greenfield investment costs

RECYCLING

- Favorable supply environment
- Optimized input mix offset largely lower volumes
- Higher metal prices

Significant strides made in the execution of our growth strategy

2020 outlook

Umicore expects to grow revenues and earnings in 2020*

CATALYSIS

No signs of imminent recovery in automotive market

Benefiting from strong market position in gasoline catalyst applications and higher penetration of cGPFs in Europe and China

Fuel cell catalyst production ramp-up in Korea

ENERGY & SURFACE TECHNOLOGIES

EV demand in China not expected to materially recover in 2020

Higher sales of cathode materials for EVs and positive impact from recent acquisition in Kokkola

Higher R&D, D&A and start-up costs

RECYCLING

Increased availability of Hoboken smelter

Sustained favorable supply environment

Tailwinds from metal prices (partly hedged in 2019)

***Assuming that the recent coronavirus outbreak will not result in a protracted or material effect on the economy in 2020**

2019 business review

Catalysis 2019 market context

Recession in global car market

Global light-duty vehicle production down by 6.3% year on year:

China	- 8.9%
Europe	- 5.0%
North America	- 4.4%

China down 2nd year in a row; steep contraction in H1 19, while pace of decline eased somewhat in H2 19

Falling diesel production in Europe (-12%), share of 35% in European car market

More stringent emission norms in key regions

Euro 6d TEMP for all new vehicles since September 2019

Early implementation of China 6a in July 2019 in several major cities and provinces

Increasing share of gasoline particulate filters in Europe and China

Catalysis 2019 performance

Revenues +7% and REBIT +10%; outperforming market reflecting market share gains in light-duty gasoline

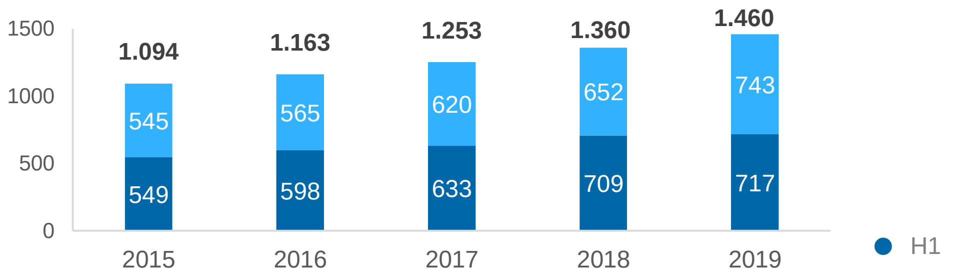
Automotive Catalysts

- Market share gains in light-duty gasoline
- Growing penetration of cGPFs in China and Europe
- Leadership position in light-duty vehicles in China
- Higher volumes and revenues in heavy-duty diesel

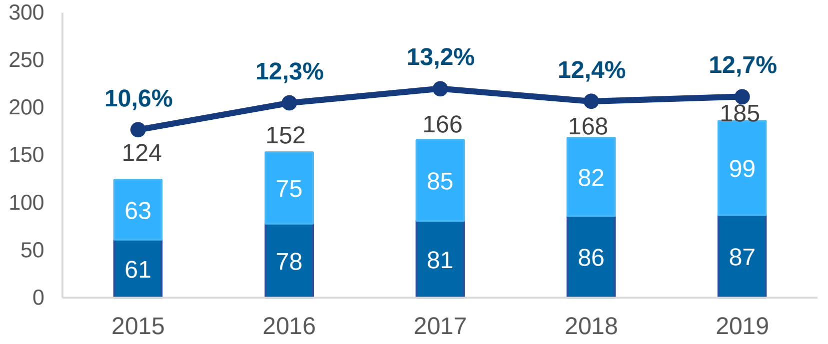
Precious Metals Chemistry

- Strong demand from pharmaceutical and chemical industries
- Significant increase in demand for fuel cell catalysts

REVENUES



REBIT



million €

Catalysis – major milestones in 2019

Sustained investments in **product and process innovation**

Capacity expansions to support growth of Automotive Catalysts in China, Poland and India

Opening of new plant for **fuel cell catalysts** in Korea

E&ST 2019 market context

Slowdown in global EV demand and low cobalt price

Global EV market up 7.7% in 2019 compared to 62% in 2018, reflecting abrupt decline in EV sales in China in H2 due to subsidy cuts

LCO in consumer electronics: supply chain reducing excess inventories

ESS in Korea: subdued demand due to safety incidents

Depressed cobalt price (-56% vs 2018) and inflow of cheaper unethically sourced artisanal cobalt

E&ST 2019 performance

Revenues -5%; REBIT -29% reflecting slowdown in demand and low cobalt price

Rechargeable Battery Materials

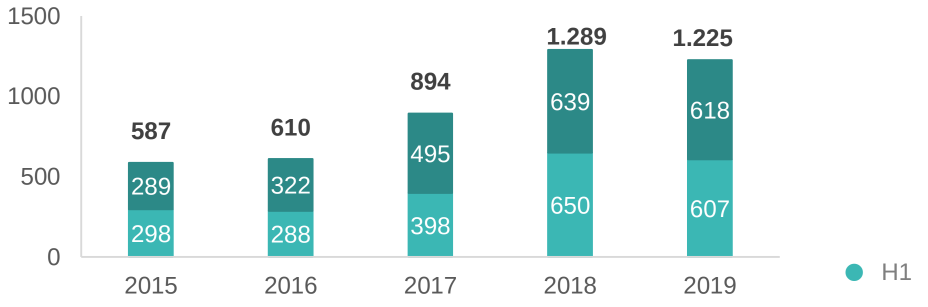
- Lower sales for portable electronics and ESS
- Higher sales for EVs, in line with global EV market
- Recycling and refining activities hit by low cobalt price
- Higher D&A, higher R&D and upfront costs for greenfield expansions

Cobalt & Specialty Materials

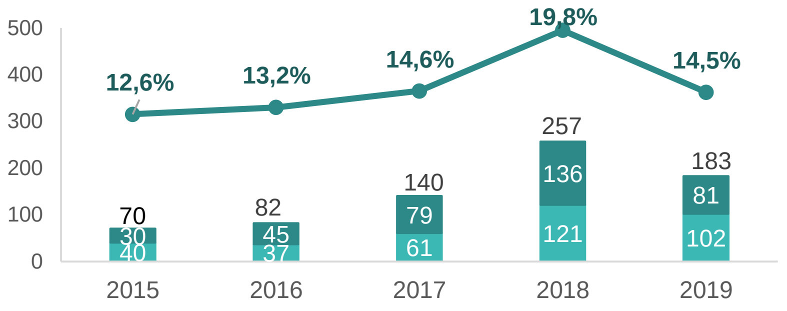
- Impacted by low cobalt price and inflow of cheaper unethically sourced artisanal cobalt
- Customers reducing excess inventories

Revenues for **Electroplating** slightly up; stable revenues for **Electro-Optic Materials**

REVENUES



REBIT



million €

E&ST – major milestones in 2019

Capacity expansions

- Commissioning greenfield plant in China
- Start of construction greenfield plant in Poland

Commissioning of new **Process Competence Center** (Olen, Belgium)

Acquisition of cobalt refinery and cathode precursor activities in Kokkola, Finland

Multi-year cathode materials supply agreements with leading EV battery makers, LG Chem and Samsung SDI

Conclusion of **long-term supply partnerships for sustainable cobalt**

Support for long-term growth

- Obtained support within framework of IPCEI* for batteries
- Global Battery Alliance initiative

* Important Projects of Common European Interest

Recycling 2019 market context

Supportive metal prices and favorable supply environment

Supportive metal price environment

- Higher prices for certain precious and platinum group metals, particularly in the second half of 2019

Favorable supply environment with increased availability of complex end-of-life materials

- Growing proportion of more complex and higher metal loaded spent automotive catalysts
- Higher availability of printed circuit boards due to Green Fence in China

Recycling 2019 performance

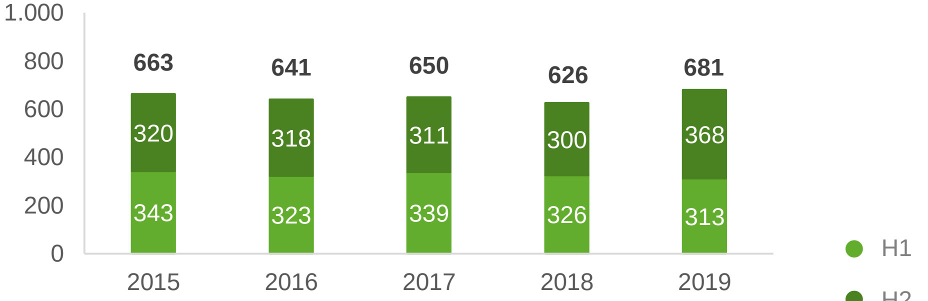
Revenues +9%; REBIT +40% reflecting favorable supply mix, higher metal prices and optimization of input mix

Precious Metals Recycling

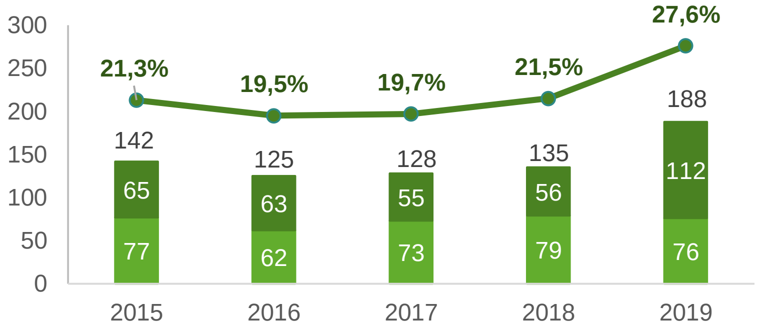
- Higher availability of spent autocats and printed circuit boards
- Higher metal prices
- Optimization of input mix allowed to offset most of the volume shortfall due to extended maintenance shutdown and fire incident in July

Stable revenues for **Jewelry & Industrial Metals**; substantial earnings contribution from **Precious Metals Management**

REVENUES



REBIT



million €

Recycling – major milestones in 2019

Completion of multi-year **expansion** program at Hoboken plant

Upgrade of key equipment during extended shutdown

Investments to sustain and improve the **environmental performance** of the plant

2019 financial review

Key figures 2019

REVENUES

+3% to **€ 3.4 bn**

Strong growth in Catalysis (+7%) and Recycling (+9%) partly offset by decline in E&ST (-5%)

REBIT

€ 509 m, close to 2018 record level

Balanced contribution from the three business groups
Absorbs strong increase in D&A

Free Operating Cash Flow

€ -39 m (€ -406 m in FY 18)

Net debt **€ 1,443 m**
Net debt / REBITDA **1.9x**

RECURRING NET PROFIT (Group share)

-5% to **€ 312 m**

Recurring EPS of € 1.30

Proposed gross annual dividend of € 0.75

REBITDA

+5 % to **€ 753* m**

Stable group REBITDA margin of 22.1%*
Margin increase in Catalysis and Recycling

CAPEX **€ 553 m**

ROCE **12.6%**
reflecting intense growth investments

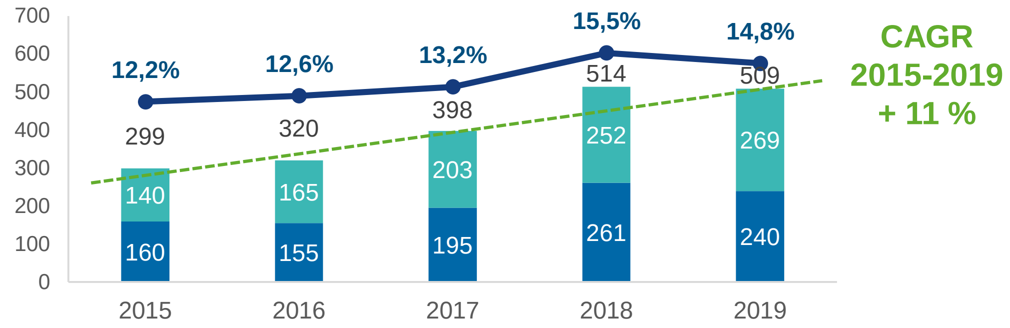
Strong performance in a persistently difficult market context

* € 17 m impact from IFRS 16, excluding this, REBITDA is € 736 m and REBITDA margin is 21.6%

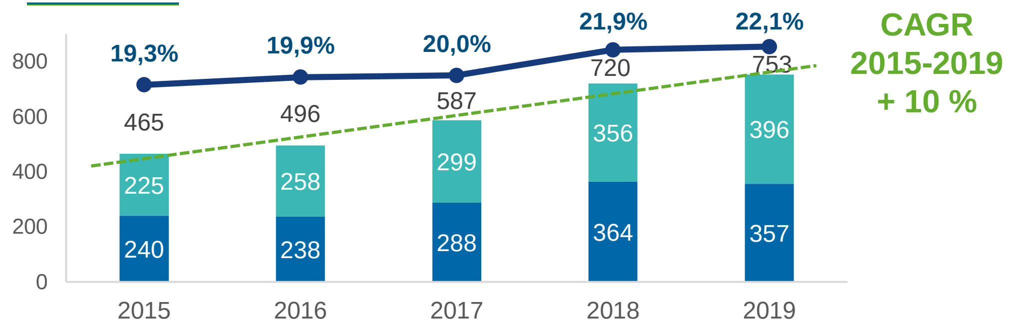
Robust performance in challenging market context

umicore

REBIT & REBIT margin



REBITDA & REBITDA margin



Recurring EBIT at € 509 m, close to record level of 2018

- Double digit growth in Recycling and Catalysis offset by decrease in E&ST
- Increase in D&A and costs related to greenfield investments in battery materials

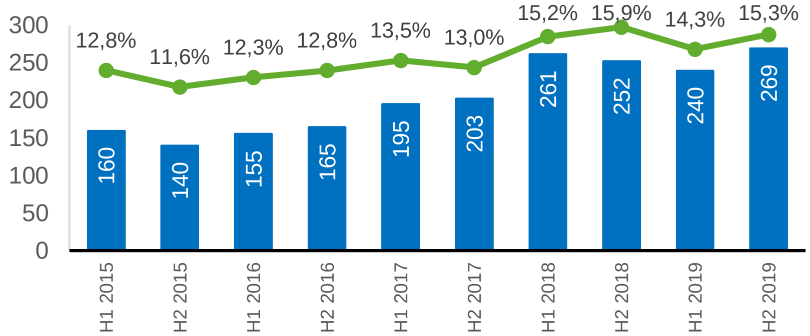
Recurring EBITDA growth (+ 5%) to new high of € 753 m

- Robust group margin despite headwinds
- Adoption of IFRS 16 lease standard effect of € 17 m

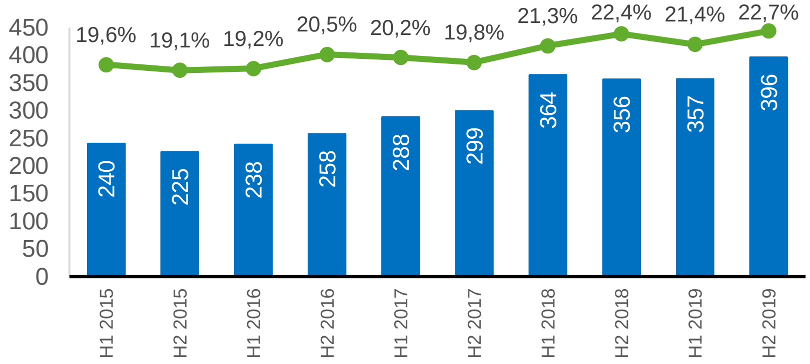
Group, excluding discontinued activities, million €

Strong sequential earnings growth in second half

REBIT & REBIT margin



REBITDA & REBITDA margin



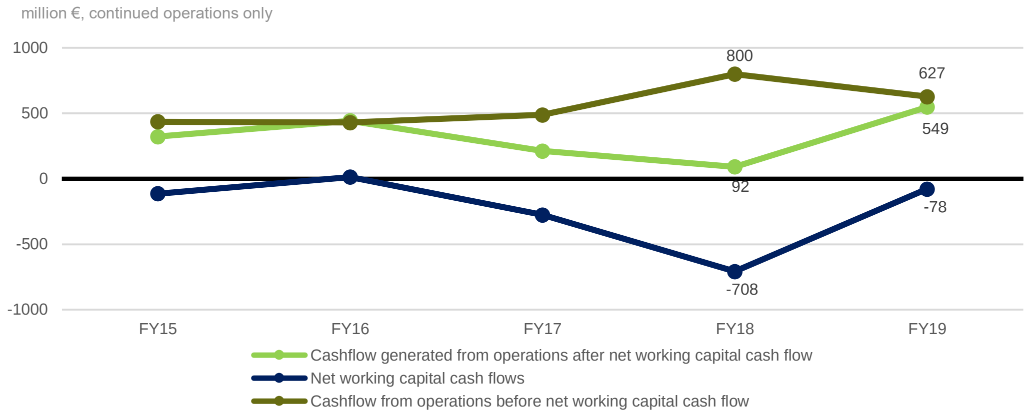
Group, excluding discontinued activities, million €

Strong H2 19 performance after more challenging H1 19

- Strong sequential and year-on-year growth in H2
- Mostly driven by Recycling (higher metal prices in H2 19 and reflecting impact of extended shutdown in H1 19 and fire incident in H2 18)
- Also higher H2 19 performance in Catalysis, but lower in E&ST

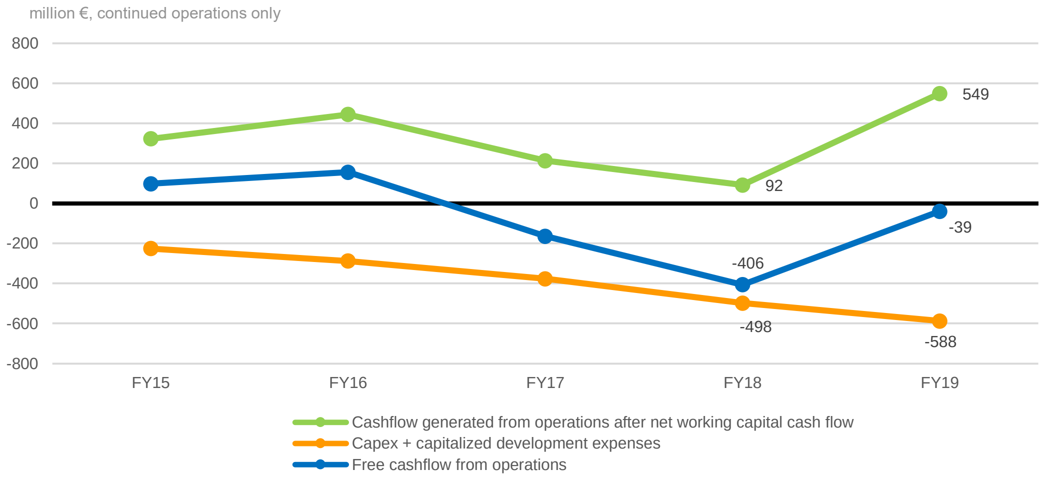
	FY 19 vs FY18	H2 19 vs H2 18	H2 19 vs H1 19
Revenues	+ 3 %	+ 9 %	+ 6 %
Recurring EBIT	- 1 %	+ 7 %	+ 12 %
Recurring EBITDA	+ 5 %	+ 11 %	+ 11 %

Improvement in free operating cash flows



Cash flow from operations highest in last five years at € 549 m

Includes a € 78 m increase in working capital requirements, mostly driven by impact of higher PGM prices in Catalysis



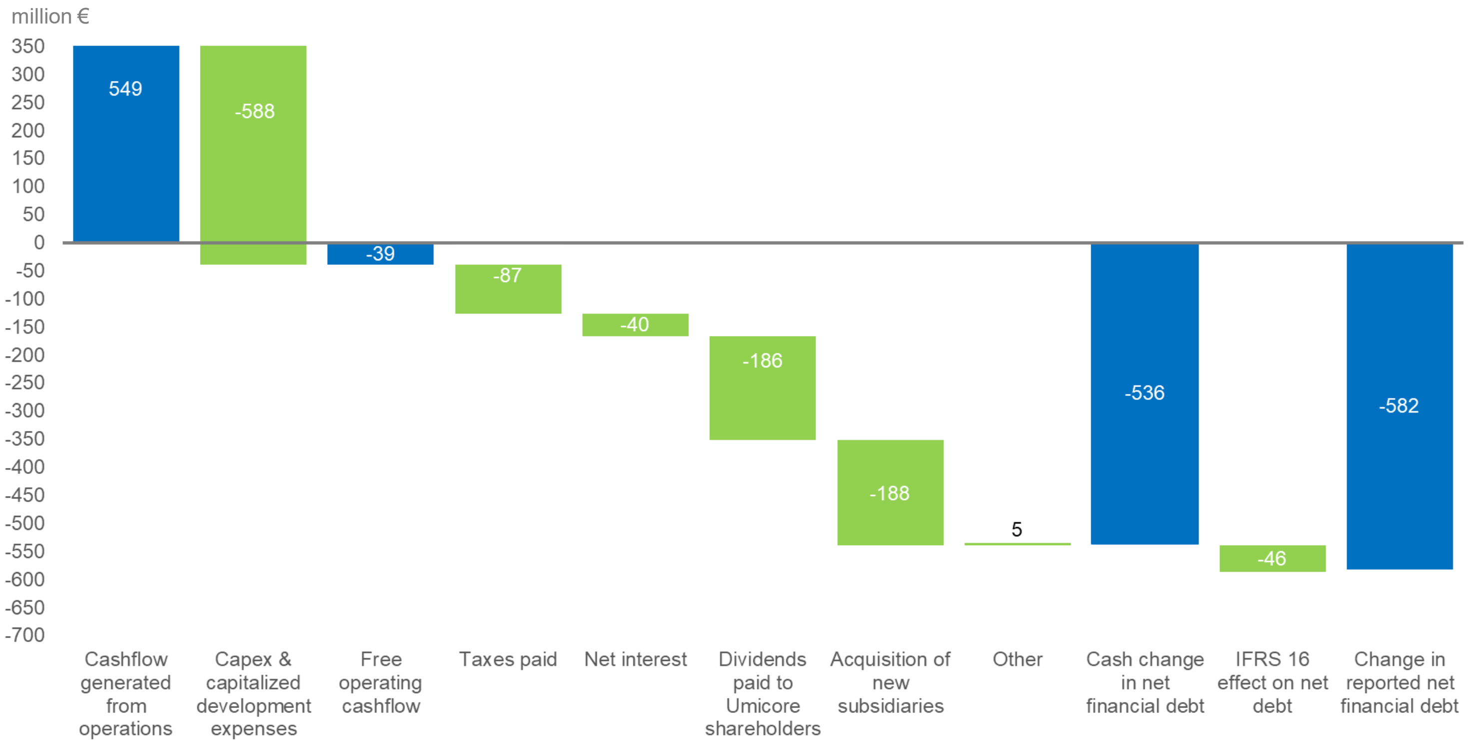
Improved free cash flow from operations, close to break even (€ -39 m) despite higher growth investments

Capex of € 553 m, 2/3rd in E&ST

Complemented by higher capitalized development expenses of € 35 m

*Free cashflow from operations = cashflow generated from operations – capex & capitalized development expenses

Net cash flow bridge



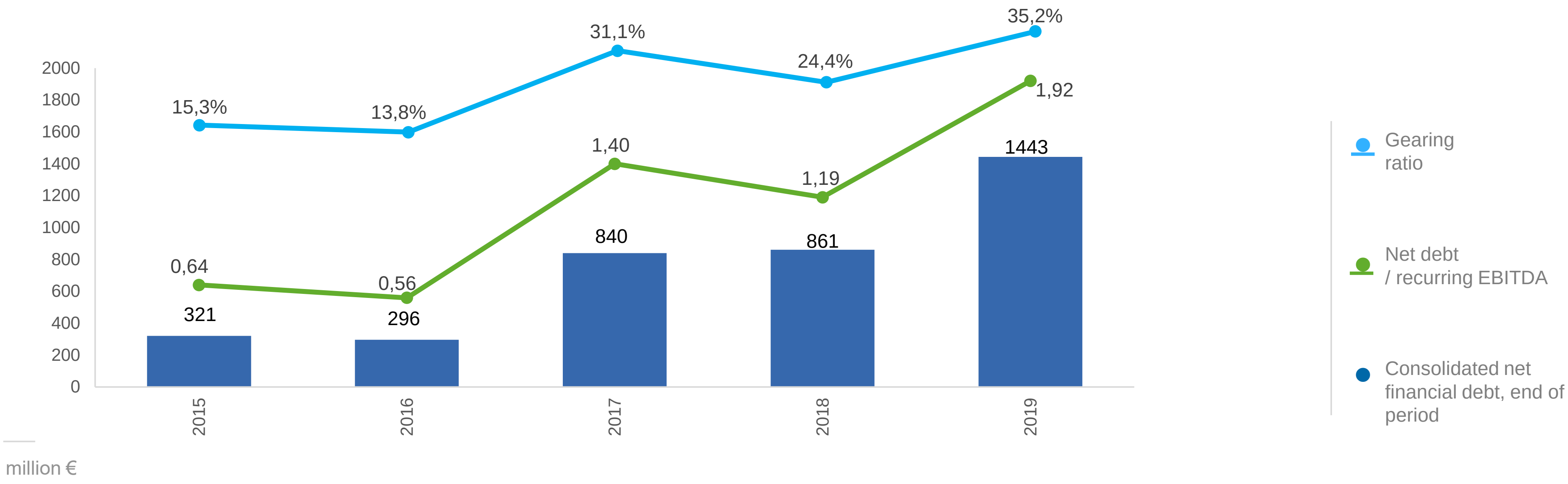
Free operating cashflow of € - 39 m (€ - 406 m in 2018)

€ 188 m cash out linked to the Kokkola acquisition

Increased dividend payout to Umicore shareholders (€ 186 m vs € 175 m in 2018)

Increase in net financial debt of € 582 m, including non-cash increase of € 46 m from IFRS 16 adoption

Maintaining a healthy capital structure



Net financial debt of € 1,443 m, including new € 390 m long term US private debt placement, drawn in September 2019

Diversified funding base and balanced maturity profile

Corresponds to :

1.9x net debt to recurring EBITDA ratio

35% net gearing ratio

Funding headroom to execute growth strategy while remaining within the investment grade territory

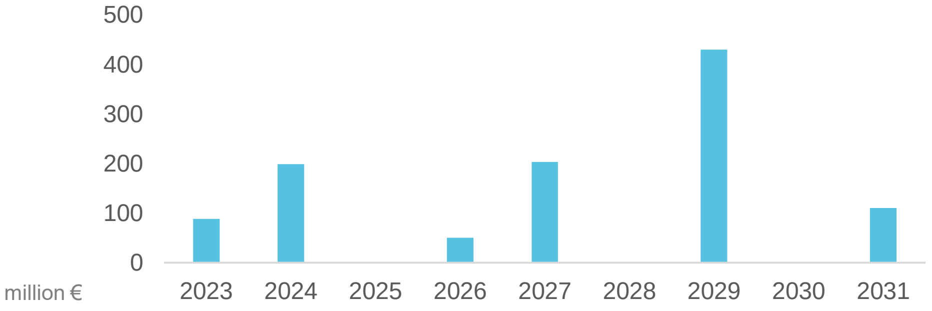
Further extension of funding base

Issuance of € 390 m US private placement notes, complementing existing committed credit facilities:

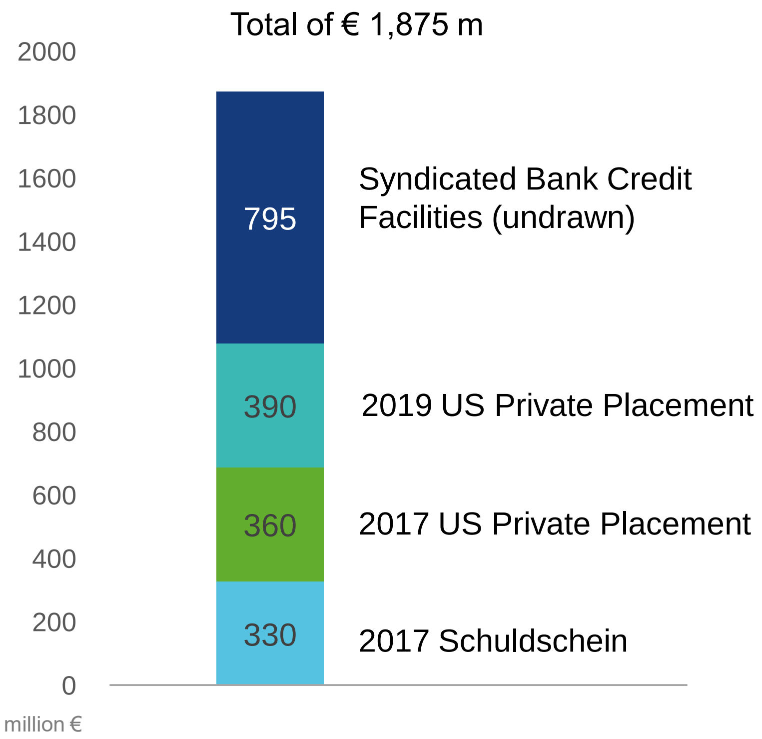
- Historically low, fixed interest rates
- Maturities of 7, 10 and 12 years

Total of committed medium and long term debt facilities amounting to € 1,875 million.

Debt maturity profile



Committed medium & long term facilities



Non-recurring items

	FY 2019
Restructuring charges and provisions	(26)
Other	(4)
Non-recurring EBIT	**(30)**
Non-recurring tax result	6
Net non-recurring result (Group Share)	(24)

million €

Non-recurring EBIT :

Mostly linked to restructuring charges, optimizing the footprint in E&ST (outside of the battery materials activities)

Most significant impact from the discontinuation of one of the US sites of business unit Cobalt & Specialty Materials

Wrap-up

Wrap-up

Strong 2019 performance, close to 2018 record levels, despite persistently weak market context

Consistent execution of long-term growth strategy, while adapting to short-term fluctuating market demand

Major steps taken in 2019 to strengthen leadership position in clean mobility materials and recycling

Umicore expects to grow revenues and earnings in 2020 umicore

materials for a better life

Q&A

Financial calendar

30 April 2020	**Ordinary General Meeting of Shareholders**
5 May 2020	**Ex-dividend date**
6 May 2020	**Record date for the dividend**
7 May 2020	**Dividend payment date**
31 July 2020	**Half Year Results 2020**

Forward-looking statements

This presentation contains forward-looking information that involves risks and uncertainties, including statements about Umicore’s plans, objectives, expectations and intentions.

Readers are cautioned that forward-looking statements include known and unknown risks and are subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the control of Umicore.

Should one or more of these risks, uncertainties or contingencies materialize, or should any underlying assumptions prove incorrect, actual results could vary materially from those anticipated, expected, estimated or projected.

As a result, neither Umicore nor any other person assumes any responsibility for the accuracy of these forward-looking statements.