



FREE TRANSLATION

UMICORE

**Statutory auditor's report to the general
shareholders' meeting on the annual accounts for
the year ended 31 December 2016**

20 March 2017



FREE TRANSLATION

STATUTORY AUDITOR'S REPORT TO THE GENERAL SHAREHOLDERS' MEETING OF THE COMPANY UMICORE ON THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2016

As required by law and the Company's articles of association, we report to you in the context of our statutory auditor's mandate. This report includes our opinion on the annual accounts, as well as the required additional statements. The annual accounts include the balance sheet as at 31 December 2016, the income statement for the year then ended, and the disclosures.

Report on the annual accounts – Unqualified opinion

We have audited the annual accounts of Umicore ("the Company") for the year ended 31 December 2016, prepared in accordance with the financial-reporting framework applicable in Belgium, which show a balance sheet total of EUR 4.600.597.469,13 and a profit for the year of EUR 148.536.849,29.

The board of directors' responsibility for the preparation of the annual accounts

The board of directors is responsible for the preparation and fair presentation of these annual accounts in accordance with the financial-reporting framework applicable in Belgium, and for such internal control as the board of directors determine is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

Statutory auditor's responsibility

Our responsibility is to express an opinion on these annual accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing (ISAs) as endorsed in Belgium. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the annual accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts. The procedures selected depend on the statutory auditor's judgment, including the assessment of the risks of material misstatement of the annual accounts, whether due to fraud or error. In making those risk assessments, the statutory auditor considers internal control relevant to the Company's preparation and fair presentation of the annual accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the board of directors, as well as evaluating the overall presentation of the annual accounts.

We have obtained from the board of directors and company's officials the explanations and information necessary for performing our audit.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Unqualified Opinion

In our opinion, the annual accounts give a true and fair view of the Company's net equity and financial position as at 31 December 2016 and of its results for the year then ended in accordance with the financial-reporting framework applicable in Belgium.

Report on other legal and regulatory requirements

The board of directors is responsible for the preparation and the content of the directors' report, for the compliance with the applicable legal and regulatory requirements regarding bookkeeping, the Companies' Code and the Company's articles of association.

In the context of our mandate and in accordance with the Belgian standard which is complementary to the International Standards on Auditing (ISAs) as applicable in Belgium, our responsibility is to verify, in all material respects, compliance with certain legal and regulatory requirements. On this basis, we provide the following additional statements which do not impact our opinion on the annual accounts:

- The directors' report, prepared in accordance with articles 95 and 96 of the Companies' Code and to be deposited in accordance with article 100 of the Companies' Code, includes, both in terms of form and content, the information required by the Companies' Code, is consistent with the financial statements, and does not present any material inconsistencies with the information that we became aware of during the performance of our mandate.
- The social balance, to be deposited in accordance with article 100 of the Companies' Code, includes, both in terms of form and content, the legally required information and does not present any material inconsistencies with the information we have at our disposition in our audit file.
- Without prejudice to formal aspects of minor importance, the accounting records were maintained in accordance with the legal and regulatory requirements applicable in Belgium.
- The appropriation of results proposed to the general meeting complies with the legal provisions and the provisions of the articles of association.

- There are no transactions undertaken or decisions taken in breach of the Company's articles of association or the Companies' Code that we have to report to you.
 In accordance with article 523 of the companies' Code, we are also required to report to you on the following transactions, which have taken place during the year ended 31 December 2016: prior to the board of directors' meeting of 4 February 2016, the Chief Executive Officer confirmed having a conflicting interest of a financial nature with respect to decisions taken by the board of directors. These decisions relate to the managing director's remuneration in cash, and the grant of shares and stock options to the managing director. The decisions taken on 4 February 2016 have the following financial consequences:
 - Remuneration in cash: The Chief Executive Officer received a fixed gross remuneration of € 660,000 in 2016. Also in 2016 he received a gross variable cash remuneration totalling € 220,000 as non-deferred part of his variable cash remuneration for the reference year 2015. Furthermore he received in 2016 a gross amount of € 74,250 as first half of the deferred payment of his variable cash remuneration for the reference year 2014 based on (1) the two year average Umicore group profitability criterion, i.e. the average return on capital employed (ROCE) for the reference years 2014 and 2015 (i.e. 13% giving rise to a percentage pay-out of 55%) and (2) the degree of meeting the plan performance, as approved by the board, for the same reference years 2014 and 2015 (no adjustment applied based on the degree of meeting the plan performance on group level), and a gross amount of € 76,950 as the second half of the deferred payment of his variable cash remuneration for the reference year 2013 based on the three year average Umicore group ROCE for the reference years 2013, 2014 and 2015 (i.e. 13.2% giving rise to a percentage pay-out of 57%).
 In 2017 he will receive the first half of the deferred payment of his annual variable cash remuneration for the reference year 2015 based on (1) the two year average Umicore group ROCE for the reference years 2015 and 2016 and (2) the degree of meeting the plan performance, as approved by the board, for the same reference years 2015 and 2016 and the second half of the deferred payment of his annual variable cash remuneration for the reference year 2014 based on (1) the three year average Umicore group ROCE for the reference years 2014, 2015 and 2016 and (2) the degree of meeting the plan performance, as approved by the board, for the same reference years 2014, 2015 and 2016.
 The ROCE range is set between 7.5% (= pay-out of 0%) and a maximum of 17.5% (= pay-out of 100% at plan performance). When the achieved ROCE percentage falls between the above targets, the pay-out will be pro-rated. In addition, the deferred pay-outs will furthermore be adjusted upwards or downwards depending on the degree of meeting the plan performance approved by the Board for the applicable reference years.
 - Grant of shares and stock options: the financial consequences of the grant of shares and stock options consist of either 1) as long as the Company decides to keep the shares it holds today: the financing and opportunity cost of maintaining such shares in its portfolio until the delivery date of the shares granted or the option's exercise date, or 2) if and to the extent that Umicore sells such shares at a later date: the difference on the date of exercise of the options between the exercise price and the market value of the shares that the Company would have to buy on that date.



- An interim dividend was distributed during the year in relation to which we have issued the attached report in accordance with legal requirements.

Sint-Stevens-Woluwe, 20 March 2017

The statutory auditor
PwC Bedrijfsrevisoren BCVBA
represented by

Marc Daelman*
Réviseur d'Entreprises / Bedrijfsrevisor

*Marc Daelman BVBA
Board Member, represented by its fixed representative,
Marc Daelman



UMICORE SA

**Rapport du commissaire au conseil d'administration de Umicore SA sur
la situation active et passive établie à l'occasion de la distribution d'un
acompte sur dividende**

Le 28 juillet 2016

**RAPPORT DU COMMISSAIRE AU CONSEIL D'ADMINISTRATION DE UMICORE SA
SUR LA SITUATION ACTIVE ET PASSIVE ETABLIE A L'OCCASION DE LA
DISTRIBUTION D'UN ACOMPTE SUR DIVIDENDE**

Introduction

Nous avons procédé à l'examen limité de la situation active et passive (nommée ci-après « Etat ») au 30 juin 2016, incluse en annexe de ce rapport, sur la base de laquelle le conseil d'administration de Umicore SA (nommée ci-après « Société ») propose, de distribuer un acompte sur dividendes pour un montant de EUR 0,60 par action. Le conseil d'administration est responsable de l'établissement et de la présentation sincère de cet Etat conformément au référentiel comptable applicable en Belgique et au Code des sociétés. Notre responsabilité consiste à formuler une conclusion sur cet Etat sur la base de notre examen limité, conformément à la norme internationale ISRE 2410 et à l'article 618 du Code des sociétés.

Etendue de l'examen limité

Nous avons effectué notre examen limité de l'Etat au 30 juin 2016 conformément à la Norme Internationale d'Examen Limité 2410 « Examen limité d'informations financières intermédiaires effectué par l'auditeur indépendant de l'entité » (ISRE 2410). Un examen limité de cet Etat consiste en des demandes d'informations, principalement auprès des responsables financiers et comptables, et dans la mise en œuvre de procédures analytiques et d'autres procédures d'examen limité. L'étendue d'un examen limité est très inférieure à celle d'un audit effectué selon les normes internationales d'audit et, en conséquence, ne nous permet pas d'obtenir l'assurance que nous avons relevé tous les faits importants qu'un audit permettrait d'identifier. En conséquence, nous n'exprimerons pas d'opinion d'audit.

Conclusion

Sur la base de notre examen limité, nous n'avons pas relevé de faits nous laissant à penser que l'Etat ne présente pas sincèrement, dans tous leurs aspects significatifs, le patrimoine et la position financière de la Société, conformément au référentiel comptable applicable en Belgique et au Code des sociétés.

Enfin, il apparaît, sur la base de cet Etat, que la distribution envisagée n'a pas pour effet de réduire l'actif net, comme défini à l'article 617 du Code des sociétés, à un montant inférieur à celui du minimum que le Code des sociétés ou les statuts de la Société ne permettent pas de distribuer.



Le présent rapport a été établi pour répondre au prescrit de l'article 618 du Code des sociétés. Il ne peut être utilisé à d'autres fins.

Sint-Stevens-Woluwe, le 28 juillet 2016

Le commissaire
PwC Réviseurs d'Entreprises SCCRL
représentée par

A handwritten signature in blue ink, appearing to be 'M. Daelman', is written over a horizontal line that spans across the page.

Marc Daelman*
Réviseur d'entreprises

*Marc Daelman SPRL
Membre du Conseil d'Administration, représenté par son représentant permanent,
Marc Daelman

Annexe: Situation active et passive au 30 juin 2016



Umicore SA: Situation Active et Passive au 30/06/2016

ACTIF	EUR
<u>Actifs immobilisés</u>	<u>3.839.815.685</u>
Frais d'établissement	0
Immobilisations incorporelles	88.401.126
Immobilisations corporelles	357.388.884
Immobilisations financières	3.394.025.675
<u>Actifs circulants</u>	<u>884.172.971</u>
Créances à plus d'un an	373.483
Stocks et commandes en cours d'exécution	308.545.241
Créances à un an au plus	457.678.261
Placements de trésorerie	105.521.007
Valeurs disponibles	1.337.591
Comptes de régularisation	10.717.388
TOTAL ACTIF	<u>4.723.988.656</u>
PASSIF	EUR
<u>Capitaux propres</u>	<u>1.139.416.635</u>
Capital	500.000.000
Primes d'émissions	6.609.766
Plus-value de réévaluation	90.952
Réserves	301.818.956
Bénéfice reporté	325.832.377
Subsides en capital	5.064.584
<u>Provisions et impôts différés</u>	<u>108.314.858</u>
Provisions et impôts différés	108.314.858
<u>Dettes</u>	<u>3.476.257.163</u>
Dettes à plus d'un an	1.471.300.000
Dettes à un an au plus	1.948.565.891
Comptes de régularisation	56.391.272
TOTAL PASSIF	<u>4.723.988.656</u>



UMICORE NV

**Verslag van de commissaris aan de raad van bestuur
van Umicore NV over de staat van activa en passiva
opgesteld ter gelegenheid van de uitkering van een
interimdividend**

28 juli 2016

VERSLAG VAN DE COMMISSARIS AAN DE RAAD VAN BESTUUR VAN UMICORE NV OVER DE STAAT VAN ACTIVA EN PASSIVA OPGESTELD TER GELEGENHEID VAN DE UITKERING VAN EEN INTERIMDIVIDEND

Inleiding

Wij hebben de beoordeling uitgevoerd van de in bijlage opgenomen staat van activa en passiva (hierna "Staat" genoemd) van Umicore NV op 30 juni 2016, op basis waarvan de raad van bestuur van Umicore NV (hierna "Vennootschap" genoemd) voorstelt tot de uitkering van een interimdividend voor een bedrag ten belope van EUR 0,60 per aandeel. De raad van bestuur is verantwoordelijk voor het opstellen en de getrouwe weergave van deze Staat op 30 juni 2016 in overeenstemming met het in België van toepassing zijnde boekhoudkundig referentiestelsel en het Wetboek van vennootschappen. Onze verantwoordelijkheid bestaat erin een conclusie te formuleren over deze Staat op basis van de door ons uitgevoerde beoordeling overeenkomstig ISRE 2410 en het Wetboek van vennootschappen.

Omvang van de beoordeling

Wij hebben onze beoordeling van de Staat op 30 juni 2016 uitgevoerd overeenkomstig de *International Standard on Review Engagement* 2410, "Beoordeling van tussentijdse financiële informatie uitgevoerd door de onafhankelijke auditor van de entiteit" (ISRE 2410). Een beoordeling van de Staat bestaat uit het verzoeken om inlichtingen, in hoofdzaak bij de voor financiën en administratieve verantwoordelijke personen, alsmede uit het uitvoeren van cijferanalyses en andere beoordelingswerkzaamheden. De reikwijdte van een beoordeling is aanzienlijk geringer dan die van een overeenkomstig de Internationale Controlestandaarden uitgevoerde controle. Om die reden stelt de beoordeling ons niet in staat de zekerheid te verkrijgen dat wij kennis zullen krijgen van alle significante aangelegenheden die naar aanleiding van een controle mogelijk worden onderkend. Bijgevolg brengen wij geen controle-oordeel tot uitdrukking.

Conclusie

Gebaseerd op de door ons uitgevoerde beoordeling is niets onder onze aandacht gekomen dat ons ertoe aanzet van mening te zijn dat de Staat geen getrouwe weergave is, in alle van materieel belang zijnde opzichten, van het vermogen en de financiële positie van de Vennootschap, in overeenstemming met het in België van toepassing zijnde boekhoudkundig referentiestelsel en met het Wetboek van vennootschappen.

Tot slot blijkt dat, op basis van de Staat, de voorgenomen uitkering niet tot gevolg heeft dat het netto-actief, zoals gedefinieerd in artikel 617 van het Wetboek van vennootschappen, zou dalen tot beneden het minimum waarvan het Wetboek van vennootschappen of de statuten van de Vennootschap vereisen dat ze niet worden uitgekeerd.



Onderhavig verslag heeft uitsluitend betrekking op de vereisten van artikel 618 van het Wetboek van vennootschappen en is niet bestemd voor gebruik in een andere context.

Sint-Stevens-Woluwe, 28 juli 2016

De commissaris
PwC Bedrijfsrevisoren BCVBA
vertegenwoordigd door

A handwritten signature in blue ink, appearing to be 'M. Daelman', is written over a large, light blue, curved line that serves as a signature line.

Marc Daelman *
Bedrijfsrevisor

*Marc Daelman BVBA
Lid van de Raad van Bestuur, vertegenwoordigd door zijn vaste vertegenwoordiger,
Marc Daelman

Bijlage: Staat van activa en passiva per 30 juni 2016



Umicore NV : Staat van activa en passiva per 30/06/2016

ACTIVA	EUR
<u>Vaste Activa</u>	<u>3.839.815.685</u>
Oprichtingskosten	0
Immateriële vaste activa	88.401.126
Materiële vaste activa	357.388.884
Financiële vaste activa	3.394.025.675
<u>Vlottende activa</u>	<u>884.172.971</u>
Vorderingen op meer dan één jaar	373.483
Voorraden en bestellingen in uitvoering	308.545.241
Vorderingen op ten hoogste één jaar	457.678.261
Geldbeleggingen	105.521.007
Liquide middelen	1.337.591
Overlopende rekeningen	10.717.388
<u>TOTAAL ACTIVA</u>	<u>4.723.988.656</u>
PASSIVA	EUR
<u>Eigen vermogen</u>	<u>1.139.416.635</u>
Kapitaal	500.000.000
Uitgiftepremies	6.609.766
Herwaarderingsmeerwaarden	90.952
Reserves	301.818.956
Overgedragen winst	325.832.377
Kapitaalsubsidies	5.064.584
<u>Voorzieningen en uitgestelde belastingen</u>	<u>108.314.858</u>
Voorzieningen en uitgestelde belastingen	108.314.858
<u>Schulden</u>	<u>3.476.257.163</u>
Schulden op meer dan één jaar	1.471.300.000
Schulden op ten hoogste één jaar	1.948.565.891
Overlopende rekeningen	56.391.272
<u>TOTAAL PASSIVA</u>	<u>4.723.988.656</u>