Overview

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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*
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
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

Catalysis 2019 performance
Revenues +7% and REBIT +10%; outperforming market reflecting market share gains in light-duty gasoline
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
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
E&ST – major milestones in 2019

**Capacity expansions**

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

**Commissioning**

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

**Acquisition**

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
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
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%)

**RECURRING NET PROFIT (Group share)**

-5% to € 312 m

Recurring EPS of € 1.30

Proposed gross annual dividend of € 0.75

**REBIT**

€ 509 m, close to 2018 record level

Balanced contribution from the three business groups

Absorbs strong increase in D&A

**REBITDA**

+5 % to € 753* m

Stable group REBITDA margin of 22.1%

Margin increase in Catalysis and Recycling

**Free Operating Cash Flow**

€ -39 m (€ -406 m in FY 18)

Net debt € 1,443 m

Net debt / REBITDA 1.9x

**CAPEX**

€ 553 m

**ROCE**

12.6%

reflecting intense growth investments

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* € 17 m impact from IFRS 16, excluding this, REBITDA is € 736 m and REBITDA margin is 21.6%
Robust performance in challenging market context

**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
Strong sequential earnings growth in second half

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

<table>
<thead>
<tr>
<th></th>
<th>FY 19 vs FY18</th>
<th>H2 19 vs H2 18</th>
<th>H2 19 vs H1 19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>+ 3 %</td>
<td>+ 9 %</td>
<td>+ 6 %</td>
</tr>
<tr>
<td>Recurring EBIT</td>
<td>- 1 %</td>
<td>+ 7 %</td>
<td>+ 12 %</td>
</tr>
<tr>
<td>Recurring EBITDA</td>
<td>+ 5 %</td>
<td>+ 11 %</td>
<td>+ 11 %</td>
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</table>
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.

**Committed medium & long term facilities**

Total of € 1,875 m

- Syndicated Bank Credit Facilities (undrawn) - € 795 million
- 2019 US Private Placement - € 390 million
- 2017 US Private Placement - € 360 million
- 2017 Schuldschein - € 330 million

**Debt maturity profile**

- 2023
- 2024
- 2025
- 2026
- 2027
- 2028
- 2029
- 2030
- 2031

- Million €
## Non-recurring items

<table>
<thead>
<tr>
<th>Item</th>
<th>FY 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Restructuring charges and provisions</td>
<td>(26)</td>
</tr>
<tr>
<td>Other</td>
<td>(4)</td>
</tr>
<tr>
<td><strong>Non-recurring EBIT</strong></td>
<td>(30)</td>
</tr>
<tr>
<td>Non-recurring tax result</td>
<td>6</td>
</tr>
<tr>
<td><strong>Net non-recurring result (Group Share)</strong></td>
<td>(24)</td>
</tr>
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### 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
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.

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