



umicore
materials for a better life

Umicore H1 2021 performance



Umicore PUBLIC document

30 July 2021

Agenda

- Highlights H1 2021
- 2021 outlook
- H1 2021 business review
- H1 2021 financial review
- Wrap-up
- Q&A



Highlights H1 2021

**Strong performance across business groups driving record results:
revenues +37% and adj. EBIT +157%**



CATALYSIS

Strong outperformance of car market

Market share gains and favorable platform mix in gasoline LDV in Europe and China; strong demand for China V HDD-catalysts

High sales volumes and new customer wins in PEM fuel cell catalysts



ENERGY & SURFACE TECHNOLOGIES

Substantially higher sales volumes of cathode materials used in EVs, both YoY and sequentially

Strong recovery in CSM and strong demand in MDS

Adj. EBIT well up; higher revenues compensating increase in fixed costs, as anticipated



RECYCLING

New record performance: nearly YoY doubling of adj. EBIT vs already very high levels

Strong performance across business units

Record metal prices, esp. rhodium

Excellent supply and trading conditions





2021 outlook

Guidance for full year 2021 raised

Based on the strong performance in H1 and assuming precious metal prices remain around current¹ levels for the remainder of the year, Umicore expects its adjusted EBIT for the full year 2021 to **slightly exceed € 1 billion**².

Compared to 2020, this FY outlook incorporates an exceptional additional contribution of roughly € 250m linked to higher current¹ precious metal prices.

Adjusted EBIT in H2 is expected to be lower than in H1 as:
H1 benefited from the spike in precious metal prices and
H2 includes the effect of the planned maintenance shutdown in Hoboken and the currently anticipated impact of the semi-conductor shortage on car production.

¹ Current refers to the date of this publication i.e., 30 July 2021

² Umicore announced on 22 April 2021 that it expected adj. EBIT for 2021 to approach € 1 billion.



Guidance for full year 2021 raised



CATALYSIS

2021 adj. EBIT expected to more than double compared to 2020¹

Continued outperformance vs automotive market

H2 revenues and earnings impacted by more subdued demand in car industry due to ongoing shortage in global semiconductors supply

H2 China HDD sales volumes impacted by phase out of China V-compliant catalysts



ENERGY & SURFACE TECHNOLOGIES

2021 adj. EBIT expected to grow meaningfully and may slightly exceed current market consensus²

However, the stronger than anticipated performance in CSM and MDS in H1 is expected to normalize and should not be extrapolated to H2

Substantial growth in sales volumes of cathode materials to power EVs in 2021 expected to more than compensate a € 50 million increase in fixed costs



RECYCLING

2021 adj. EBIT expected to reach exceptional levels, well above 2020³

Assuming current metal prices prevail throughout remainder of the year

Robust operations and strong growth across business units and regions

H1 not to be extrapolated to H2 as

- H1 included spike in precious metal prices
- Planned maintenance shutdown of the Hoboken smelter in H2

¹ Catalysis adjusted EBIT reached € 154 million in 2020;

² Consensus adjusted EBIT for Energy & Surface Technologies stood at € 129 million at the time of this publication;

³ Recycling adjusted EBIT amounted to € 362 million in 2020.



Setting new industry standards in sustainability



H1 2021 business review

Key figures H1 2021

REVENUES € 2.1 bn +37% YoY	Adjusted EBIT € 625 m +157% YoY	Free Operating Cash Flow € 656 m Net debt at € 1,040 m Net debt / LTM Adj. EBITDA 0.87x
Adjusted NET PROFIT (Group share) € 428 m Adjusted EPS € 1.78 Interim dividend of € 0.25 per share	Adjusted EBITDA € 762 m +103% YoY	CAPEX € 166 m
		ROCE 28.4%

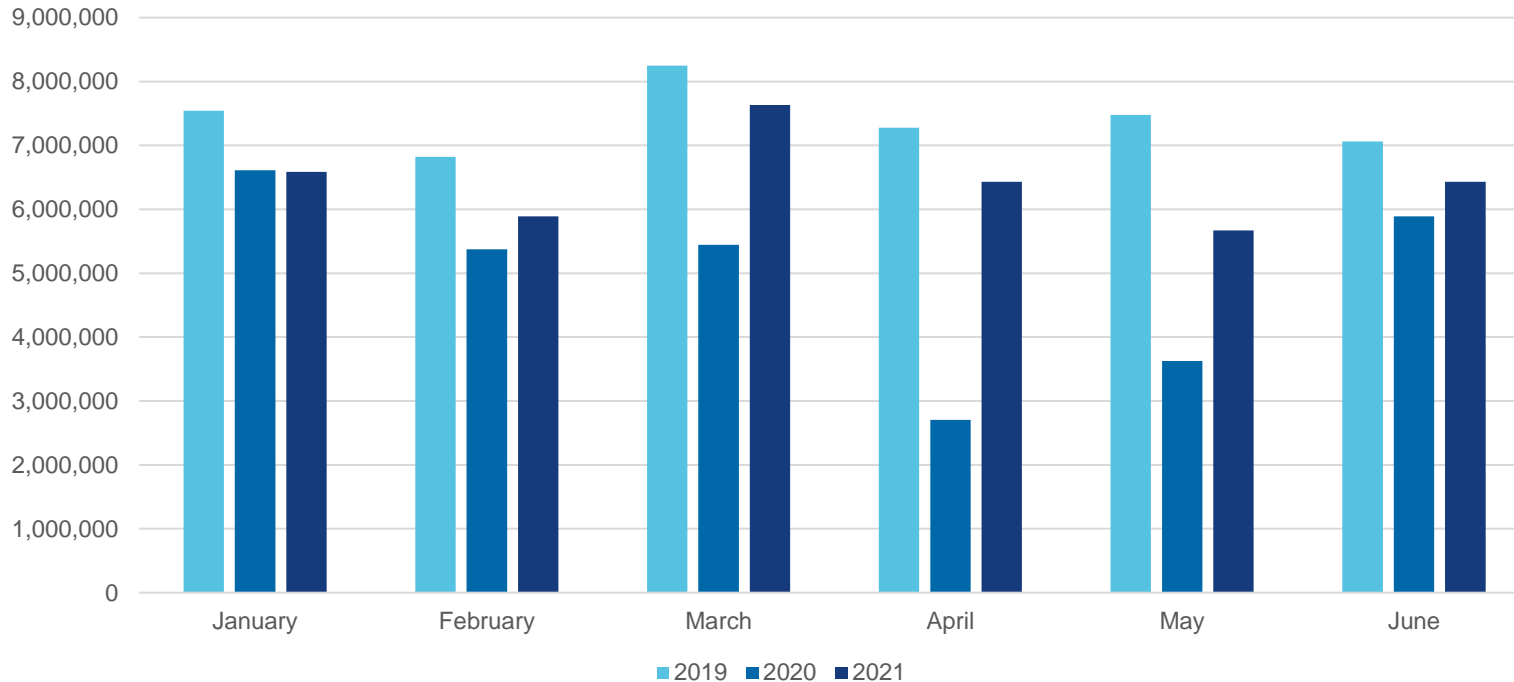
Strong performance across business groups driving record results



Auto industry recovering from COVID-19



Monthly global passenger car production across all powertrains (source: IHS & Umicore - 19/07/2021)



H1 2021 global car production +30% vs H1 2020

H1 21 global car production still 13% below pre-COVID H1 2019 levels

First signs of slowdown in Q2 reflecting impact from semi-conductor shortages





Catalysis H1 2021 performance

Revenues +59% and adj. EBIT +853%



Automotive Catalysts

Strongly outperforming recovering car market in key regions

Further market share gains and favorable platform mix in LDV, esp. in Europe and China

Strong demand for China V HDD catalysts

Cost savings and production footprint optimization

Precious Metals Chemistry

Strong demand for homogenous catalysts and exceptional PGM environment

Fuel Cell & Stationary Catalysts

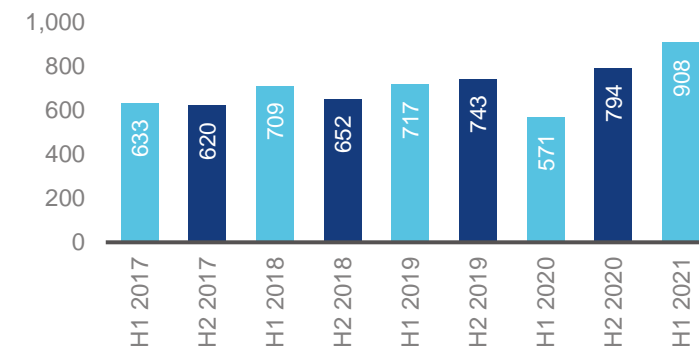
Doubling of PEM fuel cell catalysts sales volumes driven by strong demand from existing customers and customer wins in China

Substantially lower sales of stationary catalysts

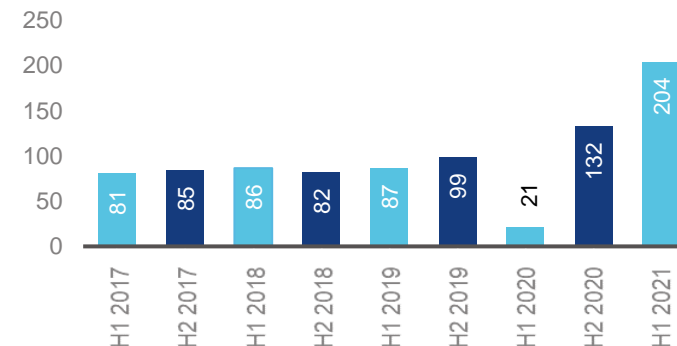


Umicore PUBLIC document

REVENUES



Adjusted EBIT





E&ST H1 2021 performance

Revenues +7% and adj. EBIT +44%



Rechargeable Battery Materials

Substantial increase in cathode materials volumes primarily for the European EV market, both YoY and sequentially

Lower contribution from cobalt refining activities

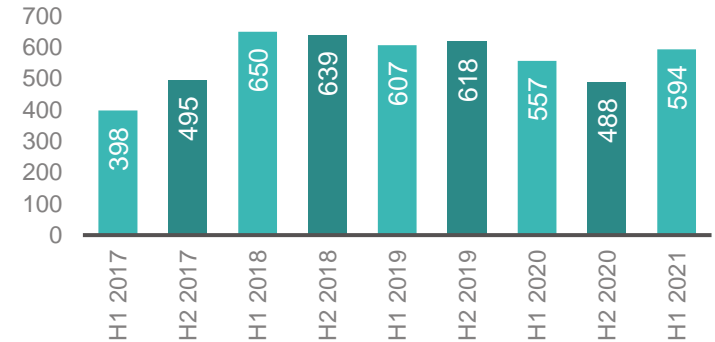
Higher fixed costs (recent and ongoing expansions; R&D)

Cobalt & Specialty Materials benefiting from a continued post-COVID-19 recovery in demand, especially for cobalt and nickel chemicals and tool materials

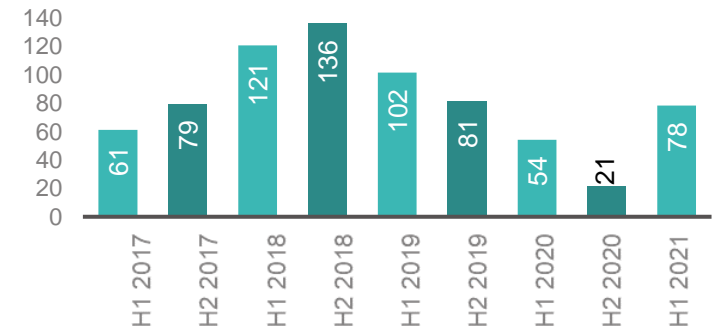
Metal Deposition Solutions benefiting from strong demand across key end markets

Stable revenues for **Electro-Optic Materials**

REVENUES



Adjusted EBIT





E&ST H1 2021

Commissioning of cathode materials plant in Nysa, Poland



First industrial scale cathode materials production plant in Europe

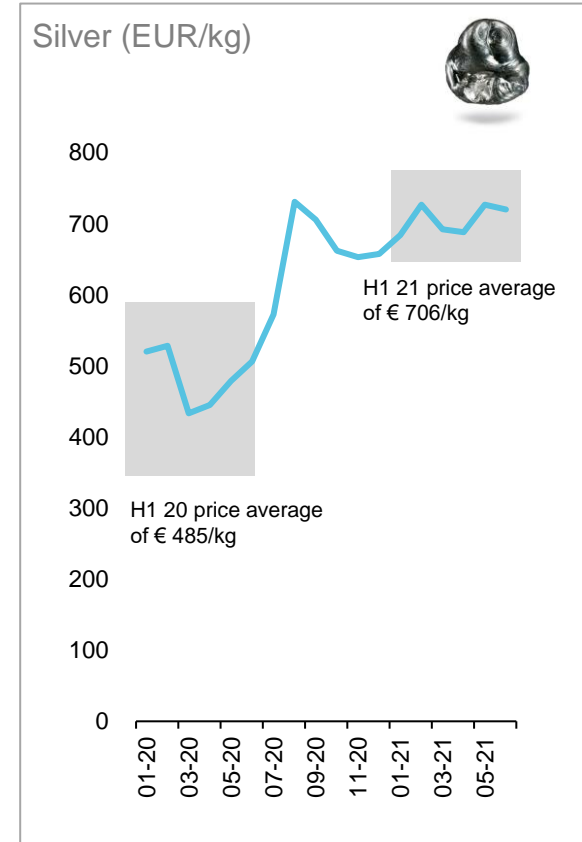
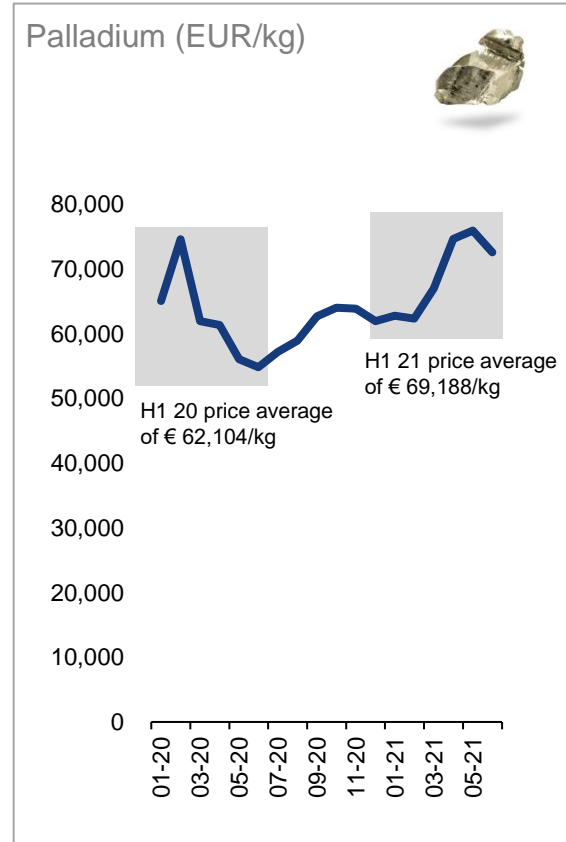
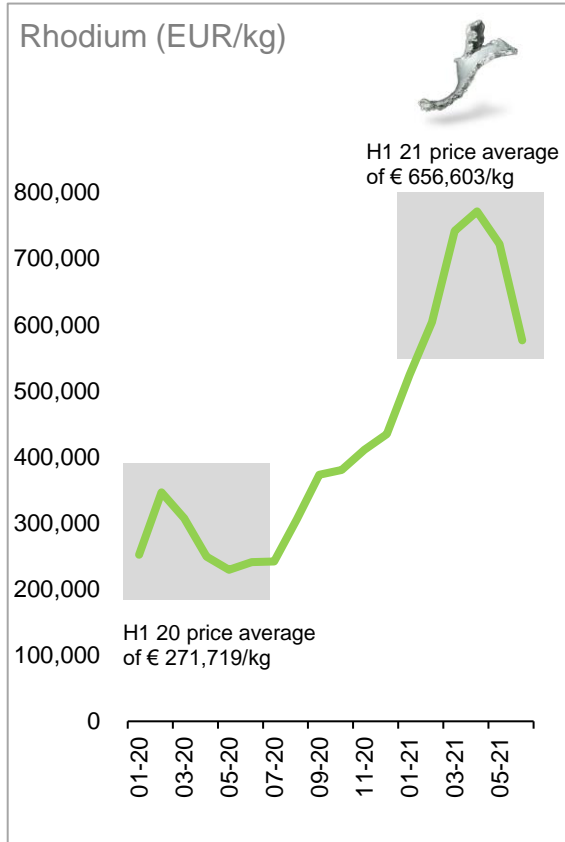
Commissioned end of H1 2021 with initial commercial production volumes expected around year-end

Carbon neutral as of start of production with 100% green power supply

Closing of long-term PPA with Engie for the supply of renewable electricity to Nysa



Exceptionally high and volatile precious metals prices, in particular rhodium





Recycling H1 2021 performance

Revenues +48% and adj. EBIT +94%



Precious Metals Refining

Record precious metals prices

Excellent supply and trading conditions

Strong demand across end-markets and regions

Robust operational performance and optimal capacity use;
volumes in line with high levels of H1 20

Jewelry & Industrial metals

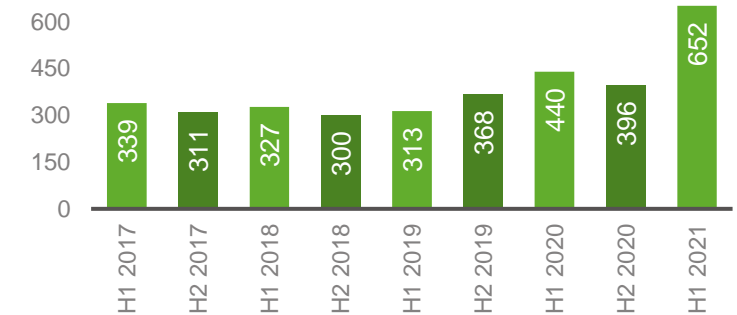
Strong uplift in demand for investment and jewelry products

Higher demand for platinum engineered materials

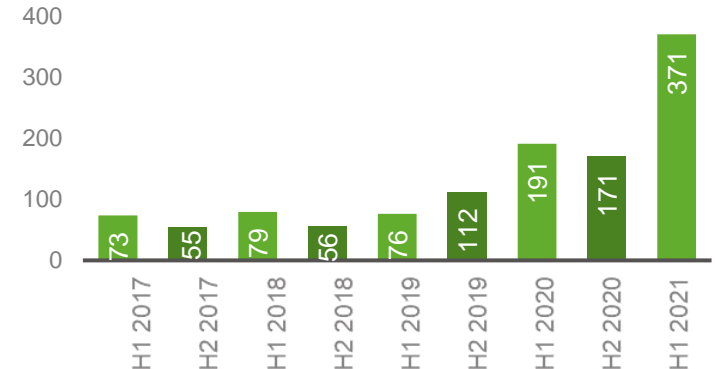
Precious Metals Management

Significantly higher earnings contribution due to favorable trading conditions

REVENUES



Adjusted EBIT



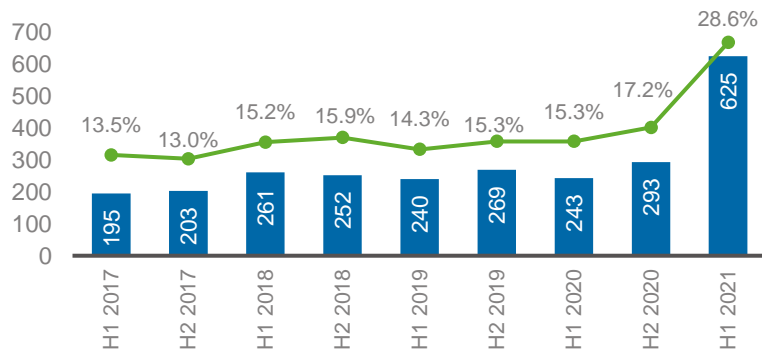
H1 2021 financial review



Outstanding Adj. EBIT(DA) and margins

Driven by demand recovery and exceptional metal price environment

Adj. EBIT & Adj. EBIT margin



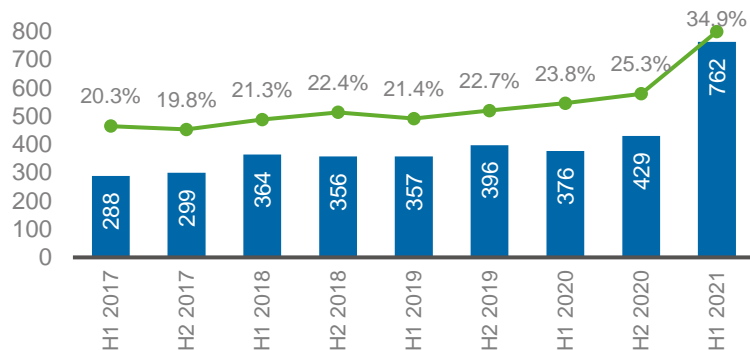
Adjusted EBIT at € 625 million, up 157% compared to H1 20, which was severely impacted by COVID-19 pandemic

Recovery in underlying demand

Strong boost from record precious metal prices

Cost saving benefits

Adj. EBITDA & Adj. EBITDA margin



Adjusted EBITDA at € 762 million, doubling compared to H1 20

Slight increase in adjusted Group D&A

Higher margins across Business Groups, particularly in Recycling and Catalysis

Full P&L

Million €	H1 2020	H1 2021
Adjusted EBIT	243	625
- Net finance cost	(45)	(52)
- Adjusted Tax	(47)	(140)
Adjusted net result	151	433
- Minorities	(3)	(5)
Adjusted net result Group share	148	428
<i>Adjusted EPS</i>	<i>0.62</i>	<i>1.78</i>
Adjustments to net result Group share	(57)	(28)
Net result Group share	91	400

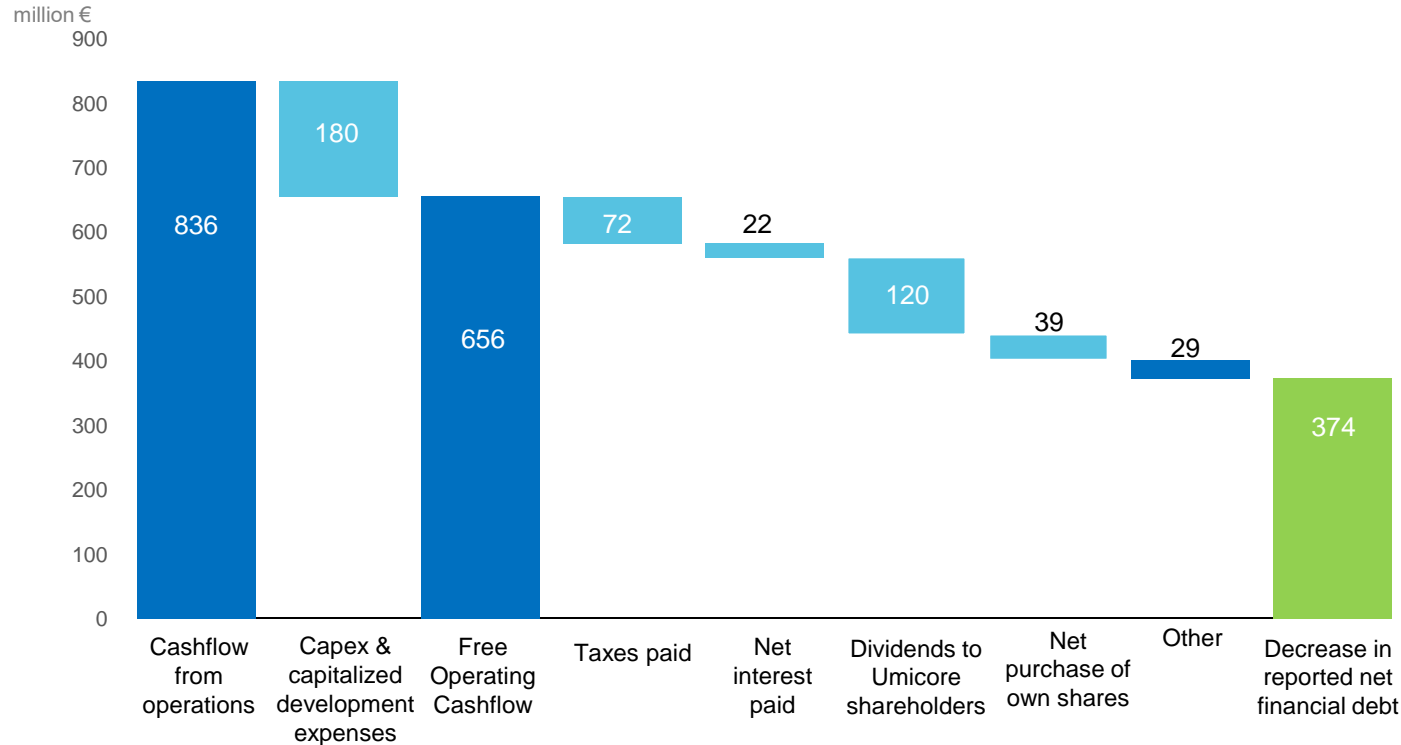
Substantial increase in Adj. net Group result and Adj. EPS, reflecting strong Adj. EBIT increase

Increase in adjusted net financial cost due to higher interest and forex charges.

Substantially higher adjusted tax charges tracking the higher taxable profit with stable effective adjusted Group tax rate (24.9%)



Net cash flow bridge



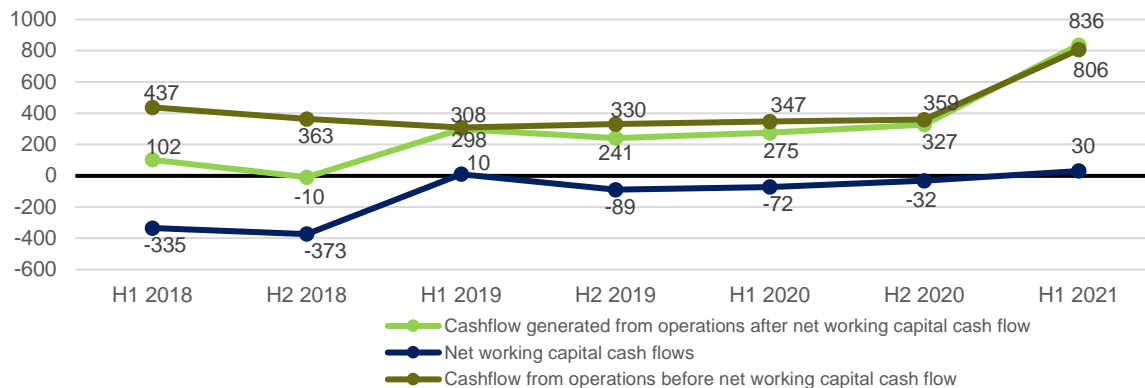
Free operating cashflow of € 656 million, including € 30 million working capital reduction, driving a € 374m decrease in reported net financial debt

Combined cash out of € 214 million related to net interest charges, taxes and dividend



Free operating cash flow at record level

million €, continued operations only

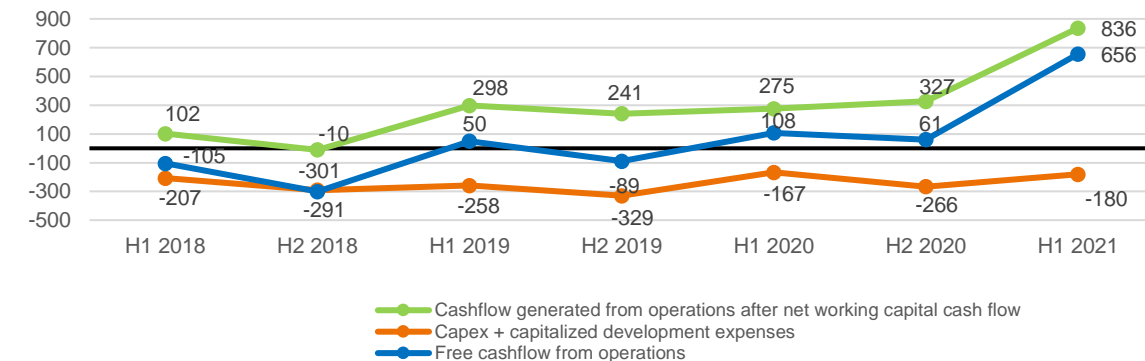


Cash flow from operations after changes in working capital tripled to a record € 836 million

Decrease in cash working capital of € 30 million, including positive cut-off effects of appr. € 250 million end of June

Cash working capital increase in Catalysis more than offset by a decrease in E&ST and Recycling

million €, continued operations only



Free cash flow from operations substantially up to € 656 million

Capex and capitalized development expenses increased to € 180m year on year and were concentrated in E&ST.



Umicore PUBLIC document

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

Adjustments to EBIT

million €	H1 2020	H2 2020	H1 2021
Restructuring-related	(31)	(97)	(10)
Selected asset-impairments	(31)	(14)	(17)
Environmental	(1)	(55)	(42)
Other	(9)	1	30
Total EBIT adjustments	(72)	(165)	(39)
Adjusted tax result	14	30	5
Financial result	-	-	6
Adjusted minority result	(1)	3	-
Net adjustments (Group Share)	(58)	(134)	(28)

- € 39 million EBIT adjustments :

- Additional Hoboken green zone provision of € 41 million
- - € 24 million adjustment related to closure of HDD plant in Frederikssund (Denmark) and impairment of related IP
- € 32 million positive adjustment related to a tax credit in Brazil
- Net result impact after tax : - € 28 million





Wrap up

Wrap up

Outstanding H1 performance across business groups leading to record results

Full year guidance raised: adj. EBIT to ***slightly exceed € 1billion*** based on strong H1 and assuming metal prices remain around current¹ levels for the remainder of the year

Bold ESG ambitions under “Let’s go for Zero” strategy setting new industry standards

Strengthening long-term strategic drivers in clean mobility and recycling fuel growth opportunities

¹ Current refers to the date of this publication i.e., 30 July 2021

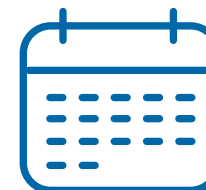




Q&A

Financial calendar

20 August 2021	Ex-interim dividend trading date
23 August 2021	Record date for the interim dividend
24 August 2021	Payment date for the interim dividend



umicore[®]

materials for a better life