



umicore
materials for a better life



Umicore FY 2019 performance

7 February 2020

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**



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

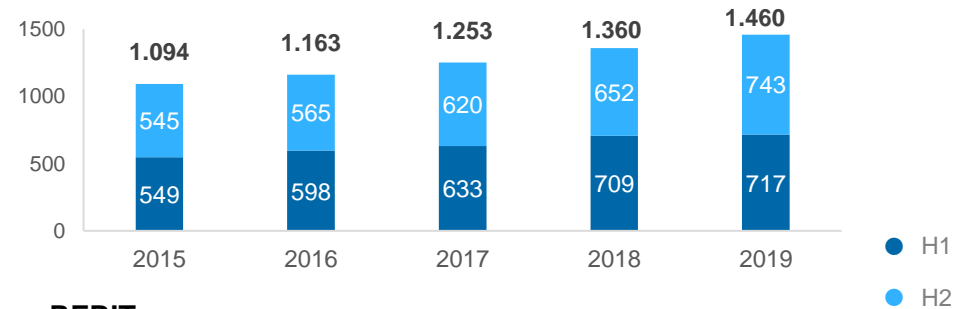
Automotive Catalysts

- 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

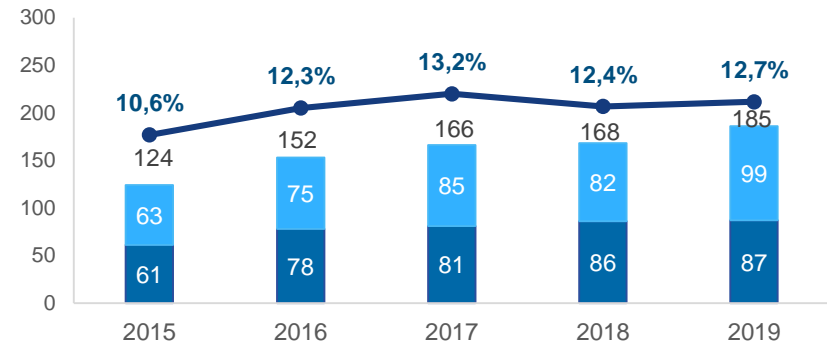
Precious Metals Chemistry

- 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

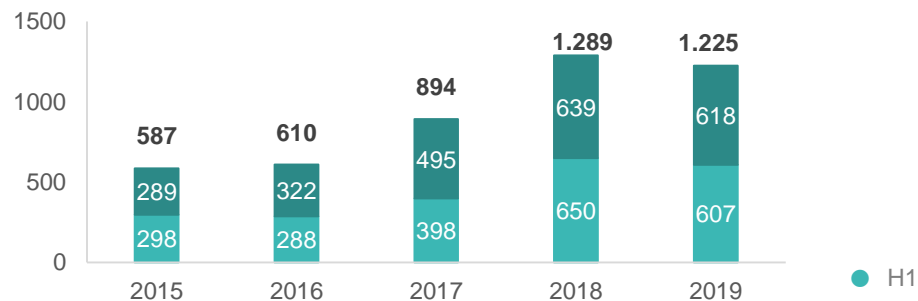
- Lower sales for portable electronics and ESS
- Higher sales for EVs, in line with global EV market
- Recycling and refining activities hit by low cobalt price
- Higher D&A, higher R&D and upfront costs for greenfield expansions

Cobalt & Specialty Materials

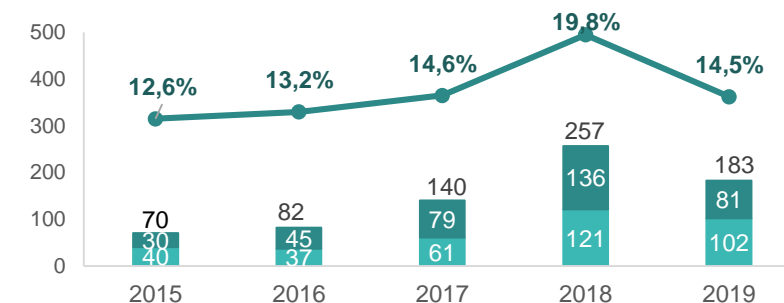
- Impacted by low cobalt price and inflow of cheaper unethically sourced artisanal cobalt
- Customers reducing excess inventories

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



Urgent elimination of child labour

The Battery Passport



credits: turbo.fr

“We cannot accept that the pursuit of climate neutrality should in any way involve child labor.”

Global Battery Alliance Press Release

Batteries are crucial enablers to reduce the carbon footprint of transport.

42 organisations have agreed on 10 guiding principles for a sustainable battery value chain, as set out by the Global Battery Alliance.

The Battery Passport will be a global quality seal for sharing data on the value chain, materials origin and lifecycle of the battery to improve sustainability, circularity and environmental impact.



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

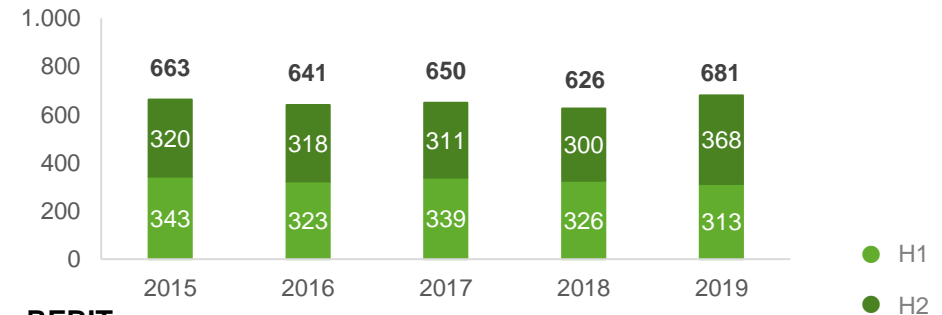
Higher availability of spent autocats and printed circuit boards

Higher metal prices

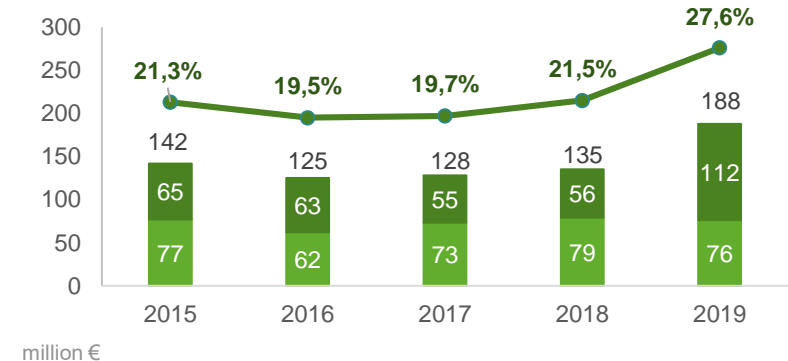
Optimization of input mix allowed to offset most of the volume shortfall due to extended maintenance shutdown and fire incident in July

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



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



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.

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