

TRADING UPDATE Q1 2012

Highlights

Revenues increased by 11% compared to the first quarter of 2011 despite the economic slowdown that is affecting several markets and regions:

- Catalysis revenues were up 18%;
- Energy Materials revenues were up 12%;
- Performance Materials revenues were up 4%;
- Recycling revenues were up 8%.

Overall margins were negatively impacted by the depreciation and start-up costs related to new investments as well as the effects on recycling margins of lower prices for certain metals. Umicore continued to generate highly positive cash flows.

Several new capital investment projects related to Vision 2015 were initiated in early 2012.

Outlook

Umicore businesses continue to post strong performances despite more challenging economic conditions. Full year recurring EBIT is expected to be in the range of € 370 to € 410 million compared to a record level of € 416 million in 2011. Higher depreciation charges linked to new investments account for most of the expected difference with 2011. Recurring EBITDA is expected to reach between € 520 and € 560 million compared to € 553 million in 2011.

Note: All comparisons are made with the first quarter of 2011, unless mentioned otherwise.

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CATALYSIS

Overview

Revenues were up 18% year on year, including the effects of higher pass-through costs of raw materials in Automotive Catalysts. Excluding pass-through effects, Umicore's revenue growth in Automotive Catalysts continued to outpace that of car production globally. In Precious Metals Chemistry, revenues decreased.

Automotive Catalysts

Global automotive production increased some 5% year on year. A decrease of car volumes in Europe, China and South America was more than offset by the strong recovery in Japan, as well as further growth in North America. Umicore's sales volumes outperformed the general automotive market growth, being well positioned on more successful vehicle platforms.

In Europe, while car production was down some 4% in the first quarter, Umicore sales continued to grow, reflecting the strength of the platform and customer mix. No further increase in sales of diesel particulate filters was noted in the first quarter as EURO V legislation had been largely implemented across Europe by the end of 2011.

Vehicle production in North America grew by 16%. Umicore benefited both from the market uplift and a

favourable platform mix. In South America production levels were lower as domestic demand decreased due to lower availability of financing for vehicle purchases.

In Asia, vehicle production went up by 9% overall. A 4% decrease in China was more than offset by the recovery of the Japanese car industry (+48%) and growth in Korean production. Overall Umicore's sales volumes were in line with the general automotive market growth in Asia.

Umicore has decided to expand its technology development centre in Americana, Brazil. This investment is due to be operational in 2014 and will cater for the more stringent emission norms that are being introduced in South America. The production expansion and the new technology development centre in Suzhou, China, are planned to be commissioned in the third quarter of this year. The HDD production line in Florange, France, will be commissioned mid 2012.

Precious Metals Chemistry

Revenues were down year on year. The decrease was experienced in all activities, with the exception of catalysts used in life science applications. The advanced production techniques being introduced in this sector require new types of catalysts.

ENERGY MATERIALS

Overview

Revenues for the business group were up 12%, mainly driven by an increase in sales volumes for Rechargeable Battery Materials and to a lesser extent Electro-Optic Materials. Lower margins in the first quarter reflected the combination of higher product qualification costs, lower premiums for certain products, higher depreciation charges from new investments and lower recycling and refining margins.

Cobalt & Specialty Materials

Sales volumes and revenues were in line with the first quarter of 2011. Lower cobalt and nickel prices and an increased level of competition in key markets had a negative impact on margins.

The Ceramics & Chemicals activities recorded lower revenues. This was due to lower sales of cobalt and lower premiums for both cobalt and nickel compounds. The shortage of nickel salts that characterised the market at the beginning of 2011 has subsided and premiums have decreased accordingly. The business successfully introduced a number of new eco-efficient cobalt-containing organic compounds for use as polymerisation catalysts. Revenues in the Tool Materials business were stable.

In the recycling and refining activities, processed volumes remained at a high level. The lower prices for cobalt and nickel had a negative effect on the overall refining margins, however.

Electro-Optic Materials

Although overall sales volumes were up, reflecting increased demand for substrates and germanium tetrachloride, premiums on all product categories were under pressure.

The contribution from refining and recycling decreased due to lower availability of germanium-containing production waste in the market.

In the germanium optics activity, orders related to government spending declined further leading to a decrease in sales volumes for germanium-based

optical systems. Lower demand from government programmes has led to increased competition and price pressure spilling over to commercial optical systems. Sales of germanium tetrachloride, used in optical fibres continued to benefit from the deployment of the optical fibre network in China.

Overall substrates sales were up. A decrease in demand for space solar cells was more than offset by the growth of concentrator photovoltaic applications. It is unclear though at this stage whether demand will continue at the same pace in the coming quarters. Demand for germanium used in LEDs was also at a high level

Rechargeable Battery Materials

Revenues from sales of Li-ion cathode materials almost doubled compared to the first quarter of 2011. Sales volumes remained at the high levels of the second half of 2011, despite the seasonal slow down typically seen in the first quarter of the year. Overall product premiums were lower.

The bulk of the volume growth was recorded in NMC type cathode materials and largely attributable to the increasing demand from the automotive sector. Although the introduction of Li-ion-based (H)EVs in the market is at an early stage, the impact on the rechargeable battery market is significant and is following a clear upward trend.

In the portable electronics sector, the market move towards higher-end devices – such as ultra-portable notebooks, tablets and smartphones – continued and this had a positive impact in terms of battery material requirements. The batteries for these applications require high energy density LCO materials, an area in which Umicore has a strong technological leadership.

Thin Film Products

The business unit recorded lower revenues. Lower sales volumes were recorded in the Large Area Coating activity, following the slowdown in the display sector. Further qualification of rotary ITO target technology in mainstream displays and touch panels continued although sales remained at a low level due to the delayed start up of production

investments in the sector. Demand from the micro-electronics market also decreased while sales of materials for optical coatings were well up, mainly

driven by high demand for ophthalmic and hologram applications.

PERFORMANCE MATERIALS

Overview

Revenues of Performance Materials grew 4%, driven by growth in Building Products, Platinum Engineered Materials and Electroplating. Zinc Chemicals faced more challenging market conditions.

Building Products

Sales volumes and revenues were in line with the first quarter of 2011, despite the difficult winter conditions faced by the building industry at the beginning of the year in Europe. The housing markets in Umicore's main European markets were supportive, particularly in Germany and the Benelux, where Umicore recorded increases in sales volumes. Sales volumes to Southern Europe were lower, and demand from overseas markets was also lower than in 2011, especially in Asia. The product mix remained unchanged, with surface-treated materials making up a high proportion of sales.

The construction of the new production line for surface-treated products in Viviez, France, is progressing according to plan and is due to be operational in 2014.

Electroplating

Revenues for the business unit were in line with the first quarter of 2011. Customer demand, particularly for decorative applications, has recovered from the softness seen in the second half of 2011. This resulted in increased sales of precious and base metal electrolytes, as well as precious metal compounds for decorative applications. Sales of precious metal products used in technical applications and printed circuit boards remained somewhat subdued.

Recently-developed products for new applications, such as silver plating solutions used in LED manufacturing, gained in importance in the product mix.

Platinum Engineered Materials

Revenues were up primarily due to a higher level of replacement orders for platinum-based equipment for the production of glass used in LCD and LED screens. In the Performance Catalysts activity, which mainly serves the fertiliser industry, sales volumes were stable.

The new workshop in Yokohama, which opened at the end of 2011, is currently ramping up production while construction work has started for the new production plant in Hanau, which is due to be commissioned in mid-2013.

Technical Materials

Revenues were up. The brazing business recorded an increase in sales volumes as demand from the tooling, automotive and electrical sectors picked up towards the end of the quarter. This was the case in Europe as well as in other markets.

In Contact & Power Technology Materials, sales volumes were lower as a result of lower demand from the European electrical equipment industry which is Umicore's main customer base for these products.

Zinc Chemicals

Revenues were down as lower recycling margins and sales volumes outweighed the positive impact of higher product prices.

Sales of zinc powders for use in primary batteries were much lower as a result of reduced consumer demand for high-end alkaline batteries which is the main market niche for this activity. Sales volumes of zinc oxides were slightly down, mainly linked to a shutdown for maintenance works of the plants in Eijsden (Netherlands) and Zolder (Belgium). Sales of fine zinc powders were down, primarily due to lower demand in China. The demand for anti-corrosive paint pigments was lower, in line with lower levels of production of marine shipping containers. The supply situation for secondary materials remains tight. The main supply source – the steel galvanizing industry – has been operating at a lower level, especially in

Europe, thereby restraining the availability of zinc-containing residues. The low zinc price has also had a negative effect on the recycling margin.

Umicore will build a plant close to Changsha, Hunan province, to produce high-performance fine zinc powders for the Chinese market. This plant will replace the current facility in Fuhong and will use Umicore's state of the art process technologies, thereby anticipating a further tightening of environmental norms in China. The investment is due to be commissioned in early 2015. Umicore will also expand production capacity for zinc oxides in its facility in Goa, India, to serve the growing Indian market. This expansion is due to be realised by mid-2013.

Element Six Abrasives

Element Six' revenues were slightly up year on year although overall margins were somewhat lower due to a less favourable product mix.

Revenues in Advanced Materials were in line with 2011. Good demand from the automotive, aerospace and mining sectors as well as from the North American construction industry was offset by lower order levels from the electronics industry. Sales volumes to the Oil & Gas industry showed improvement compared to the end of 2011 although competition remains strong. In Hard Materials, sales volumes of cemented carbides remained strong for mining and construction-related activities. Element Six Abrasives has successfully launched new polycrystalline diamond picks (D Power™) for use in road construction.

RECYCLING

Overview

Recycling revenues were up 8% compared to the first quarter of 2011. While supply conditions remain buoyant, processed volumes were lower in Precious Metals Refining. The business conditions for Precious Metals Management and Jewellery & Industrial Metals were somewhat less supportive than the outstanding levels seen in 2011.

Precious Metals Refining

Revenues were up year on year due to higher refining charges. The annual maintenance shutdown of the Hoboken smelter is taking place earlier than in prior years which resulted in lower processed volumes.

The supply availability of refining residues from the non-ferrous metals industry remains strong with arrivals of materials from most of these secondary sources at a high level.

Supplies of electronic scrap continued to increase while arrivals of spent automotive and industrial catalysts were at a somewhat lower level.

While the received prices for most precious metals were stable year on year, the decrease in spot prices for certain specialty metals had a negative impact on margins. Moreover, lower sales volumes were recorded for a number of specialty metals that are used in new technologies.

The previously announced upgrade and expansion of the sampling facility is proceeding according to plan and is due to be finalised by mid 2013. A €13 million investment in a biological water treatment plant to further reduce metals emissions was started in early 2012.

Jewellery & Industrial Metals

Revenues were up in the quarter, mainly as a result of the jewellery and investment related products and refining activities.

Sales of gold and pgm-based alloys to the luxury jewellery sector in Europe were strong. For silver-based fashion jewellery products, however, lower volumes were recorded. Although demand for silver products used in industrial and chemical applications remained high and orders for gold and silver coin blanks by European mints was at a high level at the start of the year, this trend is not expected to continue throughout 2012.

The recycling activities continued to perform strongly although recyclable gold-containing residues are becoming scarcer in some regions. The business unit is currently expanding its silver recycling and refining facilities in Thailand.

Precious Metals Management

Demand for physical precious metals in some industrial sectors in Europe decreased. Demand for investment bars was also lower. The proprietary trading activities benefited from fairly volatile precious metal prices.

Battery Recycling

Development work continues in Umicore's UHT pilot plant in Hoboken with the plant alternating between the processing of collected NiMH and Li-ion batteries and feasibility studies for the recycling of new secondary and end-of-life material mixes.

Umicore is currently building a new dismantling centre for automotive rechargeable batteries in Maxton, North Carolina, adjacent to its spent automotive catalysts pre-processing facility. This site will address the North American (H)EV market and will be operational in the second quarter of this year. It complements Umicore's existing facility in Hanau, Germany, which addresses the European market.

Forward looking statements

This document 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.

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Financial calendar

24 April 2012	AGM
27 April 2012	Ex-dividend trading date
2 May 2012	Record date for dividend
3 May 2012	Payment date for dividend
30 July 2012	2012 half year results publication
23 October 2012	2012 third quarter trading update

Umicore profile

Umicore is a global materials technology group. It focuses on application areas where its expertise in materials science, chemistry and metallurgy makes a real difference. Its activities are centred on four business areas: Catalysis, Energy Materials, Performance Materials and Recycling. Each business area is divided into market-focused business units offering materials and solutions that are at the cutting edge of new technological developments and essential to everyday life.

Umicore generates the majority of its revenues and dedicates most of its R&D efforts to clean technologies, such as emission control catalysts, materials for rechargeable batteries and photovoltaics, fuel cells, and recycling. Umicore's overriding goal of sustainable value creation is based on an ambition to develop, produce and recycle materials in a way that fulfils its mission: materials for a better life.

The Umicore Group has industrial operations on all continents and serves a global customer base; it generated a turnover of € 14.5 billion (€ 2.3 billion excluding metal) in 2011 and currently employs some 14,600 people.

A conference call and audio webcast will take place today at 15:30 CET in Brussels.
Please visit: <http://www.investorrelations.umicore.com/en/financialCalendar/ConfCall201204224.htm>