

TRADING UPDATE Q1 2014

Highlights

Revenues increased by 1% in the first quarter of 2014. Positive developments in most of the product related businesses were offset by the effects of lower metal prices in Recycling and, to a lesser extent, currency headwinds.

In Catalysis revenues grew by 4% driven by global automotive production. Energy Materials revenues were up by 26% with all business units recording growth, particularly Rechargeable Battery Materials. Performance Materials revenues were down by 1% with improvements in the two zinc-related business units offsetting somewhat less favourable conditions in the other activities. Recycling revenues were down by 16% with lower received precious metals prices impacting most business units coupled with lower volumes in the Precious Metals Refining operations.

Cash flows remained strong and were at similar levels to those of the previous year. Net debt was reduced further from the levels reported at the end of 2013.

During the first quarter Umicore continued to buy back its own shares and up until 25 April 1,020,000 shares had been bought back. Umicore thereby held 10,958,750 shares in treasury, or 9.13% of the issued shares at that date.

Outlook

As anticipated, margins in the product related business units are improving, driven by increased demand and the positive effects of recent cost reduction measures. However, this improvement is not sufficient to offset the effect of lower earnings in Recycling. In addition to the effect of lower metal prices, volumes are also expected to be lower due to engineering and testing work in preparation for the planned expansion of the Hoboken facility. Umicore therefore expects full year recurring EBIT for 2014 to be between € 250 million and € 280 million, assuming current market conditions persist.

Note: All comparisons are made with the first quarter of 2013, unless mentioned otherwise.

Umicore Group Communications

Naamloze vennootschap / Société anonyme
Broekstraat 31 Rue du Marais
B-1000 Brussels
Belgium

phone: +32 2 227 71 11
fax: +32 2 227 79 00
e-mail: info@umicore.com
website: www.umicore.com

VAT: BE0401 574 852
company number: 04001574852
registered office: Broekstraat 31 Rue du Marais
B-1000 Brussels

CATALYSIS

Overview

The revenues for the business group increased by 4% with growth in Automotive Catalysts in contrast to lower revenues in the smaller Precious Metals Chemistry business unit.

Automotive Catalysts

Global car production increased by close to 5% with Umicore's revenues increasing at a similar rate.

In Europe, car production has started to recover and total production volumes were up by 5% year on year. Umicore's revenue growth related to light duty catalyst sales for passenger cars was more modest due to a temporarily less favourable platform mix in Europe. The two heavy duty diesel lines in France started to ramp up production levels with most of the benefits from these investments expected to accrue from the second half of 2014.

In North America, car production increased by 6% and Umicore's revenues grew broadly in line with the market. In contrast, South American car production fell by 4% with the less supportive economy in Brazil being the main reason. Umicore's revenues in the region were lower and also felt the impact of a shut-down at a major customer during the quarter.

Car production in China continued to grow strongly (+8%) and Umicore's revenues once again outpaced the market. This was due to a strong presence with the best-selling global brands including a growing position in locally based Japanese producers. The heavy duty

diesel production facility in Suzhou, China, was opened in March.

While Umicore did not benefit significantly from the growth in automotive production in Japan itself, the presence with Japanese OEMs around the world has been growing steadily. Car production in Korea was down by 2% and Umicore's sales also decreased due partly to the general market contraction and also to a less favourable platform mix.

The new production facility in India remains on schedule to open in the fourth quarter of this year.

Precious Metals Chemistry

Revenues were below the levels of 2013. This was primarily due to lower sales of inorganic precursors for catalytic applications, notably for customers in the Brazilian automotive market. Sales of other inorganic products were well up. In organic chemicals, sales for both bulk chemical and life science applications were lower. The promising trend of API sales continued and qualification is underway with a growing number of customers.

The move of the US operations to the new site in Tulsa has been largely completed. Production of inorganics is already underway and production of organics is scheduled to start in the coming weeks. Production at the new facility in Germany for products used in chemical metal deposition is set to start in June. The business unit incurred start-up and transition costs for these investments in the quarter.

ENERGY MATERIALS

Overview

Revenues in Energy Materials were up by 26% with strong growth recorded in all business units, most notably in Rechargeable Battery Materials.

Cobalt & Specialty Materials

Revenues were up significantly and were mainly driven by higher activity levels in Ceramics & Chemicals. Sales volumes of carboxylates for most applications, particularly tyre production, were up and sales of new products for use in petrochemical and curing applications also made strong progress. The distribution activities in Europe performed well and the newly-acquired activities in the US added to the positive picture. Sales of nickel chemicals also grew and the expansion of the nickel production capabilities in Olen, Belgium, is now completed. This facility also enables the production of high-grade materials for use in the rechargeable battery industry.

In the Tool Materials business, volumes were largely unchanged from the low levels of the previous year and premiums were lower due to strong price competition.

Throughput at the refining and recycling operations was higher year on year although overall refining premiums were lower, partly due to currency impacts.

Electro-Optic Materials

Revenues for Electro-Optic Materials were up with the business benefiting from higher revenues in refining and recycling as well as higher sales volumes in certain product categories.

In finished optics the automotive and security end markets are improving and shipments have increased accordingly. Demand for substrates remained stable. Order levels were steady in the main application area of space solar cells while there have been signs of an improvement in demand in terrestrial concentrator photovoltaic applications. Demand for germanium substrates used in LEDs also picked up slightly. Sales of blank optics remained subdued with the market remaining very competitive. Sales volumes of high purity chemicals for use in the fiber optics industry were stable but pricing came under increasing pressure, particularly in Asia.

Rechargeable Battery Materials

Sales volumes and revenues were significantly higher than the first quarter of 2013 and – counter to usual seasonal trends – remained at similar levels to the last quarter of the previous year.

The main reason for the strong growth was the continued success of Umicore's proprietary high energy density LCO (lithium cobaltite) products in high-end portable electronics. Umicore's supply chain integration also enabled the business to follow surging customer demand. This demand was driven in part by the introduction of 4G internet connectivity in devices which in turn drives the need for better performing batteries.

Sales of standard grade NMC (nickel manganese cobalt) materials for use in less demanding portable devices were down as the business continued to reduce its presence in this segment which is characterised by destructive pricing. The demand for NMC materials used in batteries for cordless power tools grew with Li-ion technology continuing to replace NiCd (nickel cadmium) and NiMH (nickel metal hydride).

The ordering pattern for automotive applications remained somewhat erratic. Umicore continued to position its NMC cathode materials in platforms covering the different grades of electrification (hybrid, plug-in hybrid and full EV) and in all regions where these platforms are being developed.

First production trials in the new precursor facility in Korea are scheduled during the first half of 2014. Additional cathode production capacity is being brought on stream in line with market demand.

Thin Film Products

Revenues were higher, driven mainly by higher sales volumes of indium tin oxide (ITO) products used in the display sector. This was partly due to the continued switch from planar to rotary targets, where Umicore is the market leader, as well as higher overall demand from the industry. Pricing, however, remained pressured in this segment with margins also negatively impacted by the higher indium price.

Revenues in the Optics & Electronics business were stable.

PERFORMANCE MATERIALS

Overview

Revenues decreased by 1%. Improvements in the two zinc-related business units were offset by somewhat less favourable conditions in the other activities.

Building Products

The business unit recorded a strong increase in sales volumes and revenues. Overall margins benefited from the effects of the cost reduction and productivity initiatives undertaken in 2013.

The building sector in Umicore's main European markets showed some improvement. The mild winter in Europe was in contrast to the harsh conditions of the previous year and was partly responsible for the comparative sales increase. Sales in newer markets outside Europe performed less well, partly due to the icy North American winter and its impact on the US building market and fewer new projects in Asia.

In terms of product mix the evolution was somewhat less favourable with sales of natural rolled zinc growing faster than those of the higher added value pre-weathered products in contrast to prior years. The new facility for surface treated products in Viviez, France, has started production and will ramp up volumes through the rest of 2014 before reaching full capacity next year.

Electroplating

Revenues were slightly down year on year due mainly to a somewhat subdued start to the year in Asia. The overall level of sales and the product mix evolved favourably in Europe.

Sales of precious metal products used in coatings for printed circuit boards remained stable. Sales of products for decorative applications increased. This was partly due to the increased demand for specialized gold-copper alloys used to produce reddish / pink gold used in jewellery and other applications like pens and bath fittings. Sales volumes for technical applications were lower; this was due to the effects of destocking at producers of LEDs.

Platinum Engineered Materials

Overall revenues were stable. In Glass Industry Applications, the display glass industry is experiencing overcapacity and a high degree of cost pressure and this is leading to a lower replacement rate for platinum equipment. Umicore's sales to producers of display glass were higher in the first quarter due mainly to the timing of projects. Sales volumes for technical glass applications were stable year on year and a number of new contract wins were recorded. Demand in the optical glass segment remained subdued.

Revenues in Performance Catalysts were lower. The political developments in Ukraine and the resulting higher gas price have impacted the fertilizer market and have led to lower order levels of catalyst gauzes used in the production of ammonia.

Technical Materials

Revenues for the business unit were down year on year. This was mainly due to lower sales volumes of contact and power technology materials and overall lower sales in Brazil.

Sales of contact and power technology materials were lower, mainly as a result of reduced Chinese imports of European-produced equipment for electrical infrastructure. Recent changes to the business unit's production configuration and product offering in China will enhance its ability to supply global and local producers. Sales in North America and Europe held up well.

Sales of materials for brazing applications were somewhat lower. A positive demand picture in Europe – particularly for products used in automotive applications – could not offset lower sales elsewhere, notably in Brazil. The introduction of the new BlueBrazTM product continued to make good progress in both Europe and Asia.

Zinc Chemicals

Revenues were up year on year and overall margins for the business were also improved largely as a result of cost reduction initiatives.

The main reason for the increase in revenues was higher sales volumes of fine zinc powders for chemical applications, driven partly by market share gains. Demand for fine zinc powders used in anti-corrosive paint pigments picked up in the European markets.

Sales volumes for zinc battery materials were stable while pricing improved compared to the pressured environment of the previous year.

Sales volumes for zinc oxide were stable with an improvement in Europe counterbalanced by lower sales in Asia, particularly for tyre applications. Umicore became the first European producer to obtain CEP certification in Europe for zinc products that are used in pharmaceutical applications such as food supplements and sunscreens.

Recycling margins remained under pressure due to a lower received zinc price in Euro and continued tightness on the market for residues.

Element Six Abrasives

The year started well with quarterly revenues well up on prior year and also showing continued momentum from the final quarter of 2013. Sales of Oil & Gas products showed the most significant increase. Sales of Precision Tooling products for automotive and other markets that require high precision cutting and grinding tools also showed a strong improvement. Sales of products used in road construction were lower, largely because of customer destocking and the effects of the harsh North American winter. Demand from the mining sector continued to be subdued. Margins developed positively due to the improved product mix and the benefits of the adapted production configuration. In April the business announced the intention to close its production facility in Robertsfors, Sweden within the next 24 months and consolidate the activities into the expanding sites in Shannon, Ireland and Springs, South Africa to support future growth.

RECYCLING

Overview

Overall revenues for the business group were 16% lower as a result of the impact of lower metal prices on the Precious Metals Refining, Jewellery & Industrial Metals and Precious Metals Management business units.

Precious Metals Refining

As anticipated, lower received metals prices meant that revenues were well below those of 2013. This was the case for both precious metals and specialty metals. The lower received prices had a significant impact on margins.

As a result of preparatory engineering and testing work ahead of the planned expansion of the Hoboken facility, lower volumes were processed. This volume trend may persist through the year as additional modifications and tests will be carried out in several parts of the flowsheet.

Compared to last year, the supply mix was somewhat less favourable mainly due to a lower availability of pgm-rich materials. In end-of-life materials, while the overall intake of e-scrap increased, the availability of the most complex e-scrap materials fell somewhat. The availability of petrochemical catalysts has increased while the market for spent automotive catalysts remained extremely competitive.

Assuming the relevant permits are received as expected, major steps of the Hoboken expansion investment are likely to get underway in the third quarter. As previously mentioned, these steps will take place during a maintenance shutdown with more extensive work scheduled to take place in 2015.

Jewellery & Industrial Metals

The business unit recorded lower revenues year on year. Recycling revenues were well down compared to

the first quarter of 2013. The protracted decline in metal prices further reduced the availability of precious metal containing residues, especially gold scrap. The volumes of silver and pgm-containing residues remained stable, while volumes of industrial sweeps were higher year on year.

Revenues from products for industrial applications were higher with demand picking up in the automotive and chemical industries in Europe. The demand for silver coin blanks increased year on year while the demand for investment bars was lower. Sales of jewellery products were stronger in Asia and the US, with order volumes remaining stable in Europe. The business unit is positioning itself successfully for further growth in Asia.

The silver recycling capacity expansion in Thailand has now been completed while an expansion of silver refining capabilities in Brazil will be completed in the coming weeks. The expansion of the Pforzheim operations is scheduled for commissioning in the third quarter.

Precious Metals Management

The overall performance of the business unit was lower. Prices for most metals were considerably lower year-on-year and trading conditions also proved unfavourable. Industrial demand for the physical delivery of metals was below the level of prior year, while investor demand for gold and silver bars was much lower than in 2013 with silver seeing the sharpest decline.

Battery Recycling

The business sourced additional input of spent rechargeable batteries and battery production scrap for its UHT pilot plant in Hoboken and will treat these along with other trial input feeds in campaigns through the year. The further improvements to the UHT technology are progressing as planned.

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.

For more information

Investor Relations

Tim Weekes	+32 2 227 73 98	tim.weekes@umicore.com
------------	-----------------	------------------------

Media Relations

Elcke Vercreyusse	+32 2 227 71 29	elcke.vercreyusse@umicore.com
-------------------	-----------------	-------------------------------

Financial calendar

29 April 2014	Ordinary General Meeting of Shareholders
2 May 2014	Ex-dividend trading date
6 May 2014	Record date for dividend
7 May 2014	Payment date for dividend
31 July 2014	Half Year Results 2014 publication
4 September 2014	Capital markets presentations, Brussels
23 October 2014	Q3 Update 2014 publication

Umicore profile

Umicore is a global materials technology and recycling 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 € 9.8 billion (€ 2.4 billion excluding metal) in 2013 and currently employs some 14,000 people.

A conference call and audio webcast will take place today at **15:00 CET** in Brussels.
Please visit: <http://www.umicore.com/investorrelations/en/financialCalendar/confCall20140429.htm>