

TRADING UPDATE Q3 2013

Highlights

Revenues were stable compared to the same period in 2012. The revenue growth in Catalysis, Energy Materials and Performance Materials was offset by lower revenues in Recycling as a result of lower metals prices. Cashflows remained strong and net debt decreased further in the quarter.

Umicore has carried out an extensive assessment of growth options for Precious Metals Refining as part of the strategy to expand in Recycling. Based on technical and market studies and subject to final Board approval, the preferred option at this stage is to pursue a **€ 100 million expansion of the Hoboken facility** targeting a 40% capacity increase with ramp-up expected to start in 2016. Umicore has engaged with the authorities to obtain the necessary permits. Investments in **other long term growth programmes** continued with a number of projects reaching or nearing completion.

Since the beginning of the year and up until 18 October Umicore had bought back 1,779,385 shares, representing 1.48 % of the issued shares. Umicore thereby held on 18 October 9,602,286 shares in treasury, or 8 % of the issued shares.

Outlook

Umicore confirms it expects its full year recurring EBIT to be within the previously stated range of between € 300 million and € 330 million, albeit at the lower end of the range due to the more testing metal price environment.

Note: All comparisons are made with the third quarter of 2012, unless mentioned otherwise.

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CATALYSIS

Overview

Revenues for the business group were up by 7%, driven by higher revenues in Automotive Catalysts.

Automotive Catalysts

Global car production was up by 3% year on year. Umicore's revenues grew faster than the market reflecting the positive effect from the consolidation of the Umicore Shokubai activities.

In Europe, the production decline seen in previous quarters has slowed and car production volumes were down just under 1% year on year. Production of higher end cars picked up somewhat. The share of diesel powered vehicles has stabilized and represented 43% of car production. Umicore's sales volumes were largely stable although the comparative product mix remained less favourable year on year.

In North America, car production increased by close to 7% year on year with much of the improvement coming in mid-sized to larger vehicles. Umicore's sales volume growth was in line with the market, although this was not reflected in revenues due to a less supportive platform mix. South American car production was up some 3% and Umicore's sales volumes grew somewhat faster than the market.

Car production in Asia increased by 4%. In China, where the growth reached 7%, Umicore's revenues outpaced the market. Car production grew by 9% in Korea but this was influenced by low comparables as strike actions affected car production in 2012. Umicore's sales volumes were little impacted by the

strikes in 2012 and therefore did not show somewhat inflated growth rates this year. Japanese car production grew slightly in the quarter. Although Umicore's sales in Japan were somewhat down, continued progress was made in securing future business with Japanese OEMs around the world.

Production at Umicore's first dedicated HDD production line in Florange, France, has started and is expected to ramp up in the course of 2014; a second line is scheduled to come into operation in early 2014. The new China 4 legislation is expected to have a gradual impact on demand and Umicore's HDD production line in Suzhou, China, is scheduled to start production in the course of 2014.

The new technology development centre in Brazil is operational, while the centre in Japan is scheduled to be commissioned early 2014. The new line in Onsan, Korea, is also expected to start production in early 2014.

Precious Metals Chemistry

Although sales volumes increased, this was offset by lower product premiums and a less favourable product mix resulting in lower revenues. Demand for precursors both for the catalytic and non-catalytic applications as well as catalysts for bulk chemical applications was well up year on year. Demand for products used in the life sciences sector remained lower compared to the same period last year. In APIs (active pharmaceutical ingredients), revenues were up and the recently-obtained cGMP certificate (current Good Manufactured Practice) will enable Umicore to sell its highly potent anticancer APIs in Europe.

ENERGY MATERIALS

Overview

Revenues in Energy Materials increased by 16%. While all units were up, growth was most predominant in Rechargeable Battery Materials and Cobalt & Specialty Materials.

Cobalt & Specialty Materials

The business unit recorded higher revenues, mainly due to its increased refining and recycling activity. The lower prices for cobalt and nickel had a negative impact on the overall refining margins, however.

Revenues in the ceramics & chemicals activity also increased year on year, with higher sales volumes for both cobalt and nickel-based compounds. Premiums were lower though due to severe competition in the different end markets. Sales volumes of metal carboxylates and organics were stable and the uptake of new products for different end applications, such as rubber adhesion for tyres and catalysts, remained strong.

Demand for diamond tools and hard metals was impacted by the low activity levels in the European construction and automotive sectors. Sales volumes of cobalt-powders in the highly competitive Asian market continued to grow.

Electro-Optic Materials

Revenues for the business unit were up year on year, with an increase in the optics business more than offsetting a decrease in the substrates activities.

Sales of finished optics for infrared applications increased year on year, while the demand for germanium optical blanks remained low in a shrinking and highly competitive market. Orders for germanium tetrachloride benefited from a strong demand from the global optical fibre industry and market share gains in the US.

Revenues in the substrates activities were impacted by the lower demand from the terrestrial CPV (concentrator photovoltaics) sector. Sales to the LED industry were down linked to a higher germanium price and Umicore's choice to defend margins. Orders for germanium wafers used in space solar cells were up, however.

Rechargeable Battery Materials

The business unit recorded higher sales volumes and revenues year on year. The overall Li-ion battery market continued to grow, albeit at a slower pace than in previous quarters and Umicore further outperformed the market.

Umicore benefited from the strong demand for high-end portable electronics, such as tablets and smart phones, due to its patented high energy density cathode material technology. The demand for materials used in batteries for cordless power tools is growing, as a further shift from NiCd (nickel cadmium) and NiMH (nickel metal hydride) technology to Li-ion NMC (nickel manganese cobalt) technology is taking place. The latter providing a good combination of convenience, cost and safety for these tools. Orders for NMC cathode materials used in notebook PCs remained subdued as this application continues to lose ground against tablets.

Sales of electrified vehicles are gradually increasing, although order patterns continue to be erratic. The underlying long term trend for vehicle electrification remains positive. Umicore is strongly represented in current electrified platforms and is well positioned to further qualify for upcoming platforms through its dedicated portfolio of NMC-products and ability to meet stringent OEM quality and consistency requirements.

The capacity expansion for cathode materials in China was successfully completed and first product shipments have started. The construction of the precursor production facility in Korea is on track with commissioning planned in the last quarter of 2013.

Thin Film Products

Revenues for the business unit were up year on year due to higher revenues for the large area coating applications. ITO (Indium Tin Oxide) sales volumes benefited from new large area display projects in Asia. The touch panel industry which drove the demand for ITO rotary targets in the first half of the year is showing a temporary slowdown. Revenues for the optics & electronics activities remained largely stable year on year with demand from the micro-electronics industry reflecting volatility in a competitive market.

PERFORMANCE MATERIALS

Overview

Revenues increased by 2% reflecting a stabilisation in several end-markets. Still, no fundamental recovery has been detected in those customer segments which have been hardest hit by the economic downturn.

Building Products

Sales volumes and revenues picked up somewhat in the third quarter. Despite the very slow start to the year, exacerbated by the cold winter in Europe, year-to-date sales volumes recovered to those of 2012. Notwithstanding this improvement in demand, activity levels in the European construction industry remained very low when compared to previous years. Outside Europe, the newer markets for zinc building materials continued to show good growth.

The share of surface treated products continued to grow as a proportion of the overall product portfolio. These products offer higher added value and increased differentiation from other building materials. The new production facility in Viviez, France, for producing these materials is set to commence production at the beginning of 2014.

The business unit has announced its intention to reduce costs and improve competitiveness and discussions about the plan are currently underway with employee representatives.

Electroplating

Quarterly revenues were below those of the very strong levels seen in the previous year. Overall deliveries in Europe were somewhat lower, although average premiums remained high, reflecting a strong product mix. Deliveries to customers in Asia were stable year on year.

Sales of products for decorative applications, including fashion jewellery, continued to be supported by the introduction of new products. There were, however, some signs of softening customer demand in this segment towards the end of the quarter. Customer demand in other application areas including LEDs and printed circuit boards remained largely stable both in Europe and Asia.

Platinum Engineered Materials

Revenues were up compared to the same period in 2012, pushing year-to-date revenues slightly ahead of prior year. The business unit also benefited from the cost reduction and production efficiency efforts made in the first part of the year.

In Performance Catalysts demand for ammonia oxidation gauzes used in the fertilizer industry remained at a high level and revenues were stable as a result. Signs of a tapering in demand were detected towards the end of the period. The Glass Industry Applications activities recorded an increase in orders compared to the first half due to the timing effects of specific customer projects.

Technical Materials

Revenues were slightly lower than those of prior year. On a year-to-date basis, revenues are similar to 2012. The market for brazing alloys remained challenging in all geographies, particularly in Europe, with the exception of materials that are used in the tooling industry. Umicore continues to differentiate its product offering with the recent launch of BlueBraze™, a new brazing alloy containing less silver than conventional products, providing significant cost and environmental benefits for its customers. Trends in the Contact & Power technology business were mixed. The market in Europe remained stable, while demand in the US dropped somewhat. In China, the business unit has streamlined its product offering, which should result in reduced working capital and costs, and has introduced products based on advanced powder metallurgy.

Zinc Chemicals

Revenues were slightly up year on year due to zinc battery powders and zinc oxide businesses compensating for lower revenues from fine zinc powders activities.

Sales of fine zinc powders used in anti-corrosive paints were subdued in the European and Middle Eastern markets, while demand remained supportive in the Asian market. Sales of products for chemical applications were stable. Overall the shift in regional mix had a negative effect on the contribution from this product category.

Zinc oxide sales in the western markets were at similar levels year on year. Stronger sales for ceramics and animal feed applications compensated for a reduction in demand from the tyre industry. The overall level of customer demand started to slow down during the third quarter.

Umicore has decided to close its zinc oxide and powders production in Melbourne, Australia. Regional demand will continue to be met from the facilities in China, India and also Malaysia, where a capacity expansion is underway.

Sales of zinc battery powders were at similar levels year on year with higher sales to Asian customers compensating for lower demand and reduced premiums in the highly competitive European market.

The lower zinc price, coupled with a limited availability of residues from the galvanizing industry intensified the pressure on recycling margins.

Element Six Abrasives

Revenues for Element Six Abrasives were higher compared to the third quarter of last year and the business also benefited from an improved product mix. Revenues for the year to date still remain well below those of 2012.

A strong increase in revenues was recorded in the Oil & Gas business, with new products successfully introduced into the market. Revenues in Advanced Materials were also up. Sales in this business were driven by improving market conditions in the automotive and aerospace sector and the introduction of new products in the Precision Machining activity. The market for carbide-based products in the Hard Materials business remained subdued, although the sales of higher value added products for road construction increased. The new Global Innovation Centre is now fully operational and Element Six Abrasives was recently nominated for the UK's Manufacturer of the Year Award in the innovation and design category.

RECYCLING

Overview

Revenues for the business group were down 20% year on year primarily due to the impact of lower metal prices. Lower demand in some end markets served by the Jewellery & Industrial Metals and Precious Metals Management units also had a negative impact on revenues.

Precious Metals Refining

Revenues were down compared to the same period last year, primarily as a result of lower metal prices and lower volumes. Processed volumes were lower year on year due to the second maintenance shutdown of the Hoboken smelter.

The availability of residues from the non-ferrous mining and refining industry increased further, while the supply of end-of-life materials remained largely stable. The lower availability of certain end-of-life materials, such as spent automotive catalysts, was offset by an increased intake of e-scrap.

Metal prices were considerably down compared to the third quarter of last year. For certain precious metals the impact was partly mitigated as Umicore had locked-in prices in previous periods. Lower spot prices for certain specialty metals which are not hedgeable, like selenium and iridium, also continued to have a negative impact on earnings.

Umicore has carried out an extensive assessment of options for the further expansion of its Precious Metals Refining activities. Based on technical and market studies, and subject to final Board approval, the preferred option at this stage is to pursue an expansion of the Hoboken facility targeting a treatment capacity of around 500,000 tonnes a year – an increase of some 40%. Umicore has engaged with the authorities to obtain the necessary permits.

The plan entails investments of some € 100 million over a period of two years. These would primarily enhance the capabilities of the smelter and the blast furnace by incorporating technical improvements, including those that have been developed at Umicore's pilot ultra-high temperature (UHT) facility. The investments would enable Umicore Precious Metals Refining to build on its unique competence in treating the broadest range of complex materials from around the world. The initial focus of the expansion would be

on complex residue streams from the non-ferrous metals industry. The availability of such residues is set to increase: as resources become scarcer this requires the mining of more complex ore bodies resulting in concentrates with a higher impurity content. The processing of these complex concentrates by Umicore's suppliers in turn gives rise to more complex by-products.

The plan also ensures a continued focus on environmental performance. Recent investments in biological water treatment and gas cleaning capabilities would ensure that the site continues to attain the highest standards in terms of air and water emissions.

Market and engineering studies indicate that the investment could be EBIT accretive in the first full year of operations, with returns exceeding the cost of capital shortly thereafter. Umicore will continue to explore other avenues for the long term growth of its recycling activities. These include possible further enhancements of the capabilities of the Hoboken site after 2015, the pursuit of opportunities in new markets and the continued development of the battery recycling activities.

Jewellery & Industrial Metals

Revenues for the business unit decreased year on year.

Refining volumes were down compared to the third quarter of last year, as lower precious metal prices reduced the overall availability of residues for recycling. Gold scrap in particular remained scarce and the competitive pressure on recycling margins has increased. Umicore's silver recycling activities in Thailand, which serve an international customer base, continued to grow and further capacity enhancements are being made to meet market evolution.

Demand for gold and silver investment bars benefited from lower metal prices, as these prices represented an attractive entry point for some investors. Order levels for silver coin blanks were down year on year, but up compared to the previous quarter, as the business unit could expand its European and overseas customer exposure.

Order levels from the jewellery industry remained rather stable, with demand from the luxury jewellery segment offsetting a more subdued demand for

decorative silver-based products used in the fashion segment. Sales volumes for industrial applications remained low, largely as a result of the limited order levels from the European solar industry.

Precious Metals Management

Revenues for the business unit were down year on year.

While demand for gold and silver investment bars was driven by lower metal prices, the order picture for industrial metals remained rather mixed. Physical

deliveries for silver and palladium increased whereas industrial demand for platinum and rhodium continued to be subdued. Despite a relatively high volatility on the precious metal markets the contribution from the trading activity was down year on year.

Battery Recycling

The continued treatment of spent rechargeable batteries and other potential feed material has enabled the business unit to further enhance its processes and increase efficiencies.

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

6 February 2014	Full Year Results 2013 publication
29 April 2014	Ordinary General Meeting of Shareholders
29 April 2014	Q1 Update 2014 publication
31 July 2014	Half Year Results 2014 publication
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 € 12.5 billion (€ 2.4 billion excluding metal) in 2012 and currently employs some 14,300 people.

A conference call and audio webcast will take place today at **12:00 CET** in Brussels.
Please visit: <http://www.umincore.com/investorrelations/en/financialCalendar/confCall20131024.htm>