

# FULL YEAR RESULTS 2020

## UMICORE ANNOUNCES RECORD RESULTS AND PREPARES FOR CEO SUCCESSION

### Record earnings in unprecedented conditions

Despite the severe disruption brought by the COVID-19 pandemic in its end-markets, Umicore posted its strongest financial performance ever, boosted by an exceptional PGM price environment. This underscores Umicore's resilience and the merits of its strategy building on the complementarity of its activities. After a solid performance in the first half of 2020, with a strong result in Recycling offsetting the impact of the automotive industry downturn on the results of Catalysis and Energy & Surface Technologies, the second half of the year was marked by a strong sequential improvement in the Group's revenues and earnings driven by continued robust operational performance and buoyant metal prices in Recycling, as well as strong growth in Catalysis. Full year adjusted EBIT was € 536 million, up 5% compared to the previous year. Adjusted EBITDA increased by 7% to € 804 million.



Revenues in Catalysis decreased, albeit less than the global car market, due to Umicore's strong market position in gasoline technologies for light-duty vehicles, particularly in China and Europe, as well as higher sales of heavy-duty diesel and fuel cells catalysts. Adjusted EBIT declined more than revenues for the full year reflecting the significant impact of the pandemic in the first half of the year.

Revenues of Energy & Surface Technologies reflected the impact of the pandemic as well as lower sales of cathode materials for high-end portable electronics and energy storage applications. The decline in adjusted EBIT was more pronounced reflecting significant negative operating leverage and the impact of an unfavorable pricing environment for cathode materials due to substantial industry overcapacity in China.

Recycling doubled its adjusted EBIT compared to the previous year, driven by strong growth across business units, reflecting high metal prices, high activity levels despite the COVID-19 crisis and favorable trading conditions.

## KEY FIGURES

**Revenues of € 3.2 billion (-4%)**

**Adjusted EBITDA of € 804 million (+7%)**

**Adjusted EBIT of € 536 million (+5%)**

**EBIT adjustments of - € 237 million**, primarily comprising restructuring charges, environmental provisions and impairments

**ROCE of 12.1%**  
(compared to 12.6% in 2019)

Adjusted net profit (Group share) of **€ 322 million** (+3%) and adjusted EPS of € 1.34 (+3%)

**Cashflow from operations of € 603 million**  
(vs € 549 million in 2019), despite a **€ 104 million increase** in **working capital requirements** from higher PGM prices; **free cashflow from operations of € 167 million** (vs - € 39 million in 2019)

Capital expenditure plans were adjusted at the beginning of the pandemic and capex spend amounted to **€ 403 million** (vs € 553 million in 2019)

**Net debt at € 1,414 million**, down from € 1,443 million at the end of 2019. This corresponds to a **Net debt/ LTM adj. EBITDA ratio of 1.76**.

Proposed gross **annual dividend** of € 0.75, of which € 0.25 was already paid out in August 2020.

## Preparing for CEO succession

Since Marc Grynberg took over as CEO in 2008, Umicore has continued to grow fast while creating significant value for its stakeholders. He has turned the company into a global leader in clean mobility materials and recycling. In 2020, the company successfully completed its Horizon 2020 strategy and reached new heights. Everything is in place for Umicore to keep thriving – talented teams, a promising innovation pipeline and highly supportive megatrends – and the Supervisory Board and Marc Grynberg consider this to be an auspicious moment to start preparation for the CEO succession. The Supervisory Board will take the time to identify a successor who will build on these strong fundamentals and bring Umicore to its next stage of development.

Thomas Leysen, Chairman of the Supervisory Board commented : *“Marc is Umicore’s longest serving CEO to date and, since 2008, he has shaped Umicore’s strategy with foresight and determination. I know Marc as a leader who is driven by values and cares for people, which has earned him the respect of all Umicore’s stakeholders. I have always enjoyed working with Marc and I am glad that Umicore can continue to count on his full engagement until a worthy successor is appointed and takes over.”*

Marc Grynberg, CEO, commented : *“I am proud of the manner in which we have transformed Umicore over the past twelve years and prepared this wonderful company for further growth. Our success would not have been possible without the support of Thomas Leysen, the Supervisory Board and the talent, dedication and hard work of my Management Board and our 11,000 colleagues. I will lead Umicore with as much engagement, energy and passion as ever until my successor is in place and I will be pleased to assist the Board with a smooth transition in due course.”*

## Maintaining the strategic course while responding effectively to the COVID-19 crisis

Despite the significant challenges caused by the COVID-19 pandemic, the long-term drivers that support Umicore’s growth strategy remain intact. The push towards clean mobility is stronger than ever, with various governments including green recovery measures and stimuli for cleaner mobility in their crisis recovery packages, in particular in Europe and China. Against this background, Umicore chose to move forward with its ambitious growth strategy in cathode materials and made significant progress with the construction of its greenfield plant in Nysa, Poland, which upon commissioning by the end of the first half of 2021, will be the first industrial-scale cathode materials plant in Europe. In addition, Umicore is moving ahead with its growth plans in fuel cells for automotive applications as well as the expansion in its light-duty and heavy-duty catalyst production in China in order to cater for the growing demand for its technologies as emission norms continue to strengthen. In Recycling, Umicore continues to invest to improve the environmental and safety performance of the Hoboken recycling plant.

Umicore has adjusted with agility to the challenges caused by the pandemic and has implemented strict hygiene and other precautionary measures in its facilities worldwide. Protecting employees’ health remains the top priority. In addition, Umicore implemented measures to protect cashflows and strengthen its liquidity. Finally, Umicore also reassessed its production footprint and the carrying value of certain assets.

## Outlook

The global economy is showing signs of recovery from the severe downturn caused by the COVID-19 pandemic in the first half of 2020. However, a high degree of uncertainty remains with respect to the evolution of the pandemic and the pace and speed of the recovery in different regions. As a result, visibility on end market demand remains poor. Against this backdrop and under the assumption that the ongoing COVID-19 outbreak would not result in additional material or protracted disruptions to the economy or Umicore's operations, Umicore expects to achieve substantial growth in earnings in 2021, with growth in all business Groups.

**Catalysis** should benefit from its leading edge technology offering in gasoline applications in China and Europe, the initial impact of China VI legislation for heavy-duty diesel applications and savings from the footprint adjustments and cost improvements carried out in 2020.

In **Energy & Surface Technologies**, volume growth should more than offset the impact of pricing pressure, underutilized capacity in China and some € 50 million increase of fixed costs in Rechargeable Battery Materials. Adjusted EBIT for Energy & Surface Technologies is expected to grow meaningfully, in line with current market expectations.<sup>1</sup>

**Recycling** should continue to strongly benefit from favorable metal prices, a supportive supply mix as well as moderate volume growth in Precious Metals Refining. If current elevated metal price levels were to prevail throughout the year, the business group's adjusted EBIT would increase very significantly compared to 2020.

### Investors relations

<https://www.umincore.com/en/investors/>

### Webcast for investors, analysts and media

[https://umincore.com/fyr20\\_webcast](https://umincore.com/fyr20_webcast)

[www.umincore.com](http://www.umincore.com)

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<sup>1</sup> Umicore has engaged Vara Research GmbH to survey brokerage analysts to provide analysts' consensus estimates to the market. The most recent consensus is available on <https://vara-services.com/umincore/>.

Notes:

All comparisons are made with 2019, unless mentioned otherwise.

All references to revenues in this document refer to revenues excluding metals (all revenue elements – value of purchased metals).

## Key figures

(in million €)

	H2 2019	H2 2020	2019	2020
Turnover	9,904	10,743	17,485	20,710
Revenues (excluding metal)	1,726	1,675	3,361	3,239
Adjusted EBITDA	396	429	753	804
Adjusted EBIT	269	293	509	536
of which associates	5	5	11	8
EBIT adjustments	(26)	(165)	(30)	(237)
Total EBIT	243	129	479	299
Adjusted EBIT margin	15.3%	17.2%	14.8%	16.3%
Effective adjusted tax rate	25.5%	24.2%	24.7%	24.2%
Adjusted net profit, Group share	161	174	312	322
Net profit, Group share	139	40	288	131
R&D expenditure	102	116	211	223
Capital expenditure	312	251	553	403
Net cash flow before financing	(268)	10	(271)	99
Total assets, end of period	7,023	8,341	7,023	8,341
Group shareholders' equity, end of period	2,593	2,557	2,593	2,557
Consolidated net financial debt, end of period	1,443	1,414	1,443	1,414
Gearing ratio, end of period	35.2%	35.0%	35.2%	35.0%
Net debt / LTM adj. EBITDA	1.92x	1.76x	1.92x	1.76x
Capital employed, end of period	4,442	4,457	4,442	4,457
Capital employed, average	4,208	4,455	4,048	4,451
Return on capital employed (ROCE)	12.8%	13.2%	12.6%	12.1%
Workforce, end of period (fully consolidated)	11,152	10,859	11,152	10,859
Workforce, end of period (associates)	2,976	2,460	2,976	2,460
Accident frequency rate	4.60	3.63	4.60	2.52
Accident severity rate	0.16	0.85	0.20	0.47

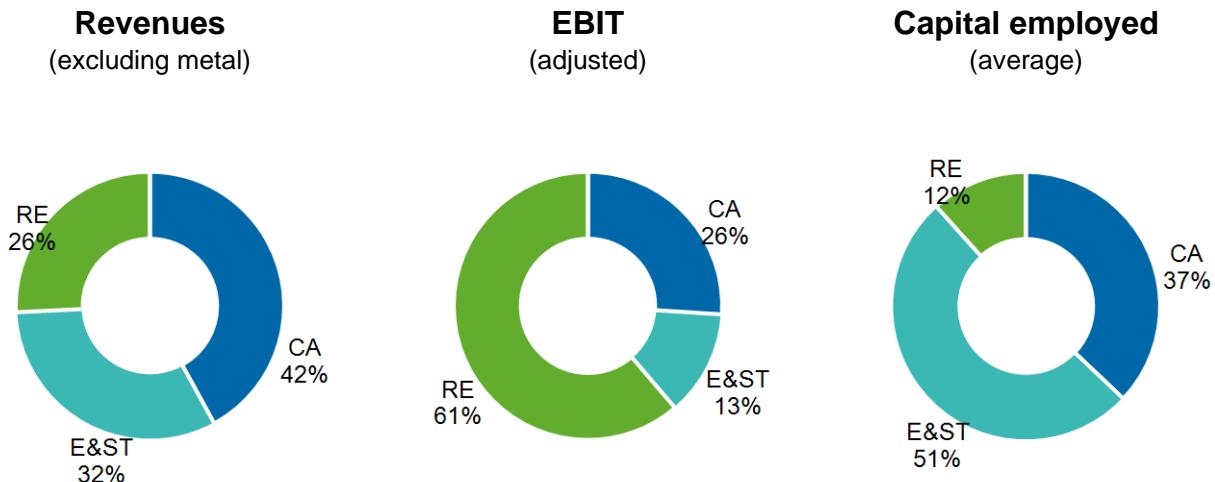
## Key figures per share

(in € / share)

	H2 2019	H2 2020	2019	2020
Total number of issued shares, end of period	246,400,000	246,400,000	246,400,000	246,400,000
of which shares outstanding	240,775,450	240,666,315	240,775,450	240,666,315
of which treasury shares	5,624,550	5,733,685	5,624,550	5,733,685
Average number of shares outstanding				
basic	240,609,345	240,611,676	240,558,659	240,589,550
diluted	241,963,454	241,795,201	241,912,769	241,773,075
Basic adjusted EPS	0.67	0.72	1.30	1.34
Basic EPS	0.58	0.16	1.20	0.54
Diluted EPS	0.58	0.16	1.19	0.54
Dividend payout*	0.375	0.25	0.75	0.25
Net cash flow before financing, basic	-1.11	0.04	-1.13	0.41
Total assets, end of period	29.17	34.66	29.17	34.66
Group shareholders' equity, end of period	10.77	10.63	10.77	10.63

\*On 30 April 2020 the ordinary shareholders' meeting approved to reduce the dividend for 2019 to € 0.375 per share, which corresponded to the amount of the interim dividend for 2019 which had been already paid out in the second half of 2019. Therefore, there was no dividend payout in the first half of 2020. In the second half of 2020, Umicore paid out an interim dividend for 2020 of € 0.25 € per share.

## Segment split



CA = Catalysis, E&ST = Energy & Surface Technologies, RE = Recycling  
Corporate not included

## Catalysis

### Catalysis key figures

(in million €)

	H2 2019	H2 2020	2019	2020
Total turnover	2,542	3,529	4,539	5,917
Total revenues (excluding metal)	743	794	1,460	1,364
Adjusted EBITDA	139	173	264	234
Adjusted EBIT	99	132	185	154
Total EBIT	98	130	185	96
Adjusted EBIT margin	13.3%	16.7%	12.7%	11.3%
R&D expenditure	69	67	147	139
Capital expenditure	59	31	104	64
Capital employed, end of period	1,537	1,727	1,537	1,727
Capital employed, average	1,426	1,644	1,358	1,596
Return on capital employed (ROCE)	13.8%	16.1%	13.6%	9.6%
Workforce, end of period (fully consolidated)	3,190	3,073	3,190	3,073

### Overview 2020 performance

Revenues in Catalysis decreased by 7% year on year, amounting to € 1,364 million, against the backdrop of an 18% contraction in the global car market. Umicore's revenues suffered much less than the global car market, due to the company's strong market position in gasoline technologies for light-duty vehicles, particularly in China and Europe. Revenues were further supported by higher sales of Umicore's catalysts for heavy-duty diesel applications and fuel cells catalysts.

Adjusted EBIT in Catalysis amounted to € 154 million, down 17% year on year due to the significant negative operating leverage in the first half of 2020 as a result of the COVID-19 pandemic impact on the automotive industry. In the second half of the year adjusted EBIT increased significantly, both sequentially and compared to the same period in the prior year, boosted by a sharp volume recovery in Automotive Catalysts and savings in manufacturing and SG&A costs. For the full year, adjusted EBITDA was € 234 million, down 11%.

### Outlook 2021

Visibility on automotive demand remains extremely limited given the evolution of the pandemic. In addition, current disruptions in the automotive supply chain, caused by shortages in semi-conductors, could impact car production. Notwithstanding these factors, Umicore expects to grow revenues and adjusted EBIT, benefiting from its strong market position in China and leading edge technology offering in gasoline applications as well as the initial impact of China VI legislation for heavy-duty diesel applications. In addition, the footprint adjustments and structural cost improvements carried out in 2020 will continue to support earnings in 2021. The business group is also expected to benefit from growing demand in Precious Metals Chemistry and Fuel Cell and Stationary Catalysts as well as a positive impact of the exceptionally high PGM prices.

### 2020 Business Review

The global automotive industry was significantly impacted by the COVID-19 pandemic and declined by 18% for the full year, with a marked contrast between the first and the second half of the year.

In the first half of 2020, car OEMs had to shut down their production plants and close their dealerships in several key regions as a result of government imposed lock-downs. Global car demand started to pick up again in the second half of 2020, albeit with discrepancies between the regions in terms of timing, speed and intensity of the recovery. After a year-on-year contraction of 35% in the first half, car production in the second half grew by more than 40% sequentially (yet declined by 2% compared to the second half of 2019), with China being the clear driving force behind the global recovery. Other key markets started to pick up later and more gradually and still recorded negative growth for the second half of the year.

Against this extremely challenging backdrop, revenues and adjusted EBIT for **Automotive Catalysts** were only moderately below the level of the previous year as the business unit demonstrated tremendous resilience. It benefited disproportionately from the sharp market recovery in the second half of the year and outperformed the car market both in volumes and revenues, due to its strong position in the Chinese and European light-duty gasoline markets. In addition to the positive operating leverage created by the strong sales recovery, earnings were supported by cost savings resulting from recent footprint adjustments and operational excellence initiatives in manufacturing and SG&A.

In China, where car production for the full year was down 5%, Umicore's revenues were well up, reflecting Umicore's exposure to the growing penetration of direct injection gasoline platforms which require particulate filters under China 6 emission norms. In Europe, Umicore's sales volumes and revenues were down less than the car market due to the company's strong market position in gasoline catalyst technologies. In North America, sales performance was slightly lower than the market as a result of an unfavorable customer mix, while volumes in South America outperformed a heavily contracting car market. Umicore's revenues in Japan and Korea evolved in line with the overall market. In South-East Asia, volumes and revenues substantially outperformed the market, driven by market share gains in India as Umicore qualified for new platforms compliant with Bharat 6 regulation.

The sharp economic contraction and the lower industrial production induced by COVID-19 also had a significant and a more prolonged impact on the heavy-duty diesel market segment in 2020 except in China. Despite this challenging context, Umicore grew volumes and revenues in this market segment, due mainly to strong demand in the second half of the year for its China V technologies and a favorable customer mix. Umicore's stationary catalyst activity was substantially impacted by the disruptions caused by COVID-19, in particular in its power, chemicals and oil refining end-markets where several large projects were postponed.

Revenues and earnings for **Precious Metals Chemistry** declined compared to the previous year, despite stronger demand for Umicore's fuel cells catalysts in Korea. The business unit was hit in the first half of the year by the severe downturn in the automotive industry and the related impact on demand for its inorganic chemicals. Demand for Umicore's homogeneous catalysts used in pharmaceutical and fine chemical applications remained stable.

### **New business unit Fuel Cells & Stationary Catalysts**

Against a backdrop of accelerating demand for Umicore's state-of-the-art catalysts for proton exchange membrane (PEM) fuel cells and to enable this activity to pursue its growth strategy, Umicore decided to house it in a new business unit **Fuel Cells & Stationary Catalysts** within the Catalysis business group. As of 1 January 2021, this business unit combines both Umicore's fuel cell catalyst activities, previously included in the business unit Precious Metals Chemistry, and Umicore's stationary catalyst activities, previously part of the Automotive Catalysts business unit. This change has no reporting impact on the Catalysis business group level. The new business unit will build on a strong portfolio of technologies to grow globally both in PEM fuel cells and stationary catalysis.

## Energy & Surface Technologies

### Energy & Surface Technologies key figures

(in million €)	H2 2019	H2 2020	2019	2020
Total turnover	1,524	1,351	2,938	2,811
Total revenues (excluding metal)	618	488	1,225	1,045
Adjusted EBITDA	128	76	271	186
Adjusted EBIT	81	21	183	75
of which associates	4	3	5	5
Total EBIT	57	(79)	154	(36)
Adjusted EBIT margin	12.5%	3.8%	14.5%	6.7%
R&D expenditure	24	35	46	58
Capital expenditure	200	170	348	252
Capital employed, end of period	2,324	2,133	2,324	2,133
Capital employed, average	2,153	2,161	2,014	2,209
Return on capital employed (ROCE)	7.5%	2.0%	9.1%	3.4%
Workforce, end of period (fully consolidated)	3,997	3,761	3,997	3,761
Workforce, end of period (associates)	751	727	751	727

### Overview 2020 performance

In 2020, revenues in Energy & Surface Technologies amounted to € 1,045 million, down 15% compared to 2019, driven by the negative impact of the pandemic on several end-markets and reflecting much lower sales of cathode materials for high-end portable electronics and energy storage applications. After a severe contraction of the global EV market in the first half, Umicore's sales volumes of cathode materials for EVs grew in the second half of the year, both sequentially and year on year. The integration of the cobalt refining and cathode precursor activities acquired in Finland at the end of 2019 also helped mitigate the decline in the business group's full year revenues.

As expected and in line with guidance, adjusted EBIT amounted to € 75 million, 59% below the 2019 levels. The underutilized capacity in Umicore's Chinese greenfield cathode material plant, in combination with higher fixed costs related to recent and ongoing expansions, resulted in a significant negative operating leverage. In addition, the unfavorable pricing environment in China, due to the substantial excess capacity in that region, severely weighed on margins. Adjusted EBITDA was € 186 million, down 31% year on year.

### Outlook 2021

In the current context, visibility on demand in the EV battery market segment remains limited. However, Umicore's sales volumes of cathode materials are expected to grow substantially as the adoption of electric vehicles continues to accelerate in key regions and with the launch of new platforms for which Umicore's materials have been qualified.

Umicore expects Chinese overcapacity and pricing pressure to persist. In addition, the fixed cost base in Rechargeable Battery Materials is expected to increase by some € 50 million due to additional depreciation charges, start-up costs for the new cathode material plant in Nysa, Poland, as well as higher spending for research programs. Despite these factors, the anticipated volume growth is expected to result in a meaningful increase in adjusted EBIT for Energy & Surface Technologies, in line with current market expectations.<sup>2</sup>

## 2020 Business Review

Revenues and volumes in **Rechargeable Battery Materials** were down compared to 2019 as higher sales of NMC cathode materials used to power EVs were more than offset by lower sales of high energy LCO cathode materials for high-end portable electronics and reduced demand for NMC cathode materials used in energy storage applications.

The global EV market was profoundly affected by the COVID-19 pandemic in the first half of the year and rebounded in the second half of the year, primarily driven by strong EV growth in Europe and, later in the year and to a lesser extent, by increasing EV sales in China. For the full year 2020, EV sales grew 50% to 3.4 million vehicles. This translated in an addressable market for cathode materials producers of some 137 GWh, or a 17% year-on-year growth.

For the full year, Umicore's sales volumes of cathode materials going into EVs grew less than battery demand in GWh as the cathode materials industry, including Umicore, could not immediately benefit from the rebound in battery demand in the second half of the year because of the existence of excess inventories in the supply chain. These excess inventories were largely depleted by year-end. Excluding this inventory effect, Umicore's sales volumes grew broadly in line with EV battery demand. As anticipated, Umicore's sales volumes for EVs grew in the second half of the year, both sequentially and year on year.

In China, battery demand for EVs remained bleak until the summer and turned positive in the second half of the year, albeit compared to a depressed second half in 2019. After years of strong year-on-year growth, culminating with a more than doubling of demand in 2018 and leading to massive capacity additions in the battery materials value chain, demand for cathode materials for EVs has lagged the anticipated growth in 2019 and 2020. This slowdown has resulted in significant excess capacity and pressure on the pricing environment. Umicore is not immune to this effect and its performance in the region was also impacted by underutilized capacity in its Chinese greenfield cathode materials plant.

In Europe, battery demand for EVs recorded strong momentum throughout 2020, in particular in the second half of the year, and doubled compared to 2019. This growth was driven by new models launched by car OEMs to comply with the more stringent CO<sub>2</sub> directive which kicked in in 2020, local incentives for EV buyers in several countries as part of their recovery plans and more environmentally-friendly choices by consumers when purchasing a new car. Umicore sales of cathode materials in the region grew in line with the market trend. Umicore is currently using its capacity in Korea to serve that growth, until its new greenfield plant in Nysa, Poland will start commercial production. The Nysa plant will be the first industrial cathode materials production plant in Europe and its construction is progressing well with commissioning expected towards the end of the first half of 2021. Once production lines will have gone through customers' qualifications, initial commercial production volumes are expected in the fourth quarter of 2021, with the full ramp-up of volumes taking place in 2022.

While having production capacities in three different locations (Korea, China and Europe) involves higher capital investments and operating costs than for most competitors, Umicore is convinced that having a presence in multiple key markets will prove a strong competitive differentiator over time as battery and car OEMs will increasingly require electric car components to be produced locally to minimize their CO<sub>2</sub> footprint.

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<sup>2</sup> Umicore has engaged Vara Research GmbH to survey brokerage analysts to provide analysts' consensus estimates to the market. The most recent consensus is available on <https://vara-services.com/umicore/>.

The push towards electric mobility is stronger than ever, driven by regulatory initiatives to protect air quality and reduce greenhouse gas emissions in several regions. Europe recently reconfirmed its ambition to achieve zero-emission mobility and remains committed to increasingly more stringent CO<sub>2</sub> emission targets. The EU ambitions and commitments to a cleaner future imply rapid growth in GWh of battery demand in the coming years. In China, the Ministry of Industry and Information Technology announced an extension of the NEV subsidy plan from 2020 until end 2022. It also confirmed its long-term commitment to achieve a target penetration rate of 20% NEVs in 2025 and 50% by 2035. Although it will take a while before the current excess capacity in China is fully utilized, these targets will boost electrification in the coming years.

Revenues for **Cobalt & Specialty Materials** were below the level of the previous year, reflecting the severe impact of COVID-19 on the activity levels in most of the business unit's end-markets.

Although demand for cobalt and nickel chemicals and activity levels in the distribution activities gradually recovered in the second half of the year, this could not compensate for the volume losses incurred in the first half of 2020. Order levels for tool materials declined substantially year on year, impacted by reduced activity levels in the construction and industrial manufacturing sectors throughout the year. The reduced demand levels for cobalt and nickel chemicals also resulted in lower throughput and contribution from the refining and recycling activities. Revenues from carboxylates remained stable compared to the previous year.

As part of the ongoing assessment of its global production footprint, Umicore announced in September its decision to consolidate the cobalt refining and transformation activities in Kokkola, Finland and Nashville, US in order to achieve synergies and strengthen the unit's competitive position. The transfer of the activities is on track and is anticipated to be finalized by mid-2023. Earlier in the year, the business unit closed its cobalt, nickel and rhenium refining and recycling plant in Wickliffe, Ohio.

Revenues for **Electroplating** were slightly higher compared to the previous year reflecting primarily higher demand for advanced precious metal-based electrolytes used in portable electronics. This more than offset the impact of lower demand for precious and base metal compounds as a result of the COVID-related slowdown in the jewelry and industrial end-markets.

As of 1 January 2021, the business unit Electroplating has been renamed **Metal Deposition Solutions**. In addition to the activities previously included in Electroplating, the new business unit also includes the thin film products business, which was previously part of the Electro-Optic Materials business unit and which manufactures evaporation materials and sputtering targets for the microelectronic and optical industries, with activities in Liechtenstein and Taiwan. The purpose of this transfer is to bring together businesses serving similar applications and customers in electronics and semiconductors.

Revenues for **Electro-Optic Materials** decreased compared to the previous year. This was mainly due to lower demand for high purity chemicals used in optical fibers as a result of a delay in 5G-deployment. Revenues increased both for substrates and for infrared optics, following the successful launch of innovative new products and services.

## Recycling

Recycling key figures (in million €)	H2 2019	H2 2020	2019	2020
Total turnover	6,615	6,914	11,320	13,904
Total revenues (excluding metal)	368	396	681	836
Adjusted EBITDA	143	202	250	425
Adjusted EBIT	112	171	188	362
Total EBIT	112	121	190	311
Adjusted EBIT margin	30.4%	43.1%	27.6%	43.3%
R&D expenditure	4	4	8	10
Capital expenditure	43	44	82	72
Capital employed, end of period	405	447	405	447
Capital employed, average	444	513	479	502
Return on capital employed (ROCE)	50.4%	66.6%	39.3%	72.0%
Workforce, end of period (fully consolidated)	2,849	2,769	2,849	2,769

## Overview 2020 performance

The Recycling business group delivered a record performance in 2020, posting an increase in revenues of 23% to € 836 million and nearly doubling its adjusted EBIT to € 362 million. This stellar performance was driven by strong growth across all business units, reflecting high metal prices, high activity levels despite the COVID-19 crisis and favorable trading conditions. Adjusted EBITDA amounted to € 425 million, an increase of 70% compared to 2019.

## Outlook

In 2021, the business group is expected to continue to benefit from a favorable supply mix as well as moderate volume growth in Precious Metals Refining. Since the start of the year, supply and demand fundamentals continue to be very supportive for metal prices, with current prices for all precious and PGM metals already well above the average received prices in 2020. If such elevated price levels were to prevail throughout the year, the business group's earnings would increase substantially compared to 2020.

## 2020 Business Review

Revenues for **Precious Metals Refining** increased significantly year on year and adjusted EBIT more than doubled, reflecting primarily higher received metal prices, particularly for platinum group metals, and to a lesser extent a supportive supply environment and higher processed volumes.

The performance of the business unit was boosted by a favorable metal price environment. Average received metal prices were well above the level of the previous year for most precious and platinum group metals, in particular rhodium. In a context of tight supply and growing demand from the car industry as a result of increasingly more stringent emission norms, the rhodium price surged from the high levels already reached at the end of 2019. The business unit also benefited, to a more moderate extent, from the price increases of gold, platinum and palladium as it previously hedged a significant portion of its exposure to these metals.

The overall supply of industrial by-products remained favorable over the period, despite the temporary shutdowns of certain mining activities in response to COVID-19. Also the supply of end-of-life materials remained strong and the Hoboken plant benefited from an ample inflow of highly complex spent automotive catalysts. The business unit continued to leverage its unique recycling technology to efficiently treat such highly complex materials. Processed volumes in 2020 were higher compared to 2019 as a result of the process improvements which were introduced in 2019 and which required a longer than usual shutdown during that year. The higher processed volumes, in combination with the valuable mix, further supported the performance of the Hoboken plant.

As part of its endeavors to continuously drive improvement in the robustness of the Hoboken operations and the overall safety performance of the plant, a multi-year investment program has been launched with a priority on fire prevention and emergency planning. In parallel, Umicore continues with the execution of the investment program aimed at further reducing emissions.

Revenues for **Jewelry & Industrial Metals** increased compared to the previous year. The impact of lower demand from the jewelry and industrial sectors was offset by a substantial increase in orders for precious metal based investment products as well as strong demand for platinum engineered materials. The revenues and margins of the business unit were further supported by a higher contribution from the refining and recycling activities, which benefited from robust demand as well as a favorable metal price environment, in particular for gold.

The earnings contribution from **Precious Metals Management** substantially increased compared to 2019 as the business unit benefited from high metal prices and exceptionally high metal price volatility which resulted in favorable trading conditions. In addition, demand for gold and silver investment bars was strong.

## Average lead in blood levels around the Hoboken plant reduced

In July 2020 the blood readings of the children living close to the Umicore recycling plant in Hoboken, Belgium, showed elevated lead in blood levels after multiple years of steady decreases. This sudden rise in the lead in blood readings came unexpectedly, as the emissions of the plant had consistently been well below the legal norm. Since several decades, the blood levels of children living close to the plant are monitored twice a year by the authorities and the results of the recent October tests showed a clear reduction in the levels with an average lead value again below the norm of 5 $\mu$ g/dl.

Umicore made an in-depth analysis of the root causes. A combination of external factors, such as the exceptional weather conditions and the increased exposure for the children who spent several months at home due to the COVID-19 lockdown measures, contributed to the elevated readings. Umicore took the necessary measures to return to the positive trend of recent years, such as extra cleaning inside and outside the plant, redesigning storage of raw materials and enhancing ventilation systems.

In addition to these measures, and although the root cause investigation has shown no major source of lead emissions in the plant, Umicore has booked a € 50 million provision to cover costs related to an offer to buy houses closest to the plant in order to create a green zone and thereby increase the distance between the residential area and the site. Concertation with the city council and residents is ongoing and might result in adjustments to this initial cost estimate.

## Corporate

Corporate key figures (in million €)	H2 2019	H2 2020	2019	2020
Adjusted EBITDA	(14)	(23)	(32)	(40)
Adjusted EBIT of which associates	(22) 1	(31) 2	(47) 5	(54) 3
Total EBIT	(25)	(43)	(50)	(72)
R&D expenditure	5	9	10	16
Capital expenditure	9	6	19	16
Capital employed, end of period	176	149	176	149
Capital employed, average	186	137	197	144
Workforce, end of period (fully consolidated)	1,116	1,256	1,116	1,256
Workforce, end of period (associates)	2,225	1,733	2,225	1,733

## Corporate Review

In 2020, corporate costs increased due to higher R&D costs, reflecting a step-up in Umicore's research activities relating to its mid- to long-term technology roadmap, partly offset by lower general and administrative expenses. Umicore also increased its information systems spending in support of its digitalization roadmap. It is expected that these programs will justify further cost increases in 2021.

The contribution from **Element Six Abrasives** to Umicore's adjusted EBIT declined compared to the previous year, reflecting in particular challenging market conditions in the oil & gas industry where the fuel demand slump triggered by COVID-19 resulted in an abrupt standstill of drilling activities and related demand for drilling products. Revenues from precision tooling products were also lower, reflecting a sharp drop in demand from the automotive industry in the first half, followed by a gradual recovery throughout the remainder of the year. Additional cost saving and efficiency measures were launched over the course of the year and mitigated to some extent the impact of lower revenues on earnings.

## Research & development

In 2020, R&D expenditures in fully consolidated companies amounted to € 223 million, an increase of 6% compared to € 211 million in 2019 with the majority of the increase coming from higher R&D spend on new product and process technologies in Rechargeable Battery Materials. Umicore is also maintaining and expanding the scope of its open innovation strategy and continues to monitor emerging technology trends.

The R&D spend represented 7% of Umicore's 2020 revenues and capitalized development costs accounted for € 32 million of the total amount.

## People

In 2020, Umicore recorded 49 lost time accidents compared to 90 in 2019. The frequency rate was 2,52 (4,60 in 2019) and the severity rate was 0,47 (0,20 in 2019).

In December, a fatal accident occurred at Umicore's Cobalt & Specialty Materials site in Subic, the Philippines. This tragic event shows once more that the journey to make Umicore a zero accident workplace is far from completion, even in sites with an outstanding safety track record such as Subic which had operated more than 13 years without LTA.

The number of employees in the fully consolidated companies decreased from 11,152 at the end of 2019 to 10,859 at the end of 2020. This decrease reflects amongst others the plant closures in Tulsa, US (Automotive Catalysts) and Wickliffe, US (Cobalt & Specialty Materials).

## Financial review

### Financial result and taxation

Net financial charges totaled € 104 million, up from € 83 million in the same period last year due to higher net interest charges resulting from a higher average financial debt as well as fees and costs linked to the issuance of new debt instruments. These higher charges were partly offset by lower forex costs and lower discounting costs related to provisions.

The adjusted tax charge for the period amounted to € 103 million, stable compared with the same period last year despite substantial changes in the underlying regional result distribution. Both the adjusted taxable base for the group and effective group tax rate were stable year on year. The latter reached 24.2%, compared to 24.7% last year. Taking into account the tax effects on EBIT adjustments, the net tax charge amounted to € 59 million. The total tax paid in cash over the period amounted to € 79 million, which is lower than last year.

### Cashflows

Cashflow generated from operations, including changes in net working capital, amounted to € 603 million, compared to € 549 million last year. After deduction of € 436 million of capital expenditures and capitalized development expenses, this corresponds to a free cash flow from operations over the period of € 167 million, compared to a cash drain of - € 39 million in 2019, demonstrating the resilience of the Group's cash flows in a challenging market context.

Adjusted EBITDA was € 804 million compared to € 753 million last year, corresponding to an adjusted EBITDA margin for the Group of 24.6%, up versus 22.1% in 2019 driven by the strong performance in Recycling.

Net working capital for the Group increased by € 104 million since the end of 2019. Working capital needs increased in Catalysis and, to a lesser extent, in Recycling due to strong year-on-year price increases in precious metals, PGM's in particular. Energy & Surface Technologies reported a decrease in working capital needs year on year due to subdued sales volumes and metal prices.

Capital expenditures totaled € 403 million, compared with € 553 million last year. This reduction reflects the decision taken shortly after the start of the COVID-19 outbreak to postpone selected investment projects with the exception of safety and license to operate investments, awaiting more clarity on market outlook. Taking into account the continued investment in Rechargeable Battery Materials' greenfield plant in Poland, Energy & Surface Technologies accounted for close to two thirds of the Group's capex. Spending for this strategic project will continue into 2021. Capitalized development expenses amounted to € 32 million compared to € 35 million last year.

The net cash outflow related to the exercise of options and the purchase of treasury shares to cover option plans and share grants was € 27 million, slightly lower than in the previous year.

### Financial debt

Net financial debt at 31 December 2020 stood at € 1,414 million, slightly down from € 1,443 million at the end of 2019. This corresponded to 1.76x adjusted EBITDA which is lower than the ratio of 1.92x at the end of 2019. In the first half of the year, Umicore further diversified its sources of funding by completing a € 500 million convertible bond offering due in 2025 and by concluding a € 125 million 8-year loan with the European Investment Bank. Prior to that, in response to the COVID-19 outbreak, Umicore had already increased its undrawn committed bank lines, ensuring itself of ample liquidity to pursue its strategy. Group shareholders' equity was € 2.557 million at the end of the year, including the value of the convertible bond's conversion rights, corresponding to a net gearing ratio (net debt / net debt + equity) of 35,0% (35.2% at the end of 2019).

## EBIT adjustments

Adjustments had a negative impact of € 237 million on EBIT in 2020 of which € 72 million were already recognized in the first half. Of this total, € 112 million were related to Energy & Surface Technologies. The latter including € 56 million charges linked to the restructuring initiatives in Cobalt & Specialty Materials, a resulting € 34 million impairment charge linked to the rightsizing of permanently tied up cobalt inventories in that same business unit as well as a € 15 million impairment in Rechargeable Battery Materials due to a site reconfiguration in Korea. Catalysis accounted for € 57 million charges of which € 55 million were already recognized in the first half, linked mainly to the consolidation of the North American automotive catalyst production and some impairments including selected capitalized development costs and license agreements. In Recycling, a charge of € 51 million was accounted for, comprising a € 50 million provision to cover costs related to the intention to buy houses closest to the Hoboken plant and create a green zone. These costs comprise an estimated purchase value of the houses (based on third party appraisal) to be demolished as well as an estimate of demolition and landscaping costs. Concertation with the city council and residents is ongoing and might result in adjustments to this cost estimate. Finally, EBIT adjustments also include € 14 million charges linked to restructuring, property, plant and equipment and goodwill impairments in Element Six Abrasives, a JV in which Umicore has a 40% stake. Of the total adjustments, € 147 million have a non-cash nature. Restructuring-related charges account for € 128 million of the total, environmental items for € 56 million and selected asset impairments for € 45 million. After tax, the adjustments to net group earnings over the period correspond to - € 192 million.

## Metal hedging

Over the course of 2020 and early 2021, Umicore entered into additional forward contracts, thereby securing a substantial portion of its structural future price exposure to certain precious metals and providing increased earnings visibility. For 2021 and 2022, approximately two thirds of the expected gold and palladium exposure and somewhat less than half of the expected silver exposure have been locked-in. In addition, close to one third of the expected platinum exposure for 2021 has been hedged. In spite of the absence of a liquid futures market, Umicore entered in recent months into forward contracts locking in a minority of its expected 2022 and 2023 rhodium exposure.

## Dividend and shares

The Supervisory Board will propose a gross annual dividend of € 0.75 per share at the Annual General Meeting on 29 April 2021. This compares to a full dividend of € 0.375 p.s. paid out for the financial year 2019. Taking into account the interim dividend of € 0.25 per share paid out on 25 August 2020 and subject to shareholder approval, a gross amount of € 0.50 per share will be paid out on 5 May 2021.

The Supervisory Board has decided that starting in 2021, the interim dividend will be a fixed amount of € 0.25 per share. The dividend policy of a stable to growing dividend remains unchanged.

During 2020, no new shares were created as a result of the exercise of stock options with linked subscriptions rights. During the year Umicore used 1.024.435 of its treasury shares in the context of the exercise of stock and 66,430 for shares granted. In the course of 2020, Umicore bought back 1.200.000 own shares. On 31 December 2020, Umicore owned 5,733,685 of its own shares representing 2.33% of the total number of shares issued as at that date.

## Statutory auditor's note on the consolidated condensed financial information for the year ended on 31 December 2020

The statutory auditor, PwC Bedrijfsrevisoren BV / Reviseurs d'Entreprises SRL, represented by Kurt Cappoen, has confirmed that the audit, which is substantially complete, has not to date revealed any material misstatement in the consolidated income statement, the consolidated statement of comprehensive income, the consolidated balance sheet, the consolidated statement of changes in the equity of the Group or the consolidated cash flow statement as included in this press release.

Sint-Stevens-Woluwe, 10 February 2021

PwC Bedrijfsrevisoren BV / Reviseurs d'Entreprises SRL

Represented by

Kurt Cappoen

Registered auditor

## Management responsibility statement

I hereby certify that, to the best of my knowledge, the Consolidated Financial Information of 2020 prepared in accordance with International Financial Reporting Standards, as adopted by the European Union, and with the legal requirements applicable in Belgium, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group and the undertakings included in the consolidation. The commentary on the overall performance of the Group from page 1 to 16 includes a fair review of the development and performance of the business and the position of the Group and its undertakings included in the consolidation.

Brussels, 10 February 2021

Marc Grynberg

Chief Executive Officer

## Consolidated financial information for the year ended on 31 December 2020

### Consolidated income statement

(in million €)

	<b>2019</b>	<b>2020</b>
Turnover	17,485.1	20,710.1
Other operating income	121.1	80.6
Operating income	17,606.2	20,790.7
Raw materials and consumables	(15,639.1)	(18,819.3)
Payroll and related benefits	(775.9)	(798.5)
Depreciation and impairments	(307.6)	(362.5)
Other operating expenses	(413.8)	(506.6)
Operating expenses	(17,136.4)	(20,486.9)
Income (loss) from other financial assets	0.7	0.8
<b>Result from operating activities</b>	<b>470.4</b>	<b>304.6</b>
Financial income	4.8	4.0
Financial expenses	(56.4)	(77.8)
Foreign exchange gains and losses	(31.6)	(30.4)
Share in result of companies accounted for using the equity method	8.7	(5.3)
<b>Profit (loss) before income tax</b>	<b>395.9</b>	<b>195.1</b>
Income taxes	(96.7)	(59.1)
<b>Profit (loss) from continuing operations</b>	<b>299.2</b>	<b>135.9</b>
Profit (loss) of the period	299.2	135.9
of which minority share	11.4	5.4
of which Group share	287.8	130.5
(in € / share)		
Basic earnings per share from continuing operations	1.20	0.54
Total basic earnings per share	1.20	0.54
Diluted earnings per share from continuing operations	1.19	0.54
Total diluted earnings per share	1.19	0.54
Dividend payout per share*	0.75	0.25

\*On 30 April 2020 the ordinary shareholders' meeting approved to reduce the dividend for 2019 to € 0.375 per share, which corresponded to the amount of the interim dividend for 2019 which had been already paid out in the second half of 2019. Therefore, there was no dividend payout in the first half of 2020. In the second half of 2020, Umicore paid out an interim dividend for 2020 of € 0.25 € per share.

**Consolidated statement of comprehensive income**

(in million €)

	2019	2020
<b>Profit (loss) of the period from continuing operations</b>	299.2	135.9
<b>Items in other comprehensive income that will not be reclassified to P&amp;L</b>		
Changes in post-employment benefits, arising from changes in actuarial assumptions	(71.9)	(25.2)
Changes in deferred taxes directly recognized in other comprehensive income	19.9	7.3
<b>Items in other comprehensive income that may be subsequently reclassified to P&amp;L</b>		
Changes in financial assets at FV through OCI reserves	(0.0)	(4.2)
Changes in cash flow hedge reserves	(28.0)	17.3
Changes in deferred taxes directly recognized in other comprehensive income	8.9	(3.5)
Changes in currency translation differences	9.4	(122.3)
<b>Other comprehensive income from continuing operations</b>	(61.7)	(130.5)
<b>Total comprehensive income for the period</b>	237.5	5.4
of which Group share	225.3	2.9
of which minority share	12.2	2.4

## Consolidated balance sheet

(in million €)

	31/12/2019	31/12/2020
<b>Non-current assets</b>		
Intangible assets	2,810.2	2,895.7
Property, plant and equipment	370.9	346.9
Investments accounted for using the equity method	2,094.7	2,163.7
Financial assets at fair value through Other Comprehensive Income	150.6	139.8
Loans granted	10.9	8.4
Trade and other receivables	2.2	3.3
Deferred tax assets	12.0	11.8
	168.9	221.9
<b>Current assets</b>		
Loans granted	4,213.2	5,445.2
Inventories	0.0	0.1
Trade and other receivables	2,462.3	2,718.1
Income tax receivables	1,433.7	1,677.2
Cash and cash equivalents	45.4	39.6
	271.7	1,010.3
<b>Total assets</b>	<b>7,023.4</b>	<b>8,340.9</b>
<b>Equity of the Group</b>		
Group shareholders' equity	2,660.5	2,621.9
Share capital and premiums	2,593.5	2,557.2
Retained earnings	1,384.3	1,384.3
Currency translation differences and other reserves	1,678.3	1,749.6
Treasury shares	(284.5)	(367.8)
Minority interest	(184.7)	(208.9)
	67.0	64.7
<b>Non-current liabilities</b>		
Provisions for employee benefits	1,686.8	2,359.9
Financial debt	392.7	426.4
Trade and other payables	1,151.1	1,705.2
Deferred tax liabilities	24.1	23.5
Provisions	11.5	22.8
	107.5	182.0
<b>Current liabilities</b>		
Financial debt	2,676.1	3,359.1
Trade and other payables	564.1	719.2
Income tax payable	1,916.3	2,418.9
Provisions	131.5	160.7
	64.2	60.3
<b>Total equity &amp; liabilities</b>	<b>7,023.4</b>	<b>8,340.9</b>

## Consolidated statement of changes in the equity of the Group

(in million €)

	Share capital & premiums	Reserves	Currency translation & other reserves	Treasury shares	Minority interest	Total for continuing operations
<b>Balance at the beginning of 2019</b>	<b>1,384.3</b>	<b>1,610.9</b>	<b>(227.6)</b>	<b>(158.1)</b>	<b>49.9</b>	<b>2,659.3</b>
Change in accounting policies		(34.1)			0.5	(33.6)
<b>Restated balance at the beginning of 2019</b>	<b>1,384.3</b>	<b>1,576.8</b>	<b>(227.6)</b>	<b>(158.1)</b>	<b>50.5</b>	<b>2,625.8</b>
Result of the period	-	287.8	-	-	11.4	299.2
Other comprehensive income for the period	-	-	(62.5)	-	0.8	(61.7)
Total comprehensive income for the period	-	287.8	(62.5)	-	12.2	237.5
Changes in share-based payment reserves	-	-	8.2	-	-	8.2
Capital increase	-	-	-	-	15.5	15.5
Dividends	-	(186.4)	-	-	(11.2)	(197.6)
Transfers	-	0.2	(2.5)	2.4	-	-
Changes in treasury shares	-	-	-	(29.0)	-	(29.0)
<b>Balance at the end of 2019</b>	<b>1,384.3</b>	<b>1,678.3</b>	<b>(284.5)</b>	<b>(184.7)</b>	<b>67.0</b>	<b>2,660.5</b>
<b>Restated balance at the beginning of 2020</b>	<b>1,384.3</b>	<b>1,678.3</b>	<b>(284.5)</b>	<b>(184.7)</b>	<b>67.0</b>	<b>2,660.5</b>
Result of the period	-	130.5	-	-	5.4	135.9
Other comprehensive income for the period	-	-	(127.6)	-	(2.9)	(130.5)
Total comprehensive income for the period	-	130.5	(127.6)	-	2.4	5.4
Changes in share-based payment reserves	-	-	10.1	-	-	10.1
Convertible Bond - conversion rights*	-	-	37.7	-	-	37.7
Dividends	-	(60.1)	-	-	(4.8)	(64.9)
Transfers	-	0.9	(3.6)	2.7	-	-
Changes in treasury shares	-	-	-	(26.9)	-	(26.9)
<b>Balance at the end of 2020</b>	<b>1,384.3</b>	<b>1,749.6</b>	<b>(367.8)</b>	<b>(208.9)</b>	<b>64.7</b>	<b>2,621.9</b>

\* The conversion rights embedded in the EUR 500 million convertible bond issued on June 23 2020 were valued at EUR 37.7 million net of transaction costs and deferred taxes. This value according to IFRS rules will not be remeasured over time, nor at conversion nor at maturity.

## Consolidated cashflow statement

(in million €)

	2019	2020
Profit (loss) from continuing operations	299.2	135.9
Adjustments for profit of equity companies	(8.7)	5.3
Adjustment for non-cash transactions	207.3	449.0
Adjustments for items to disclose separately or under investing and financing cashflows	129.6	116.1
Change in working capital requirement	(78.4)	(103.8)
Cashflow generated from operations	548.9	602.6
Dividend received	11.5	2.0
Tax paid during the period	(86.7)	(79.0)
Government grants received	5.4	2.7
<b>Net operating cashflow</b>	<b>479.2</b>	<b>528.3</b>
Acquisition of property, plant and equipment	(529.5)	(391.5)
Acquisition of intangible assets	(58.4)	(44.1)
Acquisition of new subsidiaries, net of cash acquired	(188.1)	(0.2)
Acquisition of financial assets	(2.4)	(1.6)
New loans extended	(0.1)	(0.8)
Sub-total acquisitions	(778.5)	(438.1)
Disposal of property, plant and equipment	11.8	1.5
Disposal of intangible assets	9.3	6.6
Disposal of subsidiaries and associates, net of cash disposed	0.9	0.5
Repayment of loans	6.4	0.0
Sub-total disposals	28.5	8.6
<b>Net cashflow generated by (used in) investing activities</b>	<b>(750.0)</b>	<b>(429.5)</b>
Capital increase (decrease) minority	15.5	-
Own shares	(29.0)	(26.9)
Change in lease liability	(16.5)	(19.8)
Interest received	4.6	3.4
Interest paid	(44.2)	(59.7)
New loans and repayments	517.1	806.0
Dividends paid to Umicore shareholders	(186.4)	(60.2)
Dividends paid to minority shareholders	(11.2)	(4.8)
<b>Net cashflow generated by (used in) financing activities</b>	<b>249.9</b>	<b>638.0</b>
Effect of exchange rate fluctuations	3.0	25.5
<b>Total net cashflow of the period</b>	<b>(17.9)</b>	<b>762.4</b>
<b>Net cash and cash equivalents at the beginning of the period for continuing operations</b>	<b>257.1</b>	<b>239.2</b>
<b>Net cash and cash equivalents at the end of the period for continuing operations</b>	<b>239.2</b>	<b>1,001.6</b>
of which cash and cash equivalents	271.7	1,010.3
of which bank overdrafts	(32.5)	(8.7)

**Condensed segment information**
**2019**

(in million €)

	Catalysis	Energy & Surface Technologies	Recycling	Corporate	Eliminations	Total Continued operations	Total
Total segment turnover	4,539.2	2,938.5	11,319.9	58.8	(1,371.4)	17,485.1	17,485.1
of which external turnover	4,444.6	2,877.3	10,104.4	58.8	(0.0)	17,485.1	17,485.1
of which inter-segment turnover	94.6	61.2	1,215.5	-	(1,371.3)	-	-
Total segment revenues (excluding metal)	1,459.9	1,225.4	681.0	-	(5.7)	3,360.6	3,360.6
of which external revenues (excluding metal)	1,458.2	1,225.2	677.2	-	-	3,360.6	3,360.6
of which inter-segment revenues (excluding metal)	1.7	0.2	3.8	-	(5.7)	-	-
Adjusted EBIT	185.3	182.5	188.1	(47.0)	(0.0)	508.9	508.9
of which from operating result	185.3	177.2	188.1	(52.4)	(0.0)	498.1	498.1
of which from equity method companies	-	5.4	-	5.4	-	10.8	10.8
EBIT adjustments	(0.4)	(28.1)	2.0	(3.3)	-	(29.8)	(29.8)
of which from operating result	(0.4)	(28.1)	2.0	(1.2)	-	(27.7)	(27.7)
of which from equity method companies	-	-	-	(2.1)	-	(2.1)	(2.1)
Total EBIT	184.9	154.4	190.1	(50.3)	(0.0)	479.2	479.2
of which from operating result	184.9	149.1	190.1	(53.6)	(0.0)	470.4	470.4
of which from equity method companies	-	5.4	-	3.3	-	8.7	8.7
Capital expenditure	104.0	347.7	82.0	19.0	-	552.6	552.6
Depreciation & amortization	78.5	88.3	62.3	14.9	-	244.0	244.0

**Condensed segment information**
**2020**

(in million €)

	Catalysis	Energy & Surface Technologies	Recycling	Corporate	Eliminations	Total Continued operations	Total
Total segment turnover	5,916.9	2,811.1	13,903.6	25.7	(1,947.1)	20,710.1	20,710.1
of which external turnover	5,783.8	2,750.4	12,150.2	25.7	-	20,710.1	20,710.1
of which inter-segment turnover	133.0	60.6	1,753.5	-	(1,947.1)	-	-
Total segment revenues (excluding metal)	1,364.2	1,045.0	836.0	-	(6.5)	3,238.7	3,238.7
of which external revenues (excluding metal)	1,362.6	1,044.9	831.1	-	-	3,238.7	3,238.7
of which inter-segment revenues (excluding metal)	1.6	0.1	4.9	-	(6.5)	-	-
Adjusted EBIT	153.7	75.3	361.8	(54.4)	-	536.4	536.4
of which from operating result	153.7	70.4	361.8	(57.9)	-	528.0	528.0
of which from equity method companies	-	4.9	-	3.5	-	8.3	8.3
EBIT adjustments	(57.3)	(111.5)	(50.9)	(17.3)	-	(237.1)	(237.1)
of which from operating result	(57.3)	(111.5)	(50.9)	(3.6)	-	(223.4)	(223.4)
of which from equity method companies	-	-	-	(13.7)	-	(13.7)	(13.7)
Total EBIT	96.3	(36.2)	310.9	(71.7)	-	299.3	299.3
of which from operating result	96.3	(41.1)	310.9	(61.5)	-	304.6	304.6
of which from equity method companies	-	4.9	-	(10.2)	-	(5.3)	(5.3)
Capital expenditure	63.8	251.7	71.6	16.1	0.1	403.2	403.2
Depreciation & amortization	80.5	110.5	62.9	14.0	-	267.9	267.9

## Adjustments included in the results, including discontinued operations

Impact of adjustments (in million €)	Total	of which: adjusted	Adjustment
<b>2019</b>			
Profit from operations	470.4	498.1	(27.7)
of which income from other financial investments	0.7	1.1	(0.4)
Result of companies accounted for using the equity method	8.7	10.8	(2.1)
EBIT	479.1	508.9	(29.8)
Finance cost	(83.2)	(83.2)	-
Tax	(96.7)	(102.5)	5.8
Net result	299.2	323.1	(23.9)
of which minority share	11.4	11.4	-
of which Group share	287.8	311.7	(23.9)
<b>2020</b>			
Profit from operations	304.6	528.0	(223.4)
of which income from other financial investments	0.8	0.3	0.4
Result of companies accounted for using the equity method	(5.3)	8.3	(13.7)
EBIT	299.3	536.4	(237.1)
Finance cost	(104.2)	(104.2)	-
Tax	(59.1)	(102.7)	43.6
Net result	135.9	329.4	(193.5)
of which minority share	5.4	7.0	(1.6)
of which Group share	130.5	322.4	(191.9)

## Note: Contingencies, accounting estimates and adjusting events

As previously disclosed, the Group has a pending file that can be qualified as a contingent liability according to the definition of IFRS. A subsidiary of Element Six Abrasives received notice of a local tax assessment for € 25 million to be grossed up with statutory interests, estimated at 31 December 2020 at € 12.5 million. Having taken expert advice, Element Six Abrasives submitted an appeal contesting the assessment and recognized the file as a contingent liability. Umicore retains a 40.22 % interest in Element Six Abrasives and accounts for the company using the equity method.

## 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

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[Link to all documents related to Umicore's 2020 FY results.](#)

## Glossary

For a glossary of used financial and technical terms please refer to:

<https://www.umicore.com/en/investors/glossary>

## Financial calendar

26 March 2021	Publication of the annual report 2020
29 April 2021	Annual General Meeting
3 May 2021	Ex-dividend trading date
4 May 2021	Record date for the dividend
5 May 2021	Payment date for the dividend
30 July 2021	Half year results 2021

## 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 organized in three business groups: Catalysis, Energy & Surface Technologies and Recycling. Each business group 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 mobility materials 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.

Umicore's industrial and commercial operations as well as R&D activities are located across the world to best serve its global customer base. The Group generated revenues (excluding metal) of € 3.2 billion (turnover of € 20.7 billion) in 2020 and currently employs 10,800 people.

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A conference call and audio webcast for **analysts and investors** will take place today at 09:30 CET. Please visit: [https://umicore.com/fyr20\\_webcast](https://umicore.com/fyr20_webcast)

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A conference call and audio webcast for **media** will take place today at 11:00 CET. Please visit: [https://umicore.com/fyr20\\_webcast](https://umicore.com/fyr20_webcast)