Press release
Regulated information
31 July 2014 - 07:30 CET
CP-2014-35-R

HALF YEAR RESULTS 2014

Highlights

Umicore's revenues were slightly down compared to the first half of 2013 as a result of volume growth being offset by strong metal price and currency headwinds. Recurring EBIT was down 15% due to lower metal prices, currency headwinds and higher depreciation charges, partly offset by cost reductions.

- Revenues of € 1.2 billion (down 1%);
- Recurring EBITDA of € 221 million (down 8%);
- Recurring EBIT of € 138 million (down 15%);
- ROCE of 12.5% (versus 14.5% in the first half of 2013);
- Recurring net profit (Group share) of € 95 million (down 17%);
- Recurring EPS of € 0.87 (down 15%).

While taking further actions to improve margins in the different businesses, Umicore remains committed to its longer term growth strategy. Capital expenditures for the period amounted to € 72 million, with the majority of growth investments in Catalysis and Recycling. Research & Development expenditure was € 74 million.

Net cashflow before financing of € 119 million was up year on year. Net debt was stable at € 202 million after returning € 108 million cash to shareholders in the form of dividends and buy-backs. This corresponds to a gearing ratio of 10.6%.

Umicore bought back 1,540,000 of its shares in the first half of the year and currently owns 11,437,302 of its shares. Considering the strong balance sheet of the company and its solid cash flows, the Board has decided to propose the cancellation of 8 million shares, after which the share buy-back programme can continue. This proposal will be submitted to shareholders' approval during an extraordinary shareholders meeting to be convened in the coming weeks. In line with the dividend policy an interim dividend of € 0.50 per share will be paid out in September. The amount corresponds to half the annual dividend declared for the financial year 2013.

Outlook

Considering the demand and price trends observed in the key end-markets and assuming current metal prices and exchange rates remain unchanged for the balance of the year, Umicore expects its full year recurring EBIT to be within the upper half of the previously stated range of € 250 – € 280 million.

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

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Key figures

(in million €)

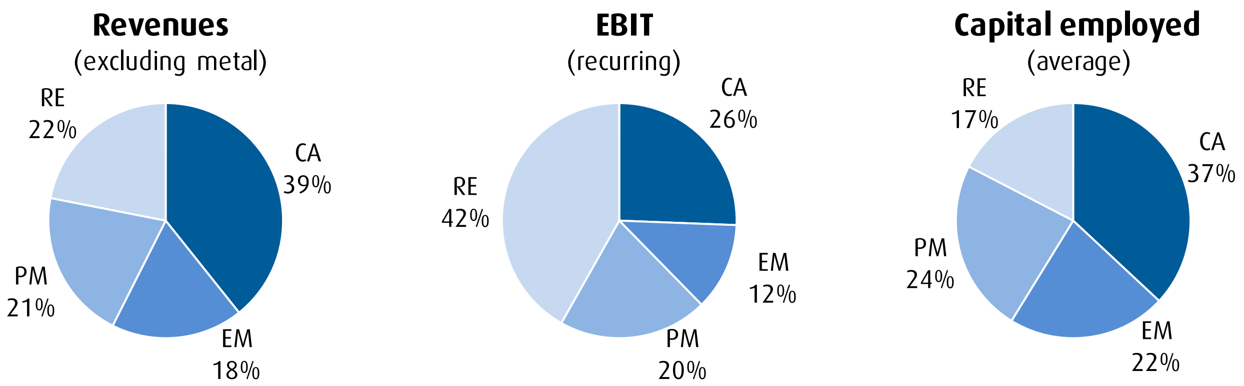
	H1 2013	H2 2013	H1 2014
Turnover	5,390.0	4,429.3	4,355.4
Revenues (excluding metal)	1,233.1	1,157.0	1,220.5
Recurring EBITDA	240.3	222.3	221.2
Recurring EBIT	162.9	141.0	138.3
of which associates	6.1	5.8	13.3
Non-recurring EBIT	(22.8)	(20.6)	(9.4)
IAS 39 effect on EBIT	(6.1)	5.6	(3.6)
Total EBIT	134.0	126.0	125.3
Recurring EBIT margin	12.7%	11.7%	10.2%
Average weighted net interest rate	1.27%	1.95%	1.26%
Effective recurring tax rate	23.26%	19.04%	22.23%
Recurring net profit, Group share	114.6	103.4	94.8
Net profit, Group share	89.1	89.9	81.5
R&D expenditure	71.3	69.3	73.9
Capital expenditure	111.6	168.0	72.2
Net cash flow before financing	105.4	80.5	118.6
Total assets of continued operations, end of period	3,649.1	3,512.3	3,658.6
Group shareholders' equity, end of period	1,737.8	1,677.1	1,661.8
Consolidated net financial debt of continued operations, end of period	190.1	215.0	202.4
Gearing ratio of continued operations, end of period	9.6%	11.1%	10.6%
Average net debt / recurring EBITDA	42.9%	45.6%	47.2%
Capital employed, end of period	2,236.1	2,233.6	2,195.8
Capital employed, average	2,247.7	2,234.8	2,214.7
Return on Capital Employed (ROCE)	14.5%	12.6%	12.5%
Workforce, end of period	14,280	14,057	14,209
of which associates	3,997	3,867	3,890
Accident frequency rate	2.70	1.33	2.29
Accident severity rate	0.08	0.05	1.78

Key figures per share

(in €/share)	H1 2013	H2 2013	H1 2014
Total number of issued shares, end of period	120,000,000	120,000,000	120,000,000
of which shares outstanding	111,414,413	109,771,339	108,557,698
of which treasury shares	8,585,587	10,228,661	11,442,302
Average number of shares outstanding			
basic	111,920,444	110,660,537	109,224,562
diluted	112,466,665	111,136,443	109,643,150
Recurring EPS	1.02	0.93	0.87
Basic EPS	0.80	0.81	0.75
Diluted EPS	0.79	0.81	0.74
Dividend*	0.50	0.50	0.50
Net cash flow before financing, basic	0.94	0.73	1.09
Total assets of continued operations, end of period	32.75	32.00	33.70
Group shareholders' equity, end of period	15.60	15.28	15.31

* Interim dividend for H1 and difference with full year dividend for H2.

Segment split



CA = Catalysis, EM = Energy Materials, PM = Performance Materials, RE = Recycling, Corporate not included

CATALYSIS

Catalysis key figures (in million €)	**H1 2013**	**H2 2013**	**H1 2014**
Total turnover	1,068.1	952.0	1,080.1
Total revenues (excluding metal)	466.1	427.4	480.4
Recurring EBITDA	62.9	49.8	63.0
Recurring EBIT	44.4	29.0	41.4
of which associates	1.4	1.1	3.0
Total EBIT	44.5	29.2	40.5
Recurring EBIT margin	9.2%	6.5%	8.0%
R&D expenditure	41.7	40.2	42.5
Capital expenditure	27.8	56.6	24.5
Capital employed, end of period	806.7	809.5	792.3
Capital employed, average	801.1	808.1	800.9
Return on Capital Employed (ROCE)	11.1%	7.2%	10.3%
Workforce, end of period	2,307	2,340	2,390
of which associates	164	167	167

Overview and outlook

Revenues for the business group were up by 3% with an increase in Automotive Catalysts in contrast to lower revenues in Precious Metals Chemistry. Recurring EBIT was 7% lower due to a lower contribution from Precious Metals Chemistry.

In the second half of the year the ramp up of HDD catalyst production and the new Euro 6 contracts for light duty diesel catalysts should start contributing to revenues and EBIT.

Automotive Catalysts

Revenues were up year on year and earnings started to recover from the low levels of the second half of 2013. Global car production rose by 4% with a further recovery of the European and North American markets and continued strong growth in China.

In Europe, Umicore's revenues and volumes for light duty catalyst sales were flat year on year due to a temporarily unsupportive platform mix; new contracts for Euro 6 light duty diesel catalysts will help Umicore's sales in the region resume their growth trajectory. The European car market continued its recovery and was up by 5%. Production of HDD catalysts at Florange is ramping-up according to schedule. The construction of a third HDD line in Florange is on track and production is set to start by the end of this year. Umicore will start the construction of a new catalyst facility in Nowa Ruda, Poland for both light- and heavy-duty diesel catalysts that meet new European emission legislation. Completion of this new facility is planned for early 2016.

Umicore's revenues and volumes in North America were flat, reflecting an unfavourable platform mix. Car production in that region rose 5% with small and medium sized vehicles further gaining market share. Umicore felt the impact of lower demand in South America, where car production fell by 18% due to a generally depressed market.

Umicore again outperformed the growing car market in China, which was up by 10%, mainly due to a good exposure to international customers. Umicore's HDD production facility in Suzhou is ramping up as China IV emission standards are being rolled out and a further tightening of emission legislation is expected in the coming years. While Umicore did not benefit from domestic growth in Japan, it successfully increased its global business with major Japanese OEMs. Umicore's revenues and sales volumes decreased in a slightly growing South Korean car market due to its specific platform mix. Ordeg, Umicore's joint venture in South Korea, has started construction of a new technology development centre in Incheon City. The centre is due to be commissioned by the end of 2015.

Umicore's new production facility for light duty catalysts in India is well underway and is due to be commissioned by the end of the year.

Precious Metals Chemistry

Revenues for the business unit declined compared to the same period last year. This was largely due to lower order levels for precursors used in catalytic applications, particularly in the Brazilian automotive market. Demand for precursors used in non-catalytic applications remained at a similar level to the previous year. Demand for organic compounds used in the bulk chemical and life science sectors was also stable. Sales of API's (Active Pharmaceutical Ingredients) continued to show good growth and the business unit successfully secured new contracts in this segment.

The new plant in Germany for the production of chemicals for metal deposition is being commissioned and production has started. The second production line for high purity MOCVD (Metal Organic Chemical Vapour Deposition) precursors was successfully commissioned and product qualifications with customers are ongoing. The move of the US operations to the new facility in Tulsa, Oklahoma, is now completed. The start-up costs for these investments weighed on earnings.

ENERGY MATERIALS

Energy Materials key figures (in million €)	**H1 2013**	**H2 2013**	**H1 2014**
Total turnover	402.9	422.8	449.5
Total revenues (excluding metal)	199.5	203.1	222.6
Recurring EBITDA	26.9	28.3	36.2
Recurring EBIT	12.0	12.8	19.5
of which associates *	1.7	1.0	1.9
Total EBIT	12.0	9.4	15.0
Recurring EBIT margin	5.2%	5.8%	7.9%
R&D expenditure	6.7	9.4	9.5
Capital expenditure	32.9	31.4	12.7
Capital employed, end of period	479.1	470.2	477.0
Capital employed, average	477.7	474.7	473.6
Return on Capital Employed (ROCE)	5.0%	5.4%	8.3%
Workforce, end of period	2,870	2,884	2,891
of which associates *	1,059	1,056	1,012

* Cobalt & Specialty Materials: Ganzhou Yi Hao Umicore Industries Co. Ltd., Jiangmen Chancsun Umicore Industry Co. Ltd., Todini and Co.; Rechargeable Battery Materials: beLife

Overview and outlook

Revenues for the business group increased by 12%, primarily as a result of volume growth in Rechargeable Battery Materials and the acquisition of Palm Commodities in Cobalt & Specialty Materials. Recurring EBIT was also up, despite an intensified competitive pressure on margins in different end-markets.

For the second half of this year, Umicore expects a similar trend in term of revenues while margins may feel the impact of continued pricing pressure in different end-markets.

Cobalt & Specialty Materials

Overall revenues were higher year on year, primarily due to the acquisition of Palm Commodities in December last year. Overall earnings were lower, however, as a consequence of increased competition in some end-markets, a lower contribution from cobalt and nickel refining and currency headwinds.

Revenues in ceramics & chemicals were up, driven by the newly acquired activities in the US and the strongly performing distribution activities in Europe. The introduction of new products like polymerization catalysts for polyesters and polyurethanes and refining catalysts for the petrochemical industry is progressing well.

Demand in tool materials remained largely unchanged in a highly competitive market.

Volumes in the cobalt and nickel refining operations were slightly higher year on year. The less favourable product mix had a negative impact on earnings though.

Electro-Optic Materials

Revenues for Electro-Optic Materials were up compared to the same period last year driven by a higher contribution from recycling and refining as well as higher sales volumes in certain product segments.

Revenues in the germanium substrates activities were broadly in line with the previous year. A pick up in orders for substrates used in photovoltaic applications compensated for lower volumes in LED applications. Within the substrates market, the transition towards larger and more efficient germanium wafers is well underway and Umicore is well positioned to benefit from this trend.

Revenues of finished optics were higher year on year driven by an increased demand for commercial infrared applications for automotive and security markets. The demand for GASIR®-based systems gained further momentum given its equivalent performance to germanium based products and the high germanium price. Margins further benefited from recent cost reduction measures. Sales of blank optics continued to be subdued with the market remaining very competitive.

Demand for Umicore's high purity chemicals, namely germanium tetrachloride used in the fiber optics industry was stable. The business unit continued to expand its product and service offerings in this segment to mitigate the price pressure.

Rechargeable Battery Materials

Revenues and sales volumes increased year on year. The continued rise of new applications using Li-ion batteries, such as home appliances is generating further growth in the total market.

The largest market segment for Li-ion technology remains portable electronics despite somewhat decreasing growth rates in the first half of 2014. The demand for automotive applications is steadily increasing with the introduction of new car models and the gradually increasing sales of previously introduced models.

Umicore further increased its shipments of LCO (lithium cobaltite) for use in high-end portable electronics such as smartphones and tablets benefiting from its diversified product and customer base. The proprietary High Energy LCO Cathode Material technology extended further in the portable electronics segment and is expected to be the basis for upcoming technological improvements.

Overall sales of NMC (nickel manganese cobalt) cathode materials were down year on year as a result of lower deliveries of standard grades used in traditional notebook PCs. This is in line with Umicore's strategy to reduce its presence in this highly competitive segment. The ordering pattern for NMC used in automotive applications continued to be somewhat erratic and price pressure increased as a result of overcapacity at several main Li-ion cell producers.

Additional production capacity expansion projects in Korea and China have been brought on-stream in line with growing market demand. Production trials in the new precursor facility in Korea have started.

Thin Film Products

Revenues increased year on year, mainly driven by higher revenues for large area coating applications. Demand for ITO (Indium Tin Oxide) rotary targets continued to benefit from new projects for larger area displays in China. Margins, however, felt the continued pricing pressure in this segment as well as the impact from the high indium price. Revenues for the optics and electronics activities were stable although a slight improvement in demand from the microelectronics industry was seen towards the end of the period.

Umicore has set up a joint venture with First Rare Materials Co Ltd, a leading Chinese producer of minor metals based products. This new joint venture will produce ITO sputtering targets for customers in China and offer recycling services for spent targets. The joint venture, which is 60% owned by Umicore and 40% owned by First Rare Materials Co Ltd, will allow Umicore to meet the increasing demand from the fast-expanding large area display market in Asia.

PERFORMANCE MATERIALS

Performance Materials key figures (in million €)	**H1 2013**	**H2 2013**	**H1 2014**
Total turnover	747.4	641.0	667.1
Total revenues (excluding metal)	263.2	246.6	252.2
Recurring EBITDA	43.0	40.3	46.7
Recurring EBIT	28.6	26.1	33.2
of which associates *	4.0	5.0	9.4
Total EBIT	13.7	11.2	30.2
Recurring EBIT margin	9.3%	8.5%	9.5%
R&D expenditure	5.1	5.7	5.0
Capital expenditure	12.7	16.7	11.0
Capital employed, end of period	572.0	504.8	527.5
Capital employed, average	572.5	538.4	516.1
Return on Capital Employed (ROCE)	10.0%	9.7%	12.9%
Workforce, end of period	5,565	5,331	5,440
of which associates *	2,725	2,594	2,663

* Zinc Chemicals: Rezinal; Building Products: Ieqsa; Element Six Abrasives

Overview and outlook

Revenues in Performance Materials were 4% lower year on year. Recurring EBIT increased 16% primarily reflecting the impact of cost reduction measures that were initiated in previous periods.

Market trends are expected to remain unchanged in the second half of this year and the revenue and EBIT development should reflect the usual seasonality, which is relatively more pronounced in this business group.

Building Products

Sales volumes and revenues increased year on year, largely as a result of a comparatively milder winter in Europe. While demand in Umicore's main European markets was higher, other markets showed a somewhat downward trend. The harsh winter in North America had an unfavourable impact on the US building market and fewer new projects were launched in Asia-Pacific.

The evolution of the product mix was somewhat less supportive due to the lower demand from the non-European markets which typically includes a high share of pre- weathered products.

Overall earnings increased mainly due to the contribution of the previously announced cost-saving programme and productivity initiatives which started in 2013 and are being further implemented this year.

The new facility for surface treated products in Viviez, France, officially opened in June and production is ramping up according to plan.

Electroplating

Revenues and sales volumes were slightly below the levels from the first half of last year, with some improvement in demand in the second quarter.

Sales of silver plating solutions for high performance LEDs showed a slight drop compared to the first half of 2013, when customer demand was particularly high. However, as the period progressed, demand picked up largely due to new customer wins in Asia.

Sales volumes for decorative applications were somewhat higher year on year, due to increasing demand for gold-copper compounds used to produce pink gold for fashion jewellery and lifestyle applications. Demand for non-precious metal-based products for decorative applications, such as the plating of buttons and the coating of zippers, remained stable.

Order levels for precious metal products used in coatings for printed circuit boards further increased largely due to Umicore's exposure to European automotive customers.

Umicore is setting up a joint venture with JCX (Jianmen ChangXin Technology Co., Ltd.), a Chinese company providing expertise in the field of chemical engineering and processing. The joint venture, which will be 80% owned by Umicore and 20% by JCX will establish a fully-fledged platform for the development, research, marketing and sales of hi-tech surface treatment technology, products and related technical services in Jiangmen, China and will allow Umicore to cater for the increasing demand of its Chinese customers.

Platinum Engineered Materials

Revenues and sales volumes were down year on year, with earnings negatively impacted by an unfavourable product mix.

Demand for glass industry applications was down due largely to the weak performance of the display glass industry despite some new investments by Chinese glass display producers towards the end of the period. Sales volumes of technical glass applications were in line with the first half of last year. A number of new contract wins contributed to Umicore increasing its share of this relatively small and stable market. Demand for optical glass products remained subdued.

The worsening political situation in Ukraine, one of the main markets for ammonia production, had major negative repercussions on Umicore's Performance Catalysts business. Russia's partial stoppage of natural gas supplies to Ukraine forced customers producing ammonia for the fertilizer industry to temporarily shut down their production plants and postpone their orders for platinum gauzes which are used in their production process.

Technical Materials

Revenues were down year on year due to overall lower sales volumes. A key factor was the sluggish economic situation in Brazil which resulted in a significant number of postponed or cancelled orders.

Sales volumes for contact and power technology materials for medium voltage applications dipped mainly because of temporary lower demand in Asia for electrical infrastructure projects. Order levels for contact materials for low voltage applications were stable, with weak demand from Brazil being compensated by higher demand from North America and Europe.

Overall demand for brazing products remained subdued. Increased sales to European automotive customers balanced lower sales in Brazil and China where local competition continued to intensify. Sales in North America remained stable. The introduction of the new BlueBraze™ product progressed well, with first customer orders received and qualification ongoing with other customers globally.

Zinc Chemicals

Revenues were stable year on year and earnings were higher due to the successful introduction of cost reduction initiatives and improved premiums in various end markets. Recycling margins were lower, however, as tightness on the market for zinc containing residues put further pressure on pricing.

Sales volumes of fine zinc powders used in anti-corrosive paint picked up after the slowdown seen in the second half of 2013. Sales of materials for chemical applications were well up with Umicore gaining market share in the relatively stable bleaching agent market where zinc powder is used as reducing agent.

Sales volumes for zinc oxides were largely stable year on year with a higher demand from the American paint industry and European tyre industry being offset by lower demand from the ceramics sector. Umicore is further developing the sales of its nano zinc oxide (Zano®) and is currently expanding production capacity in Olen, Belgium, to meet higher demand for this product.

An increased demand for zinc powders used in primary batteries from the European and US markets led to higher sales volumes year on year and subsequently higher average premiums.

The construction of a new plant for the production of high grade fine zinc powders and the recycling of zinc residues in Changsha, China has started and the plant should be commissioned mid 2015. The additional zinc powder capacity in Malaysia came on stream in the second quarter and production is ramping up.

Element Six Abrasives

The first half of 2014 showed continued momentum from the second half of last year and overall revenues and sales volumes were well up, albeit compared to a weaker start in 2013. Earnings were also up, reflecting a favourable evolution in the product mix and further benefits from footprint adjustments and the related cost reduction measures that were initiated in previous years.

Sales in most product groups benefited from Element Six Abrasives' increased investments in innovation, resulting in a better performing product portfolio focusing on customised high-end solutions. Sales of products for Oil and Gas-drilling and Precision Machining in particular were up, as Element Six Abrasives successfully gained market share with its new products and its main customers in a relatively stable market. However, sales of carbide-based products used in road construction had a difficult start of the year, largely because of customer de-stocking and the harsh North American winter.

Element Six Abrasives has decided to close its production facility in Robertsfors, Sweden, and consolidate activities into the sites in Shannon, Ireland and Springs, South Africa.

RECYCLING

Recycling key figures (in million €)	**H1 2013**	**H2 2013**	**H1 2014**
Total turnover	3,776.0	2,887.3	2,638.7
Total revenues (excluding metal)	307.4	282.8	268.2
Recurring EBITDA	126.8	121.9	93.0
Recurring EBIT	102.5	97.0	67.6
Total EBIT	98.4	101.6	63.0
Recurring EBIT margin	33.3%	34.3%	25.2%
R&D expenditure	10.0	8.4	10.6
Capital expenditure	32.7	54.3	19.3
Capital employed, end of period	323.3	397.2	357.2
Capital employed, average	325.3	360.2	377.2
Return on Capital Employed (ROCE)	63.0%	53.9%	35.8%
Workforce, end of period	2,366	2,345	2,340

Overview and outlook

Recycling revenues and recurring EBIT were down 13% and 34% respectively as a result of the impact of lower metal prices.

The results of the business group in the second half of the year will largely depend on the available capacity and throughput of the Hoboken facility after the summer shutdown. It is currently anticipated that the performance will be broadly in line with that of the first half.

Precious Metals Refining

Revenues and earnings were down compared to the corresponding period in 2013, largely due to the impact of lower metal prices. This was evident for most precious metals (although gold and platinum prices showed some recovery in the second quarter), and a number of specialty metals like selenium and tellurium. Further reasons for the revenue drop were the somewhat lower processed volumes and a less favourable supply mix.

The intake of materials was fairly stable year on year but the mix was less supportive both for industrial by-products and end-of life materials despite more positive trends being observed towards the end of the period. The supply of e-scrap increased, although the availability of the richer, complex e-scrap was somewhat reduced. The market for spent automotive catalysts remained highly competitive.

Throughput was slightly lower than in the first half of 2013. The reason was the preparatory engineering and testing work carried out in several parts of the Hoboken process prior to the planned expansion. This work resulted in less capacity being available to treat the existing supply streams.

The permit for capacity expansion in Hoboken has been granted and Umicore is engaging in a dialogue with local stakeholders to address their remaining questions. Most of the expansion investments are due to take place during maintenance shutdowns over the course of the next 18 months.

Precious Metals Management

Revenues for the business unit were down year on year despite a slightly higher demand from the automotive industry for the physical deliveries of precious metals.

Demand for gold and silver investment bars was significantly lower, with silver showing the sharpest decline. Against the backdrop of a downward trend in gold and silver prices, investors are looking at alternative investment ideas. The contribution from the trading activity was also down due to lower prices for most metals and an unfavourable market volatility except for palladium.

Battery Recycling

Umicore intensified its collaboration with (hybrid) electric vehicle manufacturers for the recycling of spent rechargeable batteries and continues to optimize its processes in this long term market development opportunity.

Jewellery & Industrial Metals

Revenues for the business unit were down year on year as higher sales volumes and revenues in the product related businesses could not fully offset a lower contribution from the recycling activity. Refining volumes were down compared to the previous year as lower metal prices reduced the overall availability of residues for recycling. The available volumes of gold scrap were much lower than last year although first signs of stabilisation were observed. The volumes of silver and pgm-containing residues held up fairly well.

Sales volumes for silver-based industrial applications benefited from a higher demand from the automotive and chemical industries. Order levels from the jewellery industry picked up again with improvements seen in both the fashion segment and the gold and pgm-based luxury segment. The demand for investment products was mixed. Order levels for the silver coin blanks further increased while the investor demand for gold and silver bars remained subdued due to an increased level of competition in that market.

The expansion of the silver refining capabilities in Manaus, Brazil has been completed and production has started. The expansion of the Pforzheim operations is progressing well and production is expected to start in the third quarter. The business unit is further enhancing its silver recycling capacity in Thailand to serve demand from a broad range of customers in Asia.

CORPORATE & GROUP ITEMS

Corporate key figures (in million €)	**H1 2013**	**H2 2013**	**H1 2014**
Recurring EBITDA	(19.4)	(18.0)	(17.8)
Recurring EBIT	(24.5)	(23.8)	(23.5)
of which associates *	(1.1)	(1.4)	(1.1)
Total EBIT	(34.6)	(25.4)	(23.4)
R&D expenditure	7.8	5.5	6.3
Capital expenditure	5.5	9.0	4.7
Capital employed, end of period	54.9	51.9	41.8
Capital employed, average	71.1	53.4	46.8
Workforce, end of period	1,172	1,157	1,148
of which associates *	49	50	48

* SolviCore

Corporate overview

Overall corporate costs remained at the same level as the first half of 2013.

Research & development

R&D expenditure in fully consolidated companies was fairly stable. The majority of the process-related R&D spending was dedicated to recycling technologies in relation to the planned expansion in Hoboken, Belgium. Product-related R&D spending in Automotive Catalysts includes the activities of the new test centres in Suzhou, China, and Tokoname, Japan.

The total expenditure was € 74 million, corresponding to 6% of revenues. Capitalized development costs accounted for € 6 million in the total amount.

Social aspects

In the first half of the year the total number of employees increased from 14,057 at the end of 2013 to 14,209. The number of employees in the fully consolidated companies went up by 129, mainly as a result of recent investments in Automotive Catalysts and the acquisition of Palm Commodities in Cobalt & Specialty Materials. The number of employees in associated companies increased by 23 primarily related to the opening of Element Six's new Global Innovation centre in Oxford, UK.

The number of lost time accidents was 20 in the first half of the year compared to 23 in the same period in 2013. This resulted in a frequency rate of 2.29 (compared to 2.7 in 2013) and a severity rate of 1.78 (compared to 0.08 in 2013). In January 2014 an accident at Umicore's plant in Olen, Belgium, cost the lives of two employees. In addition to its existing safety initiatives, Umicore launched a project to intensify further the company-wide focus on process safety at all industrial sites through the pragmatic integration of best process safety practices in the existing management systems.

FINANCIAL REVIEW

Non-recurring items and IAS 39

Non-recurring items had a negative impact of € 9 million on EBIT. Restructuring charges accounted for € 11 million, the majority of which were linked to the closure of Element Six Abrasives' production facility in Robertsfors, Sweden, as well as adjustments to the production configuration and cost reduction measures in Energy Materials. Umicore also booked environmental provisions of € 3 million. Revaluation of permanently tied-up metal inventories had a positive impact of € 6 million due to the higher prices for some metals. The impact of non-recurring charges on the net result (Group share) amounted to € 10 million.

IAS 39 accounting rules had a negative effect of € 4 million on EBIT and net result (Group share). The impact concerns timing differences imposed by IFRS that relate primarily to transactional and structural metal and currency hedges. All IAS 39 impacts are non-cash in nature.

Financial results and taxation

Net recurring financial charges totalled € 15 million, up € 4 million compared to the first half of 2013. The difference is primarily related to a higher negative impact from foreign exchange results. The average weighted net interest rate remained stable compared to the same period last year at 1.26%.

The recurring tax charge for the period amounted to € 25 million. The overall recurring effective tax rate for the period was 22.2%, compared to 23.3% in 2013.

Cashflows

Cashflows from operations were € 203 million, including a release of working capital of € 33 million.

Capital expenditures totalled € 72 million. The vast majority of which relates to the ongoing expansion in Catalysis for light and heavy duty diesel catalysts compliant with new emission legislation and preparatory work in Recycling for the capacity expansion of the Hoboken plant.

Net cashflow before financing was € 119 million, slightly up year on year. Total net cashflow for the period stood at € 25 million, including € 108 million of cash returned to shareholders in the form of share buy-backs and dividends, which corresponds to 53% of cashflow generated from operations.

Financial debt

At 30 June 2014 Umicore's net financial debt stood at € 202 million versus € 215 million at the start of the year. Group equity stood at € 1,706 million resulting in a gearing ratio (net debt / net debt + equity) of 10.6%. The average net debt to recurring EBITDA ratio stood at 0.5 x.

Dividend and shares

In line with the dividend policy, the Board of Directors has approved an interim dividend of € 0.50 per share, corresponding to half the annual dividend declared for the financial year 2013. This will be paid out on 4 September 2014.

Umicore bought back 1,540,000 of its shares in the first half of the year and currently owns 11,437,302 of its shares. Considering the strong balance sheet of the company and its solid cash flows, the Board has decided to propose the cancellation of 8 million shares, after which the share buy-back programme can continue. This proposal will be submitted to shareholders' approval during an extraordinary shareholders meeting to be convened in the coming weeks.

Statutory auditor's report on the review of the consolidated condensed interim financial information for the period ended on 30 June 2014

Introduction

We have reviewed the accompanying consolidated condensed interim financial information, existing out of the balance sheet of Umicore ("The Company") and its subsidiaries (jointly "the Group") as of 30 June 2014, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in the equity of the group and the consolidated cash flow statement for the six-month period then ended, as well as the explanatory notes. The board of directors is responsible for the preparation and presentation of this consolidated condensed financial information in accordance with IAS 34, as adopted by the European Union. Our responsibility is to express a conclusion on this consolidated condensed financial information based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated condensed financial information is not prepared, in all material respects, in accordance with IAS 34, as adopted by the European Union.

Sint-Stevens-Woluwe, 30 July 2014

The statutory auditor
PwC Bedrijfsrevisoren BCVBA/Reviseurs d'Entreprises SCCRL
Represented by

Marc Daelman*
Registered auditor

* Marc Daelman BVBA Board Member, represented by its fixed representative, Marc Daelman

Management responsibility statement

I hereby certify that, to the best of my knowledge, the consolidated condensed interim financial information for the period ended on 30 June 2014, prepared in accordance with the IAS 34 "Interim Financial Reporting", as adopted by the European Union, and with legal requirements in Belgium, gives 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 taken as a whole for the period ended 30 June 2014. The commentary on the overall performance of the Group from page 1 to 14 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 as a whole.

Brussels, 30 July 2014

Marc Grynberg
Chief Executive Officer

CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION FOR THE PERIOD ENDED ON 30 JUNE 2014

Consolidated income statement (in million €)	**H1 2013**	**H2 2013**	**H1 2014**
Turnover	5,390.0	4,429.3	4,355.4
Other operating income	29.1	47.1	23.6
Operating income	5,419.1	4,476.4	4,379.0
Raw materials and consumables	(4,616.6)	(3,728.1)	(3,627.8)
Payroll and related benefits	(365.6)	(341.6)	(362.5)
Depreciation and impairments	(77.8)	(92.1)	(81.6)
Other operating expenses	(217.0)	(194.2)	(189.8)
Operating expenses	(5,276.9)	(4,355.9)	(4,261.7)
Income (loss) from other financial assets	(3.2)	1.1	0.4
Result from operating activities	139.0	121.6	117.7
Financial income	3.1	1.2	2.5
Financial expenses	(8.8)	(10.3)	(9.9)
Foreign exchange gains and losses	(6.1)	(2.0)	(9.4)
Share in result of companies accounted for using the equity method	(5.0)	4.5	7.6
Profit (loss) before income tax	122.2	114.9	108.6
Income taxes	(30.0)	(22.4)	(22.8)
Profit (loss) of the period	92.2	92.6	85.7
of which minority share	3.1	2.7	4.3
of which Group share	89.1	89.9	81.5
(in € / share)			
Total basic earnings per share	0.80	0.81	0.75
Total diluted earnings per share	0.79	0.81	0.74
Dividend per share	0.50	0.50	0.50

Consolidated statement of comprehensive income (in million €)	**H1 2013**	**H2 2013**	**H1 2014**
Profit (loss) of the period	92.2	92.6	85.7
Items in other comprehensive income that will not be reclassified to P&L			
Changes in post employment benefits, arising from changes in actuarial assumptions	(11.0)	9.7	(20.1)
Changes in deferred taxes directly recognized in other comprehensive income	3.3	(2.0)	6.0
Items in other comprehensive income that may be subsequently reclassified to P&L			
Changes in available-for-sale financial assets reserves	(6.6)	(5.5)	(0.6)
Changes in cash flow hedge reserves	12.7	(10.7)	(8.2)
Changes in deferred taxes directly recognized in other comprehensive income	(4.5)	4.0	2.9
Changes in currency translation differences	(24.2)	(37.4)	23.2
Other comprehensive income	(30.3)	(41.9)	3.2
Total comprehensive income for the period	61.9	50.7	88.9
of which minority share	0.9	(0.4)	6.8
of which Group share	61.0	51.1	82.1

The deferred tax impact on the other comprehensive income is related to the cash flow hedge reserves for € 2.9 million and to post employment benefit reserves for € 6.0 million.

Consolidated balance sheet

(in million €)

	30 / 06 2013	31 / 12 2013	30 / 06 2014
Non-current assets	1,474.6	1,551.2	1,558.1
Intangible assets	202.8	218.3	216.8
Property, plant and equipment	935.2	998.6	1,000.1
Investments accounted for using the equity method	199.7	201.4	200.3
Available-for-sale financial assets	27.4	21.2	20.5
Loans granted	5.0	5.0	5.0
Trade and other receivables	16.4	16.3	16.8
Deferred tax assets	88.0	90.5	98.5
Current assets	2,174.5	1,961.1	2,100.6
Loans granted	5.0	5.9	6.5
Inventories	1,114.5	1,106.3	1,094.8
Trade and other receivables	927.0	716.4	847.2
Income tax receivables	23.1	33.2	28.0
Cash and cash equivalents	104.9	99.2	124.1
Total assets	3,649.1	3,512.3	3,658.6
Equity of the Group	1,785.4	1,723.4	1,706.1
Group shareholders' equity	1,737.8	1,677.1	1,661.8
Share capital and premiums	502.9	502.9	502.9
Retained earnings	1,611.3	1,647.4	1,674.3
Currency translation differences and other reserves	(128.3)	(167.4)	(163.2)
Treasury shares	(248.1)	(305.7)	(352.2)
Minority interest	47.6	46.3	44.3
Non-current liabilities	453.5	439.1	478.9
Provisions for employee benefits	274.6	267.8	287.6
Financial debt	22.6	26.4	57.2
Trade and other payables	13.6	12.9	23.8
Deferred tax liabilities	31.0	28.2	14.7
Provisions	111.7	103.7	95.6
Current liabilities	1,410.3	1,349.8	1,473.7
Financial debt	272.4	287.8	269.3
Trade and other payables	1,055.9	966.8	1,111.8
Income tax payable	46.9	64.7	65.0
Provisions	35.1	30.5	27.6
Total equity & liabilities	3,649.1	3,512.3	3,658.6

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 equity**
Balance at the beginning of H1 2013	502.9	1,577.7	(102.0)	(226.8)	54.1	1,805.8
Result of the period	-	89.1		-	3.1	92.2
Other comprehensive income for the period	-	-	(28.1)	-	(2.2)	(30.3)
Total comprehensive income for the period	-	89.1	(28.1)	-	0.9	61.9
Changes in share-based payment reserves	-	-	4.3	-	-	4.3
Capital decrease	-	-	-	-	(5.8)	(5.8)
Change in accounting policies	-	0.4	(2.5)	-	-	(2.1)
Dividends	-	(55.9)	-	-	(1.7)	(57.5)
Changes in treasury shares	-	-	-	(21.2)	-	(21.2)
Balance at the end of H1 2013	502.9	1,611.3	(128.3)	(248.1)	47.6	1,785.4
Result of the period	-	89.9	-	-	2.7	92.6
Other comprehensive income for the period	-	-	(38.8)	-	(3.1)	(41.9)
Total comprehensive income for the period	-	89.9	(38.8)	-	(0.4)	50.7
Change in accounting policies	-	0.1	1.2	-	-	1.3
Dividends	-	(55.5)	-	-	(2.1)	(57.6)
Transfers	-	1.5	(1.5)	-	-	-
Changes in treasury shares	-	-	-	(57.6)	-	(57.6)
Other movements	-	-	-	-	0.1	0.1
Changes in scope	-	-	-	-	1.1	1.1
Balance at the end of H2 2013	502.9	1,647.4	(167.4)	(305.7)	46.3	1,723.4

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 equity
Balance at the beginning of H1 2014	502.9	1,647.4	(167.4)	(305.7)	46.3	1,723.4
Result of the period	-	81.5	-	-	4.3	85.7
Other comprehensive income for the period	-	-	0.6	-	2.6	3.2
Total comprehensive income for the period	-	81.5	0.6	-	6.8	88.9
Changes in share-based payment reserves	-	-	3.6	-	-	3.6
Capital decrease	-	-	-	-	(5.7)	(5.7)
Dividends	-	(54.5)	-	-	(3.2)	(57.7)
Changes in treasury shares	-	-	-	(46.5)	-	(46.5)
Balance at the end of H1 2014	502.9	1,674.3	(163.2)	(352.2)	44.3	1,706.1

Consolidated cashflow statement

(in million €)	H1 2013	H2 2013	H1 2014
Profit from continuing operations	92.2	92.6	85.7
Adjustments for profit of equity companies	5.0	(4.5)	(7.6)
Adjustment for non-cash transactions	106.0	82.6	68.5
Adjustments for items to disclose separately or under investing and financing cashflows	31.1	20.7	23.7
Change in working capital requirement	(0.4)	97.2	33.2
Cashflow generated from operations	234.0	288.6	203.5
Dividend received	5.3	9.9	10.7
Tax paid during the period	(15.3)	(22.2)	(28.4)
Government grants received	0.4	0.1	10.6
Net operating cashflow	224.4	276.3	196.3
Acquisition of property, plant and equipment	(108.5)	(158.2)	(69.9)
Acquisition of intangible assets	(11.3)	(15.6)	(8.7)
Acquisition of new subsidiaries, net of cash acquired	-	(22.0)	-
Acquisition of / capital increase in associates	-	(7.6)	-
Acquisition of financial assets	(0.2)	-	-
New loans extended	(0.1)	(1.1)	(0.5)
Sub-total acquisitions	(120.1)	(204.5)	(79.1)
Disposal of property, plant and equipment	0.9	6.9	1.0
Disposal of intangible assets	0.1	1.7	0.2
Disposal of financial fixed assets	-	-	0.3
Sub-total disposals	1.1	8.6	1.4
Net cashflow generated by (used in) investing activities	(119.0)	(195.8)	(77.7)
Capital increase (decrease) minority	(5.8)	-	(5.7)
Own shares	(21.2)	(57.6)	(46.5)
Interest received	2.8	1.2	1.7
Interest paid	(2.8)	(3.9)	(2.8)
New loans and repayments	(57.1)	18.6	12.0
Dividends paid to Umicore shareholders	(59.3)	(52.1)	(53.8)
Dividends paid to minority shareholders	(1.7)	(2.1)	(3.2)
Net cashflow generated by (used in) financing activities	(145.1)	(95.9)	(98.4)
Effect of exchange rate fluctuations	13.2	9.2	4.8
Total net cashflow of the period	(26.5)	(6.2)	25.1
Net cash and cash equivalents at the beginning of the period	131.0	104.5	98.3
Net cash and cash equivalents at the end of the period	104.5	98.3	123.4
of which cash and cash equivalents	104.9	99.2	124.1
of which bank overdrafts	(0.4)	(0.9)	(0.6)

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION FOR THE PERIOD ENDED ON 30 JUNE 2014

Note 1: Basis of preparation

The condensed consolidated interim financial statements for the six months ended 30 June 2014 have been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the European Union.

They do not include all the information required for full annual financial statements and should therefore be read in conjunction with the consolidated financial statements for the year 2013 as published in the 2013 Report to Shareholders and Society.

The condensed consolidated interim financial statements were authorised for issue by the Board of Directors held on 30 July 2014.

Note 2: Changes in accounting policies and presentation rules and impacts

The accounting policies adopted in the preparation of the interim consolidated financial statements are consistent with those applied in the preparation of the consolidated financial statement for the year ended 31 December 2013, except as described below.

IFRS 11 on joint arrangements is effective for annual periods beginning on or after 1 January 2014 and was not early adopted by the Group.

IFRS 11 has been applied as of 30 June 2014. According to the review made, we conclude that all the joint arrangements at Umicore are joint ventures, none are joint operations. This means that, as in the past, all joint arrangements are accounted for using the equity method. Therefore, the Group does not have IFRS 11 impacts.

Note 3: Segment information

Condensed segment information H1 2013 (in million €)	Catalysis	Energy Materials	Performance Materials	Recycling	Corporate & Unallocated	Eliminations	Total
Total segment turnover	1,068.1	402.9	747.4	3,776.0	15.5	(620.0)	5,390.0
of which external turnover	1,049.6	398.8	672.0	3,254.0	15.5	-	5,390.0
of which inter-segment turnover	18.6	4.1	75.4	522.0	-	(620.0)	-
Total segment revenues*	466.1	199.5	263.2	307.4	-	(3.2)	1,233.1
of which external revenues*	465.8	199.5	263.2	304.6	-	-	1,233.1
of which inter-segment revenues*	0.4	-	-	2.8	-	(3.2)	-
Recurring EBIT	44.4	12.0	28.6	102.5	(24.5)	-	162.9
of which from operating result	42.9	10.3	24.6	102.5	(23.4)	-	156.9
of which from equity method companies	1.4	1.7	4.0	-	(1.1)	-	6.1
Non-recurring EBIT	-	0.6	(13.7)	0.4	(10.1)	-	(22.8)
of which from operating result	-	0.6	(3.5)	0.4	(10.1)	-	(12.6)
of which from equity method companies	-	-	(10.3)	-	-	-	(10.3)
IAS 39 effect on EBIT	0.1	(0.6)	(1.1)	(4.5)	-	-	(6.1)
of which from operating result	(0.1)	(0.6)	(0.1)	(4.5)	-	-	(5.4)
of which from equity method companies	0.3	-	(1.1)	-	-	-	(0.8)
Total EBIT	44.5	12.0	13.7	98.4	(34.6)	-	134.0
of which from operating result	42.8	10.3	21.0	98.4	(33.5)	-	139.0
of which from equity method companies	1.7	1.7	(7.3)	-	(1.1)	-	(5.0)
Capital expenditure	27.8	32.9	12.7	32.7	5.5	-	111.6
Depreciation & amortization	18.6	14.9	14.4	24.3	5.1	-	77.3

* Revenues excluding metal

Condensed segment information H2 2013 (in million €)	Catalysis	Energy Materials	Performance Materials	Recycling	Corporate & Unallocated	Eliminations	Total
Total segment turnover	952.0	422.8	641.0	2,887.3	17.5	(491.4)	4,429.3
of which external turnover	941.0	421.3	584.6	2,464.9	17.5	-	4,429.3
of which inter-segment turnover	11.1	1.5	56.4	422.4	-	(491.4)	-
Total segment revenues*	427.4	203.1	246.6	282.8	-	(2.9)	1,157.0
of which external revenues*	427.0	203.1	246.6	280.3	-	-	1,157.0
of which inter-segment revenues*	0.4	-	-	2.5	-	(2.9)	-
Recurring EBIT	29.0	12.8	26.1	97.0	(23.8)	-	141.0
of which from operating result	27.9	11.7	21.0	97.0	(22.4)	-	135.2
of which from equity method companies	1.1	1.0	5.0	-	(1.4)	-	5.8
Non-recurring EBIT	(0.3)	(4.2)	(15.9)	1.4	(1.6)	-	(20.6)
of which from operating result	(0.3)	(4.2)	(13.4)	1.4	(1.6)	-	(18.1)
of which from equity method companies	-	-	(2.5)	-	-	-	(2.6)
IAS 39 effect on EBIT	0.6	0.8	1.0	3.2	-	-	5.6
of which from operating result	0.4	0.8	(0.1)	3.2	-	-	4.4
of which from equity method companies	0.2	-	1.1	-	-	-	1.3
Total EBIT	29.2	9.4	11.2	101.6	(25.4)	-	126.0
of which from operating result	28.0	8.4	7.6	101.6	(24.0)	-	121.6
of which from equity method companies	1.2	1.0	3.6	-	(1.4)	-	4.5
Capital expenditure	56.6	31.4	16.7	54.3	9.0	-	168.0
Depreciation & amortization	20.9	15.6	14.3	24.8	5.8	-	81.3

* Revenues excluding metal

Condensed segment information H1 2014

(in million €)	Catalysis	Energy Materials	Performance Materials	Recycling	Corporate & Unallocated	Eliminations	Total
Total segment turnover	1,080.1	449.5	667.1	2,638.7	12.2	(492.1)	4,355.4
of which external turnover	1,073.3	447.3	628.3	2,194.3	12.2	-	4,355.4
of which inter-segment turnover	6.8	2.1	38.8	444.4	-	(492.1)	-
Total segment revenues*	480.4	222.6	252.2	268.2	-	(2.9)	1,220.5
of which external revenues*	480.0	222.6	252.1	265.9	-	-	1,220.5
of which inter-segment revenues*	0.4	-	0.1	2.3	-	(2.9)	-
Recurring EBIT	41.4	19.5	33.2	67.6	(23.5)	-	138.3
of which from operating result	38.4	17.6	23.8	67.6	(22.4)	-	125.1
of which from equity method companies	3.0	1.9	9.4	-	(1.1)	-	13.3
Non-recurring EBIT	0.7	(3.0)	(3.6)	(3.5)	0.1	-	(9.4)
of which from operating result	0.6	(3.0)	1.9	(3.5)	0.1	-	(4.0)
of which from equity method companies	-	-	(5.5)	-	-	-	(5.4)
IAS 39 effect on EBIT	(1.6)	(1.6)	0.6	(1.1)	-	-	(3.6)
of which from operating result	(1.1)	(1.6)	0.3	(1.1)	-	-	(3.4)
of which from equity method companies	(0.4)	-	0.3	-	-	-	(0.2)
Total EBIT	40.5	15.0	30.2	63.0	(23.4)	-	125.3
of which from operating result	37.9	13.1	26.0	63.0	(22.3)	-	117.7
of which from equity method companies	2.7	1.9	4.2	-	(1.1)	-	7.6
Capital expenditure	24.5	12.7	11.0	19.3	4.7	-	72.2
Depreciation & amortization	21.6	19.9	13.5	25.4	5.7	-	86.1

* Revenues excluding metal

Note 4: Non-recurring results and IAS 39 impact included in the results

Impact of IAS 39 & non-recurring elements (in million €)	**Continuing total**	**of which: Recurring**	**Non-recurring**	**IAS 39 effect**
H1 2013				
Profit from operations	139.0	156.9	(12.6)	(5.4)
of which income from other financial investments	(3.2)	(0.4)	(2.8)	-
Result of companies accounted for using the equity method	(5.0)	6.1	(10.3)	(0.8)
EBIT	134.0	162.9	(22.8)	(6.1)
Finance cost	(11.8)	(11.4)	-	(0.4)
Tax	(30.0)	(33.8)	2.3	1.6
Net result	92.2	117.7	(20.6)	(4.9)
of which minority share	3.1	3.1	0.1	(0.1)
of which Group share	89.1	114.6	(20.6)	(4.9)
H2 2013				
Profit from operations	121.6	135.2	(18.1)	4.4
of which income from other financial investments	1.1	1.0	0.2	-
Result of companies accounted for using the equity method	4.5	5.8	(2.6)	1.3
EBIT	126.0	141.0	(20.6)	5.6
Finance cost	(11.1)	(11.4)	-	0.3
Tax	(22.4)	(23.6)	2.5	(1.3)
Net result	92.6	106.0	(18.2)	4.7
of which minority share	2.7	2.6	0.1	-
of which Group share	89.9	103.4	(18.2)	4.7
H1 2014				
Profit from operations	117.7	125.1	(4.0)	(3.4)
of which income from other financial investments	0.4	0.4	-	-
Result of companies accounted for using the equity method	7.6	13.3	(5.4)	(0.2)
EBIT	125.3	138.3	(9.4)	(3.6)
Finance cost	(16.7)	(14.8)	-	(2.0)
Tax	(22.8)	(24.5)	(0.2)	1.9
Net result	85.7	99.0	(9.6)	(3.7)
of which minority share	4.3	4.2	(0.1)	0.1
of which Group share	81.5	94.8	(9.7)	(3.6)

Non-recurring items had a negative impact of € 9 million on EBIT. Restructuring charges accounted for € 11 million, the majority of which were linked to the closure of Element Six Abrasives' production facility in Robertsfors, Sweden, as well as adjustments to the production configuration and cost reduction measures in Energy Materials. Umicore also booked environmental provisions of € 3 million. Revaluation of permanently tied-up metal inventories had a positive impact of € 6 million due to the higher prices for some metals. The impact of non-recurring charges on the net result (Group share) amounted to € 10 million.

IAS 39 accounting rules had a negative effect of € 4 million on EBIT and net result (Group share). The impact concerns timing differences imposed by IFRS that relate primarily to transactional and structural metal and currency hedges. All IAS 39 impacts are non-cash in nature.

Note 5: Share based payments

A charge of € 3.6 million was recognised in the income statement in respect of stock options and shares granted to senior executives of the company in 2014.

Note 6: Financial instruments

The € -8.2 million of changes in cash flow hedge reserves consist of € -8.8 million on forward commodity contracts, € 3.4 million currency contracts and € -2.8 million interest contracts.

Note 7: Shares

The total number of issued shares at the end of June is 120,000,000.

Of the 10,228,661 treasury shares held at the end of 2013, 29,234 shares were used for the employee free share program, 297,125 shares were used to honor the exercising of stock options during the period and 1,540,000 have been bought back. On 30 June 2014, Umicore owned 11,442,302 of its treasury shares, representing 9.54% of the total number of shares issued at that date.

Note 8: IFRS developments

New and amended standards and interpretations need to be adopted in the first interim financial statements issued after their effective date (or date of early adoption). There are no new IFRSs or IFRICs that are effective for the first time for this interim period that had a material impact on the Group, except if disclosed above in Note 2.

Note 9: Contingencies, accounting estimates and adjusting events

Since the publication of the last annual report, there were two changes in the contingencies.

The contingent pension liability case in Element Six Abrasives Ireland is fully resolved. The February 2014 verdict in favour of the Trustees can no longer be appealed, all litigation costs have been settled and the wind-up of the plan is at an advanced stage and nearing completion.

In the course of the first half of 2014, the French Competition Authority issued a statement of objections relating to the business practices of the company's Building Products business unit with respect to its distributors. Umicore strongly disputes the allegations contained in the statement of objections. With reference to existing case law of the European Commission and the Bundeskartellamt, Umicore disputes among others the narrow market definition of the French Authority and hence the assertion that Umicore would have a dominant position in the relevant market.

Moreover, there were no changes in accounting estimates and no adjusting or non-adjusting events arose between the balance sheet date and the date at which the interim condensed financial statements have been authorized for issue.

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.

Glossary

For a glossary of used financial and technical terms please refer to:
http://www.umicore.com/investorrelations/en/financials/glossary.htm

For more information

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Financial calendar

1 September 2014	Ex interim dividend trading date
3 September 2014	Interim dividend record date
4 September 2014	Interim dividend payment date
23 October 2013	2014 third quarter trading update
6 February 2015	2014 full year results publication
28 April 2015	2015 first quarter trading update
28 April 2015	Annual General Meeting
30 July 2015	2015 half year results 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 14,200 people.

A conference call and audio webcast will take place today at 14:00 CET in Brussels.
Please visit: http://www.umicore.com/investorrelations/en/financialCalendar/confCall20140731.htm