

TRADING UPDATE Q3 2014

Highlights

Revenues were up slightly (+1%) compared to the same period in 2013.

Revenue growth in Catalysis was driven by the sales of catalysts for heavy duty diesel applications. Energy Materials' growth was primarily due to higher revenues in the Cobalt & Specialty Materials activities. Revenues in Performance Materials were down mainly due to lower activity in the European construction sector. Recycling revenues were up as a result of higher processed volumes. The investments made in the Hoboken recycling plant during the summer were completed successfully and the throughput at the plant has been increased.

Operational cashflows remained strong. Net debt was higher at the end of the quarter, due in large measure to interim dividend payments.

Outlook

Umicore continues to expect full year recurring EBIT to be in the upper half of the range of € 250 million to € 280 million as stated at the end of July.

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

Umicore Group Communications

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

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

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

CATALYSIS

Overview

Revenues for Catalysis increased by 2% with growth in Automotive Catalysts in contrast to lower revenues in the smaller Precious Metals Chemistry business unit.

Automotive Catalysts

Revenues for the business unit were slightly up year on year. Higher revenues for heavy duty diesel (HDD) catalysts, were partly offset by an unfavourable mix in light duty vehicles. In this segment global production rose by 3%, driven by strong growth in China and North America. Umicore's volumes of catalysts for passenger cars were in line with the market. Revenues, however, were down due to an unsupportive regional and engine mix.

In Europe, Umicore's volumes for passenger cars were relatively stable in a slightly declining European market, although this was not reflected in revenues. This was due to an unfavourable product mix with a lower share of diesel sales and the delayed introduction of some Euro 6 platforms. Construction of the catalyst facility in Nowa Ruda, Poland, has started and completion is foreseen in early 2016.

Umicore's volumes and revenues in North America were lower year on year, while the car market showed further recovery of 8 % year on year. The platform mix was unfavourable, as small and medium sized vehicles, in which Umicore is less well represented, were gaining market share. Umicore is also less exposed to Asian car manufacturers in North America who continue to win market share. In South America the automotive market is still performing poorly and Umicore felt the impact of lower demand.

Umicore outperformed the growing Chinese car market in terms of volumes and revenues due to good exposure to international customers who are driving the light duty gasoline market in China. In South-Korea Umicore also outperformed the market in volumes and revenues due to a favourable platform exposure. The construction of Ordeg's new technology development centre in South-Korea is progressing well. Further progress was made in Japan and with Japanese OEMs globally. The construction of the new plant in India for light duty catalysts is on track, with commissioning planned for the end of the year.

Production of HDD-catalysts in Europe is ramping up in line with the implementation of the new Euro VI legislation, resulting in higher revenues. Construction of a third HDD line in Florange, France, is progressing well. In China, HDD-catalyst production in Suzhou is increasing gradually with China IV being rolled out and set to become enforceable on a country-wide scale as from the beginning of next year.

Precious Metals Chemistry

Revenues for the business unit were lower than in the same period last year. Sales volumes of precursors used in catalytic applications were lower as a result of continued weakness in the Brazilian automotive market. Overall demand for organic compounds used in the bulk chemical and life science sectors was stable. Sales of API's (Active Pharmaceutical Ingredients) continued to grow and an expansion of production capacity in Argentina has recently been completed.

The new investments in Tulsa, US, and Hanau, Germany, are now fully operational.

ENERGY MATERIALS

Overview

Revenues for the business group were up 5%, mainly driven by higher revenues in Cobalt & Specialty Materials.

Cobalt & Specialty Materials

Revenues were up substantially, driven by higher volumes in ceramics & chemicals, the acquisition of Palm Commodities and an increased contribution from cobalt and nickel refining.

Revenues in the ceramics & chemicals business rose, due to increased sales of nickel compounds used as precursors for cathode materials. Premiums were also higher, boosted by a better mix and higher nickel prices. Sales of metal carboxylates were up for most applications and particularly for the production of tyres. The distribution activities in Europe and the newly-acquired distribution business in the US further added to the positive revenue evolution. Revenues of cobalt compounds were impacted by the erosion of premiums due to competition in the Asian market.

Revenues in the cobalt and nickel refining operations benefitted from higher refining charges as a result of a better mix.

In August the business unit acquired CP Chemicals in Wickliffe, Ohio, a refiner and recycler of cobalt and nickel containing secondary materials and rhenium from superalloy turbine blades used in the aviation industry. As part of its expansion strategy in North America, the business unit has also entered into a long-term agreement to recycle cobalt-containing hard metals scrap from Global Tungsten and Powders Corp. (GTP) and to supply GTP with cobalt fine powders. The business unit also acquired Spanish-based Faci-Metalest's product and customer portfolio for metal carboxylates that are used as driers for ink and coating applications.

Electro-Optic Materials

Revenues were higher due to increased demand, better premiums and a more favourable product mix in substrates and finished optics. Profitability further benefited from operational efficiency improvements.

Revenues for germanium substrates used in photovoltaic applications were higher year on year. This was driven by the move to larger and more efficient germanium wafers, in which Umicore is a leader, and by a certain level of stock build-up by end users. Sales of blank optics were lower in a declining and highly challenging market. Within this segment Umicore successfully defended its margins. Revenues and volumes of finished optics were up, driven by an increasing demand for infrared products for commercial use. Umicore was successful in further securing contracts for sales of GASIR® in the new market for infrared cameras on mobile phones. Sales volumes of high purity chemicals for use in the fibre optics industry were stable, while pricing pressure continued.

Rechargeable Battery Materials

Revenues and sales volumes were slightly lower year on year due to changing seasonal demand patterns in portable electronics. Year to date volumes and revenues remain well ahead of 2013.

The demand patterns for portable electronic applications did not show the typical seasonal uplift in contrast to last year. Volumes are currently more evenly spread through the year. The shift towards polymer-type Li-ion batteries used in high-end portable devices like smart phones, tablets and ultrabooks continued. Umicore is well positioned in this market segment with its proprietary high-energy LCO (lithium cobaltite) cathode materials technology. NMC (nickel manganese cobalt) cathode materials for small Li-ion batteries were mainly shipped for power tool applications where demand increased for cordless household and gardening tools.

The underlying long-term trend for vehicle electrification remains promising. Global demand for electrified vehicles is gradually increasing with recently introduced plug-in hybrid and full EV models being well received by the market. Strong demand in China for electrified cars and e-buses in particular is supporting global growth. Thanks to its broad product portfolio and supply capabilities for sizeable NMC-type platforms, Umicore is building a strong presence in current and future electrified vehicle platforms.

Thin Film Products

Revenues were up year on year, driven by increased sales volumes for large area coating applications. Demand for indium tin oxide (ITO) rotary targets used

in the display sector remained very strong, particularly for the new customer installations in China. Pricing pressure from Asian competitors continued to affect margins. Revenues for the optics and electronics activities increased somewhat, reflecting a slightly higher demand from the microelectronics industry.

PERFORMANCE MATERIALS

Overview

Revenues for Performance Materials were 4% lower year on year. Improvements in Electroplating and Zinc Chemicals were more than offset by a lower demand in the other businesses.

Building Products

Revenues were lower compared to the previous year. This was primarily due to slower activity in the European construction sector following the very busy start to the year enabled by the mild winter. Sales outside Europe were equally subdued, particularly in Asia. Product premiums were negatively impacted by the zinc price increase at the start of the summer.

In terms of product mix the picture remained less favourable as year-to-date sales of natural rolled zinc have grown faster than those of the higher added value pre-weathered products.

Overall margins continued to benefit from the cost reduction and productivity initiatives.

Electroplating

Revenues were slightly up year on year with higher sales volumes for most products.

Demand for precious metals electrolytes used in the production of printed circuit boards rose mainly due to increased demand from the automotive industry to meet the growing need for in-vehicle electronics.

The pick-up in demand observed in the previous quarter for silver plating solutions for high performance LEDs continued and was boosted by new customer wins in Asia. Demand for platinized products, such as anodes used in the plating industry, was well up year on year reflecting market share gains.

Sales for decorative applications were driven by rising demand for gold-copper alloys for the production of pink gold for luxury and fashion jewellery. Strong demand was also recorded for Umicore's coatings that protect silver jewellery against tarnishing and for gold electroforming products used in luxury jewellery.

Platinum Engineered Materials

Revenues and sales volumes were lower year on year.

Activity in the glass industry remained subdued, particularly in the display segment. Production capacity exceeds demand for display glass and this has led to far lower replacement levels for platinum based equipment used in glass production. Demand for optical glass products equally remained subdued. Sales volumes of technical glass applications were stable with Umicore extending its customer base.

The situation in Ukraine remains very challenging. Ukraine is one of the main markets for Umicore's platinum gauzes which are used in the production of ammonia for fertilizers. While some customer operations have restarted, the overall level of production remains very low. Umicore has been increasing its customer prospection efforts in other regions to further diversify its market exposure.

Technical Materials

Revenues decreased year on year due to lower sales volumes.

Revenues for contact and power technology materials used in medium voltage applications were down. This was mainly the result of reduced activity in electrical infrastructure projects in China. Order levels for contact materials for low voltage applications were similar to last year, with weaker demand in Brazil more than compensated by increased demand in North America. The market for brazing alloys remained subdued in most regions.

Zinc Chemicals

Revenues were higher year on year. While the business benefits from recent cost reduction measures, part of the profit improvement has been offset by reduced recycling margins caused by a further tightening of availability of zinc-containing residues from the galvanizing industry.

Sales volumes of fine zinc powders continued to grow partly due to higher sales for chemical applications and also good demand from customers in Asia. Overall premiums were somewhat lower. The additional zinc

powder capacity in Malaysia is now operating at full capacity.

Sales volumes for zinc materials used in primary batteries were well up particularly as a result of better sales into the European and North American markets.

While zinc oxide sales volumes were lower, the impact on revenues was compensated by higher overall premiums.

Element Six Abrasives

Revenues and sales volumes were up year on year. Overall volumes benefited from Element Six Abrasives' investments in innovation and the refocusing of its product portfolio on customized high-end solutions. Demand for products for Oil & Gas-drilling and Precision Machining, mainly used in the automotive and aerospace industries, reflected market share gains in fairly stable markets. Sales of carbide wear parts and road products picked up in the quarter after a difficult first half of the year. Margins continued to develop positively primarily due to further operational efficiency improvements and an improved product mix.

RECYCLING

Overview

Revenues for the business group were up 2% due to higher processed volumes in Precious Metals Recycling and increased demand in Jewellery & Industrial Metals. This more than offset a lower contribution from Precious Metals Management and the impact of lower prices for most metals.

Precious Metals Refining

Revenues were somewhat up year on year driven by higher processed volumes, despite the extended maintenance shutdown that took place at the beginning of the quarter as well as lower metal prices. While platinum, gold and silver prices recovered to a certain extent in the beginning of the quarter, they declined sharply towards the end of the period.

The intake of material increased compared to the same period last year with higher arrivals across the different segments. The supply mix was less favourable, however, reflecting the trends of the first half of this year for both industrial by-products and end-of-life materials: the supply of pgm-rich material and more complex e-scrap was less abundant and the commercial conditions for spent automotive catalysts remained challenging. Umicore further strengthened its position in the market of spent petrochemical catalysts.

During the extended shutdown for periodic maintenance of the main production lines and smelter facilities in Hoboken, the first phase of investments to expand capacity was successfully completed and operations restarted smoothly. The investments have delivered the anticipated higher throughput rate. This allowed for higher processed volumes compared to the third quarter of the previous year, when a shorter maintenance shutdown occurred. Year to date processed volumes were slightly above last year's level, offsetting the volume impact of the preparatory engineering and testing work of the first half of this year.

The next major investments will take place during maintenance shutdowns next year. Although it is expected that these investments will require on aggregate more production downtime in 2015 than in

2014, this should be compensated by a higher throughput. Smaller investments will also be carried out in different parts of the plant outside of these shutdowns.

Jewellery & Industrial Metals

Revenues for the business unit were up year on year despite lower precious metal prices.

Order levels from the jewellery industry were up in a flat market, with demand for silver and gold products offsetting a more subdued demand for pgm-based products used in the luxury segment. Sales for silver-based industrial applications were lower compared to the same quarter last year. Demand for silver coin blanks was up while investor demand for gold and silver bars remained subdued in a competitive and sluggish market.

Overall refining volumes were stable. Although the available volumes of gold scrap were much lower than in the third quarter last year, the volumes appear to be stabilizing at current levels. The availability of silver and pgm-containing residues was stable while volumes of specialty refining material were higher.

The expansion of the operations in Pforzheim, Germany, has been commissioned and production is ramping up.

Precious Metals Management

Revenues for the business unit were below the level of last year. Prices for most metals were down and an additional severe price decline was seen in September for gold, silver and platinum. The contribution of the trading activity was reduced due to unfavourable trading conditions and lower metal prices.

The low levels of demand for physical metal deliveries persisted in the quarter. Industrial demand was down due to slightly lower demand from the automotive industry after a relatively strong first half of the year. Investor demand for silver bars remained low while demand for gold bars picked up slightly. However, this was largely confined to smaller gold bars, so overall volumes were still limited.

Forward looking statements

This document contains forward-looking information that involves risks and uncertainties, including statements about Umicore's plans, objectives, expectations and intentions. Readers are cautioned that forward-looking statements include known and unknown risks and are subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the control of Umicore. Should one or more of these risks, uncertainties or contingencies materialize, or should any underlying assumptions prove incorrect, actual results could vary materially from those anticipated, expected, estimated or projected. As a result, neither Umicore nor any other person assumes any responsibility for the accuracy of these forward-looking statements.

For more information

Investor Relations

Evelien Goovaerts +32 2 227 78 38 evelien.goovaerts@umicore.com

Media Relations

Elcke Verduyts +32 2 227 71 29 elcke.verduyts@umicore.com

Financial calendar

6 February 2015	Full Year Results 2014 publication
28 April 2015	Ordinary General Meeting of Shareholders
28 April 2015	Q1 Update 2015 publication
30 July 2015	Half Year Results 2015 publication
22 October 2015	Q3 Update 2015 publication

Umicore profile

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

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

The Umicore Group has industrial operations on all continents and serves a global customer base; it generated a turnover of € 9.8 billion (€ 2.4 billion excluding metal) in 2013 and currently employs some 14,000 people.

A conference call and audio webcast will take place today at **14:00 CET** in Brussels.

Please visit: <http://www.umicore.com/investorrelations/en/financialCalendar/confCall20141023.htm>