

FULL YEAR RESULTS 2021

UMICORE ANNOUNCES ALL-TIME RECORD RESULTS AND CASH FLOWS

Substantial growth in revenues and earnings driven by strong underlying operational performance in all business groups, further supported by an exceptional precious metal price environment

Umicore posted all-time record revenues and earnings in 2021, despite the severe disruption in global car production in the second half of the year as a result of the semiconductor shortage. This outstanding achievement reflects a substantial outperformance of the automotive market and high operational efficiency in Catalysis, a sharp demand recovery in key end-markets and higher sales volumes of EV cathode materials in Energy & Surface Technologies as well as a robust operational performance and optimized input mix in Recycling. The exceptional precious metal price environment provided an additional tailwind to this strong underlying growth and operational performance, contributing approximately € 270 million to adjusted EBIT compared to 2020.

Revenues for the full year grew by 22% to € 4.0 billion and adjusted EBIT increased 81% to € 971 million. Excluding the approximate € 270 million precious metal price impact, adjusted EBIT increased 30% to reach approximately € 700 million. Adjusted net profit of the Group and adjusted EPS more than doubled to € 667 million and € 2.77 per share respectively. Cash conversion came in at record levels with adjusted EBITDA growing 56 % to € 1,251 million, net working capital decreasing by € 167 million and capital expenditures stabilizing at € 389 million. Net financial debt was reduced by € 454 million to € 960 million or 0.77 times LTM adjusted EBITDA. Umicore recently signed its inaugural sustainability-linked loan.

A gross annual dividend of € 0.80 per share, of which € 0.25 was already paid out in August 2021, will be proposed at the Annual General Meeting in April.



Revenues in **Catalysis** reached record levels with strong growth across business units. Automotive Catalysts outperformed the global car market. This was enabled by market share gains and a favorable platform mix in the European and Chinese light-duty gasoline markets, particularly strong demand for Umicore's China V heavy-duty diesel catalysts in the first half. Sales volumes of fuel cell catalysts were also well up. This strong operational performance was further supported by efficiency improvements and high PGM prices and resulted in a record adjusted EBIT of € 326 million.



Revenues and earnings in **Energy & Surface Technologies** increased, reflecting higher sales volumes of EV cathode materials in Rechargeable Battery Materials and an extraordinarily strong contribution of the Cobalt & Specialty Materials and – to a lesser extent - Metal Deposition Solutions business units. Adjusted EBIT increased to € 139 million, despite higher fixed costs related to recent and ongoing expansions and higher R&D spending in battery materials.



Recycling posted record revenues and earnings, significantly above the previous record levels of 2020, driven by a robust operational performance in the various business units, a strong contribution from the trading activities and an exceptional precious metals price environment.



Outlook

Umicore expects again a strong underlying performance in 2022 across all of its business groups, despite the cost inflation and provided that geopolitical developments, the pandemic or supply-chain constraints will not result in additional material disruptions to the economy or Umicore's operations. Assuming current metal prices prevail for the remainder of the year, earnings (including the effect of strategic hedging) would still include a significant precious metal price uplift versus 2020, albeit below the € 270 million uplift of 2021.

Catalysis is expected to continue to benefit from its strong market position in gasoline catalyst applications in Europe and China as well as from the further ramp-up of its fuel cell activity, despite the limited visibility on automotive demand due to the ongoing semiconductor shortage. Adjusted EBIT is expected to be somewhat below the record levels of 2021 through the absence of tailwinds that benefited the business in the first half of last year, such as the China V effect and peak PGM prices.

In **Energy & Surface Technologies**, Umicore expects to grow sales and earnings in Rechargeable Battery Materials versus 2021. Assuming that the business units Cobalt & Specialty Materials and Metals Deposition Solutions will not repeat the extraordinary performance of 2021, adjusted EBIT of Energy & Surface Technologies is expected to show a slight uplift in 2022 versus 2021.

The **Recycling** business group is expected to continue to benefit from a supportive supply mix as well as robust volumes in Precious Metals Refining. Current precious metal prices are situated well below the peak levels of 2021. However, assuming current precious metal prices were to prevail throughout the year, it is expected that the business group will deliver another strong performance in 2022, albeit not at the record level achieved in 2021.

KEY FIGURES

Revenues of € 4.0 billion (+22%)

Adjusted EBITDA of € 1,251 million (+56%)

Adjusted EBIT of € 971 million (+81%)

EBIT adjustments of - € 75 million

ROCE of 22.2%
(compared to 12.1% in 2020)

Adjusted net profit (Group share) of € 667 million
and adjusted EPS of € 2.77 (+107%)

Cashflow from operations of € 1,405 million
(vs € 603 million in 2020); **free cashflow from operations**
of € 989 million (vs € 167 million in 2020)

Capital expenditures amounted to € 389 million
(vs € 403 million in 2020)

Net debt at € 960 million, down from € 1,414 million at the
end of 2020. This corresponds to a **Net debt/ LTM adj.**
EBITDA ratio of 0.77.

Proposed gross **annual dividend** of € 0.80, of which € 0.25
was already paid out in August 2021.

Note: All references to revenues in this document refer to revenues excluding metals (i.e. all revenue elements less the value of purchased metals)



Reflections of Mathias Miedreich, now 4 months at the helm of Umicore

“Umicore has a strong embedded purpose and a track record of continuous transformation. The Umicore teams around the world with their very diverse and strong talent base and high expertise levels, are committed to contribute to a more sustainable tomorrow. In our strategic choices we are addressing fundamental global trends such as the transition to cleaner mobility and a circular economy.

The complementarity of our activities has proven to be a true competitive edge. In Energy & Surface Technologies and Catalysis we serve the automotive market by enabling electrification on a mass scale and by offering cutting-edge technologies for clean combustion engines. Through our Recycling activities, we close our and our customers’ materials loop and offer a unique sustainable and circular approach that will be ever more important in a world of raw materials scarcity.

We have already made significant progress in preparing Umicore for its next chapter of growth and are further strengthening our competitive leadership positions in the different value chains. At the same time, we are developing the strategic directions for Umicore towards 2030. I am looking forward to sharing our ambitions at the upcoming Umicore Capital Markets Day which will take place on 22 June.”

Shaping of Umicore’s future strategy and Capital Markets Day to be held on 22 June

Umicore is setting out its strategic roadmap to further build on its leadership positions in clean mobility materials and recycling and its pioneering approach to sustainability, with the overarching goal of creating superior value for its stakeholders and contributing to a more sustainable future for all.

At its Capital Markets Day Umicore’s Management Board will set out:

- Umicore’s views on the growth prospects in its key markets and in particular the expected drive train transitions in the automotive and transport industry;
- Umicore’s ambition and capabilities to fully capture the anticipated exponential growth in demand for Rechargeable Battery Materials to power EVs while delivering sustainable returns;
- The value creation potential over the next decade of Umicore’s Automotive Catalysts activities in a context of declining internal combustions engines volumes;
- The resilience and strong underlying performance of the Umicore businesses, including Precious Metals Refining, in less favorable metal price conditions;
- Umicore’s ambition and plan to capture growth from the next-wave of sustainability-driven markets, such as fuel-cell catalysts and battery recycling;
- Umicore’s initiatives to secure its position as an industry leader in sustainability, technology and operational excellence;
- Update on our ambitious Let’s go for Zero roadmap.

Investors relations

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

Webcast for investors, analysts and media

<https://www.umicore.com/en/investors/info/full-year-results-2021-webcast/>

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