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materials for a better life

Update on COVID-19 impact on Umicore

30 April 2020

Umicore's response to COVID-19



Keeping our people healthy and ensuring safe working conditions

- Strict hygiene and precautionary measures
- Dedicated global task force
- Limited number of infected employees

Preserving cash

- Reduce costs: production capacity adjusted and 10% of workforce furloughed
- Optimize working capital
- Delay investments (2020 capex expected between € 400 - € 450 million)
- Proposed reduced dividend of € 0.375 per share for the full year 2019

Strong funding structure and increased liquidity

- Strong balance sheet with ample liquidity (€ 1.2 bn immediate cash available)
- Well-balanced debt profile with no material maturities prior to 2023

Strong Q1 performance

Well ahead of the previous year



Recycling: strong Q1 contribution from all business units

- Supportive supply conditions and metal prices in **Precious Metals Refining**
- Favorable trading conditions for precious and certain PGM metals in **Precious Metals Management**
- Strong demand for gold investment products and gold recycling services in **Jewelry & Industrial Metals**



Catalysis and Energy & Surface Technologies: good start of the year with first impact of COVID-19

- Outperforming the car market in Q1
- Impact of COVID-19 on Automotive Catalysts and Rechargeable Battery Materials:
 - In February in China
 - As from mid-March in other key regions such as Europe and the US

Impact of COVID-19 on automotive industry

Global

Car production -25% YoY in Q1

China

Car production slowly picking up, yet still significantly below 2019 levels in March (-45%)

More pronounced decline in NEV production (-57% in March)

Demand remaining fragile and inventory levels high

Europe and North-America

Car OEMs assembly lines shut down since mid-March

Significant decline in car production in Europe (-45%) and the US (-30%) in March

Assembly lines in Europe gradually restarting production; expected gradual restart in North-America around mid-May

Purchasing power end-consumers impacted by COVID-19 and demand anticipated to remain fragile in 2020



Umicore currently assumes that global car production for the full year will be down by approximately 25% from the levels of 2019

Update on COVID-19 impact on operations



CATALYSIS

Production at **Automotive Catalysts**:

- Impacted in China during Lunar NY holidays and following weeks; slight pick-up since then
- Temporary production stops in regions outside China, Korea and Japan
- Full impact of COVID-19 on performance expected as of Q2

Demand in **Precious Metals Chemistry** significantly impacted by COVID-19



ENERGY & SURFACE TECHNOLOGIES

Production at **Rechargeable Battery Materials**:

- Impacted in China during Lunar NY holidays and following weeks; slight pick-up since then
- Full impact of COVID-19 on performance expected as of Q2

Demand in other business units, in particular **Cobalt & Specialty Materials** also significantly impacted by COVID-19



RECYCLING

All sites remain in operation and comply with strict sanitary standards

Favorable trading conditions for **Precious Metals Management**

Strong demand for gold investment products and recycling at **Jewelry & Industrial Metals**

2020 outlook

REBIT in Catalysis and Energy & Surface Technologies expected well below levels of 2019

Assuming that global car production will be down by approximately 25% from the levels of 2019.

Based on strong Q1 and expectation of continued favorable supply conditions, **Recycling REBIT** expected well above levels of 2019

Assuming metal prices remain at their current level.

Duration of COVID-19 impact highly uncertain and visibility on market demand extremely low, making it impossible today to give any reliable quantified outlook for 2020

2020 recurring EBIT expected to be well below the level of 2019



Q&A

Forward-looking statements

This presentation contains forward-looking information that involves risks and uncertainties, including statements about Umicore's plans, objectives, expectations and intentions.

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