



News release

For release at 7.00 am on Thursday 30th January 2014

Johnson Matthey Plc – Q3 Interim Management Statement

Continuing strong performance in the quarter

Johnson Matthey today provides its third quarter Interim Management Statement covering the period from 1st October 2013 to 29th January 2014. Unless otherwise stated, figures quoted in this statement are for the quarter ended 31st December 2013.

Current Trading

Trading across the group during the third quarter was good, driven primarily by another strong performance from Emission Control Technologies. Overall, sales excluding precious metals (sales) were 12% ahead at £708 million (2012/13 £635 million) and underlying profit before tax in the quarter increased by 16% to £96.0 million (2012/13 £82.7 million).

The group's financial position also remains strong. In the quarter, net debt decreased by £32 million to £760 million.

Emission Control Technologies (ECT)

ECT continued its strong performance with sales up 15% to £397 million (2012/13 £346 million). Operating profit also grew substantially. Sales of light duty vehicle catalysts grew slightly ahead of the rate of the growth in the first half of this year and were 11% up at £252 million, outperforming the growth in global vehicle sales of just over 3%. The business benefited from good growth in Asia and the ongoing mix benefits seen in the first half in Europe. Our heavy duty diesel catalyst sales were 26% higher at £136 million, supported by continued strong growth in Europe which benefited from the ramp up of demand for products to meet the new Euro VI legislation that came into force on 1st January 2014. The business also saw good growth in China, albeit from a very low base.

Process Technologies

Process Technologies' sales increased by 11% to £133 million (2012/13 £120 million) and operating profit was also well ahead. Our Chemicals businesses performed ahead of our previous expectations as demand for methanol and ammonia catalysts remained strong. The Oil and Gas businesses also performed well with steady demand for our refinery products. Johnson Matthey Davy Technologies continued to work on providing engineering designs on previously secured projects and whilst no licence contracts were awarded in the quarter, four new licences have subsequently been signed. The potential for further new licences during the remainder of 2013/14 and beyond, particularly in China, remains positive.

Precious Metal Products

Precious Metal Products' sales decreased slightly to £95 million (2012/13 £97 million) and consequently operating profit was lower. Sales and returns in our Refining businesses were down as a result of weak precious metal prices and while intake volumes at our pgm refineries were steady, those at our gold and silver refineries remained poor. As previously announced, our long standing Anglo Platinum contracts expired on 31st December 2013, which will reduce sales by around £10 million per quarter. The division's Manufacturing businesses were impacted slightly by relatively subdued trading in Europe.

Fine Chemicals

Fine Chemicals' sales increased by 7% to £76 million (2012/13 £71 million) and operating profit was well ahead of last year's third quarter performance which was impacted by issues in our UK Active Pharmaceutical Ingredient (API) Manufacturing business. Performance in the UK business has stabilised and our US API business continues to benefit from good demand across its portfolio of products.

New Businesses

New Businesses performed in line with expectations, with sales of £21 million (2012/13 £15 million) and a reduced operating loss.

Outlook

The outlook for ECT in the second half has improved, although the impact of the pre-buy on truck sales in Europe is not yet fully clear. However, this will be partly offset by the effect of reduced returns from Precious Metal Products' Refining businesses as a result of lower precious metal prices.

The outlook for the group for the remainder of this year has improved slightly from the guidance we gave in our half-yearly report. Excluding the loss of the Anglo Platinum contracts, we now expect that the group's performance in the second half will be slightly ahead of that of the first six months of the year.

Notes:

1 Call for Analysts and Investors

Robert MacLeod, Group Finance Director, will host a conference call at 8.00 am today, Thursday 30th January 2014, to discuss this Interim Management Statement. The dial-in number for UK callers is 0800 783 0906; for overseas callers the number is +44 1296 480 100; and the passcode is 673179#. Please dial in approximately 15 minutes prior to the start of the conference call to allow time for registration.

2 Investor Event

Johnson Matthey is holding an investor event in London today at which it will present an overview of the activities of its Process Technologies Division. No material new information will be disclosed in the presentations which will be webcast live. The slides from the presentations will be available on the company website (www.matthey.com) from 2.00 pm and the on demand webcast will be available during the morning of Friday 31st January.

Enquiries:

Sally Jones	Director, IR and Corporate Communications	020 7269 8407
Howard Lee	HeadLand	020 7367 5225

www.matthey.com