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If you have sold or otherwise transferred all your shares in Johnson Matthey Public Limited Company, you should pass this document and the accompanying documents to the purchaser or transferee or to the person through whom the sale or transfer was effected, for onward transmission to the purchaser or transferee.



Johnson Matthey

40-42 Hatton Garden, London EC1N 8EE
Telephone 020 7269 8400 Fax 020 7269 8433

15th June 2010

Dear Shareholder

2010 Annual General Meeting

The 2010 Annual General Meeting of Johnson Matthey Public Limited Company (the "Company") is to be held at The Institution of Engineering and Technology (The Lecture Theatre), 2 Savoy Place, London WC2R 0BL on Wednesday 21st July 2010 at 11.00 am. The formal notice convening the meeting is set out on pages 6 to 11 of this circular.

This circular provides you with an explanation of the resolutions to be proposed at the Annual General Meeting and of the action you should take.

Resolution 1 – Report and accounts

Resolution 1 is an ordinary resolution under which the Company's annual accounts for the financial year ended 31st March 2010 together with the directors' report and the auditors' report are received. Shareholders will have either received a copy of the 2010 Annual Report with this circular or obtained a copy from the Company's website. Further copies will be available at the Annual General Meeting. An electronic copy may be viewed on the Company's website at www.matthey.com.

Resolution 2 – Directors' remuneration report

Resolution 2 is an ordinary resolution to receive and approve the directors' remuneration report for the year ended 31st March 2010. Quoted companies are required to put their directors' remuneration report to a shareholder vote at their annual general meeting. The directors' remuneration report, which summarises the Company's policy on directors' remuneration, is shown on pages 48 to 56 of the 2010 Annual Report.

Resolution 3 – Dividend declaration

Resolution 3 is an ordinary resolution by which shareholders are asked to declare a dividend. The directors recommend a final dividend of 27.9 pence per ordinary share in respect of the year ended 31st March 2010, and if approved, this dividend will be payable to shareholders on the register at the close of business on 11th June 2010.

Resolutions 4 to 8 – Election and re-election of directors

Resolution 4 is an ordinary resolution which deals with the election of Mr WF Sandford who was appointed to the board as an executive director on 21st July 2009 and who, in accordance with the Company's Articles of Association, is retiring and offering himself for election.

Resolutions 5 to 8 are ordinary resolutions which deal with the re-election of Mr MJ Roney, Mrs DC Thompson, Mr AM Thomson and Mr RJW Walvis who, retiring by rotation, offer themselves for re-election.

Biographical details of all the directors are set out on pages 38 and 39 of the 2010 Annual Report. Biographical details of the directors standing for election and re-election are as follows:

Mr WF Sandford (Age 56) Executive Director

Mr WF Sandford is Executive Director, Precious Metal Products. He joined Johnson Matthey in 1977 and was appointed Division Director, Precious Metal Products in 2001 after holding a series of senior management positions within the division. He was appointed to his current position in July 2009.

Mr MJ Roney (Age 55) Non-executive Director

Mr MJ Roney was appointed a non-executive director on 1st June 2007. He is currently Chief Executive of Bunzl plc. He joined Bunzl plc as a non-executive director in 2003. Prior to becoming Chief Executive of Bunzl he was Chief Executive Officer of Goodyear Dunlop Tires Europe BV and had an extensive career with the Goodyear Tire and Rubber Co holding a number of senior management positions with responsibilities in Latin America, Asia, Eastern Europe, the Middle East and Africa. He is a member of the Management Development and Remuneration, Audit and Nomination Committees.

Mrs DC Thompson (Age 49) Non-executive Director

Mrs DC Thompson was appointed a non-executive director on 1st September 2007. She is currently Chief Executive of Drax Group plc. She joined the board of Drax Group plc as Chief Executive in 2005. Prior to joining Drax she was head of the European business of the global power generation firm, InterGen. First starting her career in banking, she has had senior management roles in the UK, Asia and Africa. She is a member of the Management Development and Remuneration, Audit and Nomination Committees.

Mr AM Thomson (Age 63) Non-executive Director

Mr AM Thomson was appointed a non-executive director in September 2002. He is currently Chairman of Bodycote International Plc and a non-executive director of Alstom S.A. (France). Until his retirement in 2006 he was Finance Director of Smiths Group plc. Mr Thomson is President of the Institute of Chartered Accountants of Scotland. He is Senior Independent Director, Chairman of the Audit Committee and a member of the Management Development and Remuneration and Nomination Committees.

Mr RJW Walvis (Age 63) Non-executive Director

Mr RJW Walvis was appointed a non-executive director in September 2002. He is currently a non-executive director of Associated British Ports Holdings Ltd and Balfour Beatty plc and Chairman of the Supervisory Board of Allianz Nederland Group NV. He was previously a non-executive director of British Energy Group plc and Chairman, Global Corporate Centre, Shell International Limited and prior to that held a series of senior management positions within the Royal Dutch Shell Group. He is Chairman of the Management Development and Remuneration Committee and a member of the Audit and Nomination Committees.

The board considers Mr Roney, Mrs Thompson, Mr Thomson and Mr Walvis to be independent directors and, following formal evaluation (as referred to on page 40 of the 2010 Annual Report), that they continue to contribute effectively and to demonstrate commitment to the role (including commitment of time for board and committee meetings).

Resolutions 9 and 10 – Auditors

Resolutions 9 and 10 are ordinary resolutions to re-appoint KPMG Audit Plc as auditors of the Company until the conclusion of the next general meeting at which accounts are laid before the Company and to provide that their remuneration be determined by the directors.

Resolution 11 – Political donations

Resolution 11 is an ordinary resolution relating to the rules on political donations contained in the Companies Act 2006 (the “2006 Act”). Political donations by the Company to any political parties, other political organisations or independent election candidates or the incurring by the Company of political expenditure are prohibited unless authorised by shareholders in advance. Under the legislation, the terms political donation, political party, political organisation and political expenditure are capable of wide interpretation. Sponsorship, subscriptions, payment of expenses, paid leave for employees fulfilling public duties and support for bodies representing the business community in policy review or reform may fall within these definitions.

During the year the Company did not make any political donations or incur any political expenditure and has no intention either now or in the future of making any political donation or incurring any political expenditure in respect of any political party, political organisation or independent election candidate. However, to avoid inadvertently contravening the 2006 Act, the board is proposing resolution 11 to renew the authority granted by shareholders at the last Annual General Meeting of the Company. The proposed authority is subject to an overall aggregate limit on donations and expenditure of £50,000. As permitted under the 2006 Act, resolution 11 extends to political donations made, or political expenditure incurred, by any subsidiaries of the Company.

Resolution 12 – Authority to allot relevant securities

Resolution 12 is an ordinary resolution to renew the authority of the directors to allot securities. The resolution has been updated to reflect that authority is being given under section 551 of the 2006 Act which has replaced section 80 of the Companies Act 1985 (the “1985 Act”). This change does not affect the substance of this resolution.

In December 2008 the Association of British Insurers (“ABI”) revised its guidance on directors’ powers to allot share capital and disapply shareholders’ pre-emption rights. The guidance addressed a recommendation of The Rights Issue Review Group in its Report to the Chancellor of the Exchequer dated November 2008 that the overall allotment headroom that shareholders should normally be invited to approve be increased from one-third to two-thirds of a company’s issued share capital. The guidance provides that ABI members will regard as routine resolutions seeking authority to allot new shares representing up to two-thirds of a company’s issued share capital. The guidance provides that the extra routine authority (that is the authority to allot shares representing the additional one-third of a company’s issued share capital) can only be used to allot shares pursuant to a fully pre-emptive rights issue.

At the 2009 Annual General Meeting of the Company, the directors were given authority to allot up to two-thirds of the Company’s then issued ordinary share capital (excluding treasury shares). This authority expires at the end of this year’s Annual General Meeting.

The board considers it appropriate that the directors be granted similar authority to allot shares in the capital of the Company up to a maximum nominal amount of £143,117,158, representing two-thirds of the Company’s issued ordinary share capital (excluding treasury shares) as at 1st June 2010 (the latest practicable date prior to publication of this circular). Of this amount, 71,558,579 shares (representing one-third of the Company’s issued ordinary share capital (excluding treasury shares) as at 1st June 2010) can only be allotted pursuant to a fully pre-emptive rights issue. This authority will last until the conclusion of the Annual General Meeting of the Company in 2011.

The directors have no present intention of exercising this authority however it is considered prudent to obtain the flexibility that this authority provides.

Should any decision be made by the board to use the additional authority to allot securities over and above one-third of the issued ordinary share capital pursuant to a fully pre-emptive rights issue, it would be the intention of the directors to follow the guidance issued by the ABI in relation to the exercise of such authority. In accordance with this guidance, if the aggregate actual usage of the authority exceeded one-third as regards nominal amount and, in the case of issuance being in whole or part by way of a fully pre-emptive rights issue, monetary proceeds exceeded one-third (or such lesser relevant proportion) of the Company’s market capitalisation before the rights issue, all directors wishing to remain in office would be expected to seek re-election at the next Annual General Meeting following the decision to make the issue.

As at 1st June 2010, the latest practicable date prior to publication of this circular, the Company held 5,997,877 treasury shares, which represented 2.79% of the Company’s issued ordinary share capital (excluding treasury shares) as at that date.

Resolution 13 – Disapplication of pre-emption rights

Resolution 13 is a special resolution to authorise the directors under sections 570 and 573 of the 2006 Act to allot equity securities for cash (either pursuant to the authority granted under resolution 12 or by way of a sale of treasury shares) without first offering them pro-rata to existing shareholders as otherwise required by section 561 of the 2006 Act. In the light of the ABI guidance described above, the authority sought is limited:

- (a) in connection with an open offer or other offer to existing shareholders in proportion to their existing holdings, to up to 71,558,579 shares (representing one-third of the Company's issued ordinary share capital (excluding treasury shares)) or, in the case of a fully pre-emptive rights issue only, to up to 143,117,158 shares (representing two-thirds of the Company's issued ordinary share capital (excluding treasury shares)); and
- (b) to up to a maximum nominal value of £11,033,680 (representing approximately 5% of the Company's issued ordinary share capital including treasury shares as at 1st June 2010 (the latest practicable date prior to publication of this circular)) otherwise than in connection with an offer to existing shareholders.

As with resolution 12, the terms of resolution 13 are the same as last year's resolution but the resolution has been updated to reflect that it is being passed pursuant to sections 570 and 573 of the 2006 Act rather than section 95 of the 1985 Act.

The directors have no present intention of exercising this authority.

The directors confirm, in accordance with the Pre-Emption Group's Statement of Principles dated July 2008, their intention not to issue more than 7.5% of the Company's issued ordinary share capital for cash other than to existing shareholders in any rolling three-year period, without prior consultation with shareholders.

The renewed authority will expire at the conclusion of the Annual General Meeting of the Company in 2011.

Resolution 14 – Purchase of own shares

Resolution 14 is a special resolution to renew the authority granted to the directors at the Annual General Meeting of the Company in 2009 to make purchases of its own ordinary shares through the market as permitted by the 2006 Act. The renewed authority will expire at the conclusion of the Annual General Meeting of the Company in 2011. The maximum aggregate number of ordinary shares which may be purchased would be 21,467,573, which represents approximately 10% of the Company's issued ordinary share capital (excluding treasury shares) as at 1st June 2010 (the latest practicable date prior to publication of this circular).

The minimum price that could be paid for an ordinary share would be 100p and the maximum price would be an amount equal to 105% of the average of the middle market quotations for an ordinary share of the Company as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the ordinary share was contracted to be purchased, in each case excluding expenses.

The total number of options held over ordinary shares under the Company's executive share option schemes was 2,401,486 as at 1st June 2010 (the latest practicable date prior to publication of this circular), representing 1.12% of the Company's issued ordinary share capital (excluding treasury shares) as at 1st June 2010. This would increase to 1.24% if the authority to buy back shares under this resolution were to be used in full.

It is the Company's present intention that any shares purchased under the authority sought by resolution 14 would be held by the Company as treasury shares. Any such shares held in treasury for the purpose of the Company's employee share schemes would count towards the limits in such schemes.

The directors would only exercise the authority sought by resolution 14 after taking account of the overall financial position of the Company and in circumstances where they believed that to do so would result in an increase in earnings per share and be in the interests of shareholders generally.

Resolution 15 – Notice period for general meetings

Resolution 15 is a special resolution to renew an authority granted at last year's Annual General Meeting to allow the Company to hold general meetings (other than annual general meetings) on not less than 14 clear days' notice.

Before the introduction of the Companies (Shareholders' Rights) Regulations 2009 (the "Shareholders' Rights Regulations") on 3rd August 2009, the minimum notice period permitted by the 2006 Act for general meetings (other than annual general meetings) was 14 days. One of the amendments made to the 2006 Act by the Shareholders' Rights Regulations was to increase the minimum notice period for general meetings of listed companies to 21 days, but with an ability for companies to reduce this period to 14 days (other than for annual general meetings) provided that two conditions are met. The first condition is that the company offers a facility for shareholders to vote by electronic means. This condition is met if the company offers a facility, accessible to all shareholders, to appoint a proxy by means of a website. Please refer to "Action to be taken" below and to notes 3 and 4 to the notice convening the meeting on page 9 of this circular for details of the Company's arrangements for electronic proxy appointment. The second condition is that there is an annual resolution of shareholders approving the reduction of the minimum notice period from 21 days to 14 days.

The board is therefore proposing resolution 15 to approve 14 clear days as the minimum notice period for all general meetings of the Company other than annual general meetings. The approval will be effective until the Annual General Meeting of the Company in 2011, when it is intended that the approval be renewed. The board will consider on a case by case basis whether the use of the flexibility offered by the shorter notice period is merited, taking into account the circumstances, including whether the business of the meeting is time-sensitive.

Resolution 16 – Adoption of new Articles of Association

Resolution 16 is a special resolution to adopt new Articles of Association (the “New Articles”) in order to update the Company’s current Articles of Association (the “Current Articles”). This is primarily to take into account those provisions of the 2006 Act which have come into force since the Current Articles were adopted in 2008, including those provisions of the 2006 Act which have been amended by the Shareholders’ Rights Regulations. The 2006 Act was implemented in stages, coming fully into force by 1st October 2009, and consequently this is expected to be the final set of changes needed to the Company’s Articles of Association in order to reflect its provisions.

The principal changes proposed to be introduced in the New Articles are summarised in Appendix 1. The New Articles also include other changes which are of a minor, technical or clarifying nature, some of which conform the language with that used in the model articles of association for public companies produced by the Department for Business, Innovation and Skills.

Action to be taken

Whether or not you are able to attend the Annual General Meeting, you are requested either to complete and return a Form of Proxy or to register the appointment of a proxy electronically by logging onto Equiniti’s website at www.sharevote.co.uk. Completed Forms of Proxy must be returned to the Company’s registrars, Equiniti, as soon as possible and, in any event, so as to arrive no later than 11.00 am on Monday 19th July 2010. Electronic proxy appointments must also be received by Equiniti by no later than 11.00 am on Monday 19th July 2010. Proxy voting in respect of uncertificated shares may also be registered through CREST – see note 4 on page 9 of this circular. The completion and return of a Form of Proxy or the giving of an electronic proxy instruction will not preclude you from attending and voting in person at the Annual General Meeting if you so wish.

Please note that in order to facilitate effective and representative voting by the Company’s members at the Annual General Meeting (including by way of proxy), voting on all resolutions at the Annual General Meeting will be conducted on a poll, rather than on a show of hands. This approach has been adopted by many other FTSE 100 companies to better reflect the voting rights of members and their appointed proxies and was first adopted by the Company at the Annual General Meeting in 2008. Poll voting will be carried out by electronic means and the voting procedure will be explained at the meeting.

Recommendation

The Board of Directors considers that all of the proposed resolutions set out in the Notice of Annual General Meeting following this letter are likely to promote the success of the Company and are in the best interests of the Company and its shareholders as a whole. The directors unanimously recommend that you vote in favour of them, as the directors intend to do in respect of their own beneficial holdings of shares in the Company.

Yours faithfully



Sir John Banham
Chairman



Johnson Matthey

Notice of Annual General Meeting

Notice is hereby given that the one hundred and nineteenth Annual General Meeting of Johnson Matthey Public Limited Company will be held at The Institution of Engineering and Technology (The Lecture Theatre), 2 Savoy Place, London WC2R 0BL on Wednesday 21st July 2010 at 11.00 am to consider and, if thought fit, to pass the following resolutions:

Ordinary Resolutions:

1. That the Company's annual accounts for the financial year ended 31st March 2010 together with the directors' report and the auditors' report on those accounts be received.
2. That the directors' remuneration report for the year ended 31st March 2010 and the auditors' report on the auditable part of the directors' remuneration report be received and approved.
3. That a final dividend of 27.9 pence per ordinary share in respect of the year ended 31st March 2010 be declared and payable to members on the register at the close of business on 11th June 2010.
4. That Mr WF Sandford, who was appointed to the board since the last Annual General Meeting and who retires in accordance with the Company's Articles of Association, be elected a director of the Company.
5. That Mr MJ Roney, who retires by rotation, be re-elected a director of the Company.
6. That Mrs DC Thompson, who retires by rotation, be re-elected a director of the Company.
7. That Mr AM Thomson, who retires by rotation, be re-elected a director of the Company.
8. That Mr RJW Walvis, who retires by rotation, be re-elected a director of the Company.
9. That KPMG Audit Plc be re-appointed as auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next general meeting at which accounts are laid before the Company.
10. That the remuneration of the auditors be determined by the directors.
11. That in accordance with sections 366 and 367 of the Companies Act 2006 (the "2006 Act"), the Company and all companies which are subsidiaries of the Company during the period when this resolution 11 has effect be authorised in aggregate to:
 - (a) make political donations to political parties or independent election candidates, as defined in the 2006 Act, not exceeding £50,000 in total;
 - (b) make political donations to political organisations other than political parties, as defined in the 2006 Act, not exceeding £50,000 in total; and
 - (c) incur political expenditure, as defined in the 2006 Act, not exceeding £50,000 in total

during the period beginning with the date of the passing of this resolution and ending on 31st July 2011 or, if sooner, the conclusion of the next Annual General Meeting of the Company after the passing of this resolution provided that the combined aggregate amount of donations made and expenditure incurred pursuant to this authority shall not exceed £50,000 and that the authorised sums referred to in paragraphs (a), (b) and (c) above, may be comprised of one or more amounts in different currencies which, for the purposes of calculating the said sums, shall be converted into pounds sterling at the exchange rate published in the London edition of the Financial Times on the date on which the relevant donation is made or expenditure incurred (or the first business day thereafter) or, if earlier, on the day in which the Company enters into any contract or undertaking in relation to the same.

12. That the directors be and they are hereby generally and unconditionally authorised in accordance with section 551 of the Companies Act 2006 (the "2006 Act") to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for, or to convert any security into, shares in the Company ("Rights"):

- (a) up to an aggregate nominal amount of £71,558,579; and
- (b) up to a further aggregate nominal amount of £71,558,579 provided that (i) they are equity securities (within the meaning of section 560(1) of the 2006 Act) and (ii) they are offered by way of a rights issue in favour of the holders of ordinary shares on the register of members at such record date(s) as the directors may determine where the equity securities respectively attributable to the interests of the ordinary shareholders are proportionate (as nearly as may be practicable) to the respective numbers of ordinary shares held or deemed to be held by them on any such record date(s), subject to such exclusions or other arrangements as the directors may deem necessary or expedient to deal with treasury shares, fractional entitlements or legal or practical problems arising under the laws of any overseas territory or the requirements of any regulatory body or stock exchange or by virtue of shares being represented by depositary receipts or any other matter

provided that this authority shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution or, if earlier on 21st September 2011, save that the Company shall be entitled to make offers or agreements before the expiry of such authority which would or might require shares to be allotted or Rights to be granted after such expiry and the directors shall be entitled to allot shares and grant Rights pursuant to any such offer or agreement as if this authority had not expired; and all unexercised authorities previously granted to the directors to allot shares and grant Rights be and are hereby revoked.

Special Resolutions:

13. That, subject to the passing of resolution 12 above, the directors be and they are hereby empowered pursuant to sections 570 and 573 of the Companies Act 2006 (the "2006 Act") to allot equity securities (within the meaning of section 560 of the 2006 Act) for cash either pursuant to the authority conferred by resolution 12 above or by way of a sale of treasury shares as if section 561(1) of the 2006 Act did not apply to any such allotment, provided that this power shall be limited to:

- (a) the allotment of equity securities in connection with an offer of securities (but in the case of the authority granted under paragraph (b) of resolution 12 by way of a rights issue only) in favour of the holders of ordinary shares on the register of members at such record date(s) as the directors may determine where the equity securities respectively attributable to the interests of the ordinary shareholders are proportionate (as nearly as may be practicable) to the respective numbers of ordinary shares held or deemed to be held by them on any such record date(s), subject to such exclusions or other arrangements as the directors may deem necessary or expedient to deal with treasury shares, fractional entitlements or legal or practical problems arising under the laws of any overseas territory or the requirements of any regulatory body or stock exchange or by virtue of shares being represented by depositary receipts or any other matter; and
- (b) the allotment of equity securities, otherwise than pursuant to paragraph (a) above, up to an aggregate nominal value of £11,033,680

and this power shall expire upon the expiry of the general authority conferred by resolution 12 above, save that the Company shall be entitled to make offers or agreements before the expiry of such authority which would or might require equity securities to be allotted after such expiry and the directors shall be entitled to allot equity securities pursuant to any such offer or agreement as if this authority had not expired.

14. That the Company be generally and unconditionally authorised to make market purchases (within the meaning of section 693(4) of the Companies Act 2006) of its own ordinary shares on such terms and in such manner as the directors may from time to time determine, provided that:
- (a) the maximum aggregate number of ordinary shares hereby authorised to be purchased is 21,467,573 (representing approximately 10% of the Company's issued ordinary share capital (excluding treasury shares) as at 1st June 2010 (the latest practicable date prior to publication of this Notice of Annual General Meeting));
 - (b) the minimum price which may be paid for an ordinary share is 100p (excluding expenses);
 - (c) the maximum price which may be paid for an ordinary share is an amount equal to 105% of the average of the middle market quotations for an ordinary share in the Company as derived from The London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the ordinary share is contracted to be purchased (excluding expenses); and
 - (d) unless previously renewed, revoked or varied, the authority hereby conferred shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution, but a contract or contracts of purchase may be made before such expiry which will or may be executed wholly or partly thereafter and a purchase of shares may be made in pursuance of any such contract.
15. That a general meeting other than an annual general meeting may be called on not less than 14 clear days' notice.
16. That with immediate effect:
- (a) the Company's Articles of Association be amended by deleting all the provisions of the Company's Memorandum of Association which, by virtue of section 28 of the Companies Act 2006, are treated as provisions of the Company's Articles of Association; and
 - (b) the Articles of Association produced to the meeting and initialled by the chairman of the meeting for the purpose of identification be adopted as the new Articles of Association of the Company in substitution for, and to the exclusion of, the existing Articles of Association.

By order of the Board:

Johnson Matthey Public Limited Company
Registered Number: 33774

Simon Farrant
Company Secretary
15th June 2010

Registered Office:
40-42 Hatton Garden
London EC1N 8EE

NOTES

1. Voting at the meeting

Voting on all resolutions set out in the Notice of Annual General Meeting will be conducted on a poll rather than on a show of hands. Poll voting will be carried out by electronic means and the voting procedure will be explained at the meeting.

2. Appointment of proxies

A member entitled to attend and vote at the meeting convened by the Notice of Annual General Meeting is entitled to appoint a proxy to exercise all or any of his or her rights to attend and to speak and vote on his or her behalf at the meeting. A member may appoint more than one proxy in relation to the meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that member. A proxy need not be a member of the Company. To be effective, a Form of Proxy must be lodged at the offices of the Company's registrars, Equiniti, Aspect House, Spencer Road, Lancing, West Sussex BN99 6LQ so as to be received no later than 11.00 am on Monday 19th July 2010. Completion of a Form of Proxy does not preclude a member from subsequently attending and voting at the meeting in person if he or she so wishes.

A Form of Proxy which may be used to make this appointment and give proxy instructions accompanies the Notice of Annual General Meeting. Details of how to appoint a proxy are set out in the notes to the Form of Proxy. If you do not have a Form of Proxy and believe that you should have one, or if you require additional forms, please contact the Company's registrars, Equiniti, on 0871 384 2344 if you are calling from the UK (calls to this number cost 8p per minute from a BT landline, other providers' costs may vary. Lines open 8.30am to 5.30pm Monday to Friday.). If you are calling from overseas please contact Equiniti on +44 121 415 7047. As an alternative to completing a hard copy Form of Proxy, proxies may be appointed electronically in accordance with notes 3 and 4 below.

3. Electronic proxy appointment via Equiniti's website

Members who prefer to register the appointment of their proxy electronically via the internet can do so through Equiniti's website at www.sharevote.co.uk. Full details of the procedure are given on the website. The Voting ID, Task ID and Shareholder Reference Number printed on the Form of Proxy will be required in order to use this electronic proxy appointment system. Alternatively, members who have already registered with Equiniti's online portfolio service, Shareview, can appoint their proxy electronically by logging onto their portfolio at www.shareview.co.uk and clicking on the 'Vote Online' link. The on-screen instructions give details of how to complete the proxy appointment process. A proxy appointment made electronically will not be valid if sent to any address other than those provided or if received after 11.00 am on Monday 19th July 2010.

Members who return a Form of Proxy or register the appointment of a proxy electronically will still be able to attend the meeting and vote in person if they so wish.

4. Electronic proxy appointment through CREST

CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so by following the procedures described in the CREST Manual on the Euroclear website (www.euroclear.com/CREST). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's ("EUI") specifications and must contain the information required for such appointment or instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by Equiniti (ID RA19) no later than 11.00 am on Monday 19th July 2010. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his or her CREST sponsor or voting service provider(s) take(s) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers, are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

5. Changing proxy instructions

To change your proxy instructions you may return a new proxy appointment using the methods set out above. Where you have appointed a proxy using the Form of Proxy and would like to change the instructions using another Form of Proxy, please contact the Company's registrars, Equiniti, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA. The deadline for receipt of proxy appointments (see above) also applies in relation to amended instructions. Where two or more valid separate appointments of proxy are received in respect of the same share in respect of the same meeting, those received last by the Company's registrars, Equiniti, will take precedence.

6. Nominated persons

A copy of the Notice of Annual General Meeting has been sent for information only to persons who have been nominated by a member to enjoy information rights under section 146 of the Companies Act 2006 ("Nominated Persons"). The statement of rights of members in relation to the appointment of proxies in note 2 above does not apply to Nominated Persons. The rights described in that paragraph can only be exercised by members of the Company. Nominated Persons may have a right under an agreement with the registered member who holds the shares on their behalf to be appointed (or to have someone else appointed) as a proxy. Alternatively, if Nominated Persons do not have such a right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the person holding the shares as to the exercise of voting rights.

7. Entitlement to attend and vote

In accordance with Regulation 41 of the Uncertificated Securities Regulations 2001, only those shareholders entered on the Company's register of members at 6.00 pm on Monday 19th July 2010 or, if the meeting is adjourned, shareholders entered on the Company's register of members at 6.00 pm on the date two days prior to the adjourned meeting, shall be entitled to attend and vote at the meeting in respect of the number of shares registered in their name at that time. Changes to entries on the register of members after 6.00 pm on Monday 19th July 2010 (or after 6.00 pm on the date two days prior to any adjourned meeting) shall be disregarded in determining the rights of any person to attend or vote at the meeting.

8. Total voting rights

As at 1st June 2010, the latest practicable date prior to the publication of the Notice of Annual General Meeting, the Company's issued share capital (excluding treasury shares) consisted of 214,675,736 ordinary shares, carrying one vote each. Therefore, the total number of voting rights of the Company as at 1st June 2010 was 214,675,736.

9. Corporate representatives

A member of the Company which is a corporation may authorise a person or persons to act as its representative(s) at the Annual General Meeting. In accordance with the provisions of the Companies Act 2006, each such representative may exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual member of the Company, provided that they do not do so in relation to the same shares. It is no longer necessary to nominate a designated corporate representative.

10. Right to ask questions

Under section 319A of the Companies Act 2006, the Company must cause to be answered at the meeting any question relating to the business being dealt with at the meeting which is put by a member attending the meeting unless one of the following applies:

- answering the question would interfere unduly with the preparation of the meeting or involve the disclosure of confidential information;
- the answer has already been given on a website in the form of an answer to a question; or
- it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

11. Documents available for inspection

The following documents are available for inspection at the registered office of the Company during normal business hours. They will also be available at The Institution of Engineering and Technology (The Lecture Theatre), 2 Savoy Place, London WC2R 0BL from 10.00 am on Wednesday 21st July 2010 until the conclusion of the meeting.

- The register of interests of the directors in the share capital of the Company.
- The contracts of service of the executive directors with the Company and any subsidiary undertakings.
- The non-executive directors' letters of appointment.
- The deeds of indemnity in favour of the directors.
- The full terms of the proposed new Articles of Association of the Company and a copy of the current Articles of Association marked-up to show the proposed amendments.

12. Availability of information on website

A copy of the Notice of Annual General Meeting, and other information required by section 311A of the Companies Act 2006, can be found at www.matthey.com.

13. Website publication of audit concerns

Members satisfying the thresholds in section 527 of the Companies Act 2006 can require the Company to publish a statement on its website setting out any matter that the members propose to raise at the meeting relating to (a) the audit of the Company's accounts (including the auditors' report and the conduct of the audit) that are to be laid before the meeting; or (b) any circumstances connected with an auditor of the Company ceasing to hold office since the last Annual General Meeting. The Company cannot require the members requesting the publication to pay its expenses. Any statement placed on the website must also be sent to the Company's auditors no later than the time it makes its statement available on the website. The business which may be dealt with at the meeting includes any statement that the Company has been required to publish on its website.

14. Communication with the Company

You may not use any electronic address provided in the Notice of Annual General Meeting to communicate with the Company for any purposes other than those expressly stated.

APPENDIX 1

SUMMARY OF PRINCIPAL PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

It is proposed that the Company's current Articles of Association (the "Current Articles") be amended to bring them into line with the Companies Act 2006 (the "2006 Act"), as amended in some respects by the Companies (Shareholders' Rights) Regulations 2009 (the "Shareholders' Rights Regulations"). Also, the opportunity has been taken to bring clearer language into the proposed new Articles of Association (the "New Articles") and in some areas to conform the language of the New Articles with that used in the model articles for public companies produced by the Department for Business, Innovation and Skills (the "Model Articles").

The principal proposed amendments to the Current Articles are summarised below. References below to Article numbers are to the New Articles unless otherwise stated.

1. The Company's objects

The provisions governing the constitution of the Company are currently set out in its Memorandum and Articles of Association. The Company's Memorandum contains, among other things, the objects clause which sets out the scope of the activities the Company is authorised to undertake. This is drafted to give a wide scope.

The 2006 Act significantly reduces the constitutional significance of a company's memorandum. The 2006 Act provides that the memorandum will record only the names of the subscribers and the number of shares each subscriber has agreed to take in the company. All the other provisions contained within a company's memorandum, including the objects clause, are treated as part of its articles of association with effect from 1st October 2009 but a company can remove these provisions by special resolution.

Furthermore, the 2006 Act states that unless a company's articles of association provide otherwise, the company's objects are unrestricted. This effectively abolishes the need for companies to have objects clauses.

For this reason, the Company is proposing to remove its objects clause together with all other provisions of its Memorandum which, by virtue of the 2006 Act, are treated as forming part of its Articles of Association as of 1st October 2009. Resolution 16 confirms the removal of these provisions and adopts the New Articles in place of the Current Articles.

2. Limited liability (Article 3)

As the effect of the changes referred to above will be to remove the statement in the Company's Memorandum regarding limited liability, the New Articles will contain an express statement regarding the limited liability of shareholders.

3. Authorised share capital and unissued shares

The 2006 Act abolishes the requirement for a company to have an authorised share capital and the New Articles reflect this change. Directors will still be limited as to the number of shares they can at any time allot because allotment authority continues to be required under the 2006 Act, save in respect of employee share schemes (as was previously the case). All references to authorised share capital and to unissued shares have therefore been removed in the New Articles.

4. Redeemable shares (Article 5)

Under the Companies Act 1985 (the "1985 Act"), if a company wished to issue redeemable shares it had to include in its articles of association the terms and manner of redemption. The 2006 Act enables the directors to determine the terms and manner of redemption provided they are authorised to do so by the articles of association. The New Articles contain such authorisation. The Company currently has no plans to issue redeemable shares but if it did so it would need shareholders' authority to issue new shares in the usual way.

5. Suspension of registration of share transfers (Current Article 38)

The provision in the Current Articles which gives the directors the ability to suspend the registration of transfers of shares for periods not exceeding 30 days in any one year has been removed in the New Articles as it is not now permitted under the 2006 Act.

6. Authority to purchase own shares, consolidate and sub-divide shares, and reduce share capital (Current Article 47)

Under the 1985 Act, a company required specific authorisations in its articles of association to purchase its own shares, to consolidate or sub-divide its shares and to reduce its share capital. Under the 2006 Act, public companies do not require specific authorisations in their articles of association to undertake these actions but shareholder authority is still required. Amendments have been made in the New Articles to reflect these changes.

7. Notice of general meetings (Article 42)

The provisions in the New Articles dealing with the convening of general meetings and the length of notice required to convene general meetings refer to the relevant provisions of the 2006 Act as amended by the Shareholders' Rights Regulations. The 2006 Act requires the Company to give 21 clear days' notice of general meetings unless (and other than for annual general meetings) the Company has passed a special resolution reducing the notice period to not less than 14 clear days and the Company offers members an electronic voting facility. Resolution 15 set out in the attached Notice of Annual General Meeting provides that a general meeting other than an annual general meeting may be called on not less than 14 clear days' notice.

8. Participation in meetings at different places and by electronic means (Articles 51 and 52)

Amendments made to the 2006 Act by the Shareholders' Rights Regulations specifically provide for the holding and conducting of electronic meetings. The New Articles include amendments to provide greater scope for members to participate in meetings of the Company even if they are not present in person at the principal place where the meeting is being held. The amendments allow for members to participate not only by attendance at satellite meeting locations, but also by any other electronic means of participation.

9. Adjournments for lack of quorum (Article 53)

Under the 2006 Act, as amended by the Shareholders' Rights Regulations, when a general meeting is adjourned due to lack of quorum at least ten days' notice must be given to reconvene the meeting. The New Articles now reflect this requirement.

10. Removal of chairman's casting vote (Current Article 66)

The New Articles remove the provision in the Current Articles giving the chairman a casting vote in the event of an equality of votes as this is no longer permitted under the 2006 Act.

11. Voting by proxies and corporate representatives on a show of hands (Article 62)

The Shareholders' Rights Regulations have amended the 2006 Act so that it now provides that each proxy appointed by a member has one vote on a show of hands in all cases (including where one member has appointed multiple proxies) unless the proxy is appointed by multiple members who instruct the proxy to vote in different ways, in which case the proxy has one vote for and one vote against the resolution. Where a corporate shareholder appoints representatives to attend meetings on its behalf, each duly appointed representative has one vote on a show of hands. The New Articles reflect these provisions.

12. Voting record date (Article 63)

Under the 2006 Act, as amended by the Shareholders' Rights Regulations, the Company must determine the right of members to vote at a general meeting by reference to entries on the register of members not more than 48 hours before the time for the holding of the meeting, not taking account of any part of a day that is not a working day. The New Articles reflect this requirement.

13. Validity of proxy/corporate representative votes (Article 67)

Under the 2006 Act, as amended by the Shareholders' Rights Regulations, proxies are expressly required to vote in accordance with instructions given to them by members. The New Articles contain a provision stating that the Company is not required to enquire whether a proxy or corporate representative has voted in accordance with instructions given to him or her by the member and that votes cast by a proxy or corporate representative will be valid even if he or she has not voted in accordance with such instructions.

14. Receipt of appointments of proxy and termination of proxy authority (Articles 72 and 73)

As allowed by the 2006 Act, the New Articles permit the directors to specify, in a notice of meeting, that in determining the time for delivery of proxies no account shall be taken of any part of the day that is not a working day. As required by the 2006 Act, they also provide that the termination of a proxy's authority should be in writing.

15. Appointing corporate representatives (Article 75)

The New Articles provide that the Company can require a corporate representative to produce a certified copy of the resolution appointing him or her before permitting him or her to exercise their powers.

16. Retirement of directors by rotation (Article 81)

The New Articles have been drafted in order to make this provision clearer and to ensure (as far as possible) a regular number of retiring directors each year, with the number to retire by rotation being the number nearest to one-third of the board excluding those directors who are retiring and seeking election for reasons other than retirement by rotation. Article 81 continues to comply with provision A.7.1 of The Combined Code on Corporate Governance (June 2008) which recommends that all directors should be subject to re-election at intervals of no more than three years.

17. Alternate directors (Articles 86 – 91)

Proposed clarificatory changes in the New Articles (following the Model Articles) state that an alternate director is entitled to be paid expenses (but not directors' fees), that the provisions in the New Articles regarding removal of directors also apply to alternate directors and that an alternate director is subject to the same restrictions as the director who appointed him or her.

18. Provisions for employees on cessation or transfer of business (Article 95)

The 2006 Act provides that the powers of the directors to make provision for a person employed or formerly employed by a company or any of its subsidiaries in connection with the cessation or transfer of the whole or part of the undertaking of the company or that subsidiary may only be exercised by the directors if they are so authorised by the company's articles of association or by the company in general meeting. The New Articles provide that the directors may exercise this power.

19. Delegation to persons or committees (Article 96)

Under the Current Articles, the directors may only formally delegate their powers in certain limited ways. Article 96 follows the new, wider approach to delegation adopted in the Model Articles.

20. Directors' conflicts of interest (Article 101)

The New Articles contain a new provision relating to confidential information, attendance at board meetings and availability of board papers to protect a director from being in breach of duty if a conflict of interest or potential conflict of interest arises. These provisions will only apply where the position giving rise to the potential conflict falls within the situations covered by Article 101.

21. Procedures regarding board meetings and resolutions in writing (Articles 103 and 106)

In line with the provisions of the Model Articles, the New Articles clarify that notice of a board meeting may be given personally, by telephone, in hard copy or in electronic form. The requirements for giving notice to directors who are not in the United Kingdom have also been clarified. Article 106 has been amended so that, rather than referring to a resolution in writing by all the directors, a resolution in writing will be valid if executed by all the directors entitled to receive notice of the meeting and who would have been entitled to vote on that resolution at a meeting. This conforms the New Articles with the Model Articles.

22. Permitted interests and voting (Article 108)

In line with current listed company practice, the New Articles contain a provision to allow a director to vote on a resolution which relates to giving him or her an indemnity or funding for expenditure incurred in defending proceedings provided all the other directors have been given or are to be given arrangements on substantially the same terms.

23. Notices and other communications (Article 126)

Article 126 is the article covering service of notice in the event of a postal strike. It has been amended following the 2006 Act to allow the Company in such circumstances to serve notices only on those members who receive notices via electronic means, provided that, as before, the Company also puts an advert in two national newspapers and sends a confirmatory hard copy notice if the postal service is available again within seven days before the meeting.

24. Retention of minutes (Article 132)

The New Articles contain a new provision to the effect that minutes must be retained for at least 10 years, reflecting the relevant provision of the 2006 Act (no minimum retention time was previously specified).

25. The seal (Article 135)

The New Articles provide an alternative option (in the absence of specific instructions from the directors) for the execution of documents other than share certificates such that when the seal is affixed to a document it may be signed by one authorised person in the presence of a witness. An authorised person is any person authorised by the directors for this purpose. Previously the requirement was for signature by a director and the secretary, two directors or a director in the presence of a witness. This change reflects changes introduced by the 2006 Act.

