

2012



Johnson Matthey

NOTICE OF ANNUAL GENERAL MEETING

and

Proposed Special Dividend of 100 pence per Existing Ordinary Share

and

Share Consolidation

Wednesday 25th July 2012 at 11.00 am

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about its contents, or the action you should take, you should immediately consult your stockbroker, bank manager, solicitor, accountant or other independent professional adviser authorised pursuant to the Financial Services and Markets Act 2000.

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.

Notice of the Annual General Meeting of Johnson Matthey Public Limited Company, which has been convened for Wednesday 25th July 2012 at 11.00 am at Merchant Taylors' Hall, 30 Threadneedle Street, London EC2R 8JB, is set out in Part IV of this document.

Your attention is drawn to the special business to be proposed at the Annual General Meeting, namely the declaration and payment of a special dividend and the approval of a share consolidation, details of which are set out in Parts II and III of this circular.

A Form of Proxy for use at the Annual General Meeting is enclosed. To be valid, Forms of Proxy must be completed and returned in accordance with the instructions printed thereon so as to be received by the Company's registrars, Equiniti, as soon as possible and in any event not later than Monday 23rd July 2012 at 11.00 am, being 48 hours before the time appointed for holding the Annual General Meeting.

Application will be made to the UK Listing Authority for the new ordinary shares arising from the proposed share consolidation to be admitted to the Official List and to the London Stock Exchange for the new ordinary shares to be admitted to trading on the London Stock Exchange's market for listed securities. It is expected that dealings in existing ordinary shares will continue until 4.30 pm on Friday 3rd August 2012 and that admission of the new ordinary shares will become effective and dealings for normal settlement will commence at 8.00 am on Monday 6th August 2012.

This document should be read as a whole. Your attention is drawn to the letter from the Chairman of Johnson Matthey Public Limited Company which is set out on pages 1 to 6 of this circular and which recommends that you vote in favour of the resolutions to be proposed at the Annual General Meeting.

Table of Contents

Part	Heading	Page
PART I	Letter from the Chairman	1
PART II	Additional Information about the Special Dividend and the Share Consolidation	7
PART III	Definitions	11
PART IV	Notice of Annual General Meeting	12

Expected Timetable of Principal Events

2012

Latest time and date for receipt of Forms of Proxy from shareholders	11.00 am on 23rd July
Annual General Meeting	11.00 am on 25th July
Existing Ordinary Shares marked ex-entitlement to the Final Dividend	1st August
Record Date for entitlement to the Final Dividend, the Special Dividend and for the Share Consolidation	5.00 pm on 3rd August
Existing Ordinary Shares marked ex-entitlement to the Special Dividend	6th August
Effective time and date of the Share Consolidation and date CREST accounts credited with New Ordinary Shares	8.00 am on 6th August
Commencement of dealings in New Ordinary Shares	8.00 am on 6th August
Payment (where applicable) of fractional entitlements by cheque or CREST payment, despatch (where applicable) of certificates for New Ordinary Shares	17th August
Payment of Final Dividend and Special Dividend by cheque or BACS	17th August

Notes:

- (1) References to times in this document are to London time unless otherwise stated.
- (2) If any of the above times or dates should change, the revised times and/or dates will be notified to shareholders by an announcement to a Regulatory Information Service.
- (3) All events in the above timetable scheduled to take place after the Annual General Meeting in respect of the Special Dividend and the Share Consolidation are conditional on the approval by shareholders of Resolution 16 as proposed. The despatch of certificates for New Ordinary Shares (where applicable) and the payment of the Special Dividend and fractional entitlements (where applicable) are conditional upon the New Ordinary Shares being admitted to the Official List of the UK Listing Authority and being admitted to trading on the London Stock Exchange.

PART I – Letter from the Chairman



Johnson Matthey

5th Floor, 25 Farringdon Street, London EC4A 4AB
Telephone 020 7269 8400 Fax 020 7269 8433

20th June 2012

Dear Shareholder

2012 Annual General Meeting

I have pleasure in inviting you to the 2012 Annual General Meeting of Johnson Matthey Public Limited Company which will be held at Merchant Taylors' Hall, 30 Threadneedle Street, London EC2R 8JB on Wednesday 25th July 2012 at 11.00 am. 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. The meeting will deal with the usual business of our Annual General Meeting, including the declaration of the Final Dividend for the year ended 31st March 2012. Your attention is drawn to the special business to be proposed, namely the declaration and payment of a special dividend and the approval of a share consolidation, details of which are set out in Parts II and III of this circular.

If you would like to vote on the resolutions but cannot attend the Annual General Meeting, please return a Form of Proxy or register the appointment of a proxy electronically as soon as possible. Completed proxy instructions must be received by our registrars, Equiniti, by 11.00 am on Monday 23rd July 2012. Further details regarding the appointment of proxies are set out in notes 2 to 5 on pages 15 and 16 of this circular.

Ordinary Resolutions

Resolution 1 – Report and accounts

Resolution 1 is an ordinary resolution under which the Company's annual accounts for the year ended 31st March 2012 together with the directors' report and the auditor's report are received. Shareholders will have received a copy of the 2012 Annual Report and Accounts with this circular or may obtain an electronic copy from the Company's website at www.matthey.com. Further copies will be available at the Annual General Meeting.

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 2012. Quoted companies are required to put their directors' remuneration report to an advisory shareholder vote at their annual general meeting. As the vote is advisory, it does not affect the actual remuneration paid to any individual director. The directors' remuneration report, which summarises the Company's policy on directors' remuneration, is shown on pages 108 to 117 of the 2012 Annual Report and Accounts.

Resolution 3 – Final Dividend declaration

Resolution 3 is an ordinary resolution by which shareholders are asked to declare a final dividend. The directors recommend a final dividend of 40 pence per Existing Ordinary Share in respect of the year ended 31st March 2012. If approved, this will be payable to shareholders on the register at 5.00 pm on 3rd August 2012, with an ex-dividend date of 1st August 2012.

Resolutions 4 to 11 – Re-election of directors

Resolutions 4 to 11 are ordinary resolutions which deal with the re-election of the directors, namely Mr TEP Stevenson, Mr NAP Carson, Mr AM Ferguson, Mr RJ MacLeod, Mr LC Pentz, Mr MJ Roney, Mr WF Sandford and Mrs DC Thompson, in accordance with the Company's Articles of Association and the UK Corporate Governance Code.

The Company's Articles of Association require a regular number of directors to retire by rotation each year, with the number to retire being the number nearest to one-third of the board excluding those directors who are retiring and seeking re-election for reasons other than rotation. However, the UK Corporate Governance Code provides for all directors of FTSE 350 companies to be subject to re-election by their shareholders every year. In accordance with this provision and in keeping with its aim of following best corporate governance practice, the board has decided that, as was the case last year, all directors should retire at each annual general meeting and offer themselves for re-election. Biographical information relating to each director seeking re-election appears below.

Sir Thomas Harris is retiring from the board at the close of this year's Annual General Meeting and is therefore not seeking re-election. On behalf of the board, I would like to thank Sir Thomas for his hard work and dedication over the years.

The board considers Mr Ferguson, Mr Roney and Mrs Thompson to be independent directors under the UK Corporate Governance Code and confirms that following formal evaluation (as referred to on page 96 of the 2012 Annual Report and Accounts), that they, together with Mr Stevenson, Mr Carson, Mr MacLeod, Mr Pentz and Mr Sandford, continue to contribute effectively and to demonstrate commitment to their roles (including commitment of time for board and committee meetings).

Biographical details of each of the directors standing for re-election are as follows:

Mr TEP Stevenson (Age 64) Chairman

Mr TEP Stevenson was appointed a non-executive director and Chairman Designate in March 2011 and as Chairman in July 2011. He has been Chairman of The Morgan Crucible Company plc since December 2006 but will retire from this position on 31st July 2012. He was Chairman of Travis Perkins plc from November 2001 to May 2010. From 1975 to 2000 he held a variety of senior management positions at Burmah Castrol plc, including Chief Executive from 1998 to 2000. He is a qualified barrister and is Lord Lieutenant of Oxfordshire. He is a member of the Management Development and Remuneration and Nomination Committees.

Mr NAP Carson (Age 55) Executive Director

Mr NAP Carson is Chief Executive. He joined Johnson Matthey in 1980 and was appointed Division Director, Catalytic Systems in 1997 after having held senior management positions in the Precious Metals Division as well as Catalytic Systems in both the UK and the US. He was appointed to the board as Managing Director, Catalysts & Chemicals in August 1999 and additionally assumed board level responsibility for Precious Metals Division in August 2002. He was appointed Chief Executive in July 2004. He is currently a non-executive director of AMEC plc.

Mr AM Ferguson (Age 54) Non-executive Director

Mr AM Ferguson was appointed a non-executive director in January 2011. He is currently a non-executive director of Croda International Plc and The Weir Group PLC, where he chairs their respective Audit Committees. He was previously Chief Financial Officer and a director of Lonmin Plc. He left Lonmin on 31st December 2010. Prior to joining Lonmin, he was Group Finance Director of The BOC Group until late 2006 when the Linde Group acquired BOC. Before joining BOC in 2005, he worked for Inchcape plc for 22 years in a variety of roles including Group Finance Director from 1999 until his departure. He is a Chartered Accountant. He was appointed Chairman of the Audit Committee in July 2011 and is a member of the Management Development and Remuneration and Nomination Committees.

Mr RJ MacLeod (Age 48) Executive Director

Mr RJ MacLeod is Group Finance Director. He joined Johnson Matthey as Group Finance Director Designate in June 2009 and assumed his current role in September 2009. Previously he was Group Finance Director of WS Atkins plc and worked in a variety of senior financial roles at Enterprise Oil plc. He is currently a non-executive director of Aggreko plc. He is a Chartered Accountant.

Mr LC Pentz (Age 57) Executive Director

Mr LC Pentz is Executive Director, Environmental Technologies. He joined Johnson Matthey in 1984 and was appointed Division Director, Process Catalysts and Technologies in 2001 after having held a series of senior management positions within Catalysts Division in the US. He was appointed Executive Director, Process Catalysts and Technologies in August 2003, Executive Director, Emission Control Technologies in July 2004 and to his current position in April 2009. He is currently a non-executive director of Victrex plc.

Mr MJ Roney (Age 57) Non-executive Director

Mr MJ Roney was appointed a non-executive director in 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 was appointed Chairman of the Management Development and Remuneration Committee in July 2011 and is a member of the Audit and Nomination Committees. Mr Roney has been the Senior Independent Director since July 2011.

Mr WF Sandford (Age 59) 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.

Mrs DC Thompson (Age 51) Non-executive Director

Mrs DC Thompson was appointed a non-executive director in 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.

Resolutions 12 and 13 – Auditor and auditor's remuneration

Resolutions 12 and 13 are ordinary resolutions to re-appoint KPMG Audit Plc as auditor of the Company until the conclusion of the next general meeting at which accounts are laid before the Company and to provide that the auditor's remuneration be determined by the directors.

Resolution 14 – Political donations

Resolution 14 is an ordinary resolution relating to the rules on political donations contained in 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 14 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 14 extends to political donations made, or political expenditure incurred, by any subsidiary of the Company.

Resolution 15 – Authority to allot relevant securities

Resolution 15 is an ordinary resolution to renew the authority of the directors to allot securities.

The Association of British Insurers (ABI) guidelines on directors' authority to allot shares state that ABI members will permit, and treat as routine, resolutions seeking authority to allot new shares representing up to one-third of a company's issued share capital. In addition, they will treat as routine a request for authority to allot shares representing an additional one-third of a company's issued share capital provided that it is only used to allot shares pursuant to a fully pre-emptive rights issue.

At the 2011 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 18th June 2012 (the latest practicable date prior to publication of this circular). Of this amount, a maximum nominal amount of £71,558,579 (representing one-third of the Company's issued ordinary share capital (excluding treasury shares) as at 18th June 2012) can only be allotted pursuant to a fully pre-emptive rights issue. This authority will expire at the conclusion of the annual general meeting of the Company in 2013 or, if earlier, on 25th October 2013.

The directors have no present intention of exercising this authority but consider it prudent to obtain the flexibility that this authority provides.

As at 18th June 2012, 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 (such percentage excluding treasury shares) as at that date.

Resolution 16 – Special Dividend declaration and Share Consolidation

Resolution 16 is an ordinary resolution by which shareholders are asked to declare a Special Dividend. In light of the strong performance of the Group in the 2011/2012 financial year, and following the board's review of the Group's balance sheet structure, the board considers it appropriate to propose a Special Dividend to shareholders, in addition to the Final Dividend, and accordingly recommends a cash return to shareholders of approximately £212 million.

This proposed return of cash will be structured as a Special Dividend of 100 pence per Existing Ordinary Share and an associated consolidation of Existing Ordinary Shares on the basis of 21 New Ordinary Shares for every 22 Existing Ordinary Shares. If shareholders approve the Special Dividend, it will be paid on 17th August 2012 to those shareholders on the register at 5.00 pm on 3rd August 2012, with an ex-dividend date of 6th August 2012.

As is common when an amount representing a significant proportion of the market capitalisation of a company is returned to shareholders, the board recommends that the Special Dividend is combined with the Share Consolidation. The Share Consolidation is intended, so far as possible, to maintain the comparability of the Company's share price before and after the Special Dividend. The total amount of the Special Dividend is equivalent to approximately 4.4% of the market capitalisation of the Company. The effect of the Share Consolidation will be to reduce the number of Ordinary Shares in issue by approximately the same percentage. It is anticipated, therefore, that the market price of each Ordinary Share should remain at a broadly similar level following the Special Dividend and the Share Consolidation.

Shareholders will still hold the same proportion of the Company's ordinary share capital as before the Share Consolidation (subject to any fractional entitlements). Although the New Ordinary Shares will have a different nominal value, they will carry equivalent rights under the Articles of Association to the Existing Ordinary Shares currently in issue. The payment of any fractional amounts arising from the Share Consolidation will be made to shareholders at the same time as that of the Special Dividend (ie. 17th August 2012), but will be made separately.

If Resolution 16 is not passed, the Special Dividend will not be paid and the Share Consolidation will not take place.

Further details about the Special Dividend and the Share Consolidation are set out in Parts II and III of this circular.

Special Resolutions

Resolution 17 – Disapplication of pre-emption rights

Resolution 17 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 15 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 light of the ABI guidance described in the explanation of Resolution 15 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 a maximum nominal amount of £71,558,579, representing one-third of the Company's issued ordinary share capital (excluding treasury shares) as at 18th June 2012 (the latest practicable date prior to publication of this circular) or, in the case of a fully pre-emptive rights issue only, to 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 18th June 2012; and
- (b) otherwise than in connection with an offer to existing shareholders, 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 18th June 2012).

The directors have no present intention of exercising this authority.

In accordance with the Pre-Emption Group's Statement of Principles dated July 2008, the directors confirm 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 2013 or, if earlier, on 25th October 2013.

Resolution 18 – Purchase of own shares

Resolution 18 is a special resolution to renew the authority granted to the directors at the annual general meeting of the Company in 2011 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 2013 or, if earlier, on 25th October 2013. The maximum aggregate number of Ordinary Shares which may be purchased would be 20,491,774, which represents approximately 10% of the New Ordinary Shares of the Company in issue (excluding treasury shares) immediately after the Share Consolidation or, if Resolution 16 is not passed, a maximum of 21,467,573 Existing Ordinary Shares which represent approximately 10% of the Company's existing ordinary share capital (excluding treasury shares) as at 18th June 2012 (the latest practicable date prior to publication of this circular). The authority also sets out minimum and maximum prices that may be paid for an Ordinary Share.

The total number of options held over Ordinary Shares under the Company's executive share option schemes was 714,661 as at 18th June 2012 (the latest practicable date prior to publication of this circular), representing 0.33% of the Company's issued ordinary share capital (excluding treasury shares) as at 18th June 2012. This would increase to 0.39% if the authority to buy back shares under this resolution were to be used in full if Resolution 16 is passed. If Resolution 16 is not passed these options would represent 0.37% of the Company's issued ordinary share capital.

It is the Company's present intention that any shares purchased under the authority sought by Resolution 18 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. No dividends are paid on shares whilst held in treasury and no voting rights attach to treasury shares.

The directors would only exercise the authority sought by Resolution 18 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 19 – Notice period for general meetings

Resolution 19 is a special resolution to renew an authority granted at last year's annual general meeting of the Company to allow the Company to hold general meetings (other than annual general meetings) on not less than 14 clear days' notice.

The minimum notice period for general meetings of listed companies is 21 days, but companies may 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 15 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 19 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 2013, 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, and would only use the shorter notice period if it were thought to be to the advantage of shareholders as a whole.

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 the website of our registrars, Equiniti, at www.sharevote.co.uk. Completed Forms of Proxy must be returned to Equiniti as soon as possible and, in any event, so as to arrive no later than 11.00 am on Monday 23rd July 2012. Electronic proxy appointments must also be received by Equiniti by no later than 11.00 am on Monday 23rd July 2012. Proxy voting in respect of uncertificated shares may also be registered through CREST – see note 4 on page 15 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.

Poll Voting

As in previous years and in line with best practice, voting on all resolutions at the Annual General Meeting will be conducted on a poll, rather than on a show of hands. This better reflects the voting rights of members by ensuring that all votes, whether cast in person at the meeting or through proxies by those unable to attend the meeting, are included in the result.

Recommendation

The board 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 which amount in aggregate to 248,523 Existing Ordinary Shares representing approximately 0.12% of the existing issued ordinary share capital of the Company (excluding treasury shares) as at 18th June 2012, being the latest practicable date prior to publication of this circular.

Yours faithfully

A handwritten signature in black ink, appearing to read 'T. Stevenson', with a horizontal line underneath.

Mr TEP Stevenson
Chairman

PART II – Additional Information about the Special Dividend and the Share Consolidation

1. Special Dividend

Over the last few years, the Group has performed very well, substantially growing underlying profit despite considerable capital expenditure and increased investment in research and development. The Group's cash generation has also been strong. As a result of this strong performance, the board carried out a review of the Group's balance sheet structure during the year. The outlook for the Group remains strong and the board believes that the Group has ample resources to fund forecast capital expenditure and a further increase in research and development. The board is therefore recommending a special dividend to shareholders of 100 pence per Existing Ordinary Share, in addition to the final ordinary dividend of 40 pence per Existing Ordinary Share.

Payment of the Special Dividend is conditional on shareholder approval of Resolution 16, as set out in the Notice of Annual General Meeting in Part IV, being passed and becoming unconditional. Resolution 16 (which includes the approval of the Share Consolidation) is conditional on the New Ordinary Shares being admitted to the Official List of the UK Listing Authority and being admitted to trading on the London Stock Exchange. The Special Dividend is payable to shareholders who are on the register of members at 5.00 pm on 3rd August 2012 and is expected to be paid to shareholders (including CREST shareholders) on 17th August 2012 by cheque or BACS (where there is an existing dividend mandate). Payment of the Special Dividend will be made at the same time as that of the Final Dividend, and one tax voucher will be issued in respect of both the Final Dividend and the Special Dividend.

Existing dividend mandates to bank or building society accounts given in relation to dividends paid in respect of Existing Ordinary Shares will continue to apply to the New Ordinary Shares. Current Dividend Reinvestment Plan ("DRIP") elections will be applied to the Special Dividend and the Final Dividend payments. Any changes to existing DRIP elections in advance of the Special Dividend and the Share Consolidation would need to be submitted to Equiniti, the Company's registrar, to be received no later than 5.00 pm on 3rd August 2012.

2. Share Consolidation

The total amount of the Special Dividend is equivalent to approximately 4.4% of the market capitalisation of the Company at the close of business on 18th June 2012, the latest practicable trading date prior to publication of this circular. The effect of the Share Consolidation will be to reduce the number of Ordinary Shares in issue by approximately the same percentage, with the result that shareholders will receive 21 New Ordinary Shares for every 22 Existing Ordinary Shares held at the Record Date.

The purpose of the Share Consolidation is to seek, so far as possible, to ensure that the market price of each Ordinary Share is maintained at a broadly similar level following the Special Dividend and the Share Consolidation. It is common UK practice for the payment of a significant special dividend by a company to be combined with a share consolidation.

Although following the Share Consolidation each shareholder will hold fewer New Ordinary Shares than the number of Existing Ordinary Shares held before, each shareholder's shareholding as a proportion of the total number of New Ordinary Shares in the capital of the Company in issue will be the same before and immediately after the Share Consolidation, save in respect of fractional entitlements. Although the New Ordinary Shares will have a different nominal value, they will carry the same rights as currently attach to Existing Ordinary Shares under the Articles of Association of the Company.

The Share Consolidation will replace every 22 Existing Ordinary Shares of 100 pence each with 21 New Ordinary Shares of 104¹⁶/₂₁ pence each. If an individual shareholding is not exactly divisible by 22, the Share Consolidation will generate an entitlement to a fraction of a New Ordinary Share. Fractions of New Ordinary Shares will not be allotted to shareholders; instead the shares representing the fractions of New Ordinary Shares will be aggregated and sold for the best price reasonably obtainable on behalf of the shareholders entitled to the fractions as soon as practicable after the Share Consolidation. The net proceeds of the sale, after the deduction of the expenses of the sale, will be distributed in due proportion among the relevant shareholders, except that any individual entitlements of less than £3.00 will be retained by the Company. Only shareholders with a holding of Existing Ordinary Shares that are not exactly divisible by 22 will be left with an entitlement to a fraction of a New Ordinary Share. Payment of fractional entitlements (where applicable) is expected to be despatched on 17th August 2012 by CREST payment or by cheque. CREST shareholders will receive their fractional entitlement payment via their CREST accounts. Non-CREST shareholders, regardless of whether they have an existing mandate to a bank or building society account, will receive a cheque for their fractional entitlement (where applicable).

Shareholders who hold fewer than 22 Existing Ordinary Shares will still have their shareholding consolidated. Shareholders who hold one Existing Ordinary Share will receive cash only and no New Ordinary Shares.

For purely illustrative purposes, examples of the effect of the Share Consolidation and the Special Dividend are set out below:

Number of Existing Ordinary Shares	Number of New Ordinary Shares	Fractional entitlement *	Special Dividend
1	0	0.95	£1
20	19	0.09	£20
25	23	0.86	£25
50	47	0.73	£50
80	76	0.36	£80
100	95	0.45	£100
1,000	954	0.55	£1,000

* The fractional entitlement represents the fraction of a New Ordinary Share which will be sold on behalf of shareholders as soon as practicable after the Share Consolidation. The net proceeds of the sale will be despatched to shareholders thereafter, or, in the case of individual entitlements of less than £3.00, retained by the Company.

Following the Share Consolidation and assuming no further shares are issued between the date of this circular and the Share Consolidation becoming effective, the Company's issued ordinary share capital will comprise 210,642,995 New Ordinary Shares (including treasury shares). No change in the total aggregate nominal value of the Company's issued share capital will occur, it will still be approximately £214,675,736 (excluding treasury shares).

If the Share Consolidation is approved, the Company will send holders of certificated Existing Ordinary Shares new share certificates in respect of the New Ordinary Shares. The new share certificates will be sent on 17th August 2012 by pre-paid first class post, at the risk of the relevant holder of Ordinary Shares, to the registered address of that holder or, in the case of joint holders, to the holder whose name appears first in the register of members.

Share certificates for Existing Ordinary Shares will no longer be valid and should be destroyed once the new certificate is received.

Shareholders who hold their entitlement in uncertificated form through CREST will have their CREST accounts adjusted to reflect their entitlement to New Ordinary Shares.

If the Share Consolidation is approved, trading in New Ordinary Shares on the London Stock Exchange is expected to commence on an ex-dividend and post-consolidation basis at 8.00 am on 6th August 2012.

To be approved, the Special Dividend and the Share Consolidation require a majority in number of shareholders present in person or by proxy and voting at the Annual General Meeting to vote in favour of Resolution 16. If shareholders do not approve Resolution 16, including the Share Consolidation, then the Special Dividend will not be paid. The board considers that the Special Dividend should be accompanied by the Share Consolidation in order to seek, so far as possible, to ensure that the market price of each Ordinary Share will remain at a broadly similar level following the Special Dividend and Share Consolidation. The board has therefore approved payment of the Special Dividend subject to the conditions of the Share Consolidation taking place and the New Ordinary Shares being admitted to the Official List of the UK Listing Authority and being admitted to trading on the London Stock Exchange. However, subject to the passing of Resolution 3, the Final Dividend of 40 pence per Existing Ordinary Share will still be paid even if the Special Dividend and the Share Consolidation are not approved. No dividends are payable on treasury shares, but the treasury shares will be subject to the Share Consolidation in the same way as Existing Ordinary Shares.

3. Johnson Matthey Employee Share Schemes

Share Incentive Plan ("SIP") and Overseas Share Incentive Plan ("Overseas SIP")

Participants in the SIP and the Overseas SIP will receive both the Final Dividend and the Special Dividend. Participants' Existing Ordinary Shares held in the SIP and the Overseas SIP will be subject to the Share Consolidation.

Long Term Incentive Plan 2007 ("LTIP") and 2001 Share Option Scheme ("Option Scheme")

Participants in the LTIP and the Option Scheme are not entitled to receive either the Final Dividend or the Special Dividend, unless their award vests or they exercise their option prior to the Record Date and they still hold the resulting Existing Ordinary Shares on such date. Unvested LTIP awards and outstanding options granted under the Option Scheme will not be adjusted as a result of the Share Consolidation.

Unallocated Existing Ordinary Shares held in the Johnson Matthey Share Retention Trust

The trustee of the Johnson Matthey Share Retention Trust holds Existing Ordinary Shares which may be applied for the purpose of satisfying LTIP awards and options granted under the Option Scheme. The trustee of this trust has waived its rights to dividends on its holding of unallocated Existing Ordinary Shares. These unallocated Existing Ordinary Shares will still be subject to the Share Consolidation.

4. Taxation

The following summary is intended as a general guide only and is based only on current UK tax law and HM Revenue and Customs practice as at the date of this circular. It relates only to certain limited aspects of the UK taxation treatment of the Special Dividend and the Share Consolidation for shareholders who are individuals or corporate shareholders and who are resident in the UK for UK tax purposes, who are the absolute beneficial owners of their Ordinary Shares and who hold them as investments. **Shareholders who are in any doubt about their tax position or who are not resident in the UK or who are resident in any jurisdiction other than the UK (whether or not also resident in the UK) or who are subject to tax in any jurisdictions other than the UK, should take appropriate independent advice without delay as other UK or foreign tax law considerations may apply.**

In particular, the summary below does not address the US tax consequences applicable to a holder of the Company's American Depository Receipts ("ADRs") or a participant in the Company's employee share schemes. **Each holder of an ADR should seek advice based on his or her particular circumstances from an independent adviser.**

Special Dividend

Individual shareholders within the charge to UK income tax

An individual shareholder who is resident or ordinarily resident in the UK for UK tax purposes should generally be entitled to a tax credit equal to one-ninth of the dividend he or she receives. The dividend received plus the related tax credit (the "gross dividend") will be part of the individual shareholder's total income for UK income tax purposes and will be regarded as the top slice of that income. However, in calculating the individual shareholder's liability to income tax in respect of the gross dividend, the tax credit (which equates to 10% of the gross dividend) is set off against the tax chargeable on the gross dividend.

Basic rate taxpayers

A shareholder who is liable to income tax at the basic rate will be subject to tax on the gross dividend at the rate of 10%. The tax credit will therefore satisfy in full the shareholder's liability to income tax on the gross dividend.

Higher rate taxpayers

To the extent that the gross dividend falls above the threshold for the higher rate of income tax but below the threshold for the additional rate of income tax, the shareholder will be subject to tax on the gross dividend at the rate of 32.5%. This means that the tax credit will satisfy only part of the shareholder's liability to income tax on the gross dividend and the shareholder will have to account for income tax equal to 22.5% of the gross dividend (which equates to approximately 25% of the dividend received).

Additional rate taxpayers

To the extent that the gross dividend falls above the threshold for the additional rate of income tax, the shareholder will be subject to tax on the gross dividend at the rate of 42.5%. This means that the tax credit will satisfy only part of the shareholder's liability to income tax on the gross dividend and the shareholder will have to account for income tax equal to 32.5% of the gross dividend (which equates to approximately 36.1% of the dividend received).

Corporate shareholders within the charge to UK corporation tax

Shareholders within the charge to UK corporation tax which are "small companies" (for the purposes of UK taxation of dividends) will not generally be subject to tax on dividends from the Company.

Other shareholders within the charge to UK corporation tax will not be subject to tax on dividends from the Company so long as the dividends fall within an exempt class and certain conditions are met.

No payment of tax credit

Taxpayers resident in the UK who are not liable to UK tax on dividends from the Company (whether an individual or a company) will not be entitled to claim payment of the tax credit in respect of those dividends.

No withholding

There is no UK withholding tax on dividends.

Share Consolidation

It is expected that for the purposes of UK taxation on chargeable gains, the Share Consolidation will be treated as follows:

- (a) The New Ordinary Shares arising from the Share Consolidation will result from a reorganisation of the share capital of the Company. Accordingly, to the extent that a shareholder receives New Ordinary Shares, the shareholder will not generally be treated as making a disposal of all or part of his or her holding of Existing Ordinary Shares by reason of the Share Consolidation being implemented, and the New Ordinary Shares which replace a shareholder's holding of Existing Ordinary Shares as a result of the Share Consolidation (the "new holding") will be treated as the same asset acquired at the same time as the shareholder's holding of Existing Ordinary Shares was acquired.
- (b) To the extent that a shareholder receives cash by virtue of a sale on his or her behalf of any New Ordinary Shares to which he or she has a fractional entitlement, the shareholder will not, in practice, normally be treated as making a part disposal of his or her holding of Existing Ordinary Shares, the proceeds instead being deducted from the base cost of the shareholder's new holding. If those proceeds exceed that base cost, however, the shareholder will be treated as disposing of part or all of his or her holding of Existing Ordinary Shares and will be subject to tax in respect of any chargeable gains thereby realised.
- (c) On a subsequent disposal of the whole or part of the New Ordinary Shares comprised in the new holding, a shareholder may, depending on his or her circumstances, have a tax liability on the amount of chargeable gain realised.

Transactions in Securities: Anti-avoidance

Under the provisions of Chapter 1 of Part 13 of the Income Tax Act 2007 (for income tax purposes) and Part 15 of the Corporation Tax Act 2010 (for corporation tax purposes), HM Revenue and Customs can, in certain circumstances, counteract tax advantages arising in relation to certain transactions in securities. The Company has not sought clearance on behalf of shareholders in respect of the Special Dividend and the Share Consolidation in relation to the applicability of these provisions.

Shareholders are advised to take independent advice on the potential application of these sections in light of their own particular circumstances.

WHERE TO FIND HELP

If you have any questions, please telephone the Equiniti shareholder helpline (the "**Shareholder Helpline**") on the numbers set out below. This helpline is available from 8.30 am to 5.30 pm Monday to Friday (excluding bank holidays) and will remain open until Friday, 7th September 2012.

Shareholder Helpline

0845 601 0519 (from inside the UK) or +44 121 415 0129 (from outside the UK)

Calls to the 0845 601 0519 number from inside the UK are charged at local rate from a BT landline (currently up to 3.9 pence per minute excluding VAT). Other service providers' charges may vary and different charges may apply to calls made from mobile telephones. Calls to the +44 121 415 0129 number from outside the UK are charged at applicable international rates. Calls to the Shareholder Helpline may be recorded and monitored randomly for security and training purposes.

Please note that for legal reasons, the Shareholder Helpline will be unable to give advice on the merits of the Special Dividend or the Share Consolidation or provide financial, tax or investment advice.

PART III – Definitions

The following definitions apply throughout this circular and the accompanying Form of Proxy unless the context requires otherwise.

“2006 Act”	the Companies Act 2006
“Admission”	admission of the New Ordinary Shares to the Official List and to trading on the market for listed securities of the London Stock Exchange
“Annual General Meeting”	the 2012 annual general meeting of the Company
“certificated” or in “certificated form”	shares recorded on the register of members of the Company without reference to the CREST system
“Company”	Johnson Matthey Public Limited Company
“CREST”	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear UK & Ireland is the Operator (as defined in the CREST Regulations)
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755)
“Existing Ordinary Shares”	the existing issued ordinary shares of 100 pence each in the capital of the Company
“Final Dividend”	the proposed final ordinary dividend of 40 pence per Existing Ordinary Share
“Form of Proxy”	the form of proxy enclosed with this circular for use at the Annual General Meeting
“Group”	the Company and its subsidiaries
“New Ordinary Shares”	the proposed new ordinary shares of 104 ¹⁶ / ₂₁ pence each in the capital of the Company resulting from the Share Consolidation
“Official List”	the Official List of the UK Listing Authority
“Ordinary Shares”	prior to the Share Consolidation, Existing Ordinary Shares; during and after the Share Consolidation, New Ordinary Shares
“Record Date”	5.00 pm on Friday, 3rd August 2012
“Share Consolidation”	the proposed consolidation to be achieved by consolidating every 22 Existing Ordinary Shares into 21 New Ordinary Shares and becoming effective on Admission
“Special Dividend”	the proposed special dividend of 100 pence per Existing Ordinary Share
“UK Listing Authority”	the Financial Services Authority acting in its capacity as the competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000
“uncertificated” or in “uncertificated form”	recorded on the register of members of the Company as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST

Part IV – Notice of Annual General Meeting

Notice is hereby given that the one hundred and twenty-first Annual General Meeting of Johnson Matthey Public Limited Company will be held at Merchant Taylors' Hall, 30 Threadneedle Street, London EC2R 8JB on Wednesday 25th July 2012 at 11.00 am to consider and, if thought fit, to pass Resolutions 1 to 16 as ordinary resolutions and Resolutions 17 to 19 as special resolutions:

Ordinary Resolutions:

1. That the Company's annual accounts for the year ended 31st March 2012 together with the directors' report and the auditor's report on those accounts be received.
2. That the directors' remuneration report for the year ended 31st March 2012 and the auditor's report on the auditable part of the directors' remuneration report be received and approved.
3. That a final dividend of 40 pence per ordinary share in respect of the year ended 31st March 2012 be declared and payable to members on the register at the close of business on 3rd August 2012.
4. That Mr TEP Stevenson be re-elected a director of the Company.
5. That Mr NAP Carson be re-elected a director of the Company.
6. That Mr AM Ferguson be re-elected a director of the Company.
7. That Mr RJ MacLeod be re-elected a director of the Company.
8. That Mr LC Pentz be re-elected a director of the Company.
9. That Mr MJ Roney be re-elected a director of the Company.
10. That Mr WF Sandford be re-elected a director of the Company.
11. That Mrs DC Thompson be re-elected a director of the Company.
12. That KPMG Audit Plc be re-appointed as auditor 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.
13. That the remuneration of the auditor be determined by the directors.
14. 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 14 has effect be generally and unconditionally 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 2013 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 on which the Company enters into any contract or undertaking in relation to the same.

15. 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 25th October 2013, 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.

16. (a) That a special dividend of 100 pence per ordinary share be declared and payable to members on the register at the close of business on 3rd August 2012; and
- (b) That, subject to and conditional upon admission of the New Ordinary Shares to the Official List of the United Kingdom Listing Authority and to trading on the London Stock Exchange becoming effective ("Admission"), every 22 ordinary shares of 100 pence each in the capital of the Company as at 5.00 pm on 3rd August 2012 be consolidated into 21 ordinary shares of 104¹⁶/₂₁ pence each (each a "New Ordinary Share") and all fractional entitlements arising from the consolidation of the issued ordinary shares of 100 pence each in the capital of the Company shall be aggregated into New Ordinary Shares and, as soon as possible after Admission, sold in the open market at the best price reasonably obtainable and the aggregate proceeds (net of expenses) remitted to those entitled.

Special Resolutions:

17. That, subject to the passing of Resolution 15, 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 15 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 15 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 to any person or persons 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 15, 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.

18. 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 20,491,774 (representing approximately 10% of the Company's issued ordinary share capital (excluding treasury shares) immediately after the share consolidation pursuant to Resolution 16 or, if Resolution 16 is not passed, 21,467,573 existing ordinary shares of 100 pence ("Existing Ordinary Shares") representing approximately 10% of the issued ordinary share capital of the Company as at 18th June 2012 (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 104¹⁶/₂₁ pence (excluding expenses) or, if Resolution 16 is not passed, the minimum price which may be paid for an Existing Ordinary Share is 100 pence (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 by the Company in general meeting, the authority hereby conferred shall expire at the conclusion of the next annual general meeting of the Company after the passing of this resolution or, if earlier, on 25th October 2013, 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.
19. That a general meeting of the Company other than an annual general meeting may be called on not less than 14 clear days' notice.

By order of the Board:

Johnson Matthey Public Limited Company
Registered Number: 33774

Simon Farrant
Company Secretary
20th June 2012

Registered Office:
5th Floor, 25 Farringdon Street
London EC4A 4AB

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, in accordance with the instruction provided thereon, so as to be received no later than 11.00 am on Monday 23rd July 2012. 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 the Shareholder Helpline as detailed on page 10 of this circular. 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 23rd July 2012.

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'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 23rd July 2012. 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, on the Shareholder Helpline as detailed on page 10 of this circular. The deadline for receipt of proxy appointments (see note 2 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 23rd July 2012 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 23rd July 2012 (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 18th June 2012, the latest practicable date prior to publication of this 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. The Company holds 5,997,877 ordinary shares in treasury and is not permitted to exercise voting rights in respect of those shares. Therefore, the total number of voting rights of the Company as at 18th June 2012 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 for inspection at Merchant Taylors' Hall, 30 Threadneedle Street, London EC2R 8JB from 10.00 am on Wednesday 25th July 2012 until the conclusion of the meeting.

- The contracts of service of the executive directors with the Company.
- The non-executive directors' letters of appointment.
- The deeds of indemnity in favour of the directors.

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

Under section 527 of the Companies Act 2006 members meeting the threshold requirements set out in that section have the right to 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 auditor's 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 auditor 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.

