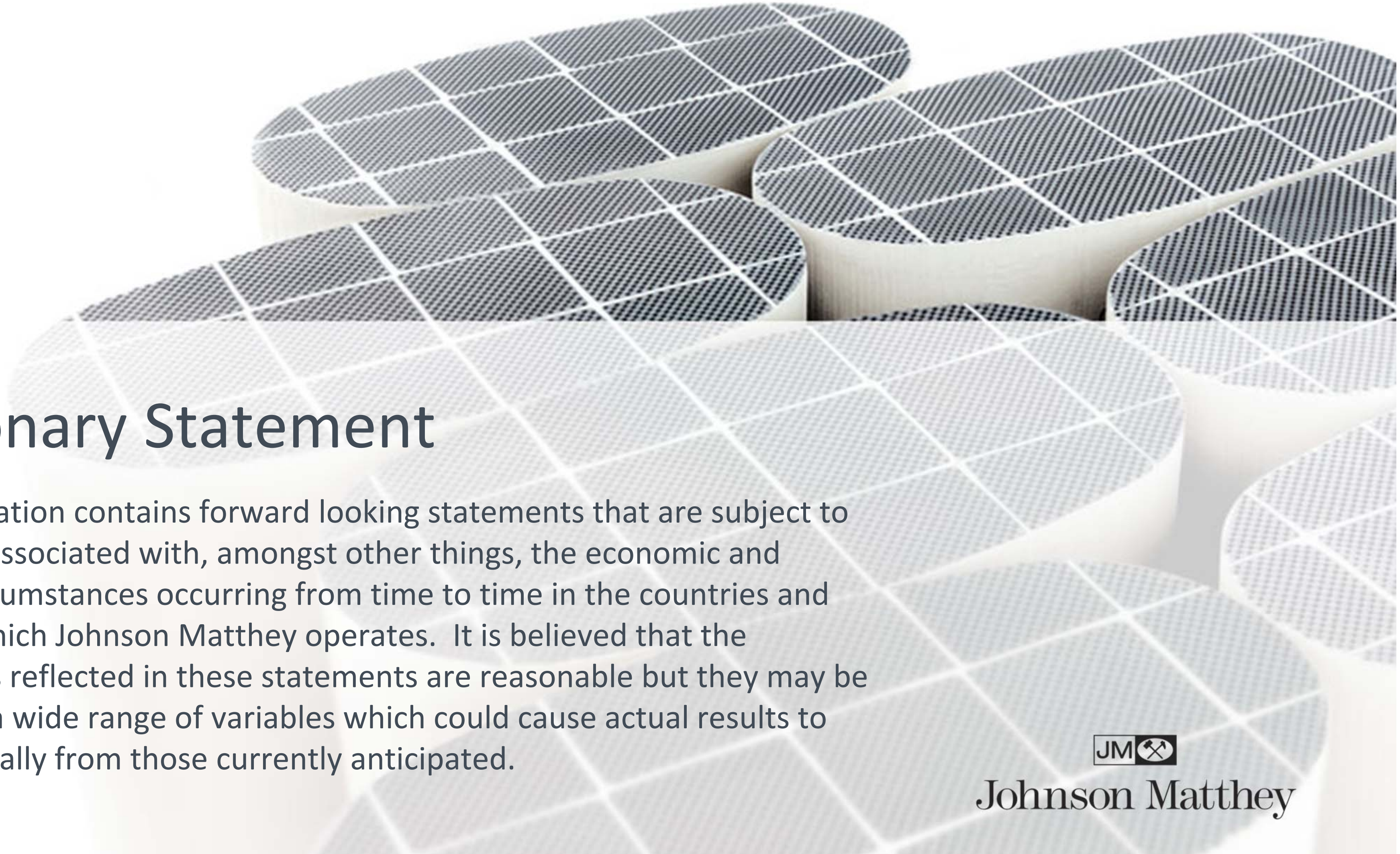
Presentation of Results for the year ended 31st March 2011

2nd June 2011

Johnson Matthey



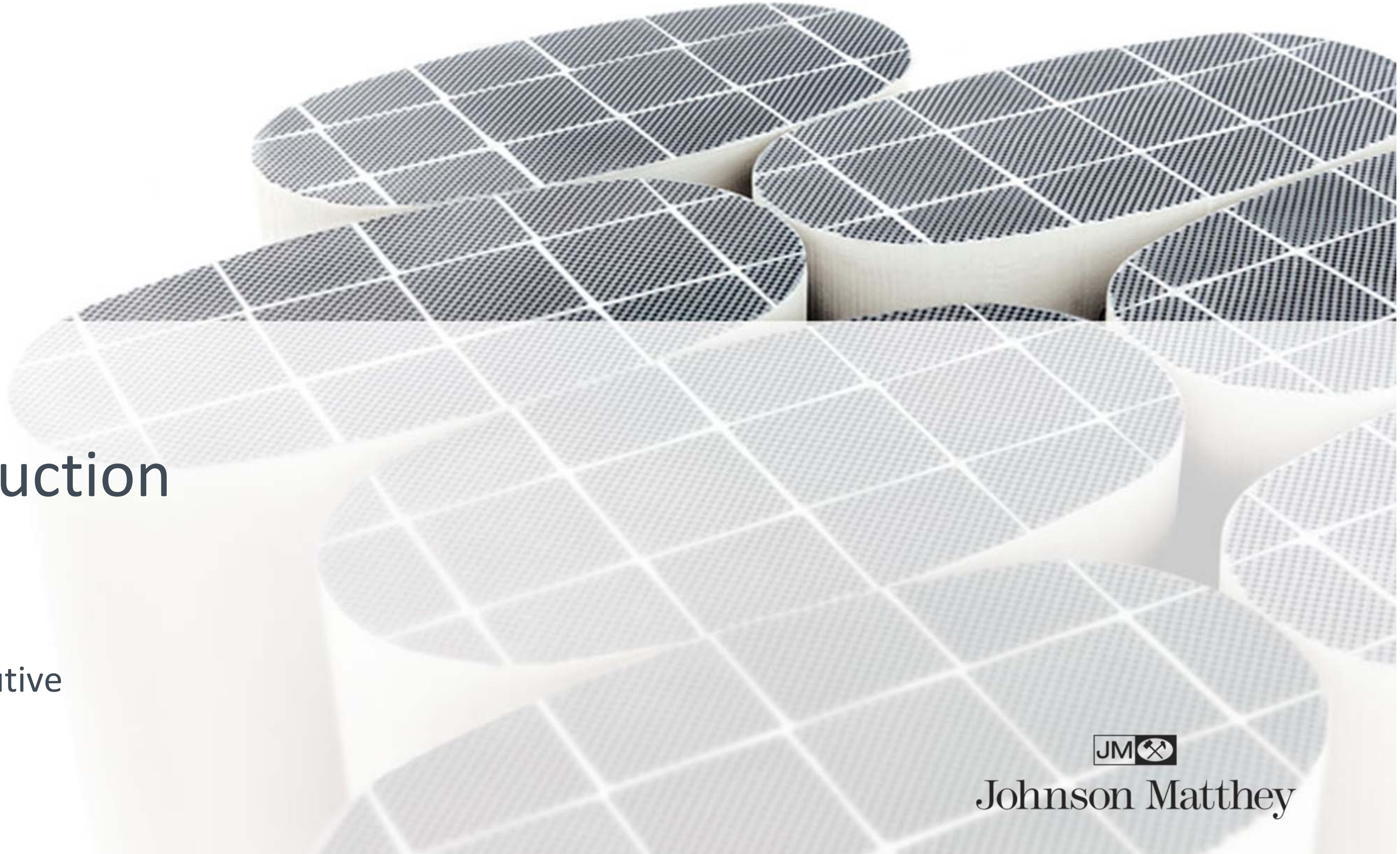
Cautionary Statement

This presentation contains forward looking statements that are subject to risk factors associated with, amongst other things, the economic and business circumstances occurring from time to time in the countries and sectors in which Johnson Matthey operates. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a wide range of variables which could cause actual results to differ materially from those currently anticipated.

Introduction

Neil Carson

Chief Executive



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Key Messages

Return to strong growth

Further good progress expected in 2011/12

Increasing investment in R&D

Longer term drivers remain firmly in place

Financial Review

Robert MacLeod
Group Finance Director

Johnson Matthey

Johnson Matthey

Underlying Results

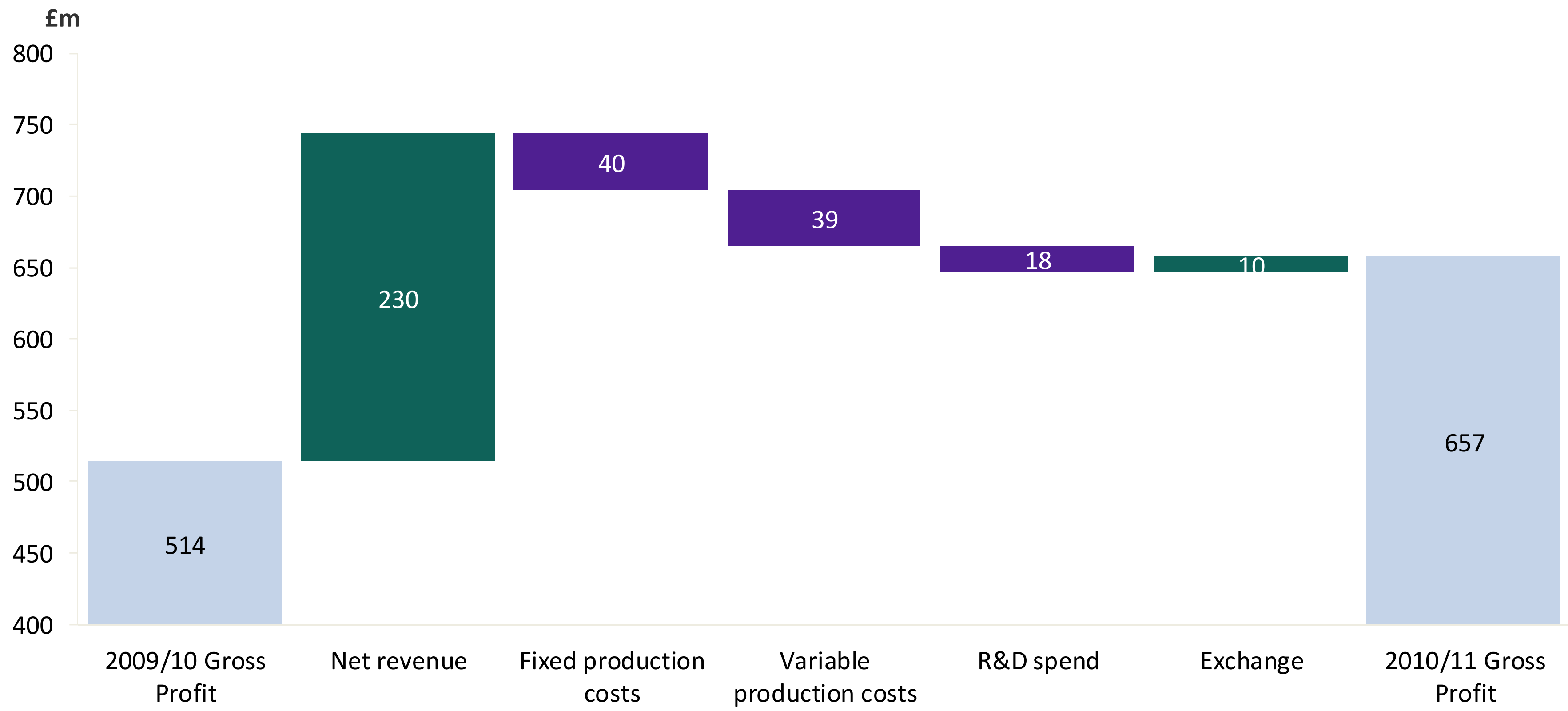
Year to 31st March	2011 £m	2010 £m	Change As reported	Change const. curr
Revenue	9,985	7,839	+27%	+26%
Sales excluding precious metals	2,280	1,886	+21%	+19%
Operating profit	366.2	271.8	+35%	+33%
Interest	(20.7)	(19.4)	-7%	
Share of profit from associates	-	1.7	-	
Profit before tax	345.5	254.1	+36%	
Tax	(91.7)	(71.2)		
Profit after tax	253.8	182.9	+39%	
Earnings per share	119.0p	86.4p	+38%	
Dividend per share	46.0p	39.0p	+18%	

Note: All figures are before amortisation of acquired intangibles, major impairment and restructuring charges, profit or loss on disposal of businesses and, where relevant, related tax effects

Reconciliation to Reported Results

Year to 31st March	2011 £m	2010 £m
Underlying profit before tax	345.5	254.1
Amortisation of acquired intangibles	(13.2)	(9.9)
Major impairment / restructuring:		
Closure of Vertec business	(14.8)	-
Closure of Brussels plant	(57.0)	-
Impairment of pharmaceutical services business	-	(11.3)
Dissolution of associate	0.1	(4.4)
Reported profit before tax	260.6	228.5

Components of Increase in Gross Profit



- Fixed production costs up £40m principally due to:
  - Ramp up of production at newly commissioned plants (e.g. Macedonia and Smithfield, USA)
  - Increased numbers of production staff

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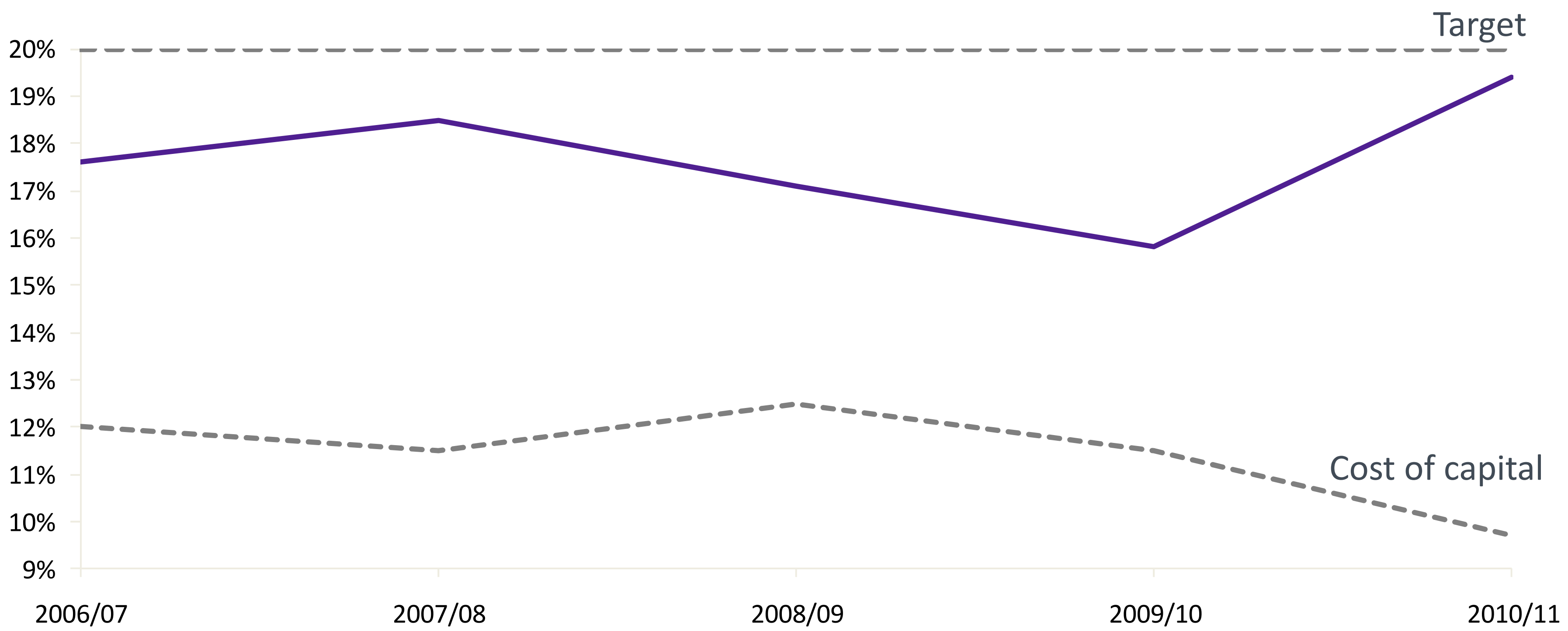
Cash Flow from Operations

Year to 31st March	2011 £m	2010 £m
Operating profit	281	251
Depreciation and amortisation	168	140
Tax paid	(65)	(1)
Working capital / other	(260)	(114)
Cash flow from operations	**124**	**276**

- At 31st March 2011, working capital days (excl. pgms) were 60 (2010 57)
- During 2011, working capital increased by:
  - Excl. pms £67.4m
  - Pms £215.9m

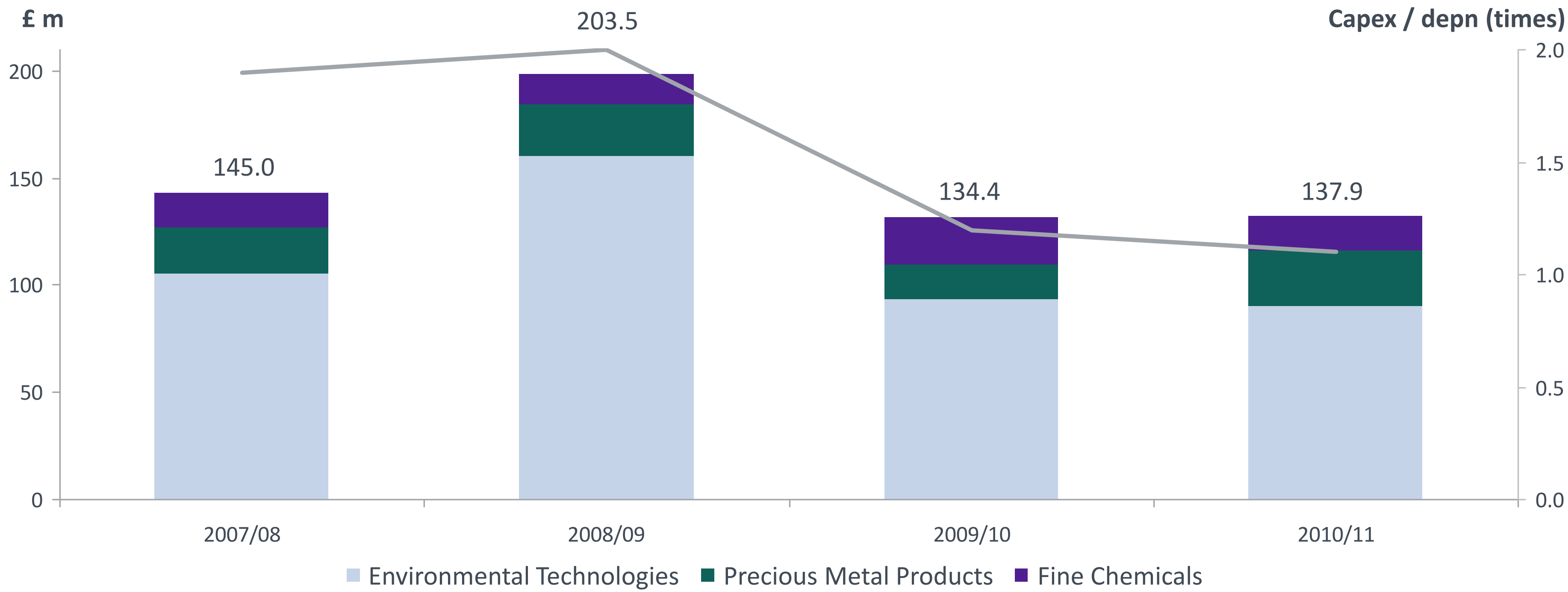
- Net debt at 31st March 2011 – £639.4m, up by £166.0m
  - Net debt (incl. post tax pension deficit) / EBITDA of 1.4 (1.3 excluding pension)
  - Target 1.5 to 2.0

Return on Invested Capital (ROIC)

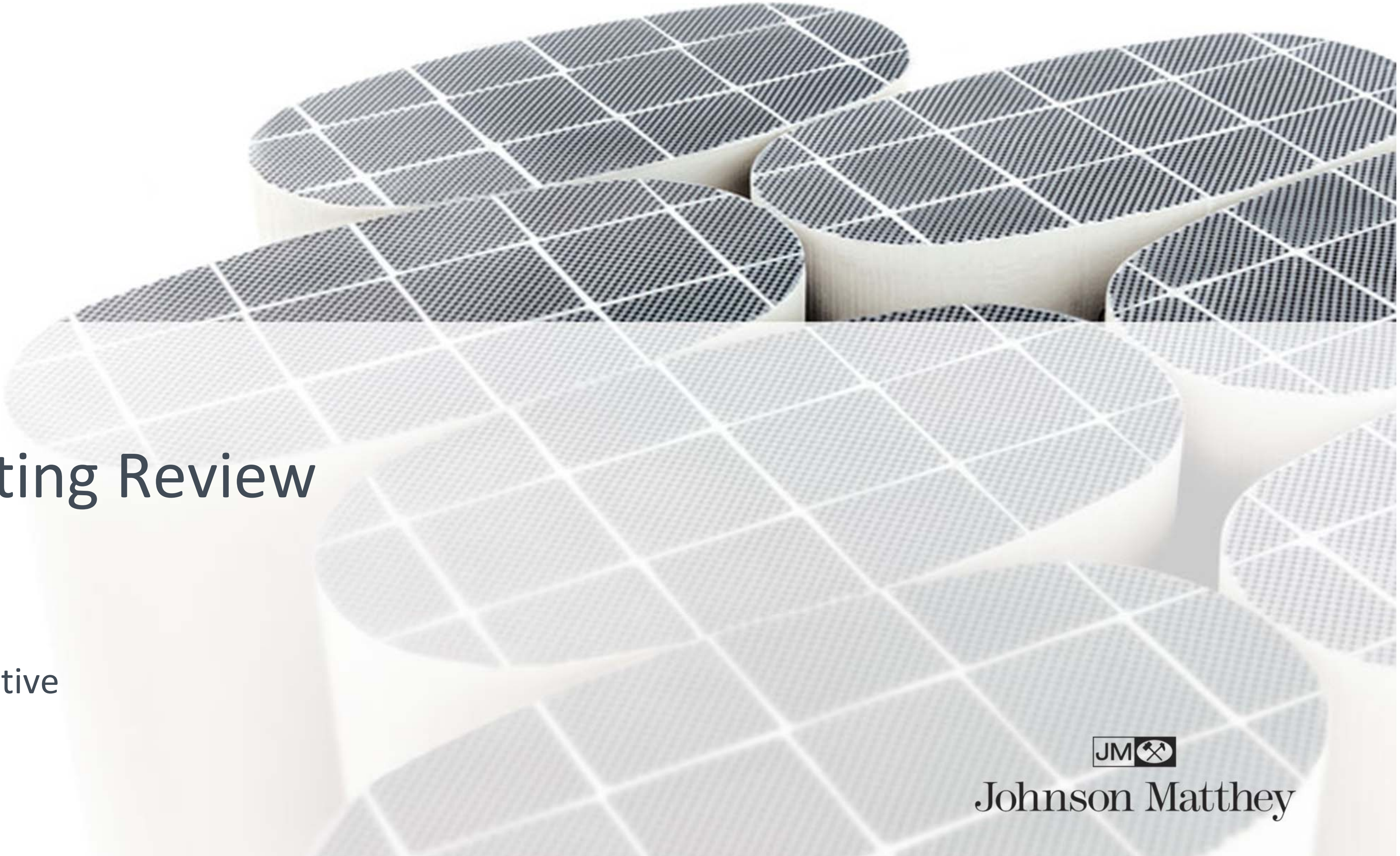


- Substantial increase in ROIC – double cost of capital
- Well placed to exceed target of 20% in 2011/12 and beyond

Capital Expenditure



- Key projects in year:
  - Expansion of autocatalyst manufacturing plant in China
  - Additional process catalyst capacity
  - New pgm catalyst plant in Shanghai
- 2011/12 capex likely to be around 1.3x depreciation



Operating Review

Neil Carson

Chief Executive

Johnson Matthey

Environmental Technologies Division

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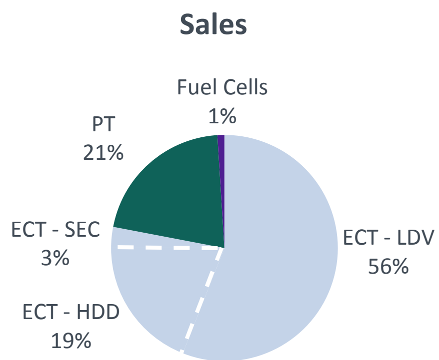
Environmental Technologies Division

£m	2011	2010	% change	% at constant rates
	Year to 31st March			
Revenue	2,708	2,062	+31	+29
Sales (excluding precious metals)	1,566	1,252	+25	+23
Underlying operating profit	164.7	120.9	+36	+33
Return on sales	10.5%	9.7%		
Return on invested capital (ROIC)	11.5%	9.4%		

- Strong growth in auto and truck catalyst demand
- Further good growth in PT aided by acquisition of Intercat
- Challenging year for SEC
- Fuel Cells continues to make good progress



Estimated Light Duty Vehicle Sales and Production

		Year to 31st March 2011 millions	2010 millions	change %	2H 2010/11 millions	1H 2010/11 millions	change %
North America	Sales	14.5	13.0	+11.5	7.2	7.3	-1.4
	Production	12.4	9.8	+26.5	6.4	6.0	+6.7
Europe	Sales	18.6	18.6	-	9.5	9.1	+4.4
	Production	19.9	18.2	+9.3	10.4	9.5	+9.5
Asia	Sales	30.2	26.9	+12.3	15.8	14.4	+9.7
	Production	37.1	32.4	+14.5	19.4	17.7	+9.6
Global	Sales	73.2	67.3	+8.8	37.7	35.5	+6.2
	Production	75.7	66.2	+14.4	39.4	36.3	+8.5

Source: IHS Global Insight

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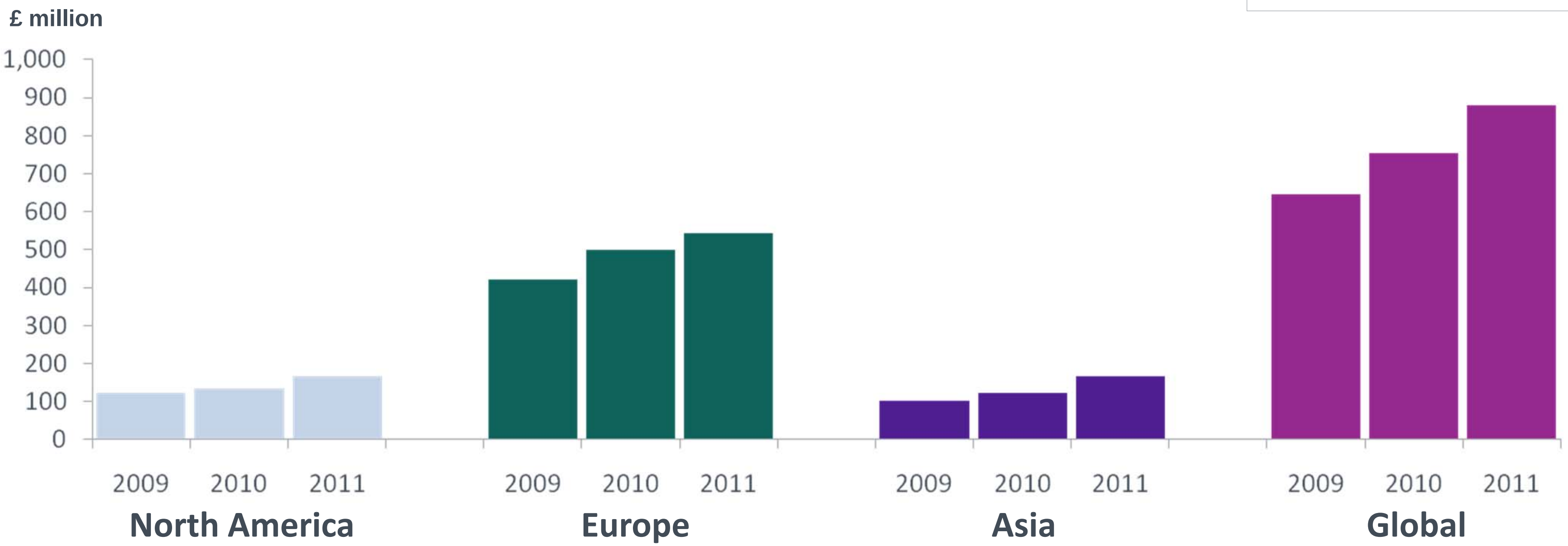
JM's Light Duty Catalyst Sales – 2009-2011

Total sales

£879m up 16%



North America

- Good recovery in market
- JM sales grew in line with market

Europe

- Sales in line with growth in vehicle production
- Diesel vehicles 52% up from 49%

Asia

- Continued strong growth in China
- Market share gains in China, India and South East Asia

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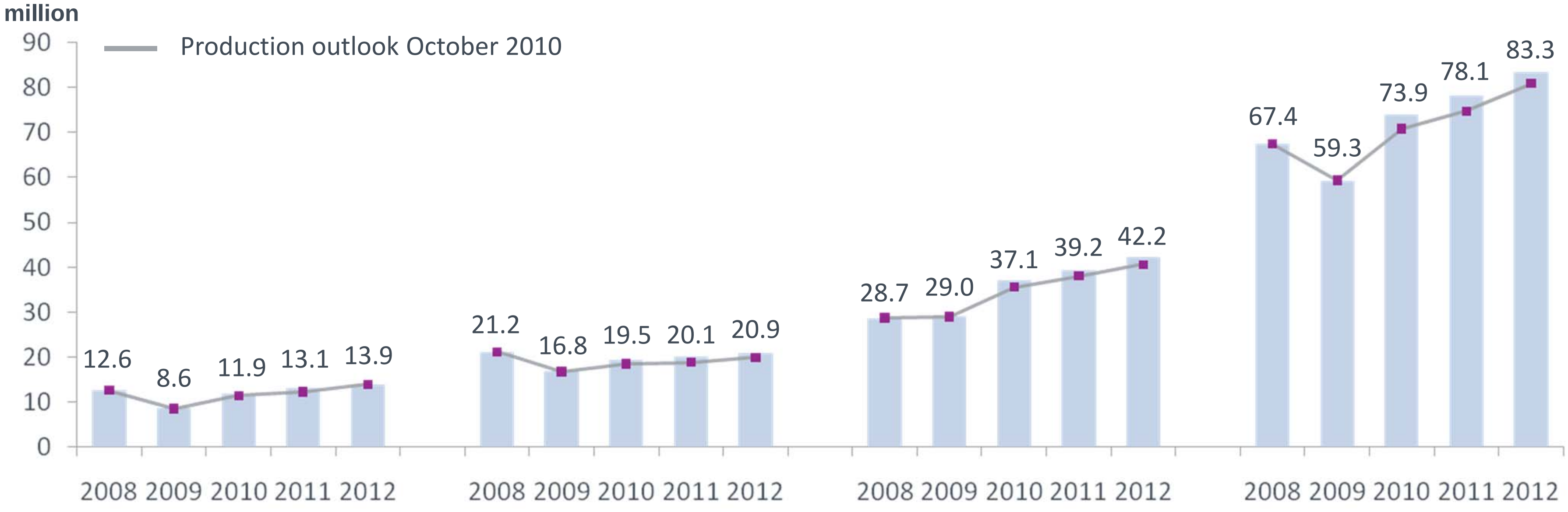
Light Duty Vehicle Production Outlook – 2008-2012 (calendar years)



North America	Europe	Asia	Global
• Steady recovery in North America	• European production benefits from exports	• Asia now >50% of global production	

Source: IHS Global Insight (March 2011)

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Light Duty: Looking Ahead

Closure of Brussels by end of first half

- European plant utilisation (excl. Brussels) currently circa 70%
- Payback <3 years

Strong growth in China likely to continue – additional capacity required

Rare earth prices continue to rise

- Impact commenced in Q4 2010/11 – circa £5m
- 2011/12 will be £15m to £20m, primarily in H1

Short term hiatus expected following Japanese earthquake

- Our facilities already back on line – cost circa £5m

Continuing to invest in R&D, particularly in Asia

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Estimated HDD Truck Sales and Production

		Year to 31st March 2011 thousands	Year to 31st March 2010 thousands	change %	2H 2010/11 thousands	1H 2010/11 thousands	change %
North America	Sales	289.3	251.0	+15.3	155.1	134.2	+15.6
	Production	298.4	235.8	+26.5	165.3	133.1	+24.2
EU	Sales	251.9	197.4	+27.6	135.7	116.2	+16.8
	Production	357.9	201.4	+77.7	198.6	158.9	+25.0

Source: J D Power

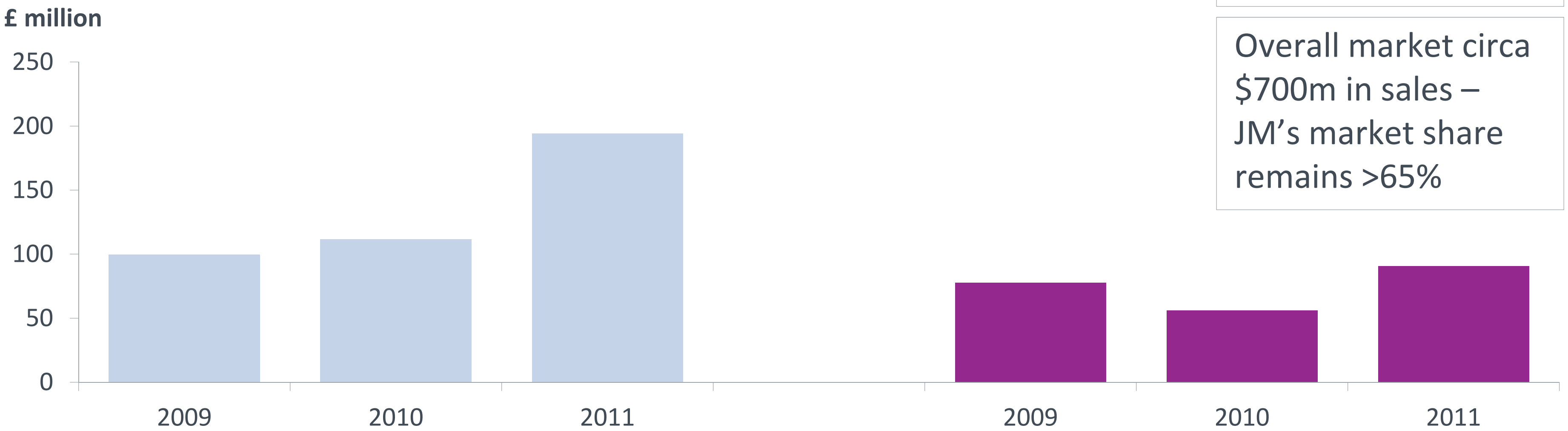
Emission Control Technologies

JM's Heavy Duty Diesel Sales – 2009 - 2011

Total sales

£296m up 71%

Overall market circa $700m in sales – JM's market share remains >65%



North America	Europe
• Steady recovery in second half, continues into 2011/12 • Significantly higher catalyst content post US 2010 • JM's sales up 74% vs truck production up 27%	• Steady recovery throughout year

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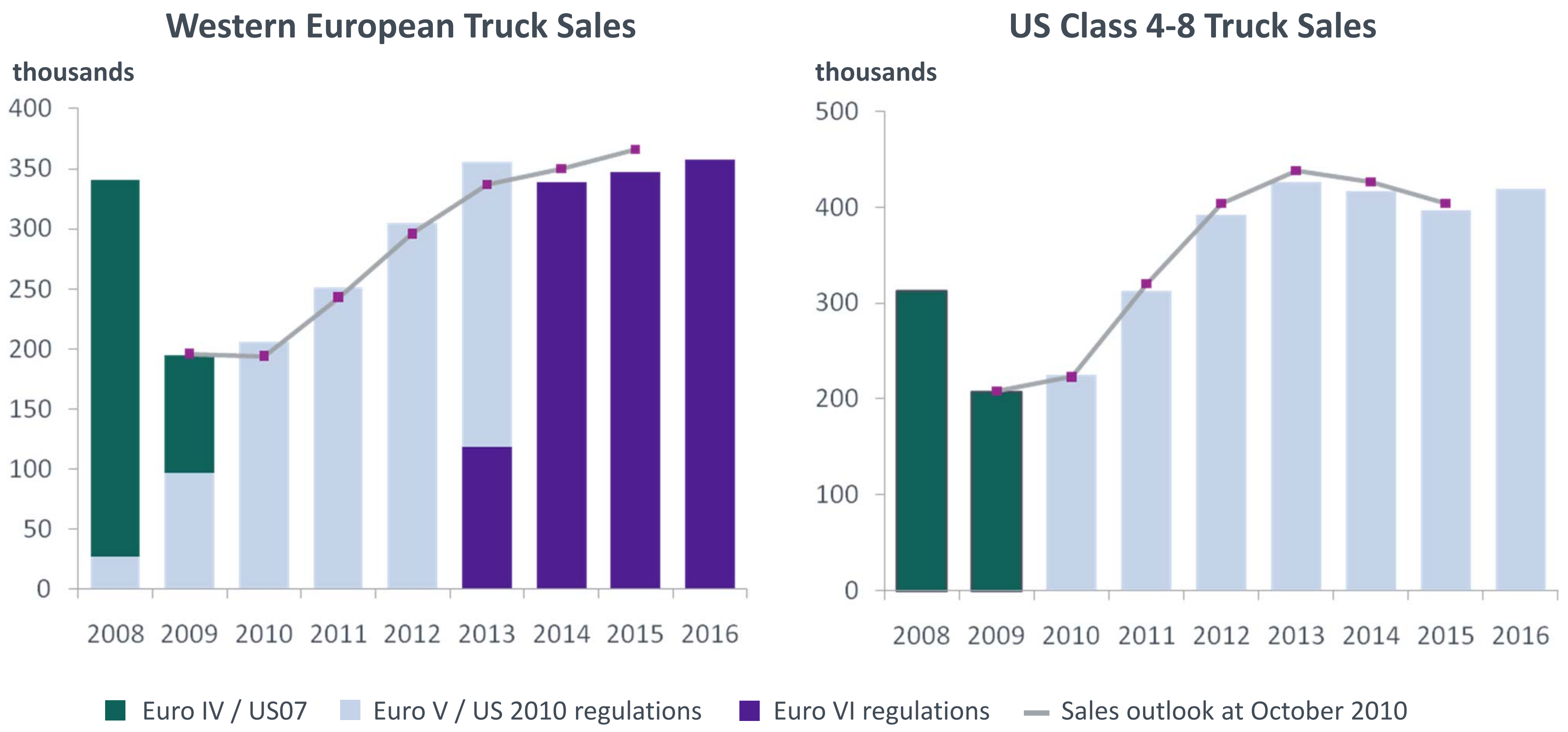
Heavy Duty Diesel Vehicle Sales Outlook (March 2011)



Source: JD Power and Johnson Matthey

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Heavy Duty Diesel: Looking Ahead

Developed markets:

- Further growth in demand, particularly in US, expected in 2011/12
- Early Euro VI and non-road successes – substantial sales from 2013/14

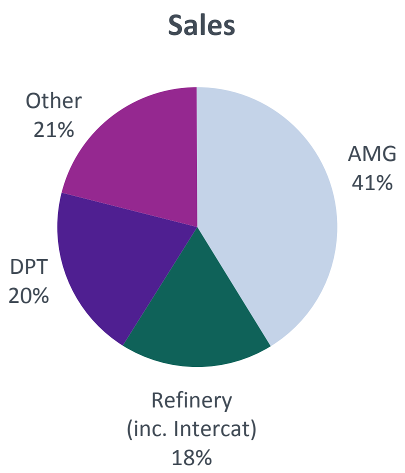
Developing markets:

- First sales to Chinese and Indian OEMs
  - Catalyst value per truck considerably lower than in US and Europe
  - Chinese legislation delayed one year due to fuel availability
  - Investment in new HDD line in China imminent

Process Technologies

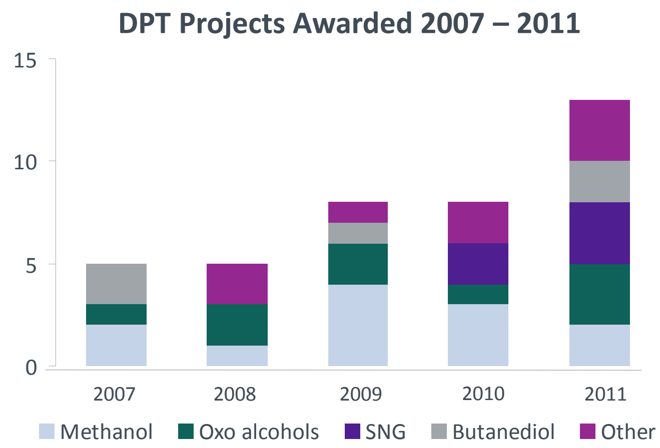
Catalyst Businesses

- Good growth in methanol, up 57% to £49m – Apico™ performing well
- Refinery business impacted by reduction in gas processing capital projects
- Intercat integration going well



Davy Process Technology

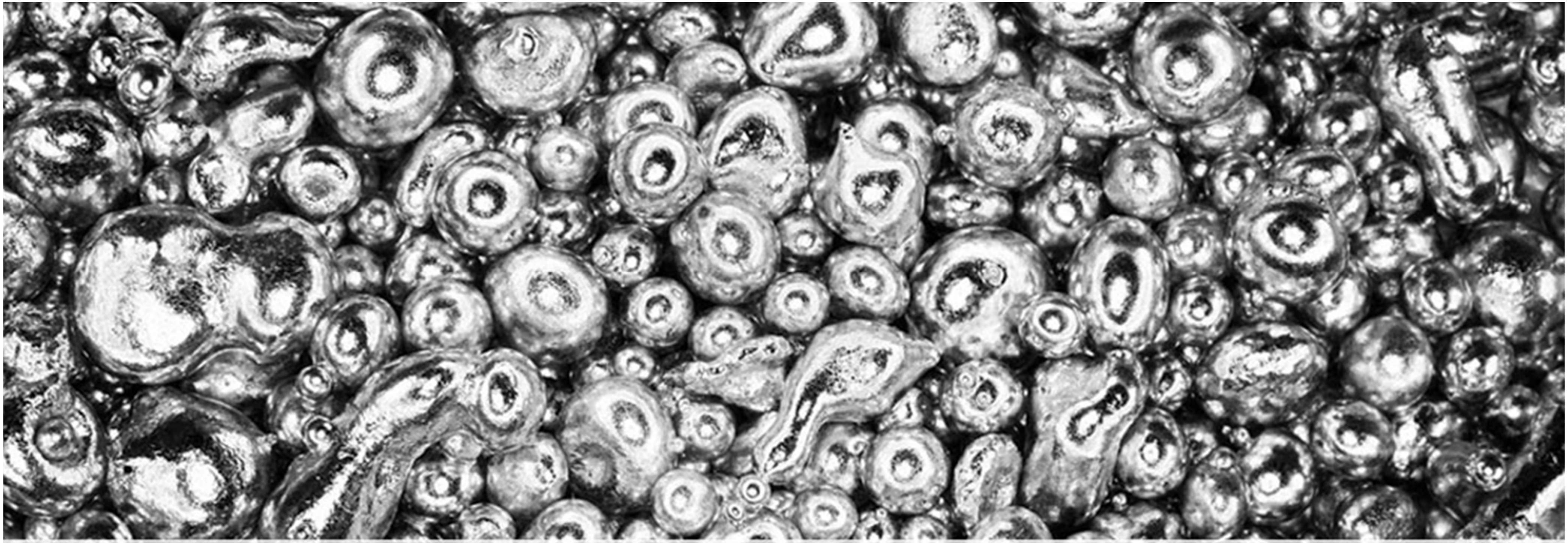
- Another very good year for DPT, sales up 49% to £66m
- A total of 13 new projects won
- Success in China with SNG, butanediol, methanol and oxo alcohols projects



Process Technologies

Looking Ahead

- Further growth in methanol catalysts expected
  - Increasing focus on methanol to olefins in China
  - Apico™ catalyst starting to deliver benefits
- Opportunities from Intercat and in hydrogen production catalysts
- Strong performance from DPT should continue
  - Range of new technologies available for license with more in development
- Process Technologies' portfolio fits well with coal to products and shale gas opportunities



Precious Metal Products Division

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Precious Metal Products Division

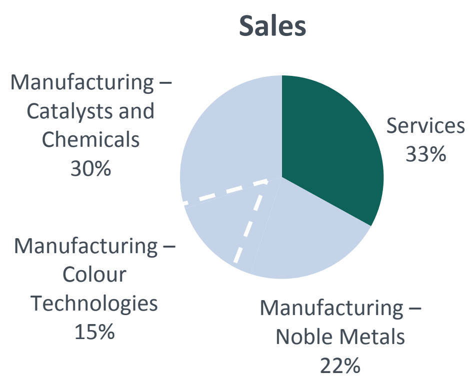
£m	Year to 31st March 2011	2010	% change	% at constant rates
Revenue	8,270	6,198	+33	+32
Sales (excluding precious metals)	541	454	+19	+18
Underlying operating profit	172.9	116.7	+48	+47
Return on sales	31.9%	25.7%		
Return on invested capital (ROIC)	55.9%	46.8%		

Services

- Strong performance supported by higher precious metal prices and refining demand

Manufacturing

- Very good year with growth in all businesses



Precious Metal Products Division

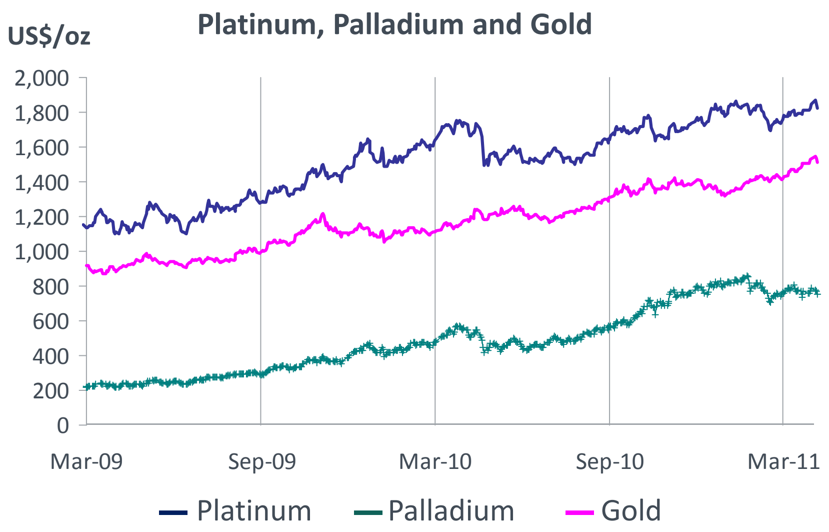
Services Businesses

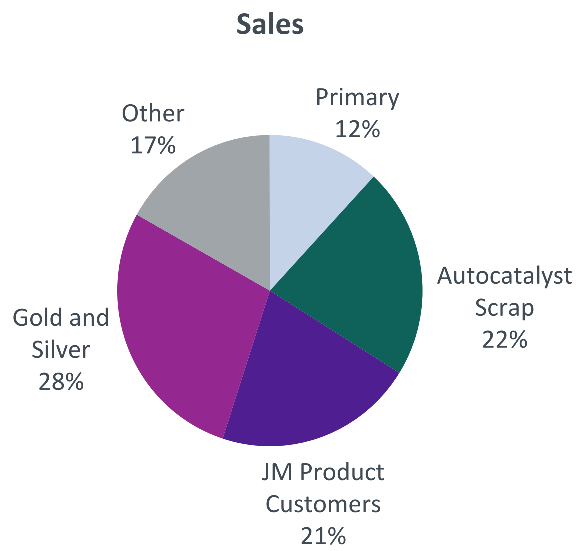
Platinum Marketing and Distribution Business

- Average prices boosted by increasing global demand
  - Pt $1,672/oz up 24%
  - Pd $616/oz up 90%
  - Au $1,295/oz up 26%

Refining Businesses

- Strong performance in 2010/11
- Throughputs boosted by higher precious metal prices
- Operational improvements made



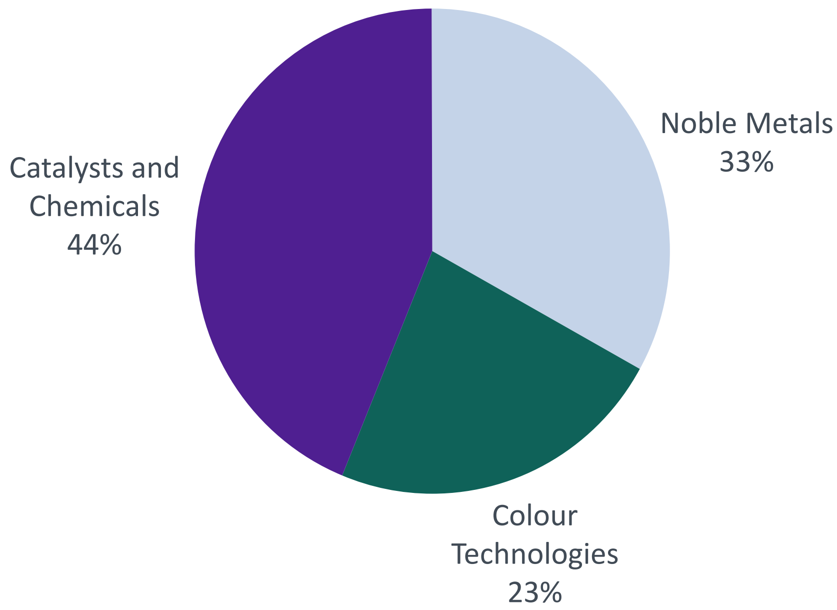


Precious Metal Products Division

Manufacturing Businesses

- Sales up 19% to £361m
- Noble Metals
    - Excellent growth in industrial products
    - Medical sales up 20%
- Colour Technologies
    - Good growth in automotive, especially in Asia
    - Decorative demand impacted by high gold price
- Catalysts and Chemicals
    - Demand for pgm salts for automotive recovers globally
    - Buoyant demand for catalysts in petrochemical, construction and personal care markets

Sales



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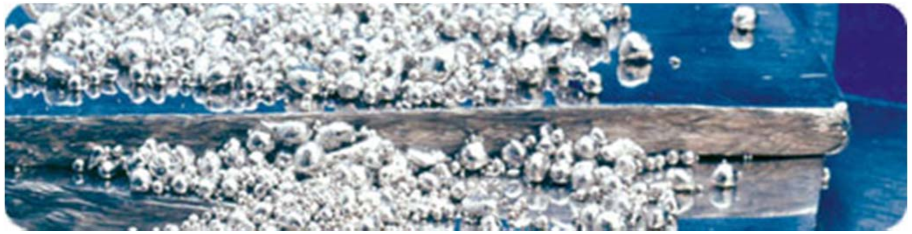
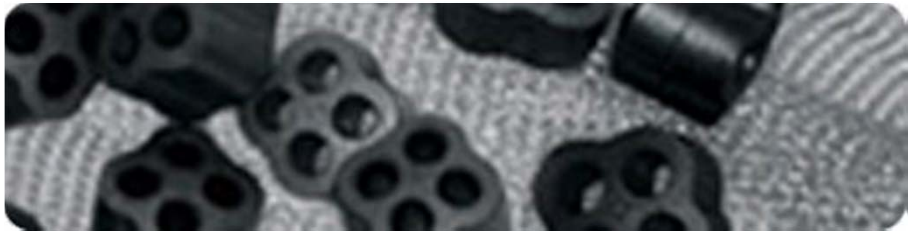
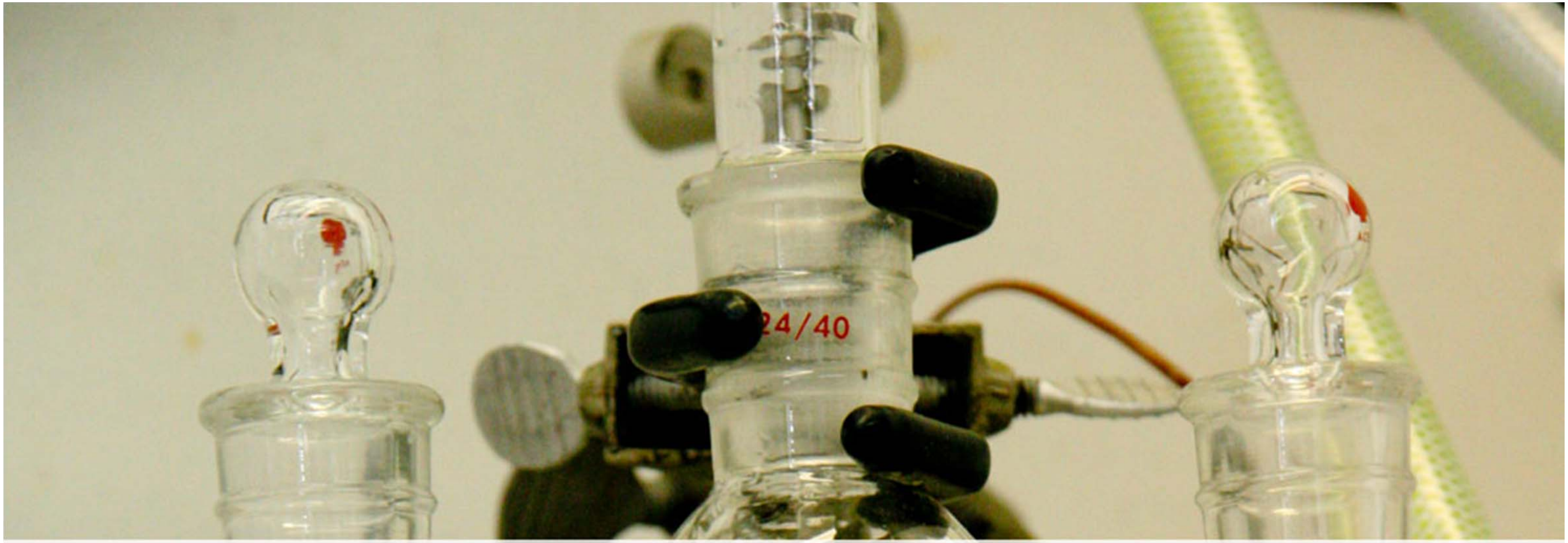
Precious Metal Products Division

Looking Ahead





- Precious metal prices expected to remain robust
- Continued strong refining intakes expected
- Benefits from new product launches, e.g. e+™ ethylene scavenger, and new pgm catalyst plant in Shanghai
- Continued investment in R&D across the division



Fine Chemicals Division

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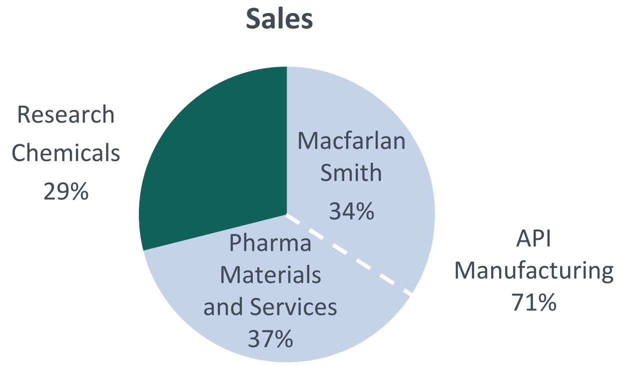
Fine Chemicals Division

£m	2011	2010	% change	% at constant rates	2010*	% change*
Year to 31st March						
Revenue	255	223	+14	+13	216	+18
Sales (excluding precious metals)	245	221	+11	+10	213	+15
Underlying operating profit	56.2	55.8	+1	-1	48.3	+16
Return on sales	22.9%	25.3%			22.7%	
Return on invested capital (ROIC)	13.7%	13.4%				

* Excluding the one-off benefit in 2009/10 from the launch of the generic version of ADDERALL XR®

- Good year, exceeding 2009/10 which benefited from one-off gain of £7.5m
- API Manufacturing businesses performed well
- Research Chemicals benefited from growth in all regions



Fine Chemicals

Business Performance

API Manufacturing Businesses

- Sales up 14% to £173m, strong demand across product range
- Availability of narcotic raw materials remains tight
- Results benefited from restructuring of contract research operations

Research Chemicals

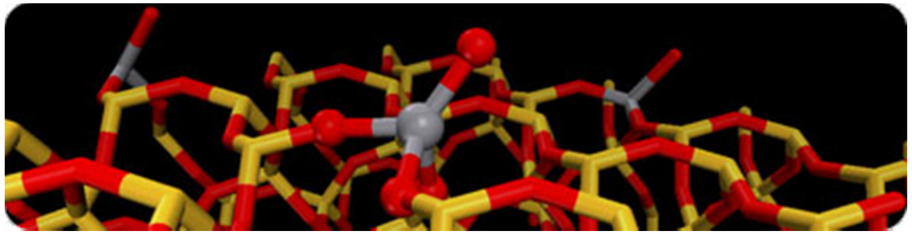
- Sales up 17% to £72m, growth led by US and Asia
- Continued focus in Asia and on new catalogue products
- Increased manufacturing of API intermediates

Fine Chemicals

Looking Ahead

- Acquisition of Conshohocken, US plant provides capacity for growth and synergies
- Progress made at Hebei Aoxing JV in China
- Further investment in new API development at contract research operations
- Continued geographic expansion and new biochemicals catalogue launch planned by Research Chemicals

Research and Development



- Group R&D investment increased by 20% to £110m
- Further increase of circa £15m to £125m in 2011/12 to develop opportunities within existing businesses
  - 70% in Environmental Technologies
- Focus on sustainable technologies, particularly in low carbon

- Initial additional central investment of up to £5m p.a. to target new areas for growth
  - Early work to identify attractive opportunities underway
  - Good progress so far

Outlook

Environmental Technologies:

- Well placed for continued growth
- Increasing demand for cars and trucks – temporary hiatus following Japan earthquake likely to impact H1 only
- Intercat and DPT provide good platform for Process Technologies

Precious Metal Products:

- Robust demand across the division and higher precious metal prices will benefit results in 2011/12

Fine Chemicals:

- Steady growth expected in the year ahead

Group:

- Further good progress expected in 2011/12
- Long term drivers and increased investment in R&D give confidence for the future

Johnson Matthey

Key Messages

Return to strong growth

Further good progress expected in 2011/12

Increasing investment in R&D

Longer term drivers remain firmly in place

Questions and Answers

Neil Carson
Chief Executive

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Bill Sandford
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Division Director, Fine Chemicals

Nick Garner
Group Director, Corporate and
Strategic Development

Geoff Otterman
Division Director, Catalysts,
Chemicals and Refining

John Walker
Division Director, Emission
Control Technologies

Neil Whitley
Division Director,
Process Technologies

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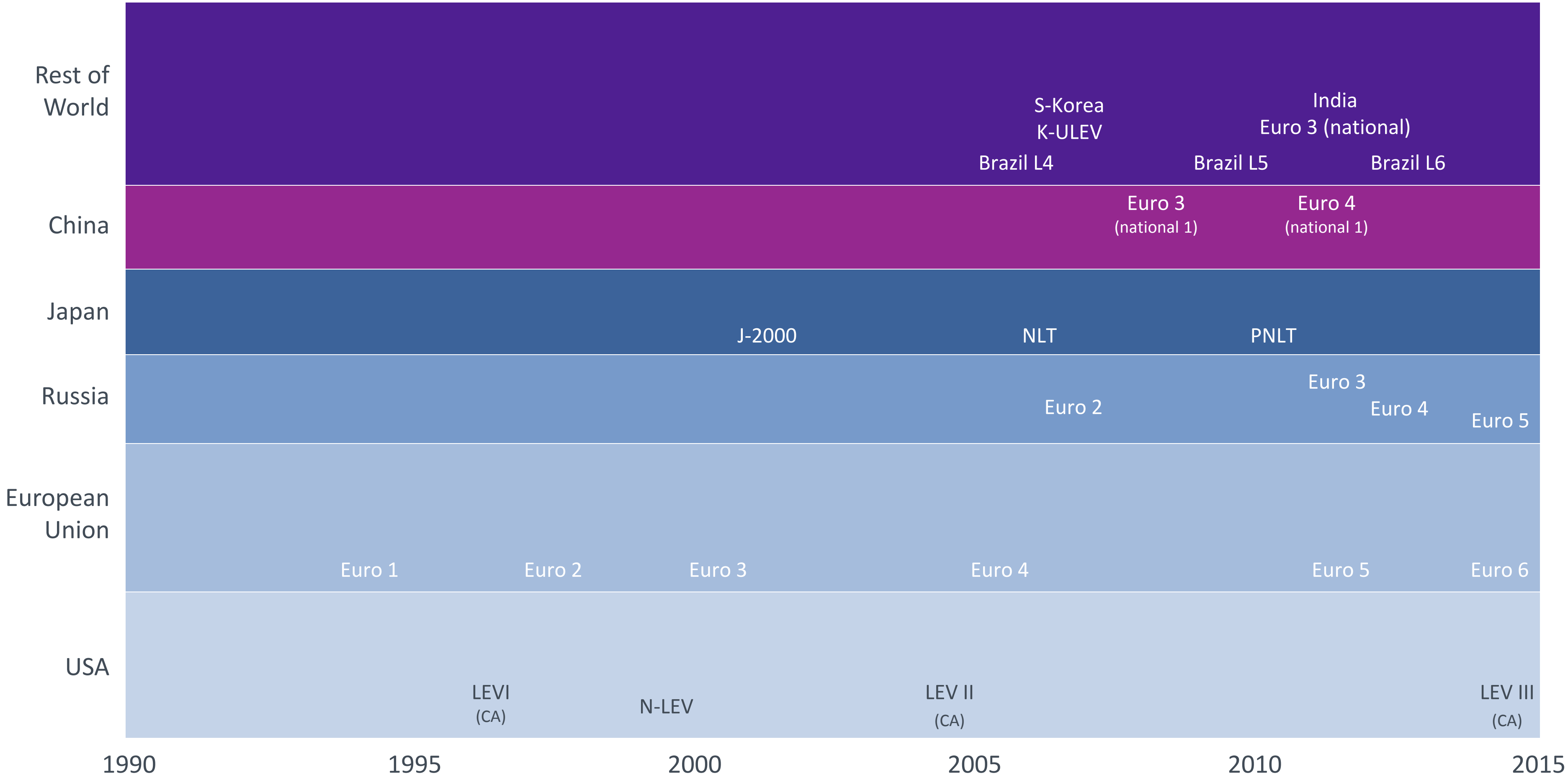
Light Duty Vehicle Legislation



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Heavy Duty Diesel Legislation