



News release

For release at 7.00 am on Thursday 25th July 2013

Johnson Matthey Plc – Q1 Interim Management Statement

Good Performance in First Quarter

At today's Annual General Meeting to be held at 11.00 am, Tim Stevenson, Chairman of Johnson Matthey, will make the following statement on the group's trading in its first quarter covering the period from 1st April 2013 to date:

"Performance in the first quarter of 2013/14 across the group has been good. Sales excluding precious metals (sales) were up 13% at £745 million with growth across all of the divisions. The group's underlying operating profit grew by 10% to £116.1 million (Q1 2012/13 restated £105.6 million). Underlying profit before tax was 8% ahead at £106.0 million (Q1 2012/13 restated £98.2 million).

The group's balance sheet remains strong and at 30th June 2013 net debt was £881 million, in line with our expectations.

Emission Control Technologies (ECT)

ECT's sales in the quarter were up 9% to £404 million. Sales of light duty vehicle catalysts grew slightly to £248 million (Q1 2012/13 £239 million), in line with car production volumes. Our heavy duty diesel catalyst sales grew more strongly, up 15% to £141 million (Q1 2012/13 £122 million), with particularly strong growth in Europe where there is evidence of a pre-buy ahead of the new Euro VI legislation. In addition, some customers are already demanding Euro VI systems and these products now represent approximately 25% of sales in our European HDD business, up from around 7% this time last year. ECT's operating profit was ahead of last year.

Process Technologies

The performance of Process Technologies in the quarter was boosted by the acquisition of Formox which was completed at the end of last year. The division's sales were 19% ahead at £144 million (Q1 2012/13 £121 million) and operating profit was significantly higher than last year. If Formox is excluded, overall sales growth was still good, at 9%, with strong growth in methanol catalysts sales offsetting an expected modest reduction in licence income. The integration of Formox is progressing very well.

Precious Metal Products

In the first quarter, Precious Metal Products' sales were up 3% at £110 million (Q1 2012/13 £106 million) and, due to the operating leverage in our Services businesses, the division's profit was significantly ahead of last year. The division's Services businesses benefited from good intake volumes at its platinum group metals (pgm) refineries in the final quarter of last year and, despite lower average precious metal prices, pgm refining volumes have held up so far this year. However, in our gold and silver refining business volumes of secondary material have fallen substantially. Sales in the division's Manufacturing businesses were in line with last year.

Fine Chemicals

Sales in Fine Chemicals grew by 5% to £81 million (Q1 2012/13 £77 million) although, in line with our expectations, operating profit was lower than last year as the benefits of the restructuring during the second half of 2012/13 have yet to impact the division's results. The API Manufacturing business benefited from a new product launched late last year, and sales of bulk opiates were relatively stable.

New Businesses

The Battery Technologies business, comprising mainly of Axion which was acquired in October last year, makes up the majority of this division's sales. As a result of this acquisition, sales for the division in the quarter were £20 million compared with £1 million last year. As planned, operating costs were slightly higher than the same period last year.

Outlook

Looking ahead, demand for the group's products is steady although performance in the second quarter of 2013/14 is currently anticipated to be slightly down on the first quarter, primarily due to planned summer shutdowns in the automotive industry. Our guidance for

the year as a whole remains unchanged; we expect that the group will make steady progress in 2013/14 notwithstanding the loss of revenue from Anglo Platinum from 1st January 2014."

Conference Call for Analysts and Investors

Robert MacLeod, Group Finance Director, will host a conference call at 8.00 am today, Thursday 25th July 2013, to discuss this Interim Management Statement.

The dial-in number for UK callers is 0844 800 3850; for overseas callers the number is +44 207 762 6301; and the passcode is 353751#. Please dial in at least 5 to 10 minutes prior to the start of the conference call to allow time for registration.

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