Presentation of Results for the year ended 31st March 2016

2nd June 2016

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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

Robert MacLeod

Chief Executive

Johnson Matthey

Key Messages

Robust performance overall in challenging markets, supported by strong growth in ECT

Actions taken to reduce costs provide benefits in 2016/17

Ongoing investment in R&D and capex to support medium term growth opportunities

Strong cash generation and balance sheet provide the resources for investment

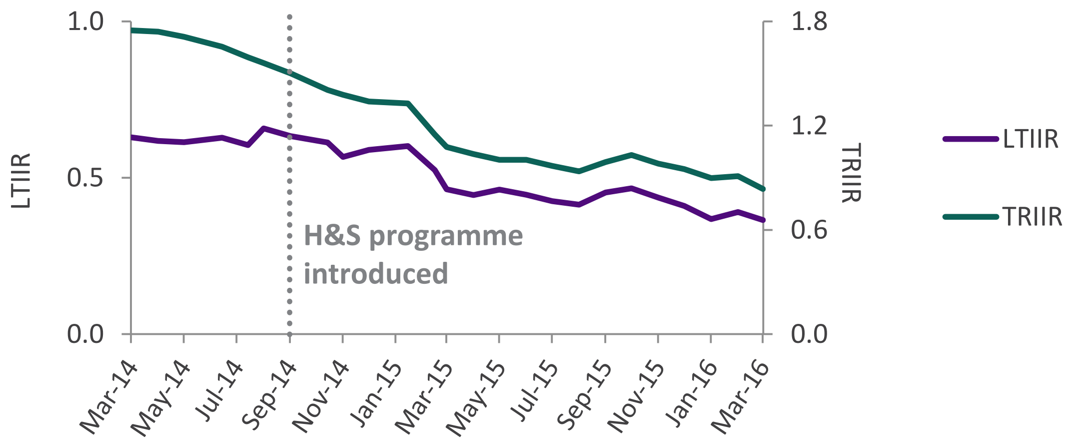
Expect performance in 2016/17 to be ahead of 2015/16, in line with current market expectations

Health and Safety is Our Priority

17th July 2015

Tragic accident in Riverside resulted in loss of life for one of our colleagues

43% reduction in LTIIR
53% reduction in TRIIR
since March 2014



Continued focus on embedding health and safety culture

LTIIR (lost time injury and illness rate) = number of lost workday cases per 200,000 hours worked in a rolling year
TRIIR (total recordable injury and illness rate) = number of recordable cases per 200,000 hours worked in a rolling year

Financial Review

Den Jones
Group Finance Director

Johnson Matthey

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Underlying Results[1]

Year to 31st March	2016 £m	2015 £m	% change	% at constant rates (cr)
Revenue	10,714	10,060	+7	+6
Sales excluding precious metals[2]	3,177	3,164	–	–
Operating profit	451	477	-6	-6
Interest and share of JV profit	(33)	(37)	+12	
Profit before tax	418	440	-5	-5
Tax	(67)	(75)		
Profit after tax	351	365	-4	
Earnings per share	178.7p	180.6p	-1	
Ordinary dividend per share	71.5p	68.0p	+5	

[1] All figures are before amortisation of acquired intangibles, major impairment and restructuring charges, profit or loss on disposal of businesses, significant tax rate changes and, where relevant, related tax effects

[2] Sales excluding precious metals have been adjusted to include certain non pass through precious metal items

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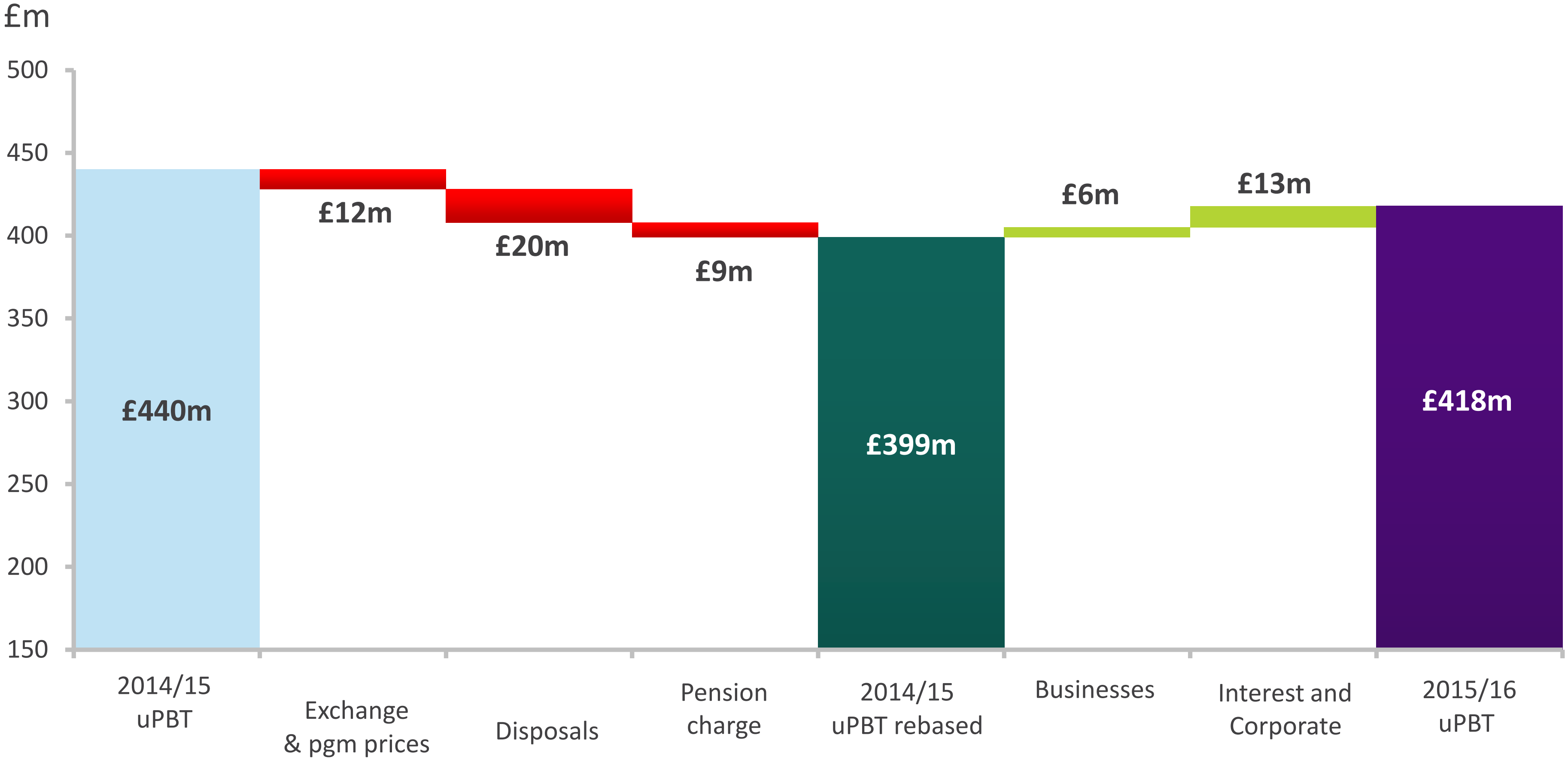
Robust Performance with Significant Headwinds

Underlying Profit Before Tax Bridge – 2014/15 to 2015/16



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Reconciliation to Reported Results

Year to 31st March	2016 £m	2015 £m
Underlying profit before tax	418	440
Amortisation of acquired intangibles	(21)	(17)
Profit on sale of businesses	130	70
Major impairment and restructuring charges	(141)	–
Exchange on liquidation of businesses	-	3
Profit before tax	386	496

- Major impairment and restructuring charges of £141m
- Restructuring charge includes cash costs of £38m
- Cost savings resulting from restructuring around £34m p.a. (£8m included in Q4 2015/16)

Restructuring and Impairment Charges

Process Technologies

Market conditions expected to remain challenging

- Charge of £62m
- Impairment of SNG and upstream oil and gas assets £36m
- Cash costs £22m
- Savings ~£23m p.a. (~£5m in Q4 2015/16)

New Businesses

Fuel Cells - expected market penetration pushed out to at least 2025

- Charge of £42m
- Cash costs £2m
- Savings ~£3m p.a. from 2016/17

H_2

ECT

Actions to cease manufacturing in Korea to optimise supply chain

- Charge of £20m
- Cash costs £6m
- Savings ~£1m in 2016/17

£17m of other charges (including £10m in PMP). Total savings ~£34m p.a. (£8m in Q4 2015/16)

Cash Flow from Operations

Year to 31st March	2016 £m	2015 £m
Operating profit	419	533
Impairment, depreciation and amortisation	252	153
Tax paid	(66)	(82)
Profit on disposal of businesses	(130)	(70)
Working capital / other	392	(408)
Cash flow from operations	**867**	**126**

- Working capital days (excl. pm) were 56 (2014/15 66)
- During 2015/16, working capital:
  - Excl. pm decreased by £100m
  - Precious metal decreased by £342m

- Working capital days decreased due to:
  - Improved management of receivables
  - Disposal of Research Chemicals

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Cash Flow Conversion

Year to 31st March	2016 £m	2015 £m
Cash flow from operations	867	126
Add back: Tax paid	66	82
Pension deficit contributions	26	30
Net capital expenditure	(250)	(208)
	709	**30**
Movement in precious metal working capital	(342)	180
Cash flow (excluding precious metals)	**367**	**210**
Underlying operating profit	**451**	**477**
Cash flow conversion	**82%**	**44%**

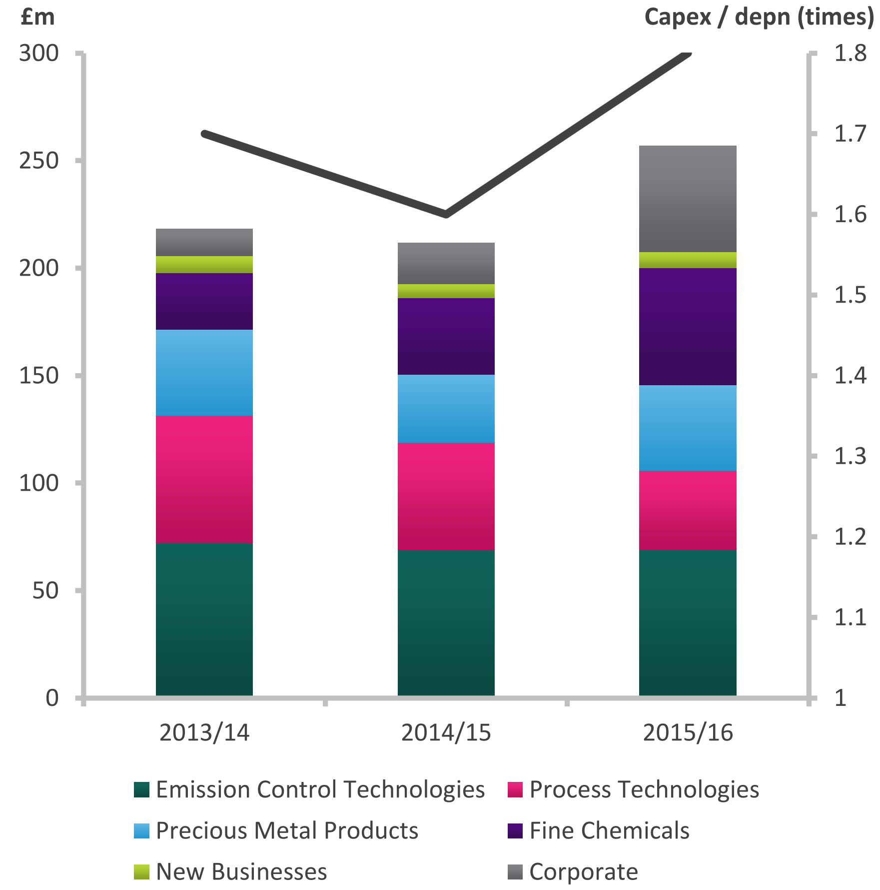
Strong cash flow conversion driven by reduction in working capital

Continued Investment to Support Business Growth

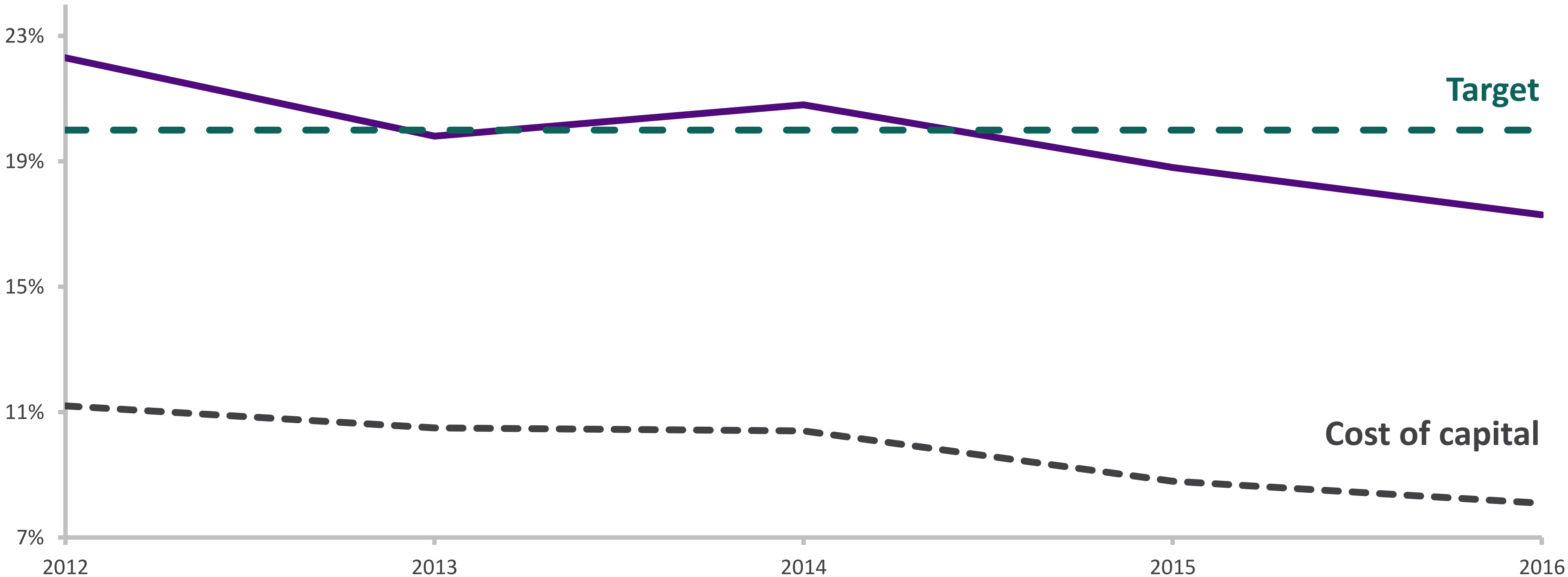
Capital expenditure £257m (2014/15 £212m)

- Key projects:
  - Extension of ECT facilities in Europe and China to meet demand from new legislation
  - Expansion of pgm refining capacity in China
  - Upgrading core business systems
- Capex : depreciation = 1.8 times
- Depreciation expected to increase by 8-10% p.a. over next 3 years
  - Capex : depreciation range 1.6 to 1.8 times
  - Investment in ECT capacity, Fine Chemicals and business systems

R&D – gross expenditure up 11% at £188m



Return on Invested Capital (ROIC)



Down due to lower profit and higher capex

Group ROIC 17.3%

Well ahead of pre-tax cost of capital of 8.1%

Remain committed to 20% target

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Balance Sheet Provides Resources For Investment

Treasury

- Net debt reduced to £675m (2014/15 £994m)
- Net debt (including post tax pension deficits) / EBITDA 1.1 times
- Average cost of debt 3.0%
- Average tenure 4.7 years

Post-employment Benefits

- Number of actions over last few years to reduce deficits
- UK scheme now in surplus of £101m under IAS19
- Underlying operating profit impact
  - In 2015/16, £15m increase in pension costs offset by £7m credit in US post-retirement medical benefit plan
  - In 2016/17, post-employment charges expected to be in line with 2015/16

Operating Review

Robert MacLeod

Chief Executive

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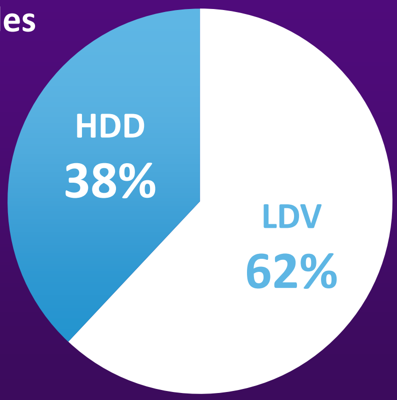
Emission Control Technologies – Another Strong Year

£m	2016	2015	% change	% at constant rates (cr)
	Year to 31st March			
Sales (excluding precious metals)	1,913	1,782	+7	+7
Underlying operating profit	272	237	+15	+16
Return on sales	14.2%	13.3%		
Return on invested capital (ROIC)	28.3%	24.1%		

Another strong year with:

- Benefit from full implementation of Euro 6b legislation in Europe
- Good growth in LDV catalyst sales in Asia and North America
- Benefit from strong demand for Class 8 trucks in H1 which has since weakened
- Supported by recovery in Western European truck production

Sales

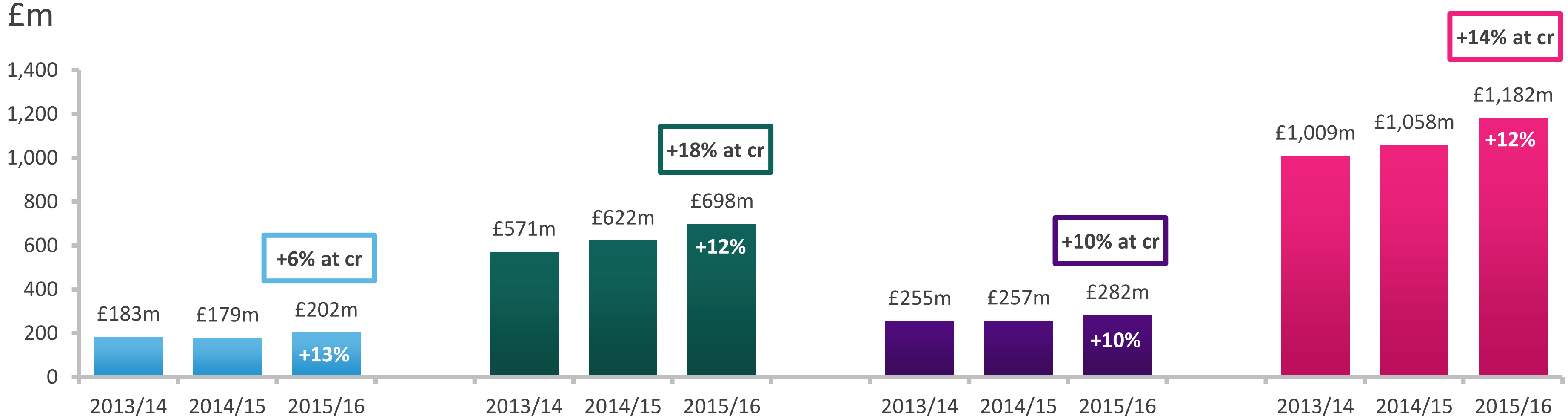


Strong Light Duty Sales Across all Regions

Total sales
£1,182m up 12%

Johnson Matthey's Light Duty Catalyst Sales

£m



North America
- Vehicle production up 4%
- JM sales and volumes grew ahead of market boosted by product and customer mix

Europe
- JM's sales well ahead of 2% growth in market
- Driven by full implementation of Euro 6b

Asia
- JM sales growth in all major Asian markets
- Strong performance ahead of flat production due to positive product mix

Global
- JM sales strongly ahead of 1% growth in global car production

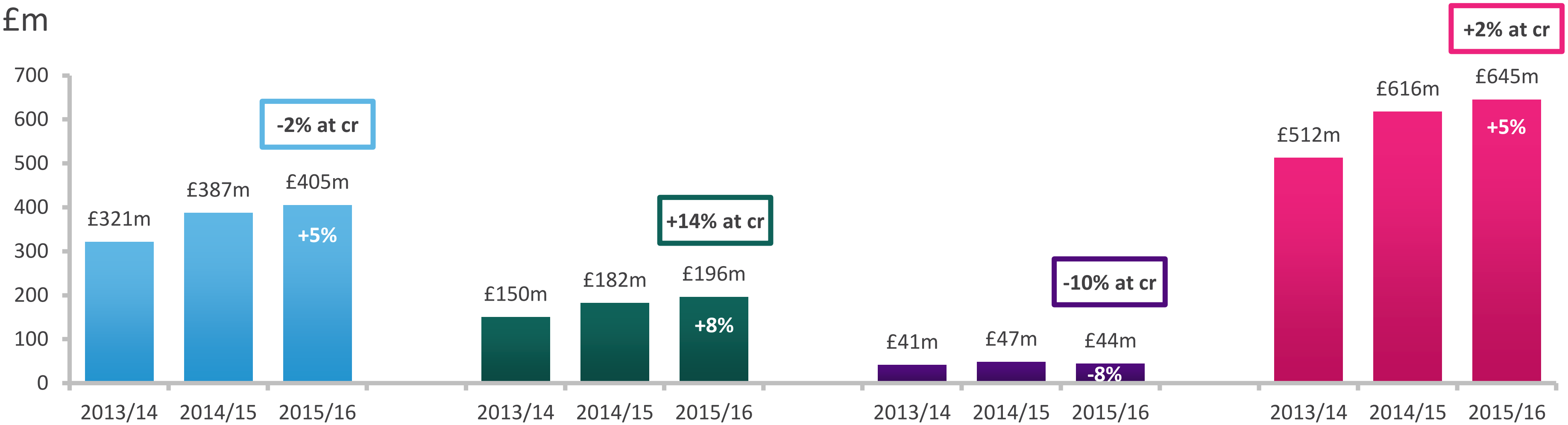
Growth in On Road HDD Catalysts

Total sales

£645m up 5%

Johnson Matthey's On Road Heavy Duty Diesel Catalyst Sales

£m



North America

- JM volumes ahead in flat market
- Catalyst sales held back due to lower demand for Class 8 trucks in H2
- Good growth in sales for Class 4 to 7

Europe

- JM sales in EU supported by 14% growth in market
- Substantial decline in South American market held back sales

Asia

- Strong growth in on road catalyst units sold in China
- China sales lower due to reduced catalyst content

Global

- JM on road catalyst sales up 2% at cr
- Demand for catalysts for non-road and stationary applications remained weak

Looking Ahead – Emissions Remain a Major Global Issue

Light duty – good structural growth in medium term

- Euro 6c and RDE legislation begins to take effect from late 2017 onwards. Continued shift towards SCR technology
- No significant impact from legislation in Asia until end of the decade
- Diesel penetration in US pick-up trucks increasing

Heavy duty – longer term growth in China and India

- Production of Class 8 trucks in North America has continued to soften at start of 2016/17
    - Expect production levels to stabilise later in year
- Euro VI type legislation begins to be adopted in China from ~2018 and in India from ~2020

Outlook 2016/17: Performance expected to be slightly ahead of 2015/16, after weaker H1

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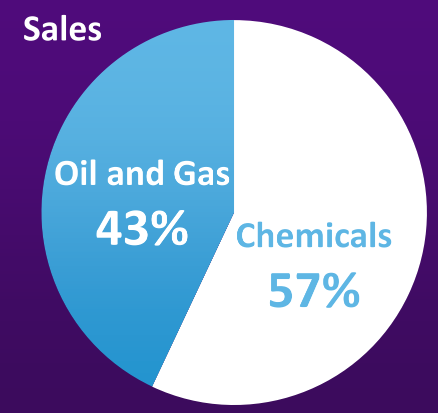
Process Technologies – Challenging Trading Conditions

£m	2016	2015	% change	% at constant rates (cr)
	Year to 31st March			
Sales (excluding precious metals)	541	591	-8	-9
Underlying operating profit	74	106	-31	-31
Return on sales	13.6%	17.9%		
Return on invested capital (ROIC)	9.6%	14.6%		

Challenging market conditions; actions taken to reduce costs

- Chemicals
  - Slightly weaker catalyst sales
  - Continued low level of licensing activity
- Oil and Gas impacted by weak performance in Diagnostic Services
- Actions taken to reduce costs. Charge of £62m (£22m cash)



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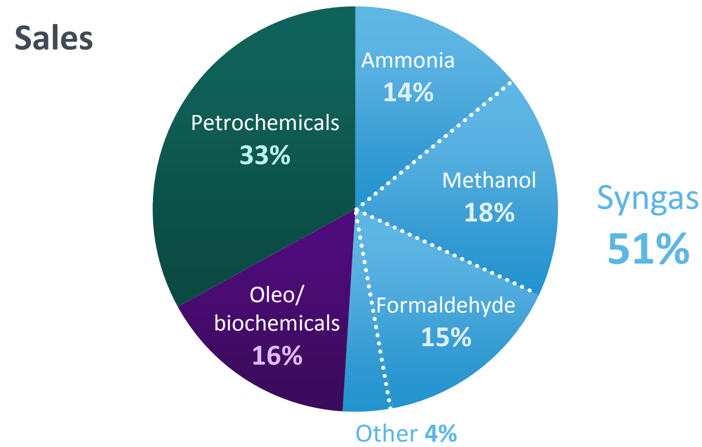
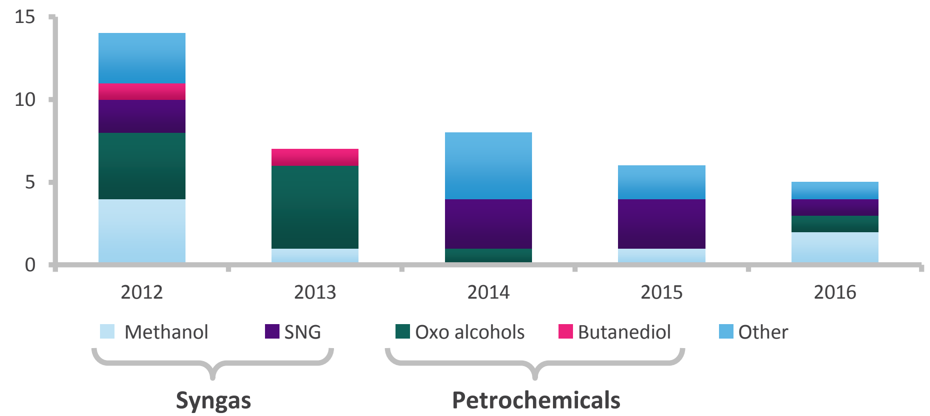
PT Chemicals – Weaker Sales in Licensing and Catalysts

Sales 10% down at £309m

- Lower demand in ammonia after strong 2014/15
- Steady sales of methanol catalysts
- Licensing sales reduced (£56 million vs £76m in 2014/15)
    - 5 new licences secured
- Good sales growth in Petrochemicals
    - Increased demand for catalysts for speciality products



Technology Licensing – Projects Awarded 2012 – 2016



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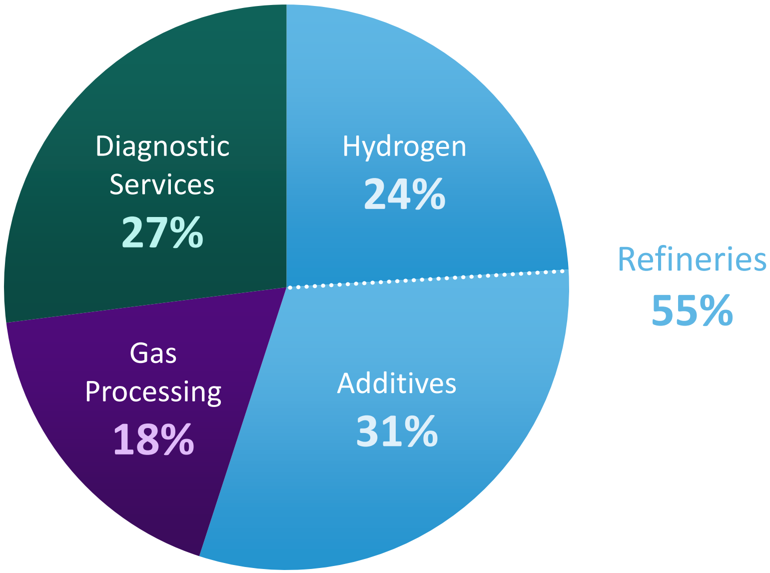
PT Oil and Gas – Mixed Year Overall

Sales down 7% to £232m

- Reduced demand for hydrogen catalysts after strong year in 2014/15
- Refinery additives sales ahead
- Good progress in gas processing

- Diagnostic Services sales down 19%
    - Reduced demand across all regions due to low oil price
    - Business broke even for the year

Sales



Looking Ahead – Limited Short Term Growth Opportunities, Long Term Drivers Remain

Actions taken to reduce costs but limited short term growth opportunities

- Catalyst demand stable
- Low level of licensing activity expected in the short term

Long term drivers remain in place

- Tighter emissions regulations and energy security concerns support future demand
- Ongoing development of new technologies; strategic collaborations
- Availability of cheap shale gas in US continues to stimulate market

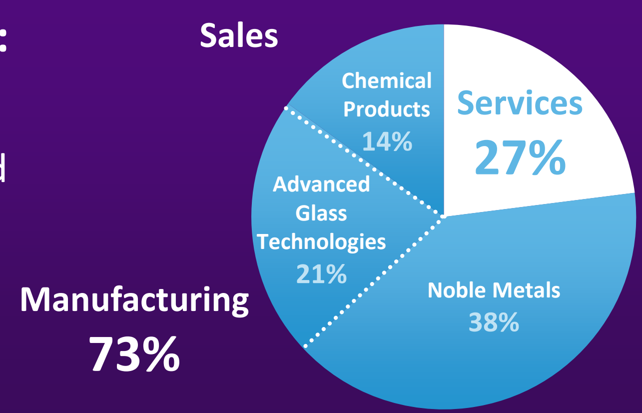
Outlook 2016/17: Expected to be ahead of 2015/16 due to actions taken to reduce costs

Precious Metal Products – Headwinds in Refining

£m	2016	2015	% change	% at constant rates (cr)
	Year to 31st March			
Sales (excluding precious metals)[1]	343	417	-18	-19
Underlying operating profit	66	102	-35	-35
Return on sales[1]	19.4%	24.3%		
Return on invested capital (ROIC)	16.5%	21.6%		

Continuing businesses' sales down 8%, OP 25% lower:

- Gold and Silver Refining business sold in March 2015
- Substantially lower pgm prices impacted Pgm Refining and Recycling
- Manufacturing businesses stable



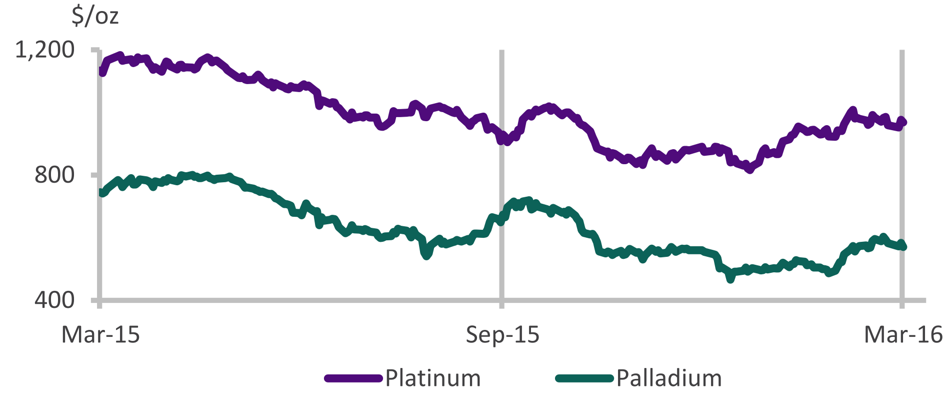
[1] Sales excluding precious metals have been adjusted to include certain non pass through precious metal items

PMP Services – Adversely Impacted by Lower Pgm Prices

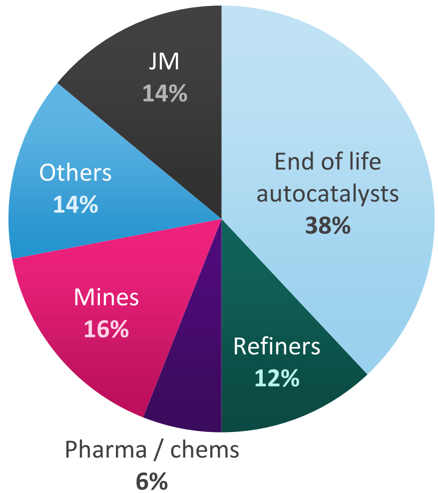
Sales down 17% at £94m (continuing businesses)

- Substantially lower average pgm prices impacted performance in Refining
  - Pt \$991/oz (down 26%)
  - Pd \$631/oz (down 23%)
- Intake volumes subdued but stable
- Reduction in end of life autocatalyst volumes
- Processing issues resolved

Platinum and Palladium Prices



Pgm Refining and Recycling Throughput by Sector



PMP Manufacturing – Steady Overall

Sales down 4% to £249m

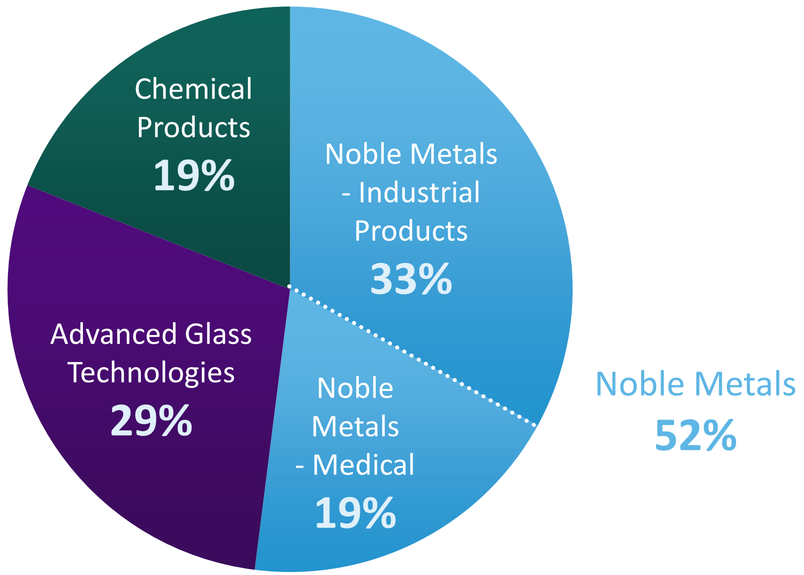
Benefiting from:

- Steady demand in Europe and North America for products used in automotive glass applications
- Strong sales of chemical products due to good demand from pharma industry

However:

- Weak sales of catalysts for fertiliser manufacture following strong year in 2014/15
- Exit from decorative ceramic colour products weighed on results in AGT

Sales



Looking Ahead – Short Term Tough but Investing for Growth

Pgm Refining and Recycling

- Performance will continue to be adversely impacted at current pgm prices
- Continued focus on improvement projects
- Investment in China refinery; will be operational in 2016/17

Manufacturing businesses

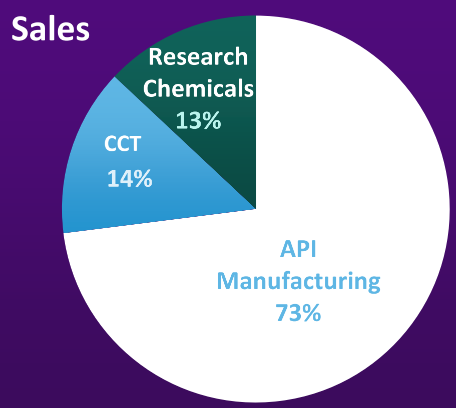
- Stable outlook for 2016/17
- Focus on accessing higher growth markets
    - Further investment in new product development
    - Some time until growth is realised

Outlook 2016/17: Performance expected to be lower in 2016/17, at current pgm prices

Fine Chemicals – Steady Progress

£m	2016	2015	% change	% at constant rates (cr)
	Year to 31st March			
Sales (excluding precious metals)[1]	296	328	-10	-13
Underlying operating profit	82	89	-7	-11
Return on sales	27.8%	27.1%		
Return on invested capital (ROIC)	16.9%	18.4%		

- Steady sales growth in API Manufacturing
- Safety shutdown in USA adversely impacted performance
- Strong demand in Catalysis and Chiral Technologies (CCT)
- Research Chemicals business sold for £255m in September 2015



[1] Sales excluding precious metals have been adjusted to include certain non pass through precious metal items

Expanding API Capabilities to Drive Future Growth

API Manufacturing

- Sales up 1% to £217m (-3% at cr)
- Demand for APIs mixed across our portfolio with steady sales overall
- Acquisition of Pharmorphix enhances our technical capabilities
- Refurbishment of Annan site; due to commence operation by end 2016

Catalysis and Chiral Technologies (CCT)

- Sales up 16% to £41m
- Strong demand for catalysts and other specialty products

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Looking Ahead – Good Medium Term Growth Potential

Positive outlook for API Manufacturing and CCT

- Expect growth in API Manufacturing in North America
- Annan site will support growth in Europe
- Further investment in development of portfolio of complex APIs
- CCT good performance expected to continue

Strong global drivers support future growth

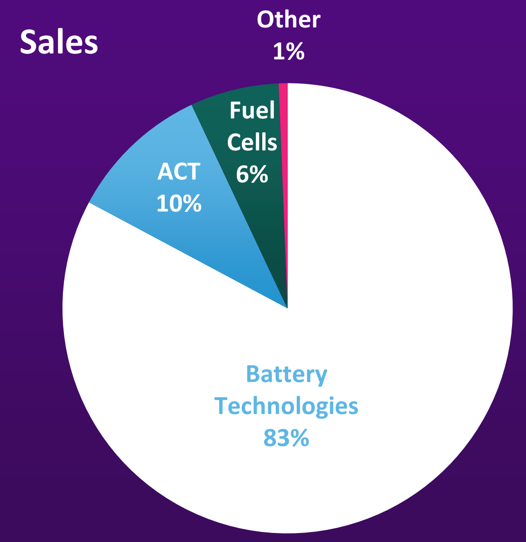
- Focus on complex, smaller volume APIs
- Working with customers / partners to develop steady pipeline of new API products to support future growth

Outlook 2016/17: Expect progress on a continuing basis

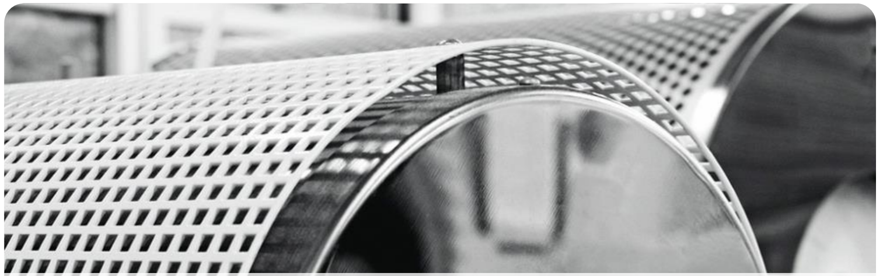
New Businesses – Good Progress in 2015/16

£m	2016	2015	% change	% at constant rates (cr)
	Year to 31st March			
Sales (excluding precious metals)	157	91	+73	+83
Underlying operating profit / (loss)	(18)	(22)	+19	+20

- **Battery Technologies (sales 56% ahead at £130m)**
  - Break even excluding acquisition-related costs
  - Strong position in lithium iron phosphate (LFP)
- **Fuel Cells (sales up 59% at £10m)**
  - Increased demand from non-automotive applications
- **Positive contribution from Atmosphere Control Technologies**
- **Water Technologies business to grow following two acquisitions since year end**



Looking Ahead – Deepening Portfolio for Long Term Growth

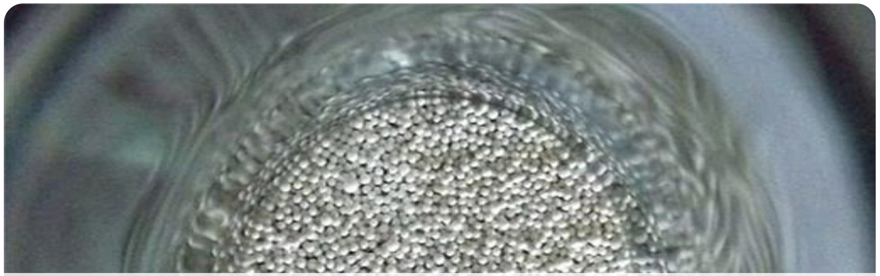


Battery Technologies

- Licence agreed since year end for high energy nickel rich cathode materials
- Investment in R&D to develop next generation of battery materials

Fuel Cells

- Significant penetration of fuel cell electric vehicles unlikely until at least 2025
- Restructured to reduce costs



Water Technologies

- Acquisition of MIOX and Finex since year end
- Expect sales of ~£15m in 2016/17 with small operating loss

Overall

- Expect breakeven for division in 2017/18

Outlook 2016/17: Reduction in operating loss

Key Messages

Robust performance overall in challenging markets, supported by strong growth in ECT

Actions taken to reduce costs provide benefits in 2016/17

Ongoing investment in R&D and capex to support medium term growth opportunities

Strong cash generation and balance sheet provide the resources for investment

Expect performance in 2016/17 to be ahead of 2015/16, in line with current market expectations

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Sustainability Drivers Provide Superior Growth for JM

Global Drivers

Global Drivers	
Population Growth Urbanisation Increasing Wealth	• Provide opportunities across all businesses • JM well positioned in emerging markets
Natural Resource Constraints	• Energy security a major driver for JM technologies • Recycling pgms is a strategic service
Environmental Factors Climate Change Regulation	• Continued tightening of emissions legislation as air quality and focus on emissions remain a priority • Electrification of powertrain creates additional opportunities
Health & Nutrition Ageing Population	• Ongoing pressure on healthcare costs drives increased use of generics • Enzymatic catalysis / more sustainable chemistry in pharma industry

In Summary

Attractive business fundamentals
Underpinned by innovation
Leading, defendable market positions

Investing for the future
In R&D, capex and new businesses
Disciplined capital efficiency

Well placed for growth
Strong global structural drivers
Opportunities to accelerate through targeted acquisitions

Strategy to achieve **superior growth** over medium term

Questions and Answers

Robert MacLeod
Chief Executive

Den Jones
Group Finance Director

John Walker
Executive Director,
Emission Control
Technologies

John Fowler
Division Director,
Fine Chemicals

Nick Garner
Division Director,
New Businesses and
Corporate Development

Geoff Otterman
Division Director,
Process Technologies

Jane Toogood
Division Director,
Precious Metal Products

JM

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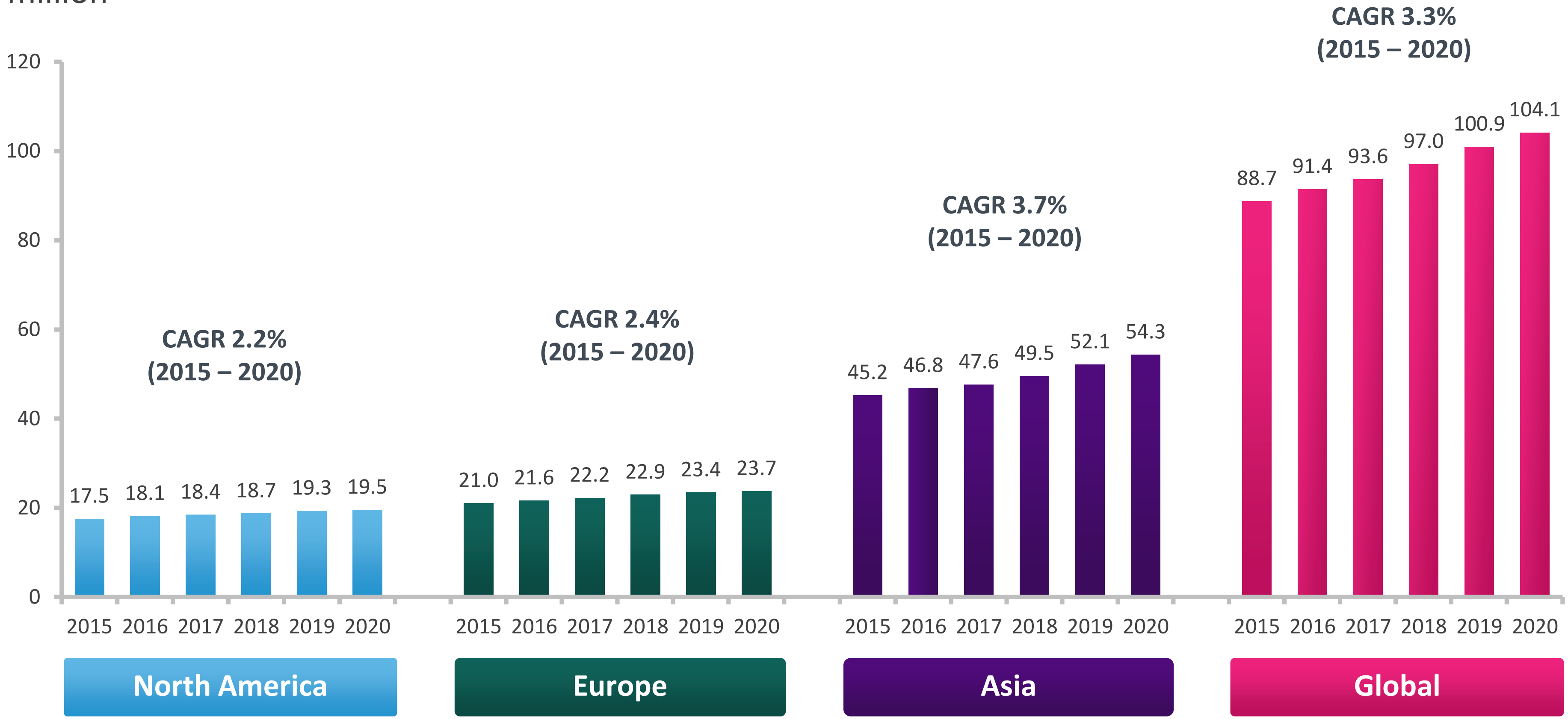
Estimated Light Duty Vehicle Sales and Production

		Year to 31st March			2H	2H	
		2016 millions	2015 millions	% change	2015/16 millions	2014/15 millions	% change
North America	Sales	21.0	19.7	+6	10.3	9.5	+8
	Production	17.8	17.0	+4	8.8	8.6	+2
Europe	Sales	18.8	18.1	+4	9.5	9.2	+3
	Production	20.7	20.3	+2	10.7	10.0	+7
Asia	Sales	39.7	38.6	+3	21.6	20.4	+6
	Production	44.1	43.9	–	22.8	21.2	+8
Global	Sales	90.0	88.0	+2	46.3	44.8	+3
	Production	88.5	88.0	+1	45.6	43.9	+2

Source: LMC Automotive

Global Growth in Vehicle Production Drives ECT

Light Duty Vehicle Production Outlook – 2015 - 2020 (calendar years)
million



Source: LMC Automotive (April 2016)

Legislation Continues to Tighten Around the World

Light Duty Emissions Control Legislative Roadmap

<table>
<tr><th></th><th>2015</th><th>2016</th><th>2017</th><th>2018</th><th>2019</th><th>2020</th><th>2021</th><th>2022</th><th>2023</th><th>2024</th><th>2025</th></tr>
<tr><td>Europe</td><td colspan="2">EU 6b</td><td colspan="4">EU 6c / RDE Phase 1</td><td colspan="3">RDE Phase 2 / 95 g/km CO_2</td><td colspan="2">EU 7?</td></tr>
<tr><td>North America EPA</td><td colspan="2">Tier 2</td><td colspan="9">Tier 3 Phase In: NMOG + NOx, PM Tightening</td></tr>
<tr><td>North America CARB</td><td colspan="6">LEV III Phase In: NMOG + NOx, PM Tightening</td><td colspan="5">LEV III Further Tightening</td></tr>
<tr><td>Japan</td><td colspan="3">JP09</td><td colspan="8">JP18?</td></tr>
<tr><td>South Korea (Gasoline)</td><td>K-ULEV</td><td colspan="5">K-ULEV 70</td><td colspan="5">K-SULEV?</td></tr>
<tr><td>South Korea (Diesel)</td><td colspan="4">EU 6b</td><td colspan="7">EU 6c</td></tr>
<tr><td>China (Beijing)</td><td colspan="2">BJ5 (EU 5)</td><td colspan="3">BJ6</td><td colspan="6">BJ6 Phase 2</td></tr>
<tr><td>China (Nationwide)</td><td colspan="3">China 4 (EU 4)</td><td colspan="2">China 5 (EU 5)</td><td colspan="3">China 6a (EU 6a)?</td><td colspan="3">China 6b (EU 6b)?</td></tr>
<tr><td>India</td><td colspan="5">BS4 (EU 4)</td><td colspan="6">BS6 (EU 6)</td></tr>
<tr><td>Indonesia</td><td colspan="4">EU 2</td><td colspan="7">EU 4</td></tr>
<tr><td>Thailand</td><td colspan="4">EU 4</td><td colspan="5">EU5</td><td colspan="2">EU6</td></tr>
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Estimated HDD Truck Sales and Production

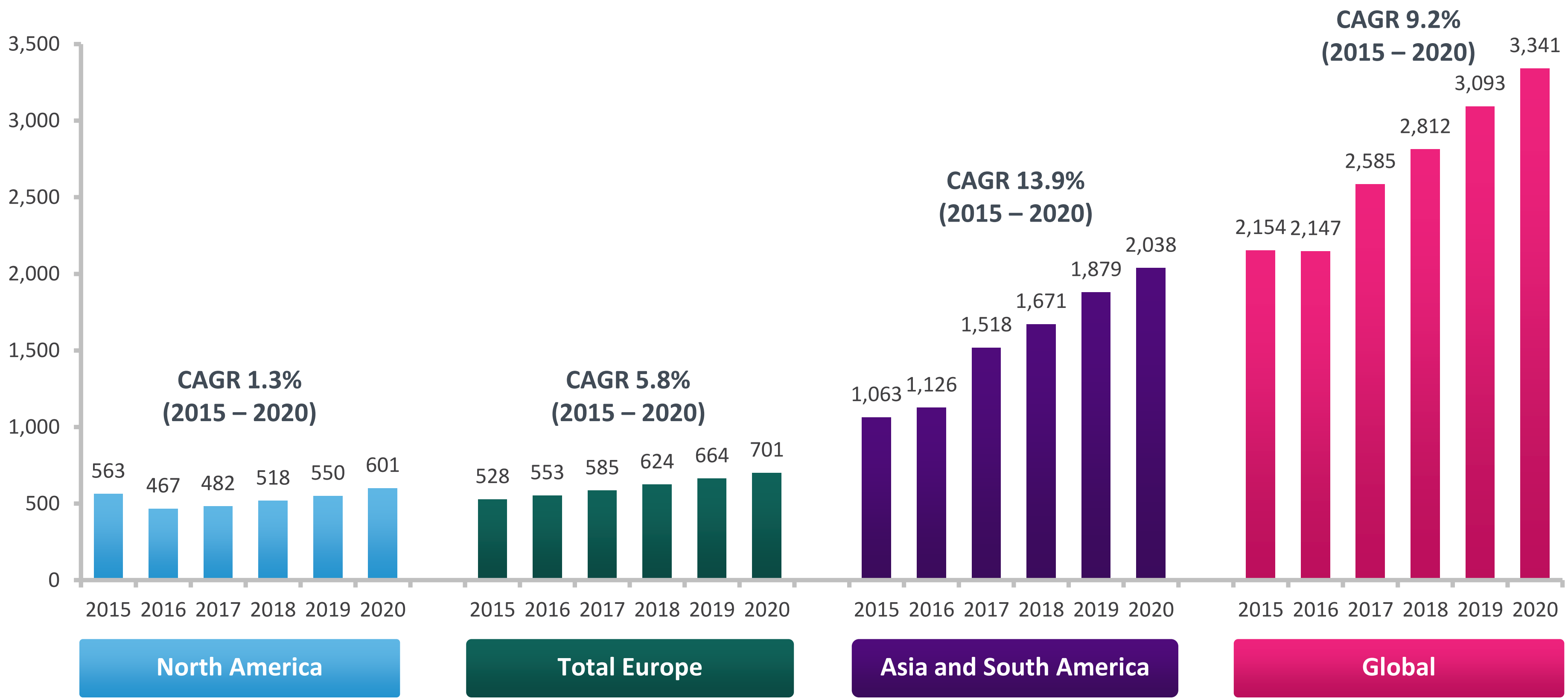
		Year to 31st March			2H	2H	
		2016 thousands	2015 thousands	% change	2015/16 thousands	2014/15 thousands	% change
North America	Sales	546.1	512.8	+6	262.8	255.4	+7
	Production	545.7	543.7	-	261.7	271.8	-4
EU	Sales	321.2	276.6	+16	172.9	146.9	+18
	Production	442.8	386.8	+14	236.8	201.2	+18

Source: LMC Automotive

Heavy Duty Vehicle Production Regulated Engines Outlook

Heavy Duty Vehicle Regulated Engines Production outlook 2015 - 2020 (calendar years)

thousands



Source: LMC (April 2016); JM estimates for proportion regulated

Further Tightening of Heavy Duty Regulation

Heavy Duty Diesel Emission Control Legislative Roadmap