Preliminary results for the year ended 31st March 2025

22nd May 2025

Results in line with expectations, more focused JM accelerating value creation

- Agreed sale of Catalyst Technologies to Honeywell International Inc. (Honeywell) at an attractive valuation – enterprise value of £1.8 billion on a cash and debt-free basis, 13.3x 2024/25 EBITDA[1]
- £1.4 billion of net sale proceeds to be returned to shareholders following completion[2]
- Creating a highly focused, lean and agile group
- Driving a step change in sustainable cash generation through rigorous cost control, materially lower capex and significant working capital benefits
- Committed to growing annual cash returns to shareholders from at least £130 million for 2025/26, equivalent to the total dividend for 2024/25[3], to at least £200 million for 2026/27 and beyond[4]
- 2024/25 results in line with guidance against a challenging market backdrop – underlying operating profit ex-divestments of £388 million, up 6%, at constant PGM prices and currency
- Reported operating profit of £538 million benefiting from a £482 million profit on disposal of businesses. This was partly offset by £329 million impairment and restructuring charges primarily across Clean Air, PGM Services and Hydrogen Technologies

		Reported results			Underlying results[5,6]			
		Year ended 31st March 2025	2024	% change	Year ended 31st March 2025	2024	% change	% change, ex-divestments[7], constant FX rates
Revenue	£m	11,674	12,843	-9				
Sales excl. precious metals[8]	£m				3,470	3,904	-11	-2
Operating profit	£m	538	249	116	389	410	-5	+5
Profit before tax	£m	486	164	196	334	328	+2	
Profit after tax	£m	373	108	245	263	260	+1	
Basic earnings per share	pence	211.8	58.6	261	149.2	141.3	+6	
Ordinary dividend per share	pence	77.0	77.0	-				
Free cash flow	£m	521	189					
Cash from operating activities	£m	381	592					
Net debt	£m	799	951					

Liam Condon, Chief Executive Officer, commented:

Today's announcement represents a significant milestone in the over 200 year history of Johnson Matthey. Following on from the divestment of our Medical Devices business at a highly attractive valuation, we have now agreed to the sale of our Catalyst Technologies business for £1.8 billion. This allows JM to realise a very attractive valuation for this business that fully reflects its strong long-term growth prospects. We will now fundamentally re-shape Johnson Matthey into a more highly focused and leaner business. This will better position us to leverage our strong capabilities and leading market positions in Clean Air and PGM Services as we drive a step change in sustainable cash generation with higher returns to shareholders. Our full year results were underpinned by a strong second half and were in line with guidance and market expectations, against challenging market headwinds. This resilient performance reflects the strength of our businesses and the strategic progress delivered, including cumulative benefits of £200 million from our 2021/22 to 2024/25 group transformation programme.

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Group outlook for the year ending 31st March 2026

For 2025/26 we expect mid single digit percentage growth in group underlying operating profit at constant precious metal prices and constant currency, supported by self-help measures.[9] This assumes a full year of contribution from Catalyst Technologies. Whilst we expect good growth in the first half, overall performance will continue to be weighted towards the second half.

In Clean Air we expect modest growth in operating profit, with a margin of 14-15%. This is based on external data which suggest a 4% decline in global light duty vehicle production for 2025/26, before any potential impact on customer demand due to tariffs. Despite a challenging market, operating profit growth and margin expansion will be driven by our ongoing operational excellence and transformation benefits. In PGM Services, we expect lower operating profit largely reflecting reduced metal recoveries. In Hydrogen Technologies, we continue to expect to achieve operating profit breakeven by the end of 2025/26. Assuming a full year of contribution from Catalyst Technologies, we expect this business to deliver good operating profit growth in 2025/26.[10]

If PGM (platinum group metal) prices remain at their current level[11] for the remainder of 2025/26, we expect a limited effect on full year operating profit compared with the prior year.[12]

At current foreign exchange rates[13], translational foreign exchange movements for the year ending 31st March 2026 are expected to adversely impact underlying operating profit by c.£5 million.

We are mindful of the current uncertain macroeconomic environment including the potential impact of the evolving tariff situation and its impact on our customers. We remain well positioned given our global manufacturing footprint enabling local supply and, strong long-standing and flexible customer and supplier relationships. We are undertaking a range of mitigating actions, including rebalancing production to leverage our global footprint, adjusting supply chains, customer negotiations and engagement with the relevant governments. On the basis of the current tariff proposals[14], post our mitigating actions, we do not expect the direct impact of tariffs to be material. The indirect impact of the changing trade landscape on customer demand in our key markets remains uncertain at this time.

Dividend

The board will propose a final ordinary dividend for the year of 55.0 pence per share at the Annual General Meeting (AGM) on 17th July 2025. Together with the interim dividend of 22.0 pence per share, this gives a total ordinary dividend of 77.0 pence per share, maintained at the same level as the prior year. Subject to approval by shareholders, the final dividend will be paid on 5th August 2025, with an ex-dividend date of 5th June 2025.

Board changes

As previously announced, Jane Griffiths stepped down as Chair of the Societal Value Committee and from the board on 31st December 2024. Rita Forst succeeded Jane as Chair of the Societal Value Committee from 1st January 2025. Sinead Lynch was appointed independent Non-Executive Director and joined the board on 1st January 2025.

On 10th February 2025 we announced that, following nearly seven years as Chair of Johnson Matthey, Patrick Thomas informed the board that he does not intend to seek re-election at the AGM on 17th July 2025. Patrick will step down from the board and his position as Chair immediately following the AGM. We expect Patrick's successor to be announced by the AGM.

Richard Pike was appointed Chief Financial Officer and joined the board on 1st April 2025.

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Investment Committee

On 27th January 2025, JM announced the establishment of an Investment Committee of the board, which will reinforce the company's investment strategies and capital allocation. Specific responsibilities of the Committee will include review and endorsement of i) investment and capital allocation strategy, ii) major capital projects and iii) M&A activity. Chaired by Barbara Jeremiah, Senior Independent Director, the Committee will provide additional oversight to these areas in line with our commitment to delivering sustainable shareholder value.

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Notes:

1. Transaction multiple of 13.3x EBITDA is based on an agreed adjusted 2024/25 EBITDA of £136 million for the standalone Catalyst Technologies business. The underlying EBITDA of the Catalyst Technologies business in 2024/25, as reported, is £119 million (comprising £92 million of underlying operating profit, plus underlying depreciation and amortisation of £27 million.)
2. Further update to be provided on mechanism and timing of expected £1.4 billion shareholder return, prior to completion.
3. 2024/25 total ordinary dividend of 77.0 pence per share.
4. Our current intention is for these cash returns to be delivered through ordinary dividends for 2025/26, and be broadly equally weighted between dividends and share buybacks for 2026/27 and beyond.
5. Unless otherwise stated, sales and operating profit commentary refers to performance at constant exchange rates. Growth at constant rates excludes the translation impact of foreign exchange movements, with 2024/25 results converted at 2023/24 average rates. In 2024/25, the translational impact of exchange rates on group sales and underlying operating profit was an adverse impact of £58 million and £11 million respectively.
6. Underlying is before profit or loss on disposal of businesses, amortisation of acquired intangibles, share of profits or losses from non-strategic equity investments, major impairment and restructuring charges and, where relevant, related tax effects. For definitions and reconciliations of other non-GAAP measures, see pages 48 to 52.
7. Divestment of Value Businesses which is now complete.
8. Revenue excluding sales of precious metals to customers and the precious metal content of products sold to customers.
9. Baseline is underlying operating profit excluding Value Businesses (£388 million in 2024/25 as shown on page 11).
10. Outlook commentary for Clean Air, PGM Services, Catalyst Technologies and Hydrogen Technologies refers to underlying operating performance and assumes constant precious metal prices and constant currency.
11. Based on average precious metal prices in May 2025 (month to date).
12. A US$100 per troy ounce change in the average annual platinum, palladium and rhodium metal prices each have an impact of approximately £1 million, £1 million and £0.5 million respectively on full year 2025/26 underlying operating profit in PGM Services. This assumes no foreign exchange movement.
13. Based on average foreign exchange rates for May 2025 month to date (£:US$ 1.33, £:€ 1.19, £:RMB 9.59, £:INR 114).
14. As at 16th May 2025.

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Strategy update

Johnson Matthey is built on strong and long-standing foundations including world-class technologies, cutting edge R&D and exceptionally talented people. These capabilities have delivered leading market positions, strong competitive advantages and a clear ability to win across our businesses.

We have made good progress against the strategy we outlined in May 2022. We have focused our portfolio on our core strengths; secured significant commercial wins and growth opportunities; divested non-core businesses; delivered on our £200 million transformation programme; and improved our operating model to drive greater efficiency. Our strategy has been implemented against a backdrop of challenging and dynamic end markets, including lower levels of automotive production and a slowdown in the energy transition, with a direct impact on the pace of development of the green hydrogen market.

As we have executed against our strategy, we have continued to adapt with a clear focus on optimising value for shareholders. Today, we announced a significant milestone in the history of JM – the sale of Catalyst Technologies to Honeywell in a deal agreed post year-end. This is a near-term opportunity for shareholders to realise value that fully reflects the strong long-term growth prospects of Catalyst Technologies. At the same time, this allows us to de-risk our exposure to market factors beyond our control and recalibrate our strategy to become a more highly focused, lean and agile business.

Sale of Catalyst Technologies at an attractive valuation

Catalyst Technologies is a global leader in licensing process technology and supplying catalysts. It has leading positions in syngas – methanol, ammonia, hydrogen and formaldehyde – and a strong sustainable technologies portfolio. Catalyst Technologies is targeting high growth, high return opportunities in the decarbonisation of fuels and chemical value chains.

We have delivered significant commercial wins and partnerships, and developed a pipeline of more than 150 sustainable technologies projects that is expected to deliver long-term profitable growth as the world transitions to net zero.

The sale to Honeywell for an enterprise value of £1.8 billion on a cash and debt-free basis, implying a multiple of 13.3x 2024/25 EV/EBITDA[1], fully reflects the highly attractive long-term growth prospects of Catalyst Technologies, including the delivery of its substantial sustainable technologies project pipeline.

After deducting one-off payments and associated costs of c.£0.2 billion, this implies total net proceeds of c.£1.6 billion (subject to customary closing adjustments). We intend to return £1.4 billion of these proceeds to shareholders following completion. The remaining c.£0.2 billion of total net proceeds will be retained for general corporate purposes. We expect to provide a further update on the mechanism and timing of shareholder return prior to completion. Completion is expected by the first half of calendar year 2026.

Notes:
1. Transaction multiple of 13.3x EBITDA is based on an agreed adjusted 2024/25 EBITDA of £136 million for the standalone Catalyst Technologies business. The underlying EBITDA of the Catalyst Technologies business in 2024/25, as reported, is £119 million (comprising £92 million of underlying operating profit, plus underlying depreciation and amortisation of £27 million.)

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JM will be a more highly focused, lean and agile business

Following the agreed sale of Catalyst Technologies, JM will be a more highly focused, lean and agile business, centred around Clean Air and PGM Services. These businesses have leading market positions, underpinned by our strong heritage and expertise in PGMs (platinum group metals), combined with a fully circular business model based on our world-class refining capabilities and our ability to manage PGMs for our customers.

We have a clear strategy to drive sustainable value creation from these core businesses. As we re-shape JM and create a leaner organisation, we are committed to driving a step change in cash generation. Our renewed focus on cost leadership and cash generation will support materially enhanced shareholder returns. We will maintain a disciplined capital allocation framework targeting 1.0 to 1.5x net debt to EBITDA[1] over the medium-term.

Clean Air – a leading global player in a large and durable addressable market

In Clean Air, we aim to be a lasting partner providing world-leading technology to support our customers and reduce harmful emissions. We remain focused on driving continued margin improvement to support significant cash generation in the medium to long-term.

Clean Air is serving a durable market with expectations for increased longevity of the internal combustion engine (ICE). Over the past three years, we have seen a global slowdown in battery electric vehicle (BEV) penetration and the regulatory environment has also supported ICE longevity. Together these dynamics are driving medium to long-term upside for Clean Air versus previous market forecasts.

We continue to make good progress in winning new business. Our win rate in heavy duty diesel in 2024/25 was 100%[2], demonstrating the strength of our technology leadership in this resilient market. In addition, our win rates have increased in light duty gasoline, where we are being selective and targeting the most profitable business, including in the growing hybrid segment. Looking ahead, we are prioritising long-term relationships with key customers, aiming to be their supplier of choice and lasting partner. Beyond this, we are applying our leading technology and strong market positions to win business in Clean Air Solutions – our emissions control growth business which manufactures products for emerging applications such as hydrogen ICE, backup generators for data centres and CO_2 capture.

Alongside our focus on the top line, we continue to drive efficiency in Clean Air. In the year, we improved our margin by 120 basis points, driven by additional cost savings and further optimisation of our manufacturing footprint as we reduced the number of production lines by 20%. We are reducing our overheads, targeting an additional 20% reduction in divisional R&D and SG&A spend by the end of 2025/26, with continued consolidation of our manufacturing footprint and reduced production lines. Alongside ongoing operational and commercial excellence initiatives, we expect these actions to drive margin improvement to 14-15% by 2025/26 and into the range of 16-18% by 2027/28.

Through our continued focus on efficiency and in a more durable internal combustion engine market, in 2027/28, we expect Clean Air sales of more than £2 billion (of which c.90% of the business is already won) and an operating margin in the range of 16-18%. We expect at least £2.1 billion of further cash to be delivered by 2030/31[3], with significant cash flow beyond then.

Notes:
1. Net debt to EBITDA target was previously 1.5 to 2.0 times.
2. Based on sales won as a percentage of sales bid on, from 1st April 2024 to 31st March 2025.
3. Delivered £2.4bn of cash cumulatively in the four years since 2021/22. Cash target of at least £4.5 billion from 1st April 2021 to 31st March 2031, pre-tax and post restructuring costs.

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PGM Services – the world's largest secondary refiner of PGMs and global liquidity hub

PGMs have been the backbone of JM for over 200 years. PGM Services underpins the group, providing a foundational PGM ecosystem and deep technical expertise. We are the largest secondary refiner of PGMs globally (by volume), the global liquidity hub for PGMs[1] and experts in converting PGMs into high value products.

With their unique properties, PGMs are critical to many high-performance applications today. As new applications emerge beyond the internal combustion engine, we expect the overall value pool of PGM demand to increase over the medium to long-term. As part of our Products business, we are converting PGMs into high value products for a wide range of industries such as agrochemicals, pharmaceuticals and defence.

We are the world's largest secondary refiner of PGMs, with demand for secondary (recycled) metal forecast to increase over the medium-term. We are currently managing our ageing PGM refinery in the UK and investing in a new, world-class refinery to replace this existing asset. Our investment is on budget and on track to be operational by the end of 2026/27. We have detailed plans to de-risk the start-up of our new refinery including progressive ramp-up metal by metal, extensive pilot scale testing and a dedicated team focusing on operational readiness, commissioning and start-up. This investment, which will secure a leadership position in PGMs for decades, will deliver significant efficiency, resilience, safety and sustainability improvements. We expect a working capital benefit as faster cycle times enable the unwind of our refinery backlog.

Over the next couple of years, until our new PGM refinery is fully operational, we expect increased maintenance costs relating to our current ageing refinery as well as lower metal recoveries. In addition we will incur dual-running costs and higher depreciation costs from 2026/27 onwards as the new refinery comes online, before returning to growth in 2027/28. In 2027/28, we expect PGM Services to generate sales of around £450 million, with an operating margin of around 30% and strong cash generation[2]. With stable PGM prices anticipated, we continue to expect this business to deliver at least low single digit CAGR in operating profit over the medium to long-term.

Hydrogen Technologies – a leader in fuel cells and electrolyser components

Hydrogen is critical to the energy transition. With our decades of experience in fuel cells and our strong technical capabilities in PGM chemistry and catalysis, Hydrogen Technologies is well positioned for this long-term growth opportunity. Since late 2023, development of the green market has slowed significantly, driven by decelerating momentum around regulatory incentives, lack of hydrogen infrastructure, and high cost compared to incumbent technologies. Reflecting the market slowdown, we have adapted our strategy. We took action to reduce cost and are focused on reducing investment whilst maintaining long-term growth optionality. In the year, we recognised a £134 million impairment of Hydrogen Technologies due to the further slowdown of the energy transition and the corresponding slower transition to hydrogen fuel cell and electrolyser technologies.

We continue to expect Hydrogen Technologies to reach operating profit breakeven by the end of 2025/26 and be cash flow positive in 2026/27[3]. Hydrogen Technologies will continue to be reported as a separate business.

Notes:
1. Global liquidity hub for PGM sponge (powder).
2. Assumes broadly constant precious metal prices.
3. Defined as underlying operating profit plus depreciation and amortisation (EBITDA), less capital expenditure and net working capital movements.

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Growth optionality from existing assets

Whilst we carve out Catalyst Technologies and transition the group to a more highly focused and leaner business with higher cash generation, we are focused on driving performance in our core businesses – Clean Air and PGM Services. We also have longer term growth optionality across the group through Clean Air Solutions (within Clean Air), PGM Products (within PGM Services) and Hydrogen Technologies (reported separately). Clean Air Solutions manufactures products for emissions control systems in emerging applications such as hydrogen ICE, backup generators for data centres and CO_2 capture. PGM Products is a leader in converting PGMs into high value products, with growth from new applications such as PGM based life science technology catalysts, and our leading Hydrogen Technologies business makes high performance components for use in hydrogen fuel cells and electrolysers. Importantly, these potentially high growth opportunities are extensions of our existing core businesses; they leverage our core technology and use existing assets which means capex requirements are minimal.

A step change in sustainable cash generation

We are pivoting towards a cash-focused business model which will deliver materially enhanced shareholder returns. This is underpinned by a high performance culture driving rigorous cost control, materially lower capex and significant working capital benefits.

Cumulative capital expenditure is expected to be c.£500 million for the three year period to 2027/28, excluding Catalyst Technologies. This includes Clean Air capital expenditure of less than £40 million per year, c.£100 million for the completion of the new PGM refinery to be incurred largely in 2025/26 and 2026/27, and Hydrogen Technologies capital expenditure of no more than £5 million per year. Following the divestment of Catalyst Technologies and the completion of our new PGM refinery, capital expenditure will reduce to c.£120 million in 2027/28 which is mainly focused on maintenance and operational improvement. We expect capex to depreciation in the range of 0.8 to 1.0x in 2027/28 (compared with 2.0x in 2024/25).

We expect to drive material improvement in working capital of around £250 million across the group by 2027/28. This partly reflects the decommissioning of our old PGM refinery, and working capital release from the new refinery due to faster cycle times, continuous operations and increased capacity enabling better management of peak flows. In addition, there is opportunity to drive additional improvement in non-precious metal working capital which will start to come through in 2025/26. These working capital improvements will help to drive higher return on capital employed, which we expect to reach 20% over the medium-term.

We expect to generate annualised sustainable free cash flow of at least £250 million in 2027/28 and beyond. Reflecting our focus on improved cash generation and return on capital, the Group's executive remuneration schemes have been updated to reflect a higher weighting towards these financial targets.

Highly disciplined capital allocation framework delivering attractive shareholder returns

The board has established a balanced and disciplined capital allocation framework, following a detailed review and input from the Investment Committee. This framework is designed to optimise cash returns to shareholders whilst maintaining a strong balance sheet. We will target a leverage ratio of 1.0 to 1.5x net debt to EBITDA which the board believes is an appropriate range based on our financial profile.

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Going forward, priorities for uses of capital will be:

- Organic investment: focused on maintenance and operational improvement capex, following the PGM refinery upgrade
- Shareholder returns: committed to growing annual cash returns to shareholders from at least £130 million for 2025/26, equivalent to the total dividend for 2024/25[1], to at least £200 million for 2026/27 and beyond. Our current intention is for these cash returns to be delivered through ordinary dividends for 2025/26, and be broadly equally weighted between dividends and share buybacks for 2026/27 and beyond.
- Bolt-on acquisitions only considered if we see highly compelling opportunities in our core areas

What JM will deliver by 2027/28

JM will become a highly streamlined group, with a compelling investment proposition focused on delivering sustained strong cash generation and attractive ongoing cash returns to shareholders. JM will be a more focused, lean and efficient business centred around two core businesses, Clean Air and PGM Services. By 2027/28 we expect to deliver:

- At least mid single digit CAGR in pro-forma operating profit[2] from 2024/25
- Annualised sustainable free cash flow of at least £250 million driven by cost savings, lower capex and improved working capital
- Cash returns of at least £200 million per annum to shareholders

Notes:
1. 2024/25 total ordinary dividend of 77.0 pence per share.
2. Underlying operating profit excluding Catalyst Technologies and Value Businesses was (£296 million in 2024/25).

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JM

Milestones overview

In May 2024, we announced 10 new milestones for the two years to 2025/26 across key areas: winning customers, building capability and transforming the business. Despite significant headwinds created by the slowdown in the energy transition and overall market volatility, we have made good progress against the milestones with a target date of 31st March 2025.

- Delivered £200 million transformation cost savings, in line with 2024/25 target
- Implemented JM Global Solutions for cost effective business processes, in line with target
- ICCA (International Council of Chemical Associations) process safety event severity rate of 0.82 was slightly behind our target of 0.80

Whilst our process severity rate was slightly behind our target, the rate has reduced significantly from 0.88 in 2023/24, due to an improved governance process for our high risk process safety scenarios and a strengthened focus on process safety at key production facilities.

New milestones to 2027/28

As we re-shape JM following the sale of Catalyst Technologies, we have updated our strategic milestones to 2027/28.

Financial

- Increase Clean Air underlying operating margin to 16-18% by end of 2027/28
- Achieve operating profit breakeven and positive cash flow in Hydrogen Technologies[1]

Operational

- Carve out Catalyst Technologies following agreed sale[2]
- Operate new world-class PGM refinery by end of 2026/27
- Improve customer net promoter score[3] to >52 by end of 2025/26

Sustainability

- Improve ICCA process safety event severity rate of 0.60 by end of 2026/27[4]
- Increase employee engagement score to at least 7.3 by end of 2025/26[5]
- Reduce scope 1 and 2 CO_2e emissions by 40% by end of 2026/27[6]

Notes:

1. Operating profit breakeven by the end of 2025/26 and cash flow positive in 2026/27. Cash flow defined as underlying operating profit plus depreciation and amortisation (EBITDA), less capital expenditure and net working capital movements.
2. Completion expected by the first half of calendar year 2026.
3. Net promoter score is a market research survey metric to measure customer satisfaction and loyalty, calculated from our annual customer survey data. 2024/25 baseline: 52 (without Catalyst Technologies target: >41, baseline: 41).
4. ICCA – International Council of Chemical Associations. 2024/25 baseline: 0.82. (without Catalyst Technologies target: 0.60, baseline: 0.78).
5. March 2025 baseline: 7.2 (without Catalyst Technologies target: at least 7.2, baseline: 7.1)
6. Metric tonnes of greenhouse gases. 2019/20 baseline: 404,040 tonnes CO_2 equivalents (without Catalyst Technologies target: 57% reduction, baseline: 249,465).

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Performance summary for the year ended 31st March 2025[1]

In the year, underlying operating profit – excluding the impact of divestments and PGM prices – grew 6%, in line with guidance. Our performance was mainly driven by self-help actions, including £80 million cost savings from our £200 million group transformation programme. Average PGM prices remained broadly stable in the year, with a small adverse impact to underlying operating profit of £6 million.

Clean Air underlying operating profit grew 3% and margin expanded 120 basis points to 11.8% (1H: 10.4%, 2H: 13.2%). Benefits from our ongoing excellence and transformation programme more than offset the impact of lower sales in a challenging global automotive market. PGM Services delivered a significantly stronger second half as expected (1H: £51 million and 2H: £98 million). The half-on-half improvement was driven by higher sales, increased metal recoveries and further efficiencies. Catalyst Technologies delivered strong underlying operating profit growth of 24% and achieved a margin of 13.8%. Performance was underpinned by strong growth in Licensing and higher first fill Catalyst volumes. In Hydrogen Technologies, despite lower sales, we delivered a significantly lower operating loss of £39 million reflecting rigorous cost control and strengthened commercial excellence as we recognised revenue from fulfilled contractual obligations.

On a reported basis, operating profit increased from £249 million in the prior year to £538 million reflecting a £482 million profit on disposal, principally Medical Device Components which completed in the first half. This was partly offset by £329 million of major impairment and restructuring charges, comprising an impairment charge of £217 million following a review of assets in the year, and restructuring charges of £112 million. The impairment charge of £217 million included a £134 million impairment to Hydrogen Technologies reflecting the further slowdown in the transition to hydrogen fuel cell and electrolyser technologies. There was also a £27 million impairment in PGM Services following a strategic review of the China refining plant and also our exit from the fuel cell market in China. We also recognised a £27 million impairment primarily of Clean Air assets as the business continues to consolidate its existing capacity and £29 million impairment to IT assets. The restructuring charges of £112 million mainly related to group wide transformation programme and divisional restructuring. Further details are included in the financial review on page 22.

We have a strong balance sheet, with net debt of £799 million as at 31st March 2025 compared to £951 million as at 31st March 2024. Net debt to EBITDA was 1.4 times.

Free cash flow was £521 million, compared to £189 million in the prior year. This largely reflects net proceeds from the disposal of Medical Device Components. Excluding the impact of divestments, free cash flow[2] was £36 million (1H: negative £185 million; 2H: £221 million), representing cash conversion[3] of 9%. In the year, we returned £388 million to shareholders via dividends (£138 million) and share buyback (£250 million).

Notes:

1. Unless otherwise stated, sales and operating profit commentary refers to performance at constant exchange rates. Growth at constant rates excludes the translation impact of foreign exchange movements, with 2024/25 results converted at 2023/24 average rates. In 2024/25, the translational impact of exchange rates on group sales and underlying operating profit was an adverse impact of £58 million and £11 million respectively.
2. Net cash flow from operating activities after net interest paid, net purchases of non-current assets and investments, dividends received from joint ventures and associates and the principal elements of lease payments, adjusted for the impact of the disposal of Value Businesses.
3. Cash conversion defined as free cash flow[2] as a percentage of underlying operating profit.

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Summary of underlying operating results

Unless otherwise stated, commentary refers to performance at constant FX rates[1]. Percentage changes in the tables are calculated on rounded numbers.

Sales (£ million)	**2025**	**Year ended 31st March 2024**	**% change**	**% change, constant FX rates**
Clean Air	2,319	2,581	-10	-8
PGM Services	464	462	-	+1
Catalyst Technologies	669	578	+16	+17
Hydrogen Technologies	60	71	-15	-15
Eliminations	(79)	(114)	n/a	n/a
Sales excluding Value Businesses	**3,433**	**3,578**	**-4**	**-2**
Value Businesses[2]	37	326	n/a	n/a
Total sales	3,470	3,904	-11	-10

Underlying operating profit (£ million)	**2025**	**Year ended 31st March 2024**	**% change**	**% change, constant FX rates**
Clean Air	273	274	-	+3
PGM Services	149	164	-9	-8
Catalyst Technologies	92	75	+23	+24
Hydrogen Technologies	(39)	(50)	n/a	n/a
Corporate	(87)	(82)	n/a	n/a
Underlying operating profit excluding Value Businesses	**388**	**381**	**+2**	**+5**
Value Businesses[2]	1	29	n/a	n/a
Total underlying operating profit	389	410	-5	-2

Reconciliation of underlying operating profit to operating profit (£ million)	**2025**	**Year ended 31st March 2024**
Underlying operating profit	389	410
Profit / (loss) on disposal of businesses[3]	482	(9)
Major impairment and restructuring charges[3]	(329)	(148)
Amortisation of acquired intangibles	(4)	(4)
Operating profit	**538**	**249**

Notes:
1. Growth at constant rates excludes the translation impact of foreign exchange movements, with 2024/25 results converted at 2023/24 average rates. In 2024/25, the translational impact of exchange rates on group sales and underlying operating profit was an adverse impact of £58 million and £11 million respectively.
2. Includes Battery Materials, Battery Systems and Medical Device Components which are all now disposed.
3. For further detail on these items please see page 22.

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Second half performance

Unless otherwise stated, commentary refers to performance at constant FX rates[1]. Percentage changes in the tables are calculated on rounded numbers.

Sales (£ million)	**2H 2024/25**	**2H 2023/24**	**% change**	**% change, constant FX rates**
Clean Air	1,154	1,295	-11	-9
PGM Services	257	232	+11	+12
Catalyst Technologies	333	296	+13	+14
Hydrogen Technologies	40	34	+18	+18
Eliminations	(37)	(56)	n/a	n/a
Sales excluding Value Businesses	**1,747**	**1,801**	**-3**	**-1**
Value Businesses[2]	1	136	n/a	n/a
Total sales	1,748	1,937	-10	-8

Underlying operating profit (£ million)	**2H 2024/25**	**2H 2023/24**	**% change**	**% change, constant FX rates**
Clean Air	152	150	+1	+4
PGM Services	98	86	+14	+16
Catalyst Technologies	42	40	+5	+8
Hydrogen Technologies	(13)	(24)	n/a	n/a
Corporate	(45)	(37)	n/a	n/a
Underlying operating profit excluding Value Businesses	**234**	**215**	**+9**	**+12**
Value Businesses[2]	(1)	15	n/a	n/a
Total underlying operating profit	233	230	+1	+4

Notes:
1. Growth at constant rates excludes the translation impact of foreign exchange movements, with 2024/25 results converted at 2023/24 average rates. In 2024/25, the translational impact of exchange rates on group sales and underlying operating profit was an adverse impact of £58 million and £11 million respectively.
2. Includes Battery Materials, Battery Systems and Medical Device Components which are all now disposed.

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Summary of underlying operating results on a pro-forma basis

Subject to completion of the Catalyst Technologies sale, below we have provided 2024/25 sales and underlying operating profit excluding Catalyst Technologies and Value Businesses (divested). Unless otherwise stated, commentary refers to performance at constant FX rates[1]. Percentage changes in the tables are calculated on rounded numbers.

Sales (£ million)	**2025**	**Year ended 31st March 2024**	**% change**	**% change, constant FX rates**
Clean Air	2,319	2,581	-10	-8
PGM Services	464	462	-	+1
Hydrogen Technologies	60	71	-15	-15
Eliminations	(79)	(114)	n/a	n/a
Sales (pro-forma)	**2,764**	**3,000**	**-8**	**-6**
Catalyst Technologies	669	578	+16	+17
Value Businesses[2]	37	326	n/a	n/a
Total sales	3,470	3,904	-11	-10

Underlying operating profit (£ million)	**2025**	**Year ended 31st March 2024**	**% change**	**% change, constant FX rates**
Clean Air	273	274	-	+3
PGM Services	149	164	-9	-8
Hydrogen Technologies	(39)	(50)	n/a	n/a
Corporate	(87)	(82)	n/a	n/a
Underlying operating profit (pro-forma)	**296**	**306**	**-3**	**-**
Catalyst Technologies	92	75	+23	+24
Value Businesses[2]	1	29	n/a	n/a
Total underlying operating profit	389	410	-5	-2

Notes:
1. Growth at constant rates excludes the translation impact of foreign exchange movements, with 2024/25 results converted at 2023/24 average rates. In 2024/25, the translational impact of exchange rates on group sales and underlying operating profit was an adverse impact of £58 million and £11 million respectively.
2. Includes Battery Materials, Battery Systems and Medical Device Components which are all now disposed.

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Business reviews

Clean Air

Resilient performance and materially improved margin despite a challenging market

- Sales down 8% mainly reflecting the decline in global vehicle production across both light and heavy duty
- Underlying operating profit increased 3% and margin expanded 120 basis points to 11.8% with a significant improvement half on half (1H: 10.4% and 2H: 13.2%). This mainly reflected ongoing operational excellence and transformation benefits
- Delivered around £400 million of cash from Clean Air in 2024/25, with a cumulative £2.4 billion[1] in the four years since 2021/22. On track to deliver at least £2.1 billion of further cash by 2030/31[2]

	2025 £ million	Year ended 31st March 2024 £ million	% change	% change, constant FX rates
Sales				
Light duty diesel	1,049	1,094	-4	-2
Light duty gasoline	480	533	-10	-8
Heavy duty diesel	790	954	-17	-16
Total sales	**2,319**	**2,581**	**-10**	**-8**
Underlying operating profit	**273**	**274**	**-**	**+3**
Underlying operating profit margin	**11.8%**	**10.6%**		
EBITDA margin	**14.8%**	**13.5%**		
Reported operating profit	**234**	**237**		

Clean Air provides catalysts for emission control after-treatment systems used in light and heavy duty vehicles powered by internal combustion engines.

Market commentary

In the year, global vehicle production declined across both light and heavy duty. Light duty ICE vehicle production was weaker across all key regions. In Europe, the decline reflected lower consumer demand in a weaker macroeconomic environment, while in North America the market was impacted by high inventory levels. In China, the continued penetration of battery electric vehicle sales drove lower light duty ICE production.

The heavy duty market was weaker in all key regions, with Europe experiencing the strongest decline reflecting subdued demand due to challenging economic conditions. China market production was impacted by the weaker macro environment. In North America, Class 8 truck production declined, impacted by high inventory levels. Demand is expected to recover in 2026 driven by cyclical truck replacement and supported by OEMs building inventory in anticipation of an early pre-buy related to new EPA27 (Environmental Protection Agency) legislation.

Notes:
1. At actual metal prices.
2. Cash target of at least £4.5 billion from 1st April 2021 to 31st March 2031, pre-tax and post restructuring costs.

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Performance commentary

Sales were down 8%. This mainly reflected the challenging market backdrop which saw global vehicle production decline across both light and heavy duty, particularly in Europe.

Sales

Light duty diesel

In light duty diesel, sales declined 2%, significantly outperforming the global market which saw a material decline due to continued shifts in consumer behaviour towards gasoline, including hybrids. By region, we saw good sales growth in Asia, but this was more than offset by a decline in Europe whilst the Americas was broadly flat.

We saw good growth in Asia as our largest customers in Japan and India outperformed their respective markets. In Europe, we outperformed the strongly declining market due to the ramp-up of a customer platform, as well as better platform mix. In the Americas, our performance was slightly ahead of the market, largely driven by outperformance of one of our customers.

Light duty gasoline

In light duty gasoline, sales declined 8%, underperforming the global market which saw a modest decline. This largely reflects our performance in Europe, where sales were impacted by underperformance of a customer platform, and a weaker platform mix in China. In North America, historical platform losses were partly offset by the ramp up of other customer platforms.

Heavy duty diesel

Heavy duty diesel sales were down 16%, with declines across all key regions against a backdrop of a challenging market. In Europe, we underperformed the market which declined materially, largely reflecting customer underperformance. In Asia, our performance was mainly driven by China where the market is increasingly competitive. We experienced market share losses and the underperformance of some of our customers, as well as lower pricing. In the Americas, we underperformed the market, largely reflecting our regional mix. Our sales are heavily weighted towards the North American Class 8 truck market which declined, versus the South American market which grew strongly. We underperformed the Class 8 market, driven by underperformance of one of our customers.

In stationary emissions control (our Clean Air Solutions business), we saw sales growth driven by growing demand in marine and backup diesel and natural gas engine applications.

Underlying operating profit

Clean Air delivered a resilient performance. Despite challenging market conditions and lower sales, underlying operating profit grew 3% and operating margin expanded 120 basis points to 11.8%. This reflected benefits from our continued focus on footprint rationalisation, reduction of overheads and operational excellence.

Cash generation

In the year, we delivered around £400 million of cash[1]. In the four years since 2021/22, we have delivered a cumulative £2.4 billion[1] of cash, of which around one fifth relates to precious metal prices.

Notes:
1. At actual metal prices.

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PGM Services

A significantly stronger second half as expected

- Sales grew 1% in the year, with a significant sequential improvement in the second half mainly reflecting higher sales in our refining business and increased metal recoveries
- Underlying operating profit down 8%, with a significant sequential improvement in the second half as expected, driven by higher sales and cost efficiencies (1H: £51 million and 2H: £98 million)

	2025 £ million	Year ended 31st March 2024 £ million	% change	% change, constant FX rates
Sales				
PGM Services	464	462	-	+1
Underlying operating profit	**149**	**164**	**-9**	**-8**
Underlying operating profit margin	**32.1%**	**35.5%**		
EBITDA margin	**38.1%**	**42.0%**		
Reported operating profit	**67**	**149**		

PGM Services is the world's largest recycler of platinum group metals (PGMs). This business is enabling the energy transition through developing new PGM applications and providing circular solutions. PGM Services provides a strategic service to the group, supporting our other businesses with security of metal supply and the manufacture of value-add PGM products.

Performance commentary

Sales

Sales grew 1% in the year, with a significantly improved second half performance mainly reflecting higher sales in our refining businesses. In refining, we benefited from higher volumes from industrial customers as well as metal recoveries linked to our asset renewal programme. This was partly offset by softness in the auto scrap recycling market.

In our products business, sales were slightly down overall year-on-year. Whilst we saw higher volumes from some of our industrial, pharmaceutical and agrochemical customers, this was offset by lower demand from the auto sector.

In our trading business we had lower sales year-on-year, as PGM markets experienced lower volumes and reduced price volatility. Average PGM prices have normalised over the past 18-24 months and remained broadly stable in the period.

Underlying operating profit

Underlying operating profit was down 8%. Following a weak first half performance, we delivered a significant sequential improvement in underlying operating profit in the second half as expected (1H: £51 million and 2H: £98 million.) This reflected higher sales (increased refining volumes and higher metal recoveries) as well as efficiencies as we optimised our cost base.

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Catalyst Technologies

Strong sales and profit growth, and further progress in sustainable technologies

- Sales up 17% with good growth in Catalysts driven by higher first fill volumes, and strong growth in Licensing
- Won nine large scale projects in our sustainable technologies portfolio since 1st April 2024, on track against our strategic milestone to win 20 additional projects by 2025/26
- Underlying operating profit grew 24% and margin expanded 80 basis points to 13.8% driven by a strong contribution from Licensing and higher Catalyst volumes

	2025 £ million	Year ended 31st March 2024 £ million	% change	% change, constant FX rates
Sales				
Catalysts	563	518	+9	+10
Licensing	106	60	+77	+77
Total sales	**669**	**578**	**+16**	**+17**
Underlying operating profit	**92**	**75**	**+23**	**+24**
Underlying operating profit margin	**13.8%**	**13.0%**		
EBITDA margin	**17.8%**	**17.3%**		
Reported operating profit	**86**	**70**		

Catalyst Technologies targets high growth, high return opportunities in fuels and chemical value chains. We have leading positions in syngas – methanol, ammonia, hydrogen and formaldehyde – and a strong sustainable technologies portfolio. Our revenue streams are licensing process technology and supplying catalysts.

Performance commentary

Sales

Sales were up 17% with good growth in Catalysts – which represents the majority of sales – and strong growth in Licensing. In particular, we delivered a good performance in China, with significant new plant builds in recent years driving higher first fill volumes in Catalysts and strong growth in our existing Licensing portfolio. In our sustainable technologies portfolio, sales almost trebled.

Catalysts: good growth driven by first fills

In Catalysts, sales grew 10% driven by higher first fill volumes as new plants came onstream, primarily in China. We also saw increased refill volumes driven by the restart of production at one of our plants following an extended shutdown, as well as new business wins in methanol. These drivers more than offset normalised demand in formaldehyde following a strong prior year, and a weaker mix in additives.

Licensing: strong growth in our existing and sustainable technologies portfolios

Licensing sales – which can be lumpy in nature – were up 77% on the prior year. We delivered strong growth in our existing core technology portfolio in China. In sustainable technologies, sales almost trebled as we recognised initial income from previously announced project wins in low carbon hydrogen and sustainable fuels.

In the year, we won nine new large scale projects in our sustainable technologies portfolio, tracking well against our strategic milestone of 20 wins in the two years to the end of 2025/26:

- A large scale low carbon hydrogen project in Europe
- A waste-to-methanol project in Europe
- HIF Global's Paysandú e-methanol plant in Uruguay
- ETFuels' e-methanol plant in Texas, US
- Reolum's La Robla Nueva Energia e-methanol project in Spain
- Willis Sustainable Fuels' sustainable aviation fuel project in Teesside, UK
- SunGas Renewables' Beaker Lake bio-methanol plant in Louisiana, US
- DG Fuels' second sustainable aviation fuel facility – located in Nebraska, US
- A sustainable methanol project in China

Taking into account previously announced wins, we have secured 19 sustainable technologies projects globally since 1st April 2022, highlighting the strength of our technology offering and market positioning. Of these, we are actively working on 17 projects which together are worth more than £500 million in sales over five years, subject to project completion.

We have a healthy pipeline of more than 150 sustainable technologies projects. To support our project wins and pipeline of opportunities, we increased our engineering capacity by 26% in the year, well on track against our target of 30% by the end of 2025/26 (31st March 2024 baseline).

Underlying operating profit

Underlying operating profit grew 24% to £92 million and margin expanded 80 basis points to 13.8%. This was largely driven by a strong contribution from higher margin Licensing and higher Catalyst volumes.

Sale of Catalyst Technologies

Following today's announcement, we expect the agreed sale of Catalyst Technologies to Honeywell to complete by the first half of calendar year 2026.

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Hydrogen Technologies

Significantly lower operating loss benefiting from rigorous cost control

- Sales declined 15% due to lower demand following a slowdown in the development of the green hydrogen market and customer de-stocking in the first half
- Significantly lower operating loss of £39 million reflected continued action to reduce costs and strengthened commercial excellence. Operating loss in the second half halved compared to the first half; on track to achieve breakeven by the end of 2025/26
- Reduced investment in line with the pace of market development; with sufficient manufacturing capacity in the UK, no further growth investment planned and only low maintenance capex from 2025/26

	2025 £ million	Year ended 31st March 2024 £ million	% change	% change, constant FX rates
Sales				
Hydrogen Technologies	60	71	-15	-15
Underlying operating loss	**(39)**	**(50)**	**n/a**	**n/a**
Underlying operating loss margin	**n/a**	**n/a**		
Reported operating loss	**(184)**	**(60)**		

In Hydrogen Technologies, we provide performance-defining components across the value chain for fuel cells and electrolysers, including catalyst coated membranes (CCMs). Our ambition is to be the market leader in CCMs, focusing on PEM (proton exchange membrane) technology.

Performance commentary

Sales

Sales were down 15% to £60 million, primarily driven by lower electrolyser sales. This reflected customer de-stocking in the first half and a slowdown in the pace of development of the green hydrogen market driven by decelerating momentum around regulatory incentives, lack of hydrogen infrastructure and high cost compared to incumbent technologies.

In fuel cells, the volume decline was mostly offset by strengthened commercial excellence as we recognised revenue from fulfilled contractual obligations.

We continue to make good progress diversifying our customer base through strategic partnerships. In the year, we signed three new partnerships with leading market players, including a long-term collaboration with Bosch to develop and produce catalyst coated membranes for fuel cell stacks.

Underlying operating loss

Underlying operating loss of £39 million was significantly lower than the prior year, driven by rigorous cost control and strengthened commercial excellence as we recognised revenue from fulfilled contractual obligations.

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As we adapted our strategy to reflect the pace of market development, we took action to reduce costs, including reducing headcount by over 30%. We also continued to improve our manufacturing efficiency, increasing production yields from our plant in Swindon, UK. We continue to expect Hydrogen Technologies to reach operating profit breakeven by the end of 2025/26 and be cash flow positive in 2026/27[1].

Corporate

Corporate costs were £87 million, an increase of £5 million from the prior year, largely reflecting higher inflation and professional fees.

Notes:

1. Cash flow defined as underlying operating profit plus depreciation and amortisation (EBITDA), less capital expenditure and net working capital movements.

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Financial review

Research and development (R&D)

R&D spend was £193 million in the year, representing c.5% of sales excluding precious metals. This was down from £204 million in the prior year, largely driven by reduced R&D spend in Clean Air, and in Hydrogen Technologies reflecting the slowdown in the pace of development of the green hydrogen market.

Foreign exchange

The calculation of growth at constant rates excludes the impact of foreign exchange movements arising from the translation of overseas subsidiaries' profit into sterling. The group does not hedge the impact of translation effects on the income statement. The principal overseas currencies, which represented 84% of the non-sterling denominated underlying operating profit in the year ended 31st March 2025, were:

	Share of 2024/25 non-sterling denominated underlying operating profit	Average exchange rate Year ended 31st March		% change
		2025	2024	
US dollar	22%	1.28	1.26	+2
Euro	44%	1.19	1.16	+3
Indian rupee	10%	108	104	+4
Chinese renminbi	8%	9.21	9.01	+2

For the year, the impact of exchange rates decreased sales by £58 million and underlying operating profit by £11 million.

If average exchange rates for May 2025 month to date (£:US$ 1.33, £:€ 1.19, £:INR 114, £:RMB 9.59) are maintained throughout the remainder of the year ending 31st March 2026, foreign currency translation will have an adverse impact of c.£5 million on underlying operating profit.

A one cent change in the average US dollar rate, a one cent change in the average Euro rate, a one rupee change in the average Indian rupee rate, and a ten fen change in the average Chinese renminbi rate would each impact operating profit by approximately £0.9 million, £1.9 million, £0.2 million and £0.3 million, respectively.

Efficiency savings

In the year, we delivered c.£80 million of savings through our group transformation programme announced in May 2022 and incurred cash costs of c.£55 million. This marks the completion of the programme, with cumulative benefits in line with our £200 million target. Total associated cash costs to deliver the programme were c.£130 million (including £30 million of capex), in line with our guidance.

£ million	Savings delivered to 31st March 2025	Associated cash costs incurred to 31st March 2025
Transformation programme (announced in May 2022)	**200**	**130**

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Items outside underlying operating profit

Non-underlying income / (charge)	2025 £ million	Year ended 31st March 2024 £ million
Profit / (loss) on disposal of businesses	482	(9)
Major impairment and restructuring charges	(329)	(148)
Amortisation of acquired intangibles	(4)	(4)
Total	**149**	**(161)**

There was a charge of £329 million relating to major impairment and restructuring costs, comprising impairment charges of £217 million and £112 million of restructuring costs. The impairment charge of £217 million includes:

- £134 million impairment to Hydrogen Technologies reflecting the further slowdown in the transition to hydrogen fuel cell and electrolyser technologies, cessation of construction of a plant in the US due to lower demand forecasts, and exit from the fuel cell market in China
- £27 million in PGM Services following a strategic review of the China refining plant and also our exit from the fuel cell market in China
- £27 million impairment primarily of Clean Air assets as the business continues to consolidate its existing capacity
- £29 million impairment to IT assets

The restructuring costs of £112 million related to our group wide transformation programme and divisional restructuring.

The £482 million profit on disposal of businesses largely relates to the disposal of our Medical Device Components business which completed on 1st July 2024.

Finance charges

Net finance charges in the year amounted to £55 million, down from £82 million in the prior year. The decline of £27 million largely reflects a £10 million benefit from hedging instruments, an £8 million movement relating to interest on tax provisions and an £8 million metal interest benefit.

Taxation

The tax charge on underlying profit before tax for the year ended 31st March 2025 was £71 million, an effective underlying tax rate of 21.3%, broadly in line with the prior year (2023/24: 20.8%)

The effective tax rate on reported profit for the year ended 31st March 2025 was 23.3%. This represents a tax charge of £113 million, compared with £56 million in the prior year.

We expect the effective tax rate on underlying profit for the year ending 31st March 2026 to be around 22%.

Post-employment benefits

IFRS – accounting basis

At 31st March 2025, the group's net post-employment benefit position, was a surplus of £203 million. The cost of providing post-employment benefits in the year was £39 million, down from £53 million in the prior year driven by a £14 million past service credit.

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Capital expenditure

Capital expenditure was £376 million[1] in the year, 2.1 times depreciation and amortisation. A key project in the year was investment in our new world-class PGM refinery.

Strong balance sheet

Net debt as at 31st March 2025 was £799 million, a decrease from £951 million at 31st March 2024 and £783 million at 30th September 2024. Net debt is £17 million higher when post tax pension deficits are included. The group's net debt (including post tax pension deficits) to EBITDA was 1.4 times (31st March 2024: 1.6 times, 30th September 2024: 1.4 times), which was slightly below our target range.

We use short-term metal leases as part of our mix of funding for working capital, which are outside the scope of IFRS 16. Precious metal leases amounted to £202 million as at 31st March 2025 (31st March 2024: £197 million, 30th September 2024: £197 million).

Free cash flow and working capital

Free cash flow was £521 million in the year, compared to £189 million in 2023/24, primarily driven by net proceeds from the disposal of Medical Device Components. Excluding the impact of divestments, free cash flow[2] was £36 million, representing underlying cash conversion[3] of 9%.

Excluding precious metal, average working capital days to 31st March 2025 increased to 62 days compared to 60 days to 31st March 2024.

Going concern

The directors have reviewed a range of scenario forecasts for the group and consider it appropriate to adopt the going concern basis of accounting in preparing these preliminary accounts.

As at 31st March 2025, the group maintains a strong balance sheet with around £1.9 billion of available cash and undrawn committed facilities. Free cash flow was strong in the year at £521 million and net debt reduced by £152 million. Net debt at 31st March 2025 was £799 million at 1.4 times net debt (including post tax pension deficits) to underlying EBITDA which was just below our target range.

While inflation has been decreasing and interest rates have started to fall, significant headwinds remain due to ongoing global auto sector weakness, persistent geopolitical tensions and political uncertainty in the US, particularly about tariffs. Despite these challenges, the group demonstrated resilience during the period, with underlying operating profit (at constant exchange rate and excluding the impact of divestments) growing mid-single digit. For the purposes of assessing going concern, we have revisited our financial projections using the latest budget for our base case scenario. The base case scenario was stress tested to a severe-but-plausible downside case which reflects lower demand across our markets to account for significant disruption from external factors and a deep recession.

Notes:

1. Capital expenditure of £373 million as reported in the Consolidated Statement of Cash Flows. Difference reflects movements for capital accruals.
2. Net cash flow from operating activities after net interest paid, net purchases of non-current assets and investments, dividends received from joint ventures and associates and the principal elements of lease payments, adjusted for the impact of the disposal of Value Businesses.
3. Cash conversion defined as free cash flow[2] as a percentage of underlying operating profit.

The severe-but-plausible case for Clean Air modelled scenarios assuming a smaller light and heavy duty vehicle market from reduced vehicle production and/or market consumer demand disruption, which could be caused by tariffs or other general changes to the market environment, or greater share of zero emission vehicles in market. This was assumed to result in a 10% drop in sales. For PGMS and Catalyst Technologies, it also assumed a reduction in sales and associated operating profit based on adverse scenarios using external and internal market insights.

The group has a robust funding position comprising a range of long-term debt and a £1 billion five year committed revolving credit facility newly secured in April 2025 and maturing in April 2030. There was £874 million of cash held in money market funds or placed on deposit with highly rated banks. Of the existing loans, £260 million of term debt and £40 million of other bank loans maturing between August 2024 and June 2025 were re-financed in December 2024 when the group issued c.£300 million of loan notes in the USPP market. A further £109 million of USPP debt will mature in the next 15 months. We assume no refinancing of this debt in our going concern modelling. As a long time, highly rated issuer in the US private placement market, the group expects to be able to access additional funding in its existing markets if required but the going concern conclusion is not dependent on such access as the company has sufficient financing and liquidity to fund its obligations in the base and severe-but-plausible scenarios. The group also has a number of additional sources of funding available including uncommitted metal lease facilities that support precious metal funding. Whilst we would fully expect to be able to utilise the metal lease facilities, they are excluded from our going concern modelling.

In the base case and severe but plausible scenarios, the group has sufficient headroom against committed facilities and key financial covenants are not in breach during the going concern period. Only in the unlikely event of all the additional risks identified above being overlaid on top of the severe but plausible trading scenario is there a very small breach of the financial covenants. This could be easily mitigated by reducing capital expenditure, renegotiating payment terms or reducing future dividend distributions. To give further assurance on liquidity, we have also undertaken a reverse stress test on our base case for full year to March 2026 and March 2027 to identify what additional or alternative scenarios and circumstances would threaten our current financing arrangements. This shows that we have headroom against either a further decline in profitability well beyond the severe-but-plausible scenario, or a significant increase in borrowings, or a significant increase in interest charges. Furthermore, as mentioned above, the group has other mitigating actions available which it could utilise to protect headroom. The directors have also considered forecasts which reflect the impact of the sale of the Catalyst Technologies business.

Having considered the scenarios outlined above, the directors consider it appropriate to adopt the going concern basis of accounting in preparing the preliminary announcement.

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Consolidated Income Statement
for the year ended 31st March 2025

	Notes	2025 (unaudited) £m	2024 (audited) £m
Revenue	2,3	**11,674**	12,843
Cost of sales	2	**(10,775)**	(11,916)
Gross profit		**899**	927
Distribution costs		**(107)**	(119)
Administrative expenses		**(403)**	(398)
Profit / (loss) on disposal of businesses	12	**482**	(9)
Amortisation of acquired intangibles	4	**(4)**	(4)
Major impairment and restructuring charges	5	**(329)**	(148)
Operating profit	4	**538**	249
Finance costs		**(142)**	(146)
Investment income		**87**	64
Share of profits / (losses) of associates		**3**	(3)
Profit before tax		**486**	164
Tax expense		**(113)**	(56)
Profit for the year		**373**	108

		pence	pence
Earnings per ordinary share			
Basic	6	**211.8**	58.6
Diluted	6	**211.2**	58.3

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Consolidated Statement of Total Comprehensive Income
for the year ended 31st March 2025

	Notes	2025 (unaudited) £m	2024 (audited) £m
Profit for the year		**373**	108
Other comprehensive income / (expense)			
Items that will not be reclassified to the income statement in subsequent years			
Remeasurements of post-employment benefit assets and liabilities	13	**37**	(68)
Fair value losses on equity investments at fair value through other comprehensive income		**(2)**	(7)
Tax on items that will not be reclassified to the income statement		**(8)**	18
Total items that will not be reclassified to the income statement		**27**	(57)
Items that may be reclassified to the income statement			
Exchange differences on translation of foreign operations		**(82)**	(79)
Amounts charged to hedging reserve		**(38)**	(1)
Fair value gains on net investment hedges		**7**	4
Tax on above items taken directly to or transferred from equity		**10**	1
Total items that may be reclassified to the income statement in subsequent years		**(103)**	(75)
Other comprehensive expense for the year		**(76)**	(132)
Total comprehensive income / (expense) for the year		**297**	(24)

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Consolidated Statement of Financial Position
as at 31st March 2025

	Notes	2025 (unaudited) £m	2024 (audited) £m
Assets			
Non-current assets			
Property, plant and equipment	8	**1,411**	1,436
Right-of-use assets		**53**	40
Goodwill		**347**	353
Other intangible assets	9	**288**	301
Investments in associates		**71**	71
Investments at fair value through other comprehensive income		**38**	40
Other receivables	10	**98**	104
Derivative financial instruments		**4**	49
Deferred tax assets		**135**	128
Post-employment benefit net assets	13	**238**	153
Total non-current assets		**2,683**	2,675
Current assets			
Inventories		**1,011**	1,211
Taxation recoverable		**15**	10
Trade and other receivables	10	**1,532**	1,718
Cash and cash equivalents		**898**	542
Derivative financial instruments		**55**	53
Assets classified as held for sale		**-**	127
Total current assets		**3,511**	3,661
Total assets		**6,194**	6,336
Liabilities			
Current liabilities			
Trade and other payables	11	**(1,984)**	(2,209)
Lease liabilities		**(6)**	(8)
Taxation liabilities		**(45)**	(75)
Cash and cash equivalents – bank overdrafts		**(24)**	(12)
Borrowings		**(333)**	(110)
Derivative financial instruments		**(14)**	(11)
Provisions		**(69)**	(63)
Liabilities classified as held for sale		**-**	(35)
Total current liabilities		**(2,475)**	(2,523)
Non-current liabilities			
Borrowings		**(1,301)**	(1,339)
Lease liabilities		**(40)**	(24)
Deferred tax liabilities		**(4)**	(2)
Employee benefit obligations	13	**(38)**	(39)
Derivative financial instruments		**(9)**	(10)
Provisions		**(26)**	(17)
Trade and other payables	11	**(6)**	(2)
Total non-current liabilities		**(1,424)**	(1,433)
Total liabilities		**(3,899)**	(3,956)
Net assets		**2,295**	2,380
Equity			
Share capital		**197**	215
Share premium		**148**	148
Treasury shares		**(10)**	(17)
Other reserves		**(51)**	36
Retained earnings		**2,011**	1,998
Total equity		**2,295**	2,380

The accounts were approved by the Board of Directors on 22nd May 2025 and signed on its behalf by:

L Condon
R Pike
Directors

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Consolidated Statement of Cash Flows

for the year ended 31st March 2025

	Notes	2025 (unaudited) £m	2024 (audited) £m
Cash flows from operating activities			
Profit before tax		**486**	164
Adjustments for:			
Share of (profits) / losses of associates		**(3)**	3
Profit on disposal of businesses		**(482)**	-
Depreciation		**134**	144
Amortisation		**53**	48
Impairment losses		**219**	70
Profit on sale of non-current assets		**(1)**	(2)
Share-based payments		**7**	5
Decrease in inventories		**187**	396
Decrease in receivables		**156**	89
Decrease in payables		**(256)**	(288)
Increase / (decrease) in provisions		**15**	(7)
Contributions in excess of employee benefit obligations charge		**(42)**	(10)
Changes in fair value of financial instruments		**9**	(10)
Net finance costs		**55**	82
Disposal costs		**(18)**	-
Income tax paid		**(138)**	(92)
Net cash inflow from operating activities		**381**	592
Cash flows from investing activities			
Interest received		**78**	62
Purchases of property, plant and equipment		**(315)**	(301)
Purchases of intangible assets		**(58)**	(67)
Government grant income received		**-**	5
Proceeds from redemption of investments held at fair value through other comprehensive income		**3**	-
Proceeds from sale of non-current assets		**2**	5
Proceeds from sale of businesses		**587**	41
Net cash inflow / (outflow) from investing activities		**297**	(255)
Cash flows from financing activities			
Purchase of treasury shares		**(251)**	-
Proceeds from borrowings		**318**	1
Repayment of borrowings		**(105)**	(151)
Dividends paid to equity shareholders	7	**(138)**	(141)
Interest paid		**(148)**	(137)
Principal element of lease payments		**(9)**	(11)
Net cash outflow from financing activities		**(333)**	(439)
Change in cash and cash equivalents		**345**	(102)
Exchange differences on cash and cash equivalents		**(1)**	(5)
Cash and cash equivalents at beginning of year		**530**	637
Cash and cash equivalents at end of year		**874**	530
Cash and deposits		**463**	208
Money market funds		**435**	334
Bank overdrafts		**(24)**	(12)
Cash and cash equivalents		**874**	530

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Consolidated Statement of Changes in Equity

for the year ended 31st March 2025

	Share capital £m	Share premium £m	Treasury shares £m	Other reserves £m	Retained earnings £m	Total equity £m
At 1st April 2023 (audited)	215	148	(19)	118	2,077	2,539
Total comprehensive (expense) / income	-	-	-	(82)	58	(24)
Dividends paid (note 7)	-	-	-	-	(141)	(141)
Share-based payments	-	-	-	-	17	17
Cost of shares transferred to employees	-	-	2	-	(13)	(11)
At 31st March 2024 (audited)	215	148	(17)	36	1,998	2,380
Total comprehensive (expense) / income	-	-	-	(105)	402	297
Dividends paid (note 7)	-	-	-	-	(138)	(138)
Purchase of treasury shares	(18)	-	-	18	(251)	(251)
Share-based payments	-	-	-	-	18	18
Cost of shares transferred to employees	-	-	7	-	(18)	(11)
At 31st March 2025 (unaudited)	**197**	**148**	**(10)**	**(51)**	**2,011**	**2,295**

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Notes on the Preliminary Accounts

for the year ended 31st March 2025

1 Preparation

Basis of preparation and statement of compliance

The unaudited financial statements of the group have been prepared in accordance with International Accounting Standards (IAS) in conformity with the requirements of the Companies Act 2006. The unaudited financial statements are also prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), adopted pursuant to Regulation (EC) No 1606/2002 as it applies to the European Union, including the interpretations issued by the IFRS Interpretations Committee. Except for the changes noted on the following page, the accounting policies applied are set out in the Annual Report and Accounts for the year ended 31st March 2024.

As at 31st March 2025, the group maintains a strong balance sheet with around £1.9 billion of available cash and undrawn committed facilities. Free cash flow was strong in the year at £521 million and net debt reduced by £152 million. Net debt at 31st March 2025 was £799 million at 1.4 times net debt (including post tax pension deficits) to underlying EBITDA which was just below our target range.

The directors have reviewed the base case scenario forecasts for the group and the base case scenario was stress tested to represent a severe-but-plausible downside case scenario which modelled a material reduction in trading. The directors have also considered forecasts which reflect the impact of the sale of the Catalyst Technologies business as outlined in note 19.

In the scenarios outlined above, we have sufficient headroom against committed facilities and key financial covenants are not in breach for 12 months from the date of signing this unaudited preliminary announcement. Accordingly, the directors consider it appropriate to adopt the going concern basis of accounting in preparing these preliminary unaudited accounts.

These unaudited preliminary accounts for the year ended 31st March 2025 do not constitute the statutory accounts for that year per section 435 of the Companies Act 2006. The statutory accounts for the year ended 31st March 2025 will be finalised on the basis of the financial information presented by the directors in this unaudited preliminary announcement and will be published on www.matthey.com.

The announcement of the 2025 preliminary full year results was approved by the Board of Directors on 22nd May 2025. The unaudited preliminary announcement does not constitute a dissemination of the annual financial report and does not therefore need to meet the dissemination requirements for annual financial reports. A separate dissemination announcement in accordance with Disclosure and Transparency Rules (DTR) 6.3 will be made when the 2025 Annual Report and Accounts are published and made available on www.matthey.com

Statutory accounts for 2024 have been delivered to the Registrar of Companies and those for 2025 will be delivered following the company's Annual General Meeting.

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1 Preparation (continued)

Changes in accounting policies

Amendments to accounting standards
The IASB has issued the following amendments, which have been endorsed by the UK Endorsement Board, for annual periods beginning on or after 1st January 2024:

- Amendments to IAS 1, *Presentation of Financial Statements*;
- Amendments to IFRS 16, *Leases*; and
- Amendments to IAS 7, *Statement of Cash Flows* and IFRS 7, *Financial Instruments: Disclosures* relating to Supplier Finance Arrangements

These changes have not had a material impact on the group. The group has not early adopted any standard, interpretation or amendment that was issued but is not yet effective.

Non-GAAP measures
The group uses various measures to manage its business which are not defined by generally accepted accounting principles (GAAP). The group's management believes these measures provide valuable additional information to users of the accounts in understanding the group's performance. The group's non-GAAP measures are defined and reconciled to GAAP measures in note 18.

Notes on the Preliminary Accounts
for the year ended 31st March 2025

2 Segmental information

Revenue, cost of sales, sales, underlying operating profit and net assets by business

Year ended 31st March 2025 (unaudited)

	Clean Air £m	PGM Services £m	Catalyst Technologies £m	Hydrogen Technologies £m	Value Businesses £m	Corporate £m	Eliminations £m	Total £m
Revenue from external customers	3,973	6,869	713	68	51	-	-	11,674
Inter-segment revenue	-	1,484	15	-	-	-	(1,499)	-
Revenue	**3,973**	**8,353**	**728**	**68**	**51**	**-**	**(1,499)**	**11,674**
Cost of sales - precious metal to customers	(1,654)	(7,889)	(59)	(8)	(14)	-	1,420	(8,204)
Cost of sales - non-precious metal	(1,856)	(223)	(449)	(68)	(32)	(22)	79	(2,571)
Cost of sales	**(3,510)**	**(8,112)**	**(508)**	**(76)**	**(46)**	**(22)**	**1,499**	**(10,775)**
External sales	2,319	399	655	60	37	-	-	3,470
Inter-segment sales	-	65	14	-	-	-	(79)	-
Sales[1]	**2,319**	**464**	**669**	**60**	**37**	**-**	**(79)**	**3,470**
Underlying operating profit / (loss)[1]	**273**	**149**	**92**	**(39)**	**1**	**(87)**	**-**	**389**
Segmental net assets	**1,345**	**121**	**801**	**153**	**-**	**373**	**-**	**2,793**
Net debt (note 18)								(799)
Post-employment benefits net assets and liabilities (note 13)								200
Deferred tax net assets								131
Provisions and non-current other payables								(101)
Investments in associates								71
Net assets								**2,295**

[1] Sales and underlying operating profit are non-GAAP measures (see note 18). Sales excludes the cost of precious metals to customers. Underlying operating profit excludes profit or loss on disposal of businesses, amortisation of acquired intangibles and major impairment and restructuring charges.

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2 Segmental information (continued)

Revenue, cost of sales, sales, underlying operating profit and net assets by business

Year ended 31st March 2024 (audited)

	Clean Air £m	PGM Services £m	Catalyst Technologies £m	Hydrogen Technologies £m	Value Businesses £m	Corporate £m	Eliminations £m	Total £m
Revenue from external customers	5,219	6,490	634	85	415	-	-	12,843
Inter-segment revenue	8	2,432	19	1	-	-	(2,460)	-
Revenue	**5,227**	**8,922**	**653**	**86**	**415**	**-**	**(2,460)**	**12,843**
Cost of sales - precious metal to customers	(2,646)	(8,460)	(75)	(15)	(89)	-	2,346	(8,939)
Cost of sales - non-precious metal	(2,101)	(210)	(399)	(87)	(278)	(16)	114	(2,977)
Cost of sales	**(4,747)**	**(8,670)**	**(474)**	**(102)**	**(367)**	**(16)**	**2,460**	**(11,916)**
External sales	2,573	374	560	71	326	-	-	3,904
Inter-segment sales	8	88	18	-	-	-	(114)	-
Sales[1]	**2,581**	**462**	**578**	**71**	**326**	**-**	**(114)**	**3,904**
Underlying operating profit / (loss)[1]	**274**	**164**	**75**	**(50)**	**29**	**(82)**	**-**	**410**
Segmental net assets	**1,351**	**38**	**718**	**271**	**178**	**449**	**-**	**3,005**
Net debt								(946)
Post-employment benefit net assets and liabilities (note 13)								114
Deferred tax net assets								126
Provisions and non-current other payables								(82)
Investments in associates								71
Net assets held for sale								92
Net assets								**2,380**

[1] Sales and underlying operating profit are non-GAAP measures (see note 18). Sales excludes the cost of precious metals to customers. Underlying operating profit excludes profit or loss on disposal of businesses, amortisation of acquired intangibles and major impairment and restructuring charges.

3 Revenue

Products and services

The group's principal products and services by operating business and sub-business are disclosed in the table below, together with information regarding performance obligations and revenue recognition. Revenue is recognised by the group as contractual performance obligations to customers are completed.

Sub-business	Primary industry	Principal products and services	Performance obligations	Revenue recognition
Clean Air				
Light Duty Catalysts	Automotive	Catalysts for cars and other light duty vehicles	Point in time	On despatch or delivery
Heavy Duty Catalysts	Automotive	Catalysts for trucks, buses and non-road equipment	Point in time	On despatch or delivery
PGM Services				
Platinum Group Metal Services	Various	Platinum Group Metal refining and recycling services	Over time	Based on output
		Platinum Group Metal trading	Point in time	On receipt of payment or metal being available to customer
		Other precious metal products	Point in time	On despatch or delivery
		Platinum Group Metal chemical, industrial products and catalysts	Point in time	On despatch or delivery
Catalyst Technologies				
Catalysts	Chemicals / oil and gas / sustainable fuels	Speciality catalysts and additives	Point in time	On despatch or delivery
Licensing	Chemicals / oil and gas / sustainable fuels	Process technology licences and engineering design services	Over time / point in time[1]	Based on costs incurred or at a point in time[1]
Hydrogen Technologies				
Fuel Cells Technology	Various	Fuel cell catalyst coated membrane	Point in time	On despatch or delivery
Electrolysis Technology	Various	Electrolyser catalyst coated membrane	Point in time	On despatch or delivery
Value Businesses				
Other Markets (excluding Diagnostic Services)	Various	Precious metal pastes and enamels, battery systems and products found in devices used in medical procedures	Point in time	On despatch or delivery
Diagnostic Services	Oil and gas	Detection, diagnostic and measurement solutions	Over time	Based on costs incurred

[1] Revenue recognition depends on whether the licence is distinct in the context of the contract. If a licence is assessed as distinct the judgement around point in time or over time depends on whether it is a right to use or right to access licence.

Metal revenue: Metal revenue relates to the sales of precious metals to customers, either in pure form or contained within a product. Metal revenue arises in each of the reportable segments in the Group. Metal revenue is affected by fluctuations in the market prices of precious metals and, in many cases, the value of precious metals is passed directly on to customers. Given the high value of these metals this makes up a significant proportion of revenue.

JM

Notes on the Preliminary Accounts
for the year ended 31st March 2025

3 Revenue (continued)

Revenue from external customers by principal products and services

Year ended 31st March 2025 (unaudited)

	Clean Air £m	PGM Services £m	Catalyst Technologies £m	Hydrogen Technologies £m	Value Businesses £m	Total £m
Metal	1,654	6,470	58	8	14	8,204
Heavy Duty Catalysts	790	-	-	-	-	790
Light Duty Catalysts	1,529	-	-	-	-	1,529
Platinum Group Metal Services	-	399	-	-	-	399
Catalysts	-	-	549	-	-	549
Licensing	-	-	106	-	-	106
Fuel Cells Technology	-	-	-	60	-	60
Battery Systems	-	-	-	-	15	15
Medical Device Components	-	-	-	-	21	21
Other	-	-	-	-	1	1
Revenue	**3,973**	**6,869**	**713**	**68**	**51**	**11,674**

Year ended 31st March 2024 (audited)

	Clean Air £m	PGM Services £m	Catalyst Technologies £m	Hydrogen Technologies £m	Value Businesses £m	Total £m
Metal	2,646	6,116	74	14	89	8,939
Heavy Duty Catalysts	953	-	-	-	-	953
Light Duty Catalysts	1,620	-	-	-	-	1,620
Platinum Group Metal Services	-	374		-	-	374
Catalysts	-	-	500	-	-	500
Licensing	-	-	60	-	-	60
Fuel Cells Technology	-	-	-	71	-	71
Battery Systems	-	-	-	-	194	194
Diagnostic Services	-	-	-	-	37	37
Medical Device Components	-	-	-	-	91	91
Other	-	-	-	-	4	4
Revenue	5,219	6,490	634	85	415	12,843

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Notes on the Preliminary Accounts
for the year ended 31st March 2025

4 Operating profit

Operating profit is arrived at after charging / (crediting):

	2025 (unaudited) £m	2024 (audited) £m
Research and development expenditure charged to the income statement	193	204
Less: External funding received from governments	(34)	(26)
Net research and development expenditure charged to the income statement	**159**	178
Inventories recognised as an expense	9,959	10,962
Write-down of inventories recognised as an expense	4	38
Reversal of write-down of inventories from increases in net realisable value	(4)	(36)
Past service credit	(14)	-
Depreciation of:		
Property, plant and equipment	124	134
Right-of-use assets	10	10
Depreciation	**134**	144
Amortisation of:		
Internally generated intangible assets	-	1
Acquired intangibles	4	4
Other intangible assets	49	43
Amortisation	**53**	48
(Profit) / loss on disposal of businesses (note 12)	**(482)**	9
Impairment losses included in administrative expenses	2	-
Impairment losses	**2**	-
Impairment losses and reversals included in major impairment and restructuring charges	217	70
Restructuring charges included in major impairment and restructuring	112	78
Major impairment and restructuring charges (note 5)	**329**	148
Fees payable to the company's auditor and its associates for:		
The audit of the company accounts	2.9	2.7
The audit of the accounts of the company's subsidiaries	2.4	2.4
Total audit fees	**5.3**	5.1
Audit-related assurance services	0.4	0.4
Total non-audit fees	**0.4**	0.4
Total fees payable to the company's auditor and its associates	**5.7**	5.5

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5 Major impairment and restructuring charges

	2025 (unaudited) £m	2024 (audited) £m
Property, plant and equipment	177	22
Right-of-use assets	1	1
Goodwill	-	6
Other intangible assets	38	-
Inventories	1	29
Trade and other receivables	-	12
Impairment losses and reversals	**217**	70
Restructuring charges	**112**	78
Total major impairment and restructuring charges	**329**	148

Major impairment and restructuring charges are shown separately on the face of the income statement and excluded from underlying operating profit (see note 18).

Major impairments – the group's impairment charge of £217 million includes:

- £105 million impairment to the Hydrogen Technologies cash generating unit following a strategic review of the UK business due to indicators of a further slow-down in the transition to hydrogen fuel cell and electrolyser technologies due to ongoing global challenges with supply chains and investment costs for developing new infrastructure and projects.

  Management's latest demand forecasts, informed by changes in published industry projections for the broader hydrogen economy, have shown a reduction of approximately 40% compared to internal demand forecasts prepared in the first quarter of 2024. Uncertainty in market prospects has increased this year with the change in US Administration, including the potential impact of proposed US import tariffs that could significantly impact on the manufacturing base for Hydrogen Technologies. Furthermore, clean energy policies and legislation issued in the US under the Biden Administration such as Clause 45V of the Inflation Reduction Act and support for 'hydrogen hubs' across the country, are coming under increasing pressure by the new Administration. The residual value after impairment is broadly split equally between inventory and property, plant and equipment.

  In estimating value in use, cash flows for the next three years are forecasted based on commercial performance derived from expected customer demand and operational performance derived from manufacturing capability in existing plants. This shows the business moving from its current loss-making position to being operating cash positive and reaching operating margins consistent with historical group performance. Forecasts for years four to ten assume growth in the business based on a compound annual growth rate that management believes appropriately reflects the pace of development of the market over that period and improved operational performance from integrating new manufacturing assets already built. After this period, growth is estimated to be in line with a long-term growth rate of 3.0%. These are key areas of management estimate and have been considered in the context of the group's historical performance and leading technological position in the market for fuel cells and electrolysers but also recognising the industry challenges around scale up given the global value chain remains in an early stage of development. Should the market not develop as expected or meet the overall market scale forecast by management, then this could give rise to further impairment in future periods. Management has considered the impact of the forecasted pace of market development and determined that if future market growth was delayed by one year, with no mitigating actions taken, then this would give rise to an additional impairment of approximately £40 million in this year's financial statements. Management has assessed the sensitivity of the long-term growth rate and operating profit margin and determined that a 1% decrease in these assumptions would not have a material impact on the carrying amount of the CGU.

5 Major impairment and restructuring charges (continued)

- £67 million impairment to the group's China related assets, comprised of:
    - £22 million in Clean Air following the decision in October 2024 to close a production line at a site in China to increase efficiency and line capacity of the existing lines;
    - £18 million in Hydrogen Technologies following the decision in February 2025 to exit the fuel cell market in China; and
    - £27 million in PGM Services following a strategic review of the China Refining plant in March 2025 driven by the decline in its cash flows and also our exit from the fuel cell market in China.

  The carrying amount of the CGU for Clean Air China's production line exceeded its value-in-use. There were no material sensitivities applicable. In assessing the recoverable amount of such assets, management has considered the higher of fair value less costs to sell and value-in-use. For the Hydrogen Technologies and PGM Services' China assets, this resulted in a nil or immaterial recoverable value.

- £29 million to the group's intangible assets comprised of £18 million following a strategic review of and subsequent changes to our IT operating model completed in June 2024 which identified that certain IT assets have been impaired and £11 million for other divisional IT assets where projects are no longer being completed. These assets have a nil residual value. There is also a £9 million impairment to intangible assets included as part of the Hydrogen Technologies CGU impairment outlined on the previous page.

There was a further impairment of £11 million in Hydrogen Technologies. This related to the cessation of construction of a plant in the United States of America, in response to lower demand forecasts. As these assets are not completed it was determined the fair value less costs to sell is immaterial.

The remaining impairment charge of £5 million is primarily to production related assets in Clean Air related to our ongoing Clean Air plant consolidation initiatives as the business continues to consolidate its existing capacity into new and more efficient plants and the group streamlines its operations globally.

Major restructuring – the group's transformation programme was launched in May 2022 and was designed to drive increased competitiveness, improved execution capability and create financial headroom to facilitate further investment in high growth areas. Restructuring charges of £112 million have been recognised of which £43 million relates to Johnson Matthey Global Solutions, IT transformation and running the transformation programme, with £29 million other redundancy and implementation costs. The remaining £40 million charge is related to our ongoing Clean Air plant consolidation initiatives and other divisional restructuring as we streamline the group (including reducing headcount), of which the majority is redundancy and exit costs.

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6 Earnings per ordinary share

	2025 (unaudited) pence	2024 (audited) pence
Basic	**211.8**	58.6
Diluted	**211.2**	58.3

Earnings per ordinary share have been calculated by dividing profit for the period by the weighted average number of shares in issue during the year.

Weighted average number of shares in issue	2025 (unaudited)	2024 (audited)
Basic	**175,966,787**	183,392,681
Dilution for long term incentive plans	**449,667**	859,636
Diluted	**176,416,454**	184,252,317

7 Dividends

A final dividend of 55.00 pence per ordinary share has been proposed by the board which will be paid on 5th August 2025 to shareholders on the register at the close of business on 6th June 2025, subject to shareholders' approval. The estimated amount to be paid is £92 million and has not been recognised in these accounts.

	2025 (unaudited) £m	2024 (audited) £m
2022/23 final ordinary dividend paid — 55.00 pence per share	**-**	101
2023/24 interim ordinary dividend paid — 22.00 pence per share	**-**	40
2023/24 final ordinary dividend paid — 55.00 pence per share	**101**	-
2024/25 interim ordinary dividend paid — 22.00 pence per share	**37**	-
Total dividends	**138**	141

On 3rd July 2024, the company announced its intention to conduct a share buyback programme for up to a maximum consideration of £250 million. The first tranche of the share buyback programme of up to £125 million commenced on 3rd July 2024 and completed on 23rd September 2024. On 24th September 2024, the company commenced the second tranche of up to £125 million, which completed on 12th December 2024. During the year the company purchased 16,302,747 shares at a cost of £250 million excluding related stamp duty. All of these shares were cancelled.

8 Property, plant and equipment

	Land and buildings £m	Leasehold improvements £m	Plant and machinery £m	Assets in the course of construction £m	Total £m
Cost					
At 1st April 2024 (audited)	591	23	2,143	515	3,272
Additions	1	1	24	294	320
Transfers from assets in the course of construction	25	1	123	(149)	-
Transfers to other intangible assets (note 9)	-	-	(3)	(18)	(21)
Reclassification	-	-	-	2	2
Disposals	-	(3)	(21)	-	(24)
Exchange adjustments	(12)	-	(34)	(1)	(47)
At 31st March 2025 (unaudited)	**605**	**22**	**2,232**	**643**	**3,502**
Accumulated depreciation and impairment					
At 1st April 2024 (audited)	290	12	1,522	12	1,836
Charge for the year	15	1	108	-	124
Impairment losses (notes 4 and 5)	25	-	54	100	179
Reclassification	-	-	2	-	2
Disposals	-	(3)	(21)	-	(24)
Exchange adjustments	(5)	1	(22)	-	(26)
At 31st March 2025 (unaudited)	**325**	**11**	**1,643**	**112**	**2,091**
Carrying amount at 31st March 2025 (unaudited)	**280**	**11**	**589**	**531**	**1,411**
Carrying amount at 1st April 2024 (audited)	301	11	621	503	1,436

During the year, the group recognised impairments of £179 million. £177 million of the impairment charge is included in non-underlying expenses, with £2 million including in administrative expenses within underlying operating profit.

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9 Other intangible assets

	Customer contracts and relationships £m	Computer software £m	Patents, trademarks and licences £m	Acquired research and technology £m	Development expenditure £m	Total £m
Cost						
At 1st April 2024 (audited)	103	536	32	30	134	835
Additions	-	54	-	-	2	56
Disposals	-	(1)	-	-	-	(1)
Transfers from property, plant and equipment (note 8)	-	21	-	-	-	21
Reclassification	-	(3)	-	-	3	-
Exchange adjustments	-	-	(1)	-	-	(1)
At 31st March 2025 (unaudited)	**103**	**607**	**31**	**30**	**139**	**910**
Accumulated amortisation and impairment						
At 1st April 2024 (audited)	91	252	28	30	133	534
Charge for the year	3	48	1	-	1	53
Impairment losses (note 5)	-	38	-	-	-	38
Disposals	-	(1)	-	-	-	(1)
Exchange adjustments	-	-	(1)	-	(1)	(2)
At 31st March 2025 (unaudited)	**94**	**337**	**28**	**30**	**133**	**622**
Carrying amount at 31st March 2025 (unaudited)	**9**	**270**	**3**	**-**	**6**	**288**
Carrying amount at 1st April 2024 (audited)	12	284	4	-	1	301

10 Trade and other receivables

	2025 (unaudited) £m	2024 (audited) £m
Current		
Trade receivables	**925**	964
Contract receivables	**53**	56
Prepayments	**70**	74
Value added tax and other sales tax receivable	**116**	121
Advance payments to customers	**7**	18
Amounts receivable under precious metal sale and repurchase agreements[1]	**282**	417
Other receivables	**79**	68
Trade and other receivables	**1,532**	1,718
Non-current		
Advance payments to customers	**40**	44
Other receivables	**58**	60
Other receivables	**98**	104

[1] The fair value of the precious metal contracted to be sold by the group under sale and repurchase agreements is £300 million (31st March 2024: £398 million).

11 Trade and other payables

	2025 (unaudited) £m	2024 (audited) £m
Current		
Trade payables	**667**	655
Contract liabilities	**105**	177
Accruals	**310**	328
Amounts payable under precious metal sale and repurchase agreements[1]	**669**	844
Other payables	**233**	205
Trade and other payables	**1,984**	2,209
Non-current		
Other payables	**6**	2
Trade and other payables	**6**	2

[1] The fair value of the precious metal contracted to be repurchased by the group under sale and repurchase agreements is £687 million (31st March 2024: £797 million).

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12 Disposals

Medical Device Components

On 1st July 2024, the group completed the sale of its Medical Device Components business for an enterprise value of £555 million (£559 million on a debt free basis after working capital adjustments). The business was disclosed as a disposal group held for sale as at 31st March 2024.

Battery Systems

On 30th April 2024, the group completed the sale of its Battery Systems business for an enterprise value of £14 million (£19 million on a debt free basis after working capital adjustments). The business was disclosed as a disposal group held for sale as at 31st March 2024.

Battery Materials Poland

On 24th July 2024, the group completed the sale of the land and buildings of our previous Battery Materials business in Poland for £26 million. This was disclosed as assets held for sale as at 31st March 2024.

All held for sale balances from the prior year financial statements were disposed of during the current year. With the exception of £10 million of cash in Medical Device Components not classified as held for sale at year end, the balances below are materially consistent with the prior year held for sale balances.

	2025			
	Medical Device Components (unaudited) £m	**Other disposals (unaudited) £m**	**Total (unaudited) £m**	**2024 (audited) £m**
Proceeds				
Cash consideration	559	38	597	59
Cash and cash equivalents disposed	(10)	-	(10)	(18)
Net cash consideration	**549**	**38**	**587**	**41**
Disposal costs paid	(12)	(6)	(18)	(9)
Net cash inflow	**537**	**32**	**569**	**32**
Assets and liabilities disposed				
Non-current assets				
Property, plant and equipment	24	25	49	10
Right-of-use-assets	4	-	4	9
Goodwill	3	-	3	-
Current assets				
Inventories	8	22	30	5
Trade and other receivables	18	20	38	32
Cash and cash equivalents	10	-	10	18
Deferred tax assets	-	3	3	3
Current liabilities				
Trade and other payables	(6)	(20)	(26)	(12)
Current income tax liabilities	(1)	(1)	(2)	-
Lease liabilities	(4)	-	(4)	-
Non-current liabilities				
Lease liabilities	-	(1)	(1)	(11)
Provisions	(1)	(1)	(2)	-
Net assets disposed	**55**	**47**	**102**	**54**

Notes on the Preliminary Accounts
for the year ended 31st March 2025

12 Disposals (continued)

	2025			
	Medical Device Components (unaudited) £m	**Other disposals (unaudited) £m**	**Total (unaudited) £m**	**2024 (audited) £m***
Cash consideration	559	38	597	59
Deferred consideration	-	7	7	4
Working capital adjustments at time of disposal	-	-	-	4
Less: carrying amount of net assets sold	(55)	(47)	(102)	(54)
Less: disposal costs	(13)	(9)	(22)	(17)
Cumulative currency translation gain / (loss) recycled from other comprehensive income	-	2	2	(5)
Profit recognised in the income statement	**491**	**(9)**	**482**	**(9)**

* The prior year comparative includes £4 million profit on disposal for Diagnostic Services, loss of £4 million for Johnson Matthey Catalysts LLC and profit of £nil for Battery Materials Germany, and other disposal related costs of £9 million.

Disposal proceeds

During the period we received £3 million of proceeds relating to the Diagnostic Services disposal in the prior year. This was recognised within profit on disposal in the prior year.

13 Post-employment benefits

Background

The group operates a number of post-employment benefit plans around the world, the forms and benefits of which vary with conditions and practices in the countries concerned. The major defined benefit plans are pension plans and post-retirement medical plans in the UK and the US.

Financial assumptions

	2025 UK plan (unaudited) %	**2025 US plans (unaudited) %**	**2025 Other plans (unaudited) %**	2024 UK plan (audited) %	2024 US plans (audited) %	2024 Other plans (audited) %
First year's rate of increase in salaries	**-**	**-**	**2.29**	3.50	-	2.43
Ultimate rate of increase in salaries	**-**	**-**	**2.29**	3.50	-	2.20
Rate of increase in pensions in payment	**2.90**	**-**	**2.00**	2.90	-	2.20
Discount rate	**5.90**	**5.40**	**3.73**	4.90	5.20	3.30
Inflation	**-**	**2.20**	**2.00**	-	2.20	2.20
– UK Retail Prices Index (RPI)	**3.00**	**-**	**-**	3.10	-	-
– UK Consumer Prices Index (CPI)	**2.75**	**-**	**-**	2.75	-	-

Financial information

Movements in the net post-employment benefit assets and liabilities, including reimbursement rights, were:

	UK pension - legacy section £m	UK pension - cash balance section £m	UK post-retirement medical benefits £m	US pensions £m	US post-retirement medical benefits £m	Other £m	Total £m
At 1st April 2024 (audited)	115	35	(6)	2	(10)	(19)	117
Current service cost - in operating profit	-	(17)	-	(2)	-	(1)	(20)
Past service credit - in operating profit	14	-	-	-	-	-	14
Administrative expenses - in operating profit	(2)	(1)	-	(2)	-	-	(5)
Interest	6	1	(1)	1	-	(1)	6
Remeasurements	14	19	-	-	-	4	37
Company contributions	28	21	1	2	-	1	53
Exchange	-	-	-	-	1	-	1
At 31st March 2025 (unaudited)	**175**	**58**	**(6)**	**1**	**(9)**	**(16)**	**203**

The post-employment benefit assets and liabilities are included in the balance sheet as follows:

	2025 Post-employment benefit net assets (unaudited) £m	**2025 Employee benefit net obligations (unaudited) £m**	**2025 Total (unaudited) £m**	2024 Post-employment benefit net assets (audited) £m	2024 Employee benefit net obligations (audited) £m	2024 Total (audited) £m
UK pension - legacy section	**175**	**-**	**175**	115	-	115
UK pension - cash balance section	**58**	**-**	**58**	35	-	35
UK post-retirement medical benefits	**-**	**(6)**	**(6)**	-	(6)	(6)
US pensions	**4**	**(3)**	**1**	2	-	2
US post-retirement medical benefits	**-**	**(9)**	**(9)**	-	(10)	(10)
Other	**1**	**(17)**	**(16)**	1	(20)	(19)
Total post-employment plans	**238**	**(35)**	**203**	153	(36)	117
Other long-term employee benefits		**(3)**			(3)	
Total long-term employee benefit obligations		**(38)**			(39)	

14 Fair values

Fair value hierarchy

Fair values are measured using a hierarchy where the inputs are:

- Level 1 — quoted prices in active markets for identical assets or liabilities.
- Level 2 — not level 1 but are observable for that asset or liability either directly or indirectly.
- Level 3 — not based on observable market data (unobservable).

Fair value of financial instruments

Certain of the group's financial instruments are held at fair value. The fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the balance sheet date.

The fair value of forward foreign exchange contracts, interest rate swaps, forward precious metal price contracts and currency swaps is estimated by discounting the future contractual cash flows using forward exchange rates, interest rates and prices at the balance sheet date.

The fair value of trade and other receivables measured at fair value is the face value of the receivable less the estimated costs of converting the receivable into cash.

The fair value of money market funds is calculated by multiplying the net asset value per share by the investment held at the balance sheet date.

There were no transfers of any financial instrument between the levels of the fair value hierarchy during the current or prior years.

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14 Fair values (continued)

	2025 (unaudited) £m	2024 (audited) £m	Fair value hierarchy Level
Financial instruments measured at fair value			
Non-current			
Investments at fair value through other comprehensive income[1]	**38**	40	1
Derivative financial instruments - assets[2]	**4**	49	2
Borrowings	**-**	(3)	2
Derivative financial instruments - liabilities[2]	**(9)**	(10)	2
Current			
Trade receivables[3]	**158**	178	2
Other receivables[4]	**1**	3	2
Cash and cash equivalents - money market funds	**435**	334	2
Cash and cash equivalents - cash and deposits	**23**	12	2
Derivative financial instruments - assets[2]	**55**	53	2
Derivative financial instruments - liabilities[2]	**(14)**	(11)	2
Financial instruments not measured at fair value			
Non-current			
Borrowings	**(1,301)**	(1,336)	-
Lease liabilities	**(40)**	(24)	-
Trade and other receivables	**58**	60	-
Other payables	**(6)**	(2)	-
Current			
Amounts receivable under precious metal sale and repurchase agreements	**300**	398	-
Amounts payable under precious metal sale and repurchase agreements	**(687)**	(797)	-
Cash and cash equivalents - cash and deposits	**440**	196	-
Cash and cash equivalents - bank overdrafts	**(24)**	(12)	-
Borrowings	**(333)**	(110)	-
Lease liabilities	**(6)**	(8)	-
Trade and other receivables	**862**	926	-
Trade and other payables	**(1,210)**	(1,235)	-

[1] Investments at fair value through other comprehensive income are quoted bonds purchased to fund pension deficits (£35 million) and an investment held at fair value through other comprehensive income (£3 million).

[2] Includes forward foreign exchange contracts, forward precious metal price contracts and currency and interest rate swaps.

[3] Trade receivables held in a part of the group with a business model to hold trade receivables for collection or sale. The remainder of the group operates a hold to collect business model and receives the face value, plus relevant interest, of its trade receivables from the counterparty without otherwise exchanging or disposing of such instruments.

[4] Other receivables with cash flows that do not represent solely the payment of principal and interest.

The fair values are calculated using level 2 inputs by discounting future cash flows to net present values using appropriate market interest rates prevailing at the year end.

The fair value of financial instruments, excluding accrued interest, is approximately equal to book value except for:

	2025		2024	
	Carrying amount (unaudited) £m	**Fair value (unaudited) £m**	Carrying amount (audited) £m	Fair value (audited) £m
US Dollar Bonds 2025, 2027, 2028, 2029, 2030, 2031 and 2034	**(592)**	**(571)**	(507)	(474)
Euro Bonds 2025, 2028, 2030, 2031, 2032, 2034 and 2036	**(539)**	**(520)**	(348)	(320)
Sterling Bonds 2024, 2025 and 2029	**(80)**	**(74)**	(145)	(137)
KfW US Dollar Loan 2024	**-**	**-**	(40)	(38)

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15 Precious metal leases

At 31st March 2025, precious metal leases were £202 million at year end prices (31st March 2024: £197 million). Precious metal leases do not fall under the scope of IFRS 16.

16 Contingent liabilities

The group is involved in various disputes and claims which arise from time to time in the course of its business including, for example, in relation to commercial matters, product quality or liability, employee matters and tax audits. The group is also involved from time to time in the course of its business in legal proceedings and actions, engagement with regulatory authorities and in dispute resolution processes. These are reviewed on a regular basis and, where possible, an estimate is made of the potential financial impact on the group. In appropriate cases a provision is recognised based on advice, best estimates and management judgement. Where it is too early to determine the likely outcome of these matters, no provision is made. Whilst the group cannot predict the outcome of any current or future such matters with any certainty, it currently believes the likelihood of any material liabilities to be low, and that such liabilities, if any, will not have a material adverse effect on its consolidated income, financial position or cash flows.

Following the sale of its Health business in May 2022, the purchaser of the Health business, Veranova Bidco LP, has issued a claim against the group in connection with: i) certain alleged representations said to have been made during the course of the negotiation of the sale and purchase agreement dated 16th December 2021 (“SPA”); and, ii) certain warranties given in the SPA at the time of signing. Having reviewed the claim with its advisers, the group is of the opinion that it has a defensible position in respect of these allegations and is vigorously defending its position. The outcome of the legal proceedings relating to this matter is not certain, since the issues of liability and quantum will be for determination by the court at trial. Accordingly, the group is unable to make a reliable estimate of the possible financial impact at this stage, if any.

17 Transactions with related parties

There have been no material changes in total compensation for key management personnel during the year.

During the year the group had sales with associates of £9 million (2024: £17 million). The amounts owed by associates were £1 million at 31st March 2025 (31st March 2024: £1 million). No other related party transactions have occurred which have materially affected the financial position or performance of the group during the year.

18 Non-GAAP measures

The group uses various measures to manage its business which are not defined by generally accepted accounting principles (GAAP). The group’s management believes these measures provide valuable additional information to users of the accounts in understanding the group’s performance. Certain of these measures are financial Key Performance Indicators which measure progress against our strategy.

All non-GAAP measures are on a continuing operations basis.

18 Non-GAAP measures (continued)

Definitions

Measure	Definition	Purpose
Sales[1]	Revenue excluding cost of precious metals to customers and the precious metal content of products sold to customers.	Provides a better measure of the growth of the group as revenue can be heavily distorted by year on year fluctuations in the market prices of precious metals and, in many cases, the value of precious metals is passed directly on to customers.
Underlying operating profit[2]	Operating profit excluding non-underlying items.	Provides a measure of operating profitability that is comparable over time.
Underlying operating profit margin[1, 2]	Underlying operating profit divided by sales.	Provides a measure of how we convert our sales into underlying operating profit and the efficiency of our business.
Underlying profit before tax[2]	Profit before tax excluding non-underlying items.	Provides a measure of profitability that is comparable over time.
Underlying profit for the year[2]	Profit for the year excluding non-underlying items and related tax effects.	Provides a measure of profitability that is comparable over time.
Underlying earnings per share[1, 2]	Underlying profit for the year divided by the weighted average number of shares in issue.	Our principal measure used to assess the overall profitability of the group.
Return on capital employed (ROCE)[1,3]	Annualised underlying operating profit divided by the average equity plus average net debt. The average is calculated using the opening balance for the financial year and the closing balance.	Provides a measure of the group's efficiency in allocating the capital under its control to profitable investments.
Average working capital days (excluding precious metals)[1]	Monthly average of non-precious metal related inventories, trade and other receivables and trade and other payables (including any classified as held for sale) divided by sales for the last three months multiplied by 90 days.	Provides a measure of efficiency in the business with lower days driving higher returns and a healthier liquidity position for the group.
Free cash flow	Net cash flow from operating activities after net interest paid, net purchases of non-current assets and investments, proceeds from disposal of businesses, dividends received from joint ventures and associates and the principal element of lease payments.	Provides a measure of the cash the group generates through its operations and divestments, less capital expenditure.
Net debt (including post tax pension deficits) to underlying EBITDA	Net debt, including post tax pension deficits and quoted bonds purchased to fund the UK pension (excluded when the UK pension plan is in surplus) divided by underlying EBITDA for the same period.	Provides a measure of the group's ability to repay its debt. The group has a long-term target of net debt (including post tax pension deficits) to underlying EBITDA of between 1.5 and 2.0 times, although in any given year it may fall outside this range depending on future plans.

[1] Key Performance Indicator
[2] Underlying profit measures are before profit or loss on disposal of businesses, amortisation of acquired intangibles, major impairment and restructuring charges, share of profits or losses from non-strategic equity investments and, where relevant, related tax effects. These items have been excluded by management as they are not deemed to be relevant to an understanding of the underlying performance of the business.
[3] Return on capital employed is a new key performance indicator in the year end accounts. This was included as a performance measure in the 2024 Performance Share Plan award. Inclusion of this measure incentivises delivery of the transformation programme across JM and aligns with investor focus on our ability to return value on investments.

18 Non-GAAP measures (continued)

Reconciliations to GAAP measures

Sales

	2025 (unaudited) £m	2024 (audited) £m
Revenue (note 3)	11,674	12,843
Less: cost of precious metals to customers (note 3)	(8,204)	(8,939)
Sales	**3,470**	3,904

Underlying profit measures

Year ended 31st March 2025 (unaudited)

	Operating profit £m	**Profit before tax £m**	**Tax expense £m**	**Profit for the year £m**
Underlying	389	334	(71)	263
Profit on disposal of businesses	482	482	(67)	415
Amortisation of acquired intangibles	(4)	(4)	1	(3)
Major impairment and restructuring charges	(329)	(329)	10	(319)
Share of profits of associates	-	3	-	3
Non-underlying tax provisions	-	-	14	14
Reported	**538**	**486**	**(113)**	**373**

Year ended 31st March 2024 (audited)

	Operating profit £m	Profit before tax £m	Tax expense £m	Profit for the year £m
Underlying	410	328	(68)	260
Loss on disposal of businesses	(9)	(9)	-	(9)
Amortisation of acquired intangibles	(4)	(4)	1	(3)
Major impairment and restructuring charges	(148)	(148)	15	(133)
Share of losses of associates	-	(3)	-	(3)
Non-underlying tax provisions	-	-	(4)	(4)
Reported	249	164	(56)	108

Underlying earnings per share

	2025 (unaudited)	2024 (audited)
Underlying profit for the year (£ million)	**263**	260
Weighted average number of shares in issue (millions)	**176.0**	183.4
Underlying earnings per share (pence)	**149.2**	141.3

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18 Non-GAAP measures (continued)

Return on Capital Employed (ROCE)

	2025 (unaudited) £m	2024 (audited) £m
Underlying operating profit	**389**	410
Average net debt	**875**	987
Average equity	**2,338**	2,459
Average capital employed	**3,213**	3,446
ROCE	**12.1%**	11.9%

Average working capital days (excluding precious metals)

	2025 (unaudited) £m	2024 (audited) £m
Inventories	**1,011**	1,211
Trade and other receivables	**1,532**	1,718
Trade and other payables	**(1,984)**	(2,209)
	559	720
Working capital balances classified as held for sale	**-**	44
Total working capital	**559**	764
Less: Precious metal working capital	**(111)**	(174)
Working capital (excluding precious metals)	**448**	590
Average working capital days (excluding precious metals)	**62**	60

Free cash flow

	2025 (unaudited) £m	2024 (audited) £m
Net cash inflow from operating activities	**381**	592
Interest received	**78**	62
Interest paid	**(148)**	(137)
Purchases of property, plant and equipment	**(315)**	(301)
Purchases of intangible assets	**(58)**	(67)
Proceeds from redemption of investments held at fair value through other comprehensive income	**3**	-
Government grant income	**-**	5
Proceeds from sale of businesses	**587**	41
Proceeds from sale of non-current assets	**2**	5
Principal element of lease payments	**(9)**	(11)
Free cash flow	**521**	189

18 Non-GAAP measures (continued)

Net debt (including post tax pension deficits) to underlying EBITDA

	2025 (unaudited) £m	2024 (audited) £m
Cash and deposits	**463**	208
Money market funds	**435**	334
Bank overdrafts	**(24)**	(12)
Cash and cash equivalents	**874**	530
Derivative financial instruments - Cross currency and interest rate swaps - non-current assets	**4**	15
Derivative financial instruments - Cross currency and interest rate swaps - current assets	**13**	-
Derivative financial instruments - Cross currency and interest rate swaps - current liabilities	**(1)**	-
Derivative financial instruments - Cross currency and interest rate swaps - non-current liabilities	**(9)**	(10)
Borrowings - current	**(333)**	(110)
Borrowings - non-current	**(1,301)**	(1,339)
Lease liabilities - current	**(6)**	(8)
Lease liabilities - non-current	**(40)**	(24)
Lease liabilities - current - transferred to liabilities classified as held for sale	**-**	(1)
Lease liabilities - non-current - transferred to liabilities classified as held for sale	**-**	(4)
Net debt	**(799)**	(951)
Increase / (decrease) in cash and cash equivalents	**345**	(102)
Less: (Increase) / decrease in borrowings	**(213)**	150
Less: Principal element of lease payments	**9**	11
Decrease in net debt resulting from cash flows	**141**	59
New leases, remeasurements and modifications	**(22)**	(11)
Other lease movements	**1**	1
Disposals	**5**	11
Exchange differences on net debt	**11**	13
Other non-cash movements	**16**	(1)
Movement in net debt	**152**	72
Net debt at beginning of year	**(951)**	(1,023)
Net debt at end of year	**(799)**	(951)
Net debt	**(799)**	(951)
Add: Pension deficits	**(20)**	(22)
Add: Related deferred tax	**3**	3
Net debt (including post tax pension deficits)	**(816)**	(970)
Underlying operating profit	**389**	410
Add back: Depreciation and amortisation excluding amortisation of acquired intangibles	**183**	188
Underlying EBITDA	**572**	598
Net debt (including post tax pension deficits) to underlying EBITDA	**1.4**	1.6

	2025 (unaudited) £m	2024 (audited) £m
Underlying EBITDA	**572**	598
Depreciation and amortisation	**(187)**	(192)
Profit / (loss) on disposal of businesses	**482**	(9)
Major impairment and restructuring charges	**(329)**	(148)
Finance costs	**(142)**	(146)
Investment income	**87**	64
Share of profits / (losses) of associates	**3**	(3)
Income tax expense	**(113)**	(56)
Profit for the year	**373**	108

19 Events after the balance sheet date

In May 2025, the group agreed the sale of its Catalyst Technologies business to Honeywell International Inc. at an enterprise value of £1.8 billion on a cash and debt-free basis. The sale is expected to deliver net sale proceeds of c.£1.6 billion to the group, subject to customary closing adjustments. We anticipate a significant cash return to shareholders of £1.4 billion of net sale proceeds following completion of the sale. We expect the agreed sale of the Catalyst Technologies business to Honeywell International Inc. to complete by the first half of calendar year 2026. Refer to page 4 for further information on the strategic implications of this sale.

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Financial Calendar

2025

5th June
Ex dividend date

6th June
Final dividend record date

17th July
Annual General Meeting (AGM)

5th August
Payment of final dividend subject to the approval of shareholders at the AGM

26th November
Announcement of the results for the six months ending 30th September 2025

Cautionary Statement

This announcement 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 this announcement 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.

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