

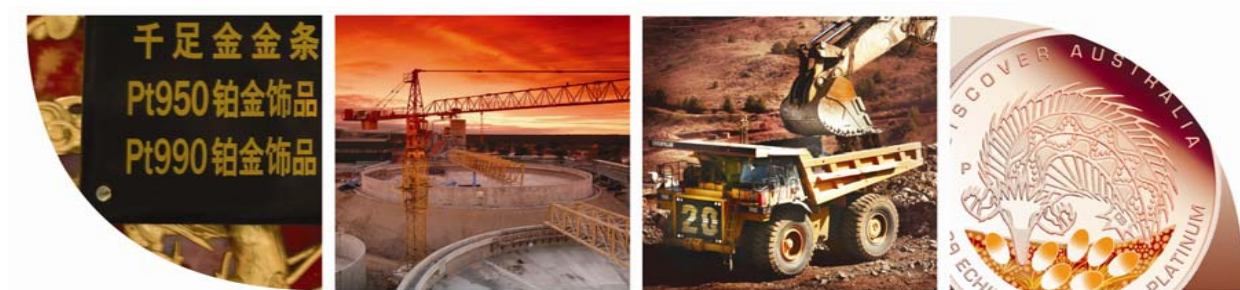


PLATINUM 2010

17th May 2010

Note on the presentation format

In our new format, Johnson Matthey now report gross demand and recycling figures separately for the electrical and jewellery sectors, in the same way as we do for autocatalyst





Platinum

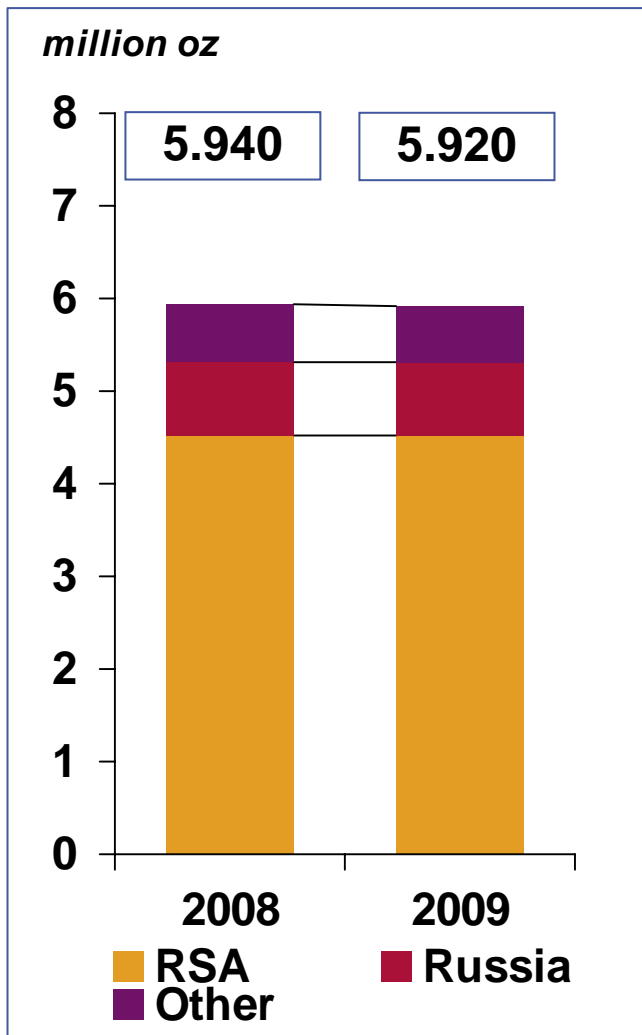
Platinum: Key features 2009

- Platinum market in surplus by 285,000 oz
- Supplies declined by just 20,000 oz, as sales of refined stocks and some new mine production offset pit closures
- Gross Demand fell by about 12%
- Recycling heavily down on lower autocatalyst recoveries and reduced scrap rates in Japanese jewellery
- Combined industrial demand sectors down by 2.01 million oz, partially offset by 1.06 million oz growth in jewellery and investment

Platinum Supply and Demand

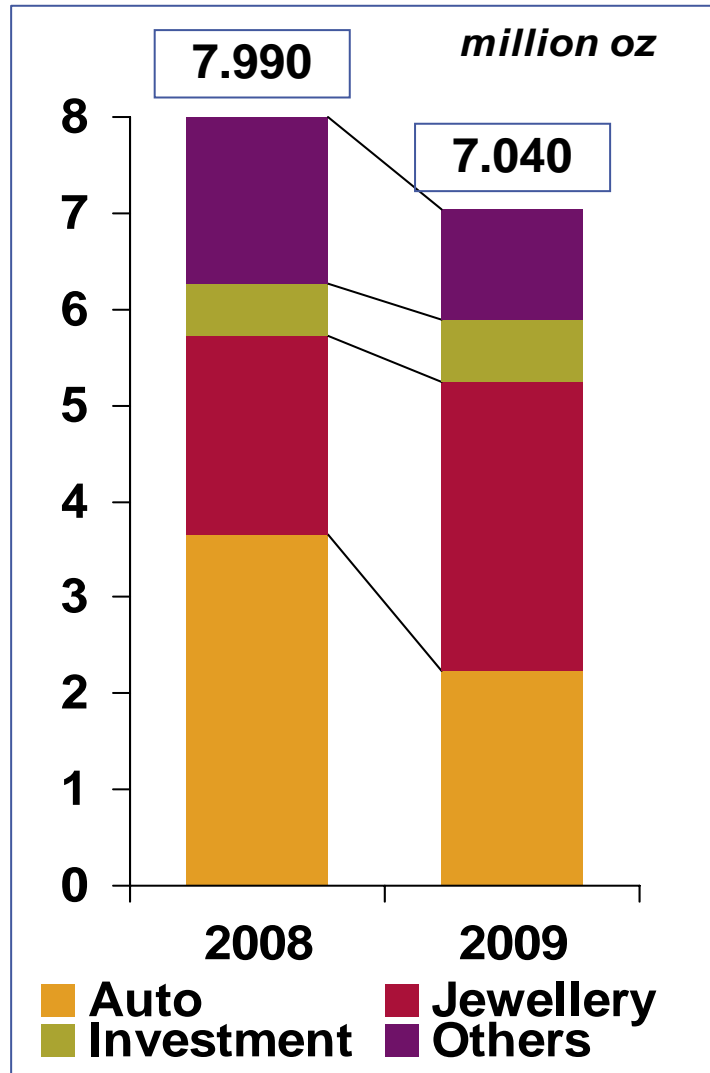
'000 oz	2008	2009	% change
Supply	5,940	5,920	(0.3)
Gross Demand	7,990	7,040	(11.9)
Recycling	(1,830)	(1,405)	(23.2)
Net Demand	6,160	5,635	(8.5)
Movement in stocks	(220)	285	

Platinum Supply down 0.3%



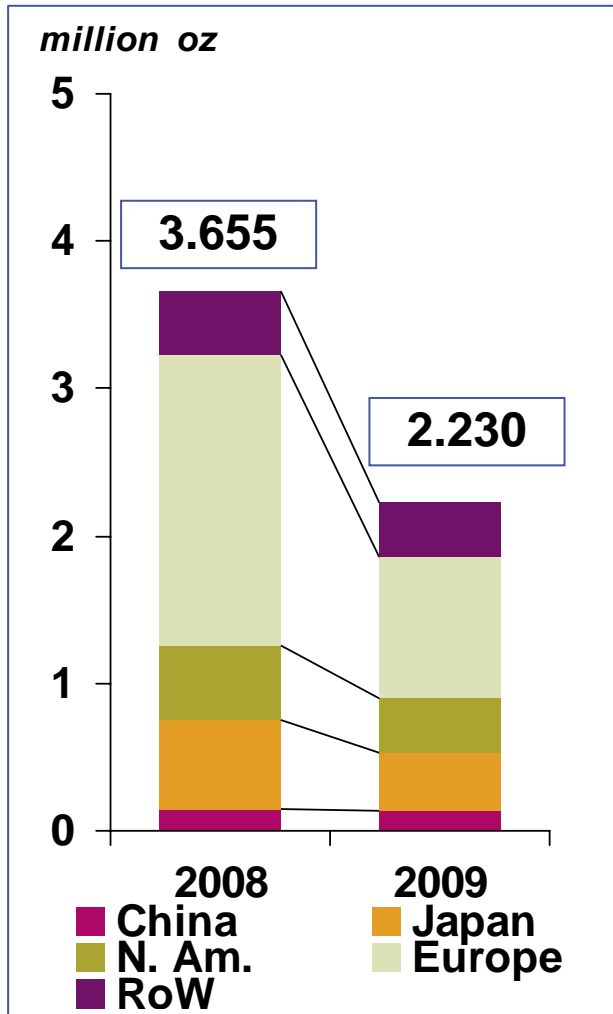
- South African supplies kept broadly flat at 4.53 million oz
- Russian production fell slightly to 785,000 oz
- Supplies from other regions also down marginally to 605,000 oz

Gross Platinum Demand fell by 11.9%



- Total demand declined by 950,000 oz to 7.040 million oz
- Gross autocatalyst demand slumped by 39% to 2.23 million oz
- Industrial demand declined sharply by 33.7% to 1.14 million oz
- Gross jewellery demand rose by 46.1% to 3.01 million oz
- Physical investment grew 18.9% to 660,000 oz for the year

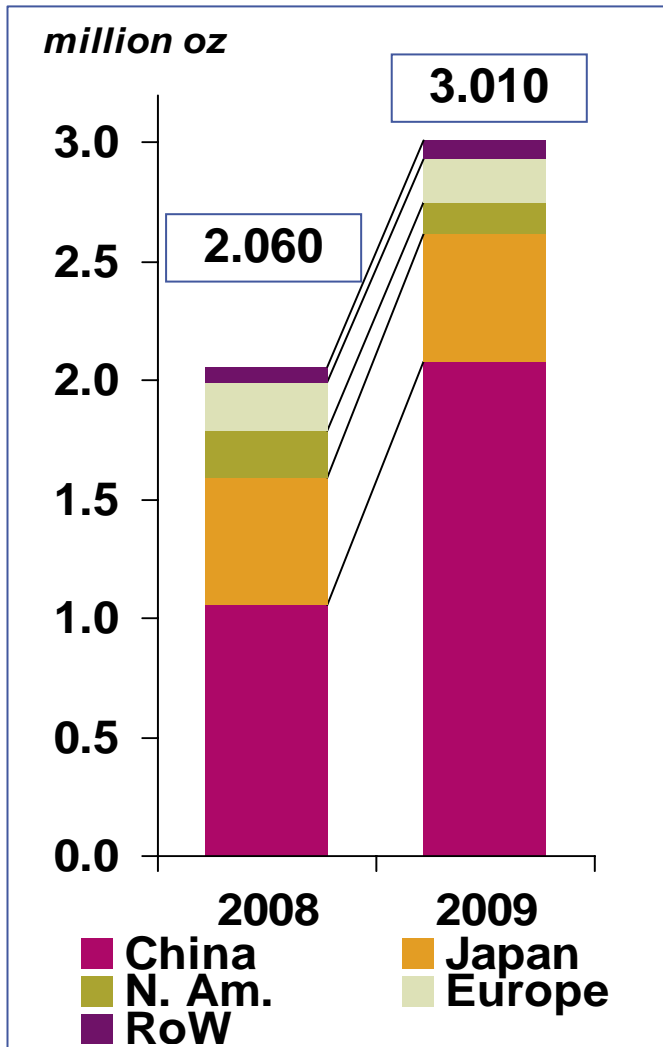
Platinum Demand: Gross Autocatalyst



Changes in gross metal demand by region (2009 vs 2008) :

Europe	down 51%
Japan	down 35%
N. America	down 27%
China	down 10%
RoW	down 14%

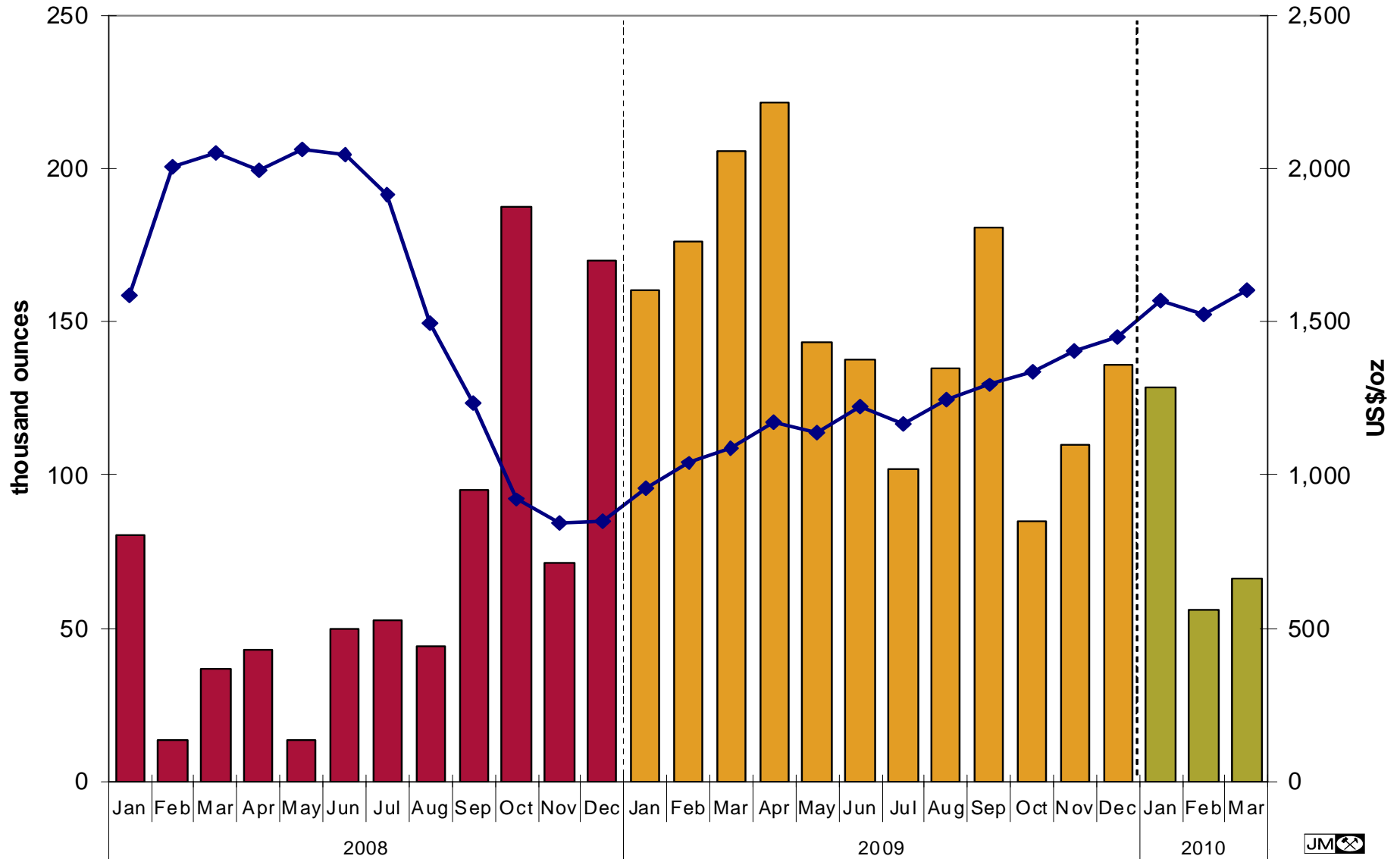
Platinum Demand: Gross Jewellery



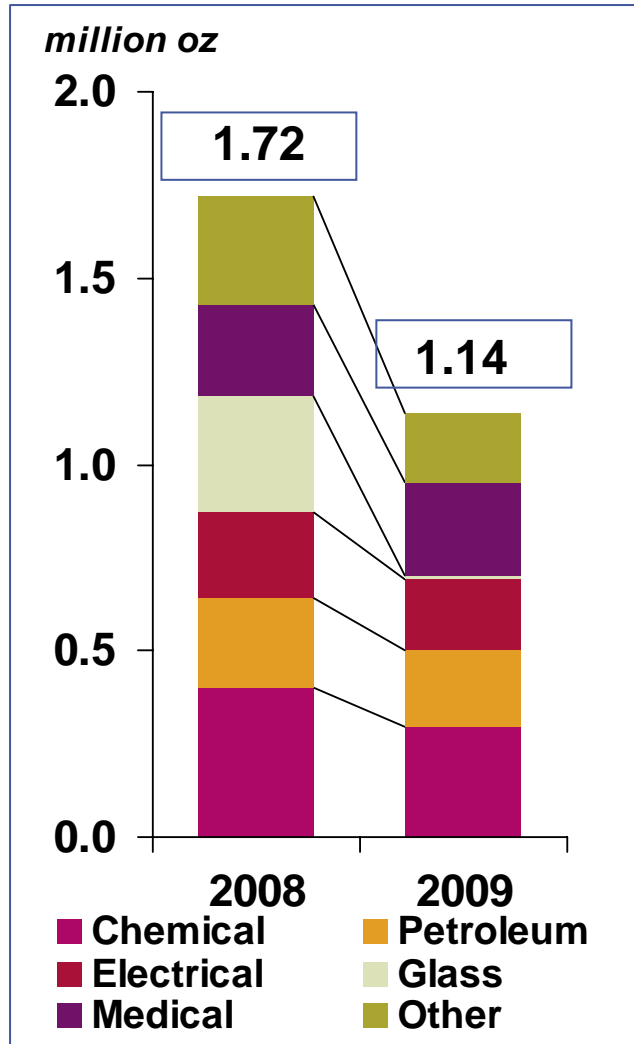
Gross demand for jewellery rose 46.1% in 2009, driven by expansion in China

- *European and Japanese demand held relatively firm, whilst N. America suffered sharp decline*
- *Rest of World showed some growth due to renewed promotional activities in India*

Estimated monthly demand in the Chinese jewellery market



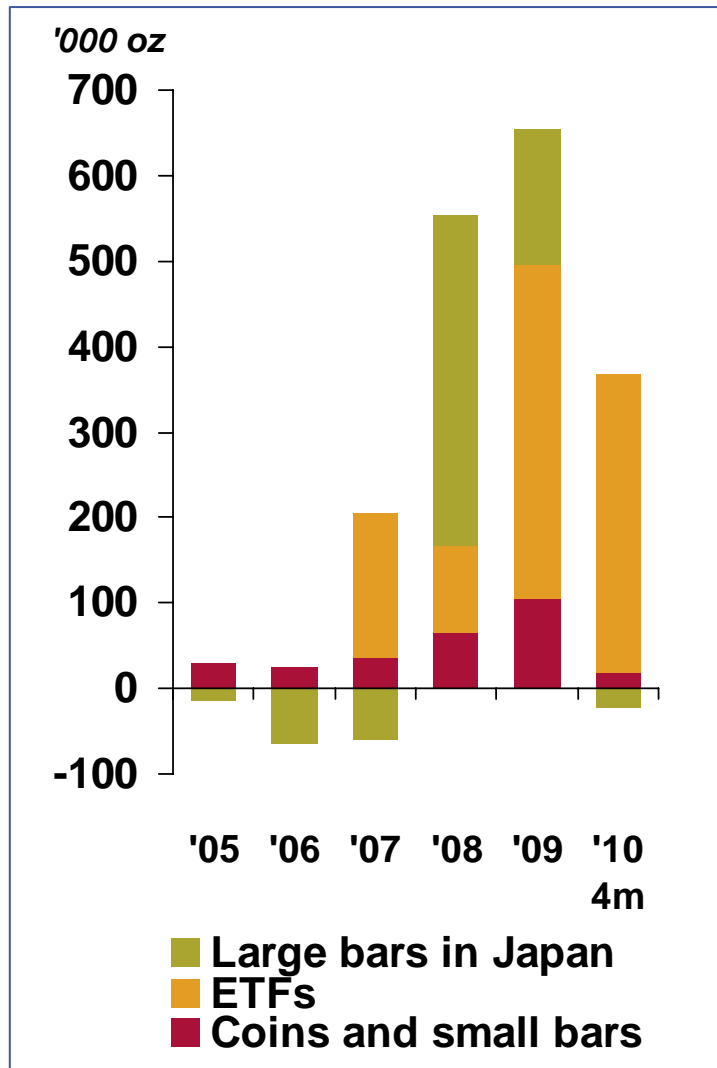
Platinum Demand: Industrial



Industrial demand fell by 33.7% in 2009

- Chemical industry downsizing and new plants delayed
- Petroleum refining running at low capacity
- Electrical demand hurt by downsizing of hard disks and reduced inventories
- Glass industry restructuring decimates demand
- Medical/biomedical the only sector to show demand growth

Platinum Demand: Investment



Identifiable physical platinum investment demand was stronger by 18.9% in 2009 at 660,000 oz

- Japanese large bar investment reverting to type
- Surge in ETF demand, up 390,000 oz for the year
- Small coin and bar sales strong

Platinum Recycling

'000 oz	2008	2009	% change
Autocatalyst	(1,130)	(830)	(26.5)
Electrical	(5)	(10)	100
Jewellery	(695)	(565)	(18.7)
<hr/>			
Total Recycling	(1,830)	(1,405)	(23.2)

Platinum Autocatalyst Recycling

- Global recovery of platinum from scrap autocatalysts fell by 26.5% in 2009 to 830,000 oz
- “Cash for clunkers” schemes supported scrap recoveries, but were no match for decline in new vehicle sales
- Stocks of catalysts “cleaned out” in the early half of 2008
- Recoveries impacted in 2009 by a reversal of that trend

Platinum Electrical Recycling

- Not yet a significant market for platinum
- Some recovery of platinum from scrap hard disks
- Overall, only 10,000 oz estimated as recovered in this sector in 2009

Platinum Jewellery Recycling

- Global recycling of scrap jewellery and retail stocks fell by 18.7% in 2009 to 565,000 oz
- Recycling largely an Asian industry
- Rate of recycling fell in China, but absolute volumes increased from 210,000 oz to 330,000 oz
- Sharp decline in rate and volume of recycling activity in Japan

Platinum Jewellery Gross and Net Demand in 2009

'000 oz	Gross	Recycling	Net
Europe	185	(5)	180
Japan	535	(230)	305
North America	135	0	135
China	2,080	(330)	1,750
Rest of World	75	0	75
Total	3,010	(565)	2,445

Net demand of 2.445 million oz represents 79% growth on 2008

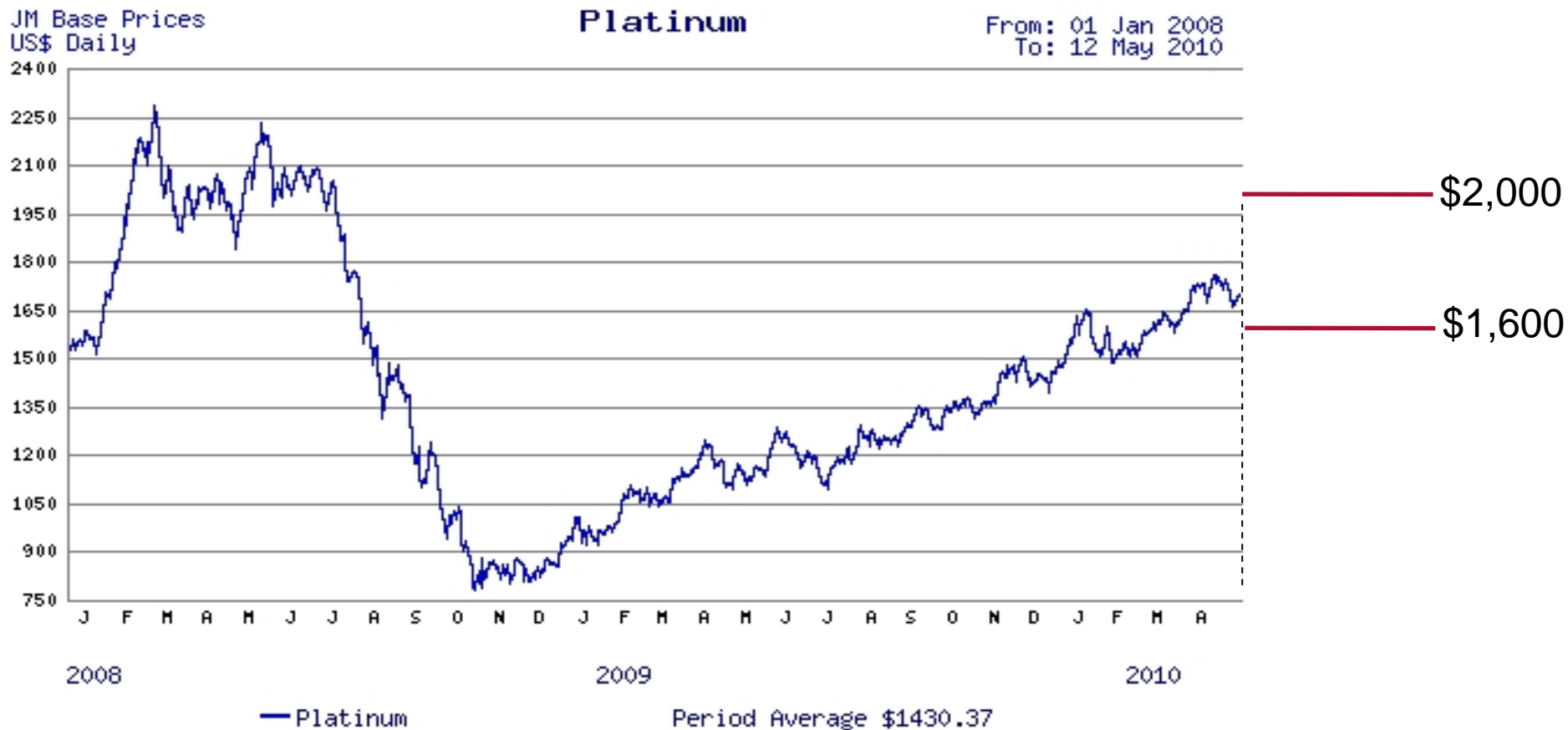
Platinum Outlook

- Supply likely to show modest growth, but limited options for large upsides
- Automotive demand showing signs of recovery in first part of 2010. Production likely to outstrip sales, and diesel share in Europe will recover
- Jewellery industry unlikely to repeat record purchases seen in 2009, but underlying demand remains strong
- Industrial demand to follow global economic recovery path, and won't see repeat of massive glass industry inventory sales
- If physical investment pool continues to grow, market expected to be closer to balance

Forecast Platinum Price: what we said in November 2009



Forecast Platinum Price: what we say for the next six months





Palladium

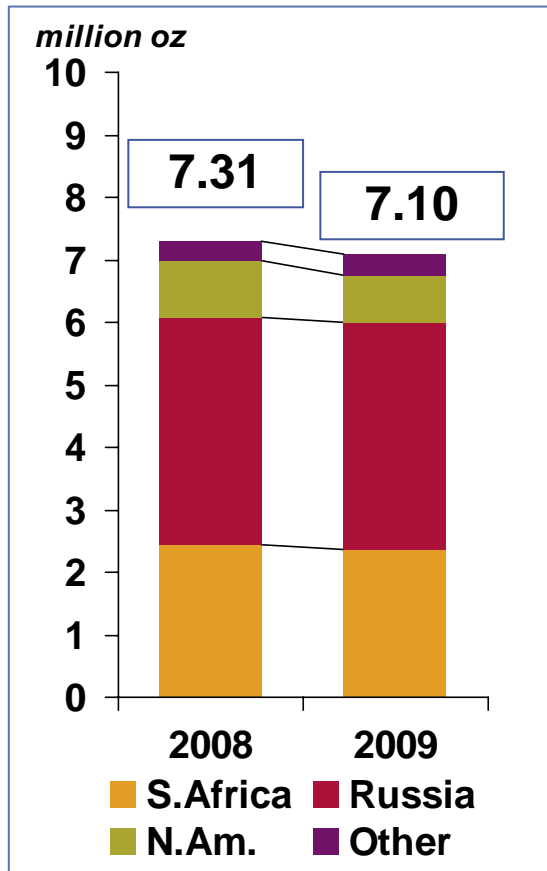
Palladium: Key features 2009

- Palladium market in surplus of 760,000 oz in 2009, but would have been in deficit without Russian state stock sales
- Global mine production of palladium fell marginally, whilst Russian state stock sales remained flat
- Gross Demand fell by 6.3%
- Recycling also down overall, as lower autocatalyst and jewellery scrap levels more than offset growth in electronics recoveries
- Combined gross industrial demand sectors down by 555,000 oz, partially offset by physical investment growth of 205,000 oz, but jewellery sector suffered

Palladium Supply and Demand

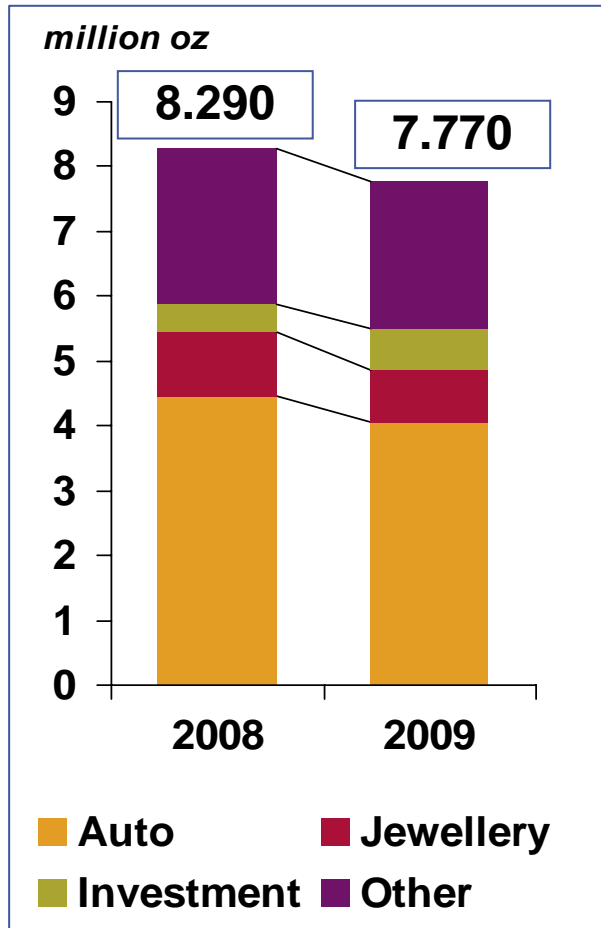
'000 oz	2008	2009	% change
Supply	7,310	7,100	(2.9)
Gross Demand	8,290	7,770	(6.3)
Recycling	(1,615)	(1,430)	(11.5)
Net Demand	6,675	6,340	(5.0)
Movement in stocks	635	760	

Palladium Supply fell by 2.9%



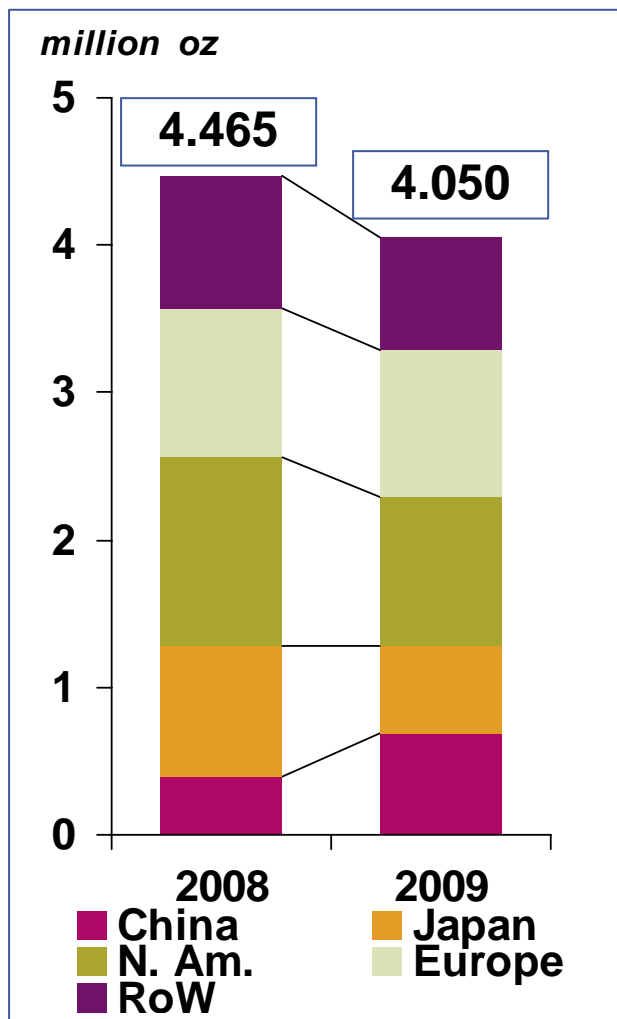
- Supply dropped by 210,000 oz
- S. African supply slipped marginally by 60,000 oz to 2.37 million oz
- Russian production essentially flat at 2.675 million oz
- Sales of Russian state stocks estimated at 960,000 oz
- N. American supply down due to strike action and financially motivated shutdowns

Gross Palladium Demand fell by 6.3%



- Global demand fell by 520,000 oz to 7.77 million oz
- Gross autocatalyst demand down 9.3%
- Gross jewellery demand declined by 17.3%, making way for platinum in China
- Physical investment up 48.8% on ETF growth
- Other industrial sectors down 6.8% reflecting global recession

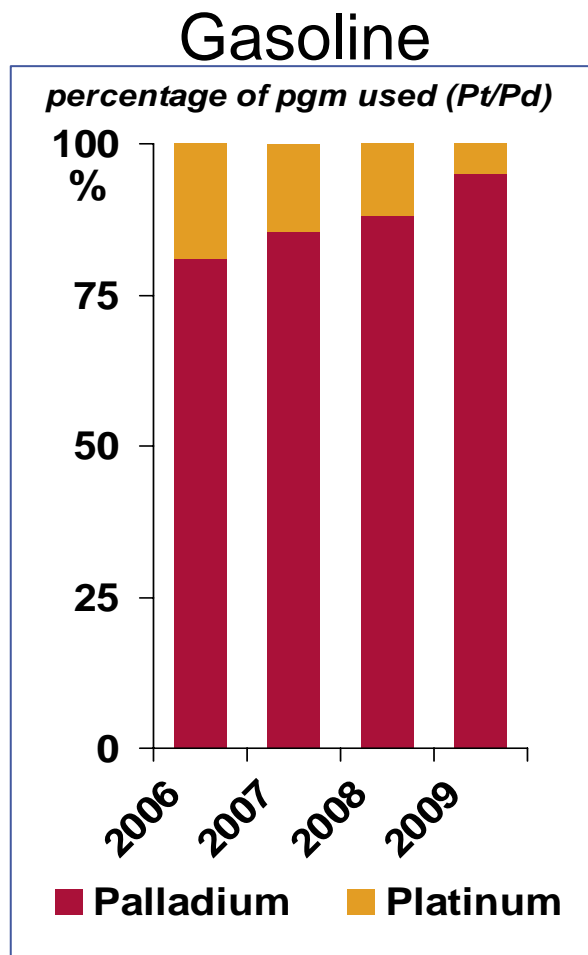
Palladium Demand: Gross Autocatalyst



Changes in gross metal demand by region (2009 vs 2008) :

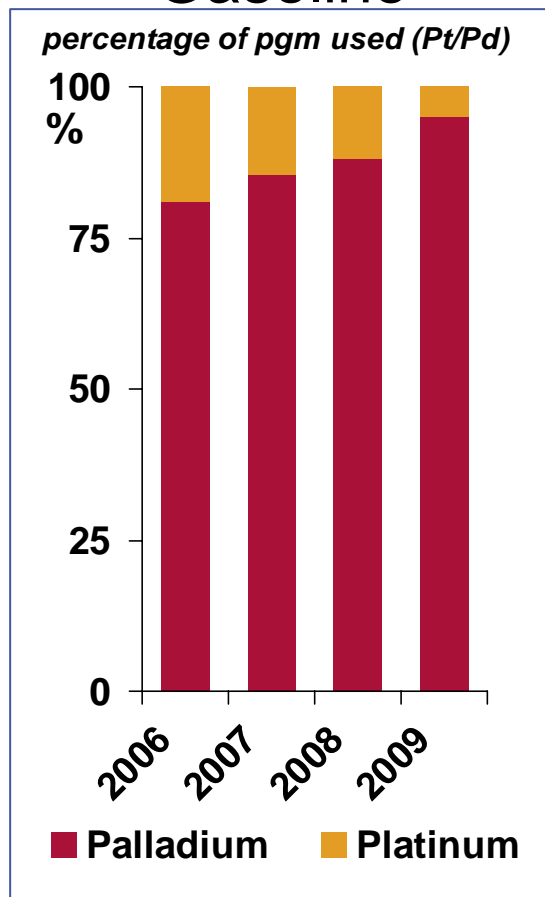
China	up	76%
Japan	down	33%
N. America	down	21%
Europe	down	1%
RoW	down	15%

Pgm choice in European Autocatalysts

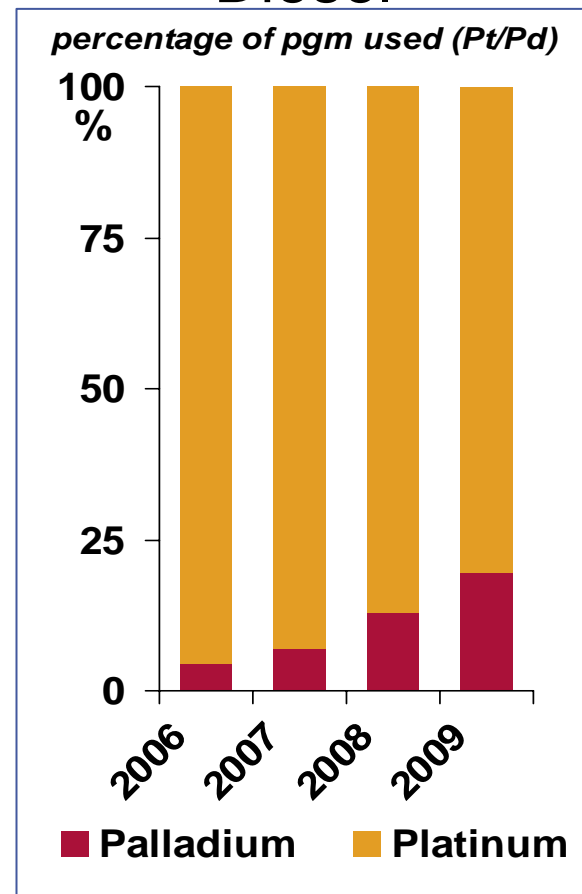


Pgm choice in European Autocatalysts

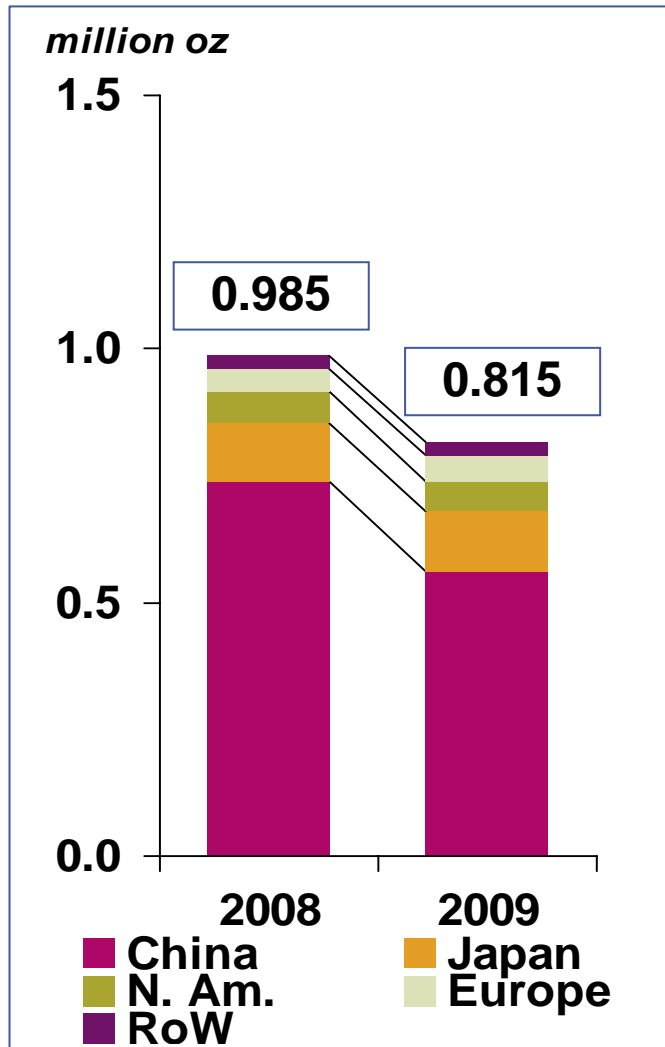
Gasoline



Diesel



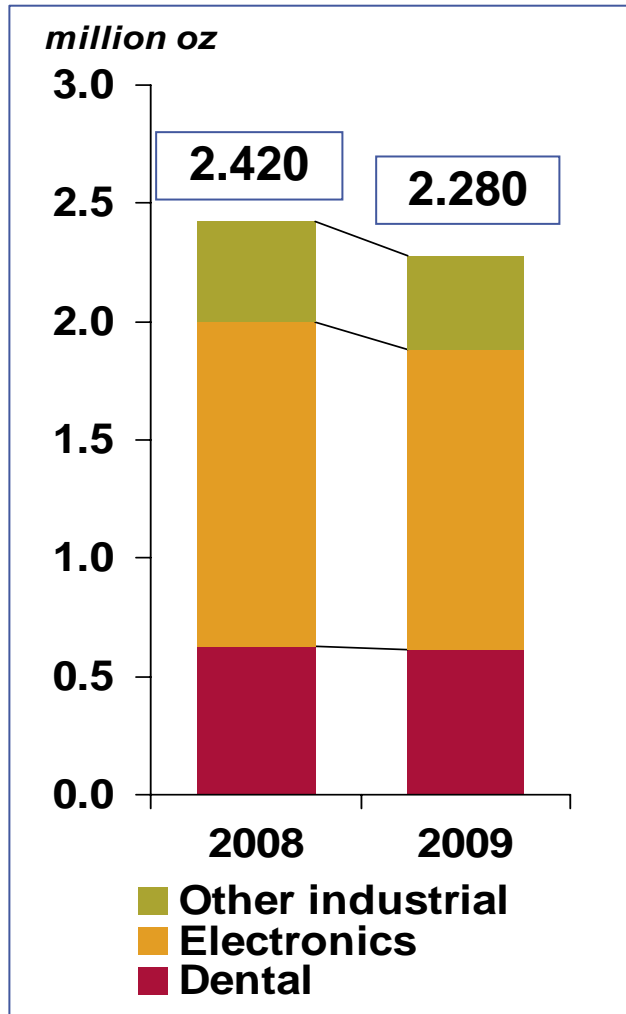
Palladium Demand: Gross Jewellery



Gross demand for jewellery fell 17.3% in 2009 due to stagnation of Chinese market

- European demand showed growth on back of UK hallmark
- Japan slightly up in line with platinum (as alloying element)
- N. America and Rest of World flat

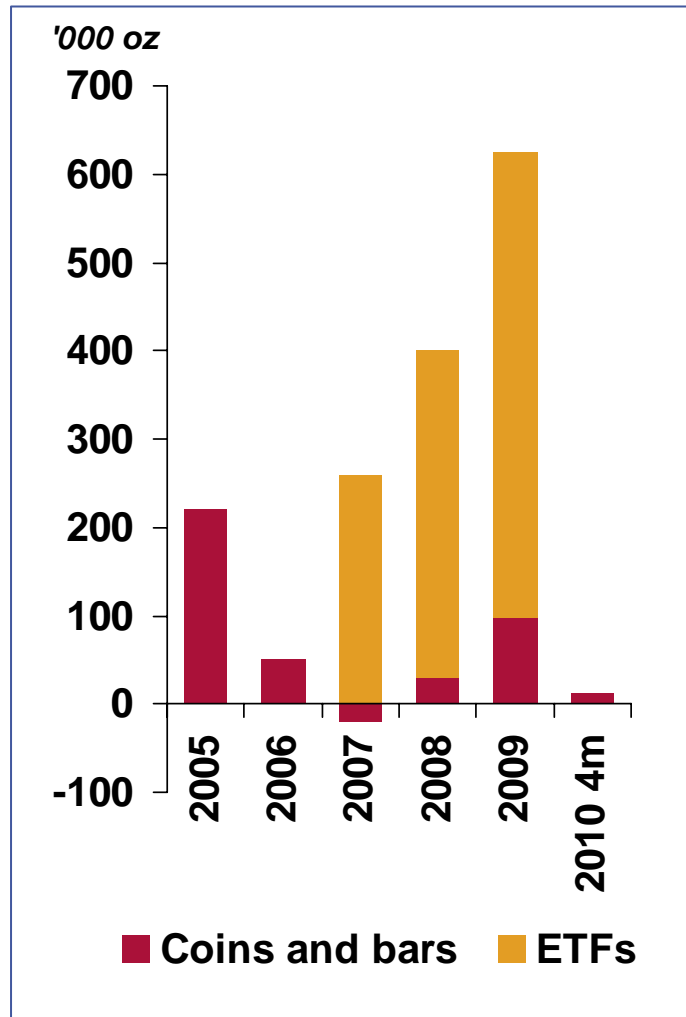
Palladium Demand: Industrial and Dental



Industrial and dental demand fell by 5.8%

- Gross electrical usage declined on falling sales of electronic components and de-stocking
- Other industrial applications, mainly chemical industry catalysts, withstood economic crisis thanks to China
- Global dental demand stable

Palladium Demand: Investment



Physical palladium investment demand reached new record at 625,000 oz for the year

- ETF purchases up 42.7% on previous year at 528,000 oz
- Strong demand for small coins

Palladium Recycling

<i>'000 oz</i>	2008	2009	% change
Autocatalyst	(1,140)	(965)	(15.4)
Electrical	(345)	(395)	14.5
Jewellery	(130)	(70)	(46.2)
Total Recycling	(1,615)	(1,430)	(11.5)

Palladium Autocatalyst Recycling

- Global recovery of palladium from scrap autocatalysts fell by 15.4% in 2009 to 965,000 oz
- European incentive schemes “distorted” the market in favour of higher loaded palladium catalysts
- Recoveries in 2009 still reflected lower car sales and lack of stock scrap at collectors

Palladium Electrical Recycling

- Recovery of palladium from scrap computers and consumer electronic devices rises strongly in 2009 to 395,000 oz
- Higher gold and other metals prices encourage recycling
- Increasing evidence of recycling activities in China

Palladium Jewellery Recycling

- Global recycling of scrap jewellery and retail stocks falls sharply by 46% in 2009 to 70,000 oz
- Recycling again largely an Asian phenomenon
- Chinese volumes well down. Nearly all old Pd950 retail stock already recycled, and little consumer exchange of palladium jewellery
- Japanese recovery largely a function of platinum and some white gold alloys. Volumes well down after surge in recycling activity in 2008

Palladium Jewellery Gross and Net Demand in 2009

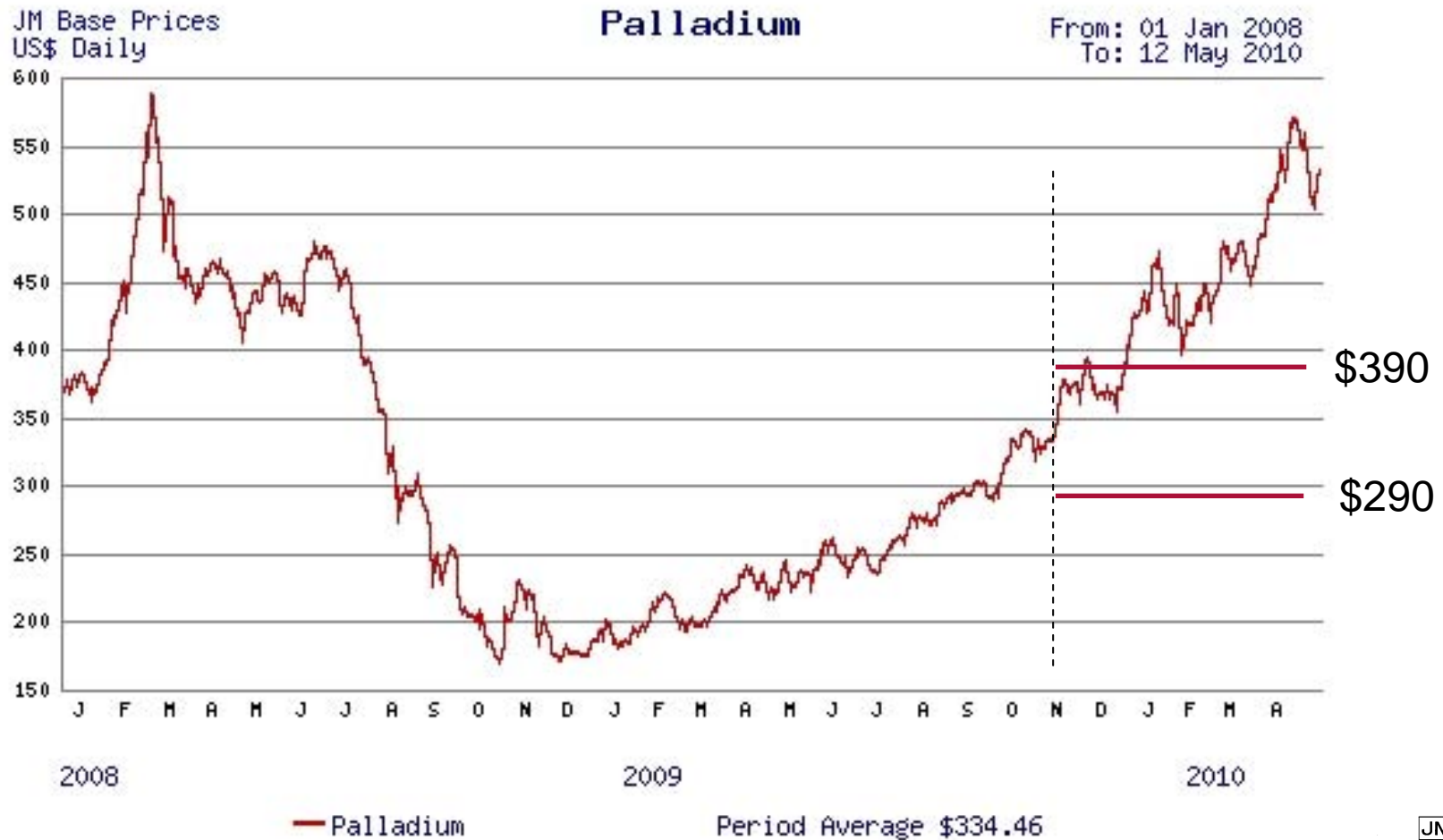
'000 oz	Gross	Recycling	Net
Europe	50	0	50
Japan	120	(20)	100
North America	60	0	60
China	560	(50)	510
Rest of World	25	0	25
Total	815	(70)	745

Net demand of 745,000 oz represents a 12.9% fall on 2008

Palladium Outlook

- Mining supply growth expected to be modest, and Russian State stock sales likely to be flat
- Gross automotive demand recovering, led by continued growth in China
- Jewellery outlook remains unclear
- Stronger industrial performance due to increased demand for automotive electronic components and continued process catalyst expansion in China
- Physical investment demand again holds the key. Continued growth in physical holdings will reduce the surplus

Forecast Palladium Price: what we said in November 2009



Forecast Palladium Price: what we say for the next six months





Rhodium

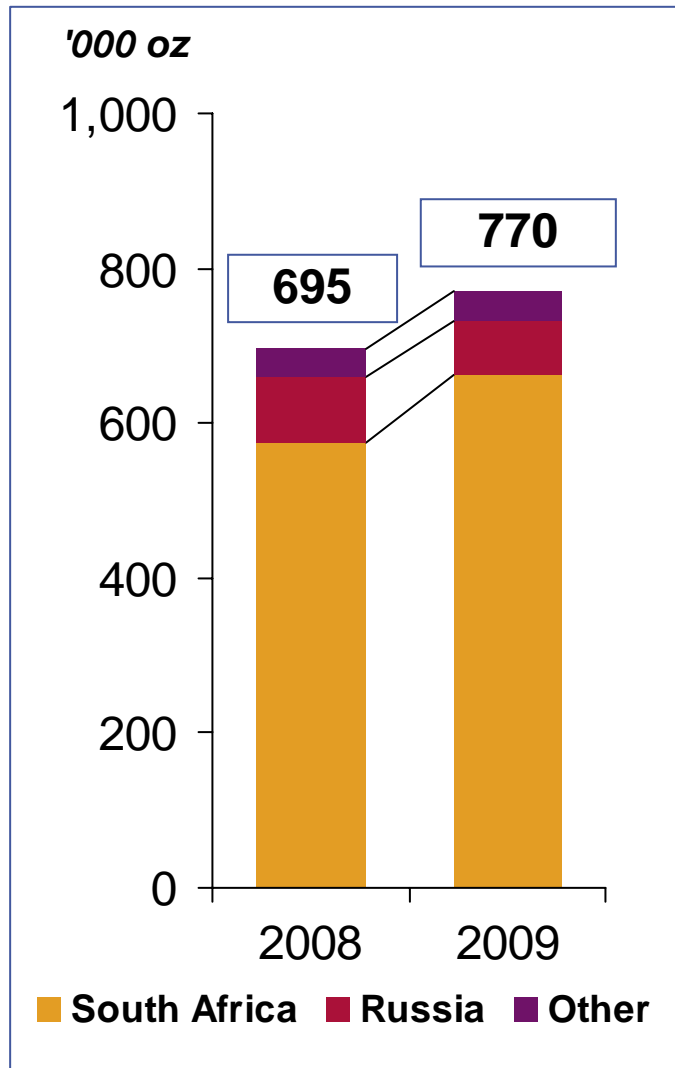
Rhodium: Key features 2009

- Rhodium market in surplus by 241,000 oz
- Although mine production was essentially flat overall, changes in refined metal stocks and pipelines raised supply by 10.8% to 770,000 oz
- Gross demand fell by 20.2%
- Recycling of autocatalysts declined in line with other pgm

Rhodium Supply and Demand

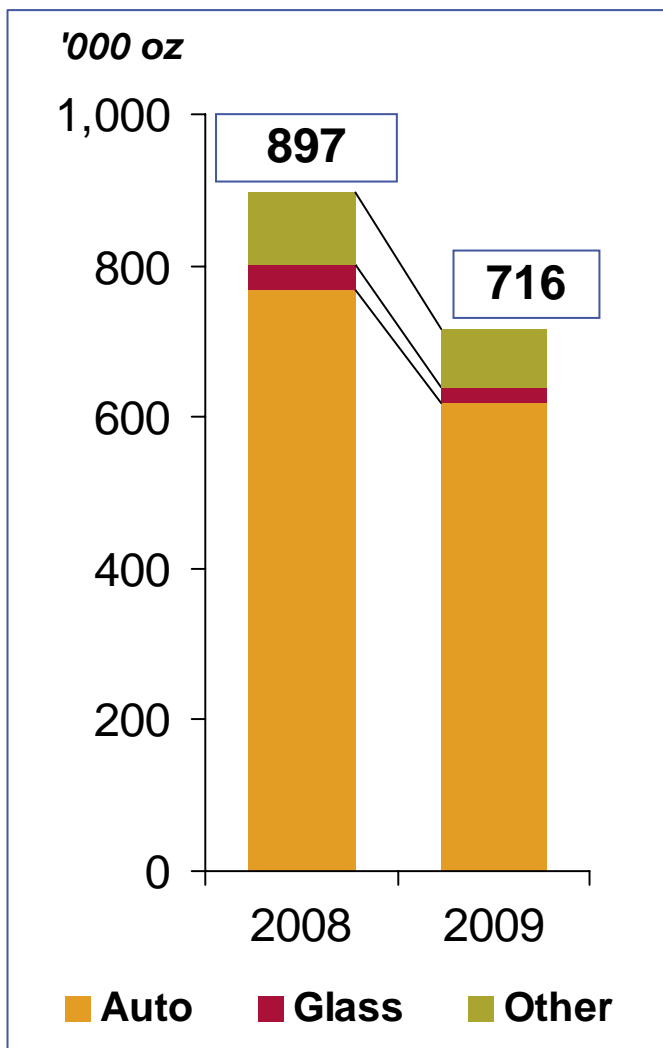
'000 oz	2008	2009	% Change
Supply	695	770	10.8
Gross Demand	897	716	(20.2)
Recycling	(227)	(187)	(17.6)
Net Demand	670	529	(21.0)
Movement in stocks	25	241	

Rhodium Supply grew by 10.8%



- South African supply grew from 574,000 to 663,000 oz, although underlying production was flat
- Mine production in Russia was also flat, but no state stock sales in 2009 reduced the total supply to 70,000 oz
- Elsewhere, fall in N.America offset rise in Zimbabwe

Gross Rhodium Demand declined 20.2%



- Gross autocatalyst demand fell from 768,000 oz to 619,000 oz
- Glass demand slumped from 34,000 oz to 19,000 oz
- Other demand, largely chemical catalysts, fell 18% to 78,000 oz

Rhodium Outlook

- Supply likely to remain broadly flat in the absence of any significant stock movements
- Automotive demand recovery in line with other pgm
- Glass industry demand to recover sharply with new LCD glass capacity in China and Rest of World region
- Market expected to move closer to balance in 2010, but probably still in surplus



PLATINUM 2010

17th May 2010