

OTHER STATUTORY INFORMATION

Annual General Meeting

The notice of the 2010 Annual General Meeting of the company to be held on Wednesday 21st July 2010 at 11.00 am at The Institution of Engineering and Technology (The Lecture Theatre), 2 Savoy Place, London WC2R 0BL is contained in the circular accompanying this Annual Report, together with an explanation of the resolutions to be considered at the meeting.

Dividends

The interim dividend of 11.1 pence per share (2009 11.1 pence) was paid in February 2010. The directors recommend a final dividend of 27.9 pence per share in respect of the year ended 31st March 2010 (2009 26.0 pence), making a total for the year of 39.0 pence per share (2009 37.1 pence), payable on 3rd August 2010 to shareholders on the register at the close of business on 11th June 2010.

A Dividend Reinvestment Plan is in place which allows shareholders to purchase additional shares in the company with their dividend payment. Further information and a mandate can be obtained from the company's registrars, Equiniti, whose details are set out on page 115.

Share Capital

On 21st July 2009, the authorised share capital of the company was increased from £291,550,000 to £365,000,000. As at 31st March 2010, the company's authorised share capital was £365,000,000 divided into 365,000,000 ordinary shares of £1.00 each. The issued share capital of the company at 31st March 2010 was 214,675,736 ordinary shares of £1.00 each (excluding treasury shares). As at 31st March 2010, the company held 5,997,877 treasury shares. There were no purchases, sales or transfers of treasury shares during the year ended 31st March 2010. The company did not allot any shares during the year ended 31st March 2010.

At the 2009 Annual General Meeting, shareholders renewed the company's authority to make market purchases of up to 21,467,573 ordinary shares representing 10% of the issued share capital of the company (excluding treasury shares) as at 31st May 2009.

The company did not make any purchases of its own shares during the year ended 31st March 2010. Authority to purchase up to 21,467,573 shares remained in place at 31st March 2010. At the forthcoming Annual General Meeting the board will again seek shareholders' approval to renew the annual authority for the company to make purchases of its own shares through the market.

Rights and Obligations Attaching to Shares

The holders of ordinary shares are entitled to receive dividends when declared, to receive the company's report and accounts, to attend and speak at general meetings of the company, to appoint proxies and to exercise voting rights.

There are no restrictions on the transfer or limitations on the holding of ordinary shares and no requirements to obtain prior approval to any transfers except where the company has exercised its right to suspend their voting rights, withhold a dividend or prohibit their transfer following the failure by the member or any other person appearing to be interested in the shares to provide the company with information requested under section 793 of the Companies Act 2006. The directors may, in certain circumstances, also refuse to register the transfer of a share in certificated form which is not fully paid up, where the instrument of transfer does not comply with the requirements of the Articles of Association, or if entitled to do so under the Uncertificated Securities Regulations 2001. No ordinary shares carry any special rights with regard to control of the company and there are no restrictions on voting rights except that a shareholder has no right to vote in respect of a share unless all sums due in respect of that share are fully paid. There are no known agreements between holders of securities that may result in restrictions on the transfer of securities or on voting rights and no known arrangements under which financial rights carried by securities are held by a person other than the holder of the shares.

Shares acquired by employees through the Johnson Matthey employee share schemes rank equally with the other shares in issue and have no special rights. Voting rights in respect of shares held through the group's share incentive plans are not exercisable directly by participants however participants can direct the trustee of the plans to exercise voting rights on their behalf.

Employee Share Schemes

At 31st March 2010, 4,383 current and former employees, representing approximately 49.0% of employees worldwide, were shareholders in Johnson Matthey through the group's employee share schemes. Through these schemes, current and former employees held 3,919,782 shares (1.83% of issued share capital, excluding treasury shares). As at 31st March 2010, 511 current and former employees held options over 2,474,307 shares through the company's executive share option schemes.

Major Shareholders

As at 1st June 2010, the following information had been disclosed to the company under the Financial Services Authority's Disclosure and Transparency Rules in respect of holdings exceeding the 3% notification threshold:

	Nature of holding	Total voting rights	% of total voting rights ⁽¹⁾
BlackRock, Inc.	Indirect	25,058,443	11.67
	Financial Instrument (CFD)	467,339	0.22
Prudential plc	Direct	14,305,996	6.66
	Indirect	126,712	0.06
Vanguard Precious Metals & Mining Fund	Direct	10,850,000	5.05
Lloyds Banking Group plc	Indirect	10,490,545	4.89
Legal & General Group Plc	Direct	8,581,762	3.99

⁽¹⁾ Total voting rights attaching to the issued ordinary share capital of the company (excluding treasury shares) at the date of disclosure.

Directors

The following served as directors during the year ended 31st March 2010:

Sir John Banham	Mr L C Pentz
Mr N A P Carson	Mr M J Roney
Sir Thomas Harris (appointed 1st April 2009)	Mr W F Sandford (appointed 21st July 2009)
Dr P N Hawker (retired 21st July 2009)	Mr J N Sheldrick (retired 7th September 2009)
Mr R J MacLeod (appointed 22nd June 2009)	Mrs D C Thompson
Mr D W Morgan (retired 21st July 2009)	Mr A M Thomson
	Mr R J W Walvis

The names and biographical details of all the current directors are shown on pages 38 and 39.

In accordance with the provisions for retirement by rotation in the company's Articles of Association, Mr M J Roney, Mrs D C Thompson, Mr A M Thomson and Mr R J W Walvis will retire by rotation at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election. Also in accordance with the provisions of the company's Articles of Association, Mr W F Sandford will retire at the forthcoming Annual General Meeting and, being eligible, offer himself for election.

Details of the constitution of the board and its committees are set out on pages 40 and 41.

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Appointment and Replacement of Directors

The Articles of Association provide that the number of directors is not subject to any maximum but must not be less than six, unless otherwise determined by the company by ordinary resolution. Directors may be appointed by an ordinary resolution of the members or by a resolution of the directors. A director appointed by the directors must retire at the next following Annual General Meeting and is not taken into account in determining the directors who are to retire by rotation at the meeting.

At every Annual General Meeting at least one third of directors must retire by rotation. The directors to retire by rotation must include any director who has not been subject to election or re-election at the time of the two preceding Annual General Meetings, and (if so required to constitute one third of directors) those directors who have been longest in office since their last appointment or reappointment.

A director may be removed by a special resolution of the company. In addition, a director must automatically cease to be a director if (i) he or she ceases to be a director by virtue of any provision of the Companies Act 2006 or he or she becomes prohibited by law from being a director, or (ii) he or she becomes bankrupt or makes any arrangement or composition with his or her creditors generally, or (iii) he or she is suffering from a mental disorder, or (iv) he or she resigns from his or her office by notice in writing to the company or, in the case of an executive director, his appointment is terminated or expires and the directors resolve that his office be vacated, or (v) he or she is absent for more than six consecutive months without permission of the directors from meetings of the directors and the directors resolve that his or her office be vacated or (vi) he or she is requested in writing, or by electronic form, by all the other directors to resign.

Powers of the Directors

The powers of the directors are determined by the company's Articles of Association, the Companies Act 2006 and any directions given by the company in general meeting. The directors have been authorised by the Articles of Association to issue and allot ordinary shares and to make market purchases of shares. These powers are referred to shareholders at the Annual General Meeting for renewal. Any shares purchased may be cancelled or held as treasury shares.

Directors' Conflicts of Interests

Procedures are in place to ensure compliance with the directors' conflict of interest duties set out in the Companies Act 2006. The company has complied with these procedures during the year ended 31st March 2010 and the board believes that these procedures operate effectively. During the year the board undertook an annual review of previously approved conflict or potential conflict matters and agreed that they should continue to be authorised on the terms previously set out. In each case, the review was undertaken by directors who were genuinely independent of the conflict matter. No new conflict or potential conflict matters were approved during the year. The authorised conflict or potential conflict matters will continue to be reviewed by the board on an annual basis.

Directors' Indemnities

Under Deed Polls the company has granted indemnities in favour of each director of the company in respect of any liability that he or she may incur to a third party in relation to the affairs of the company or any group member. These provisions were in force during the year ended 31st March 2010 for the benefit of all persons who were directors of the company at any time during the year ended 31st March 2010 and remain in force for the benefit of all persons who are directors of the company as at the date when this report was approved.

Under Deed Polls the company has also granted indemnities in favour of each director of its subsidiaries in respect of any liability that he or she may incur to a third party in relation to the affairs of any group member. These provisions were in force during the year ended 31st March 2010 for the benefit of all persons who were directors of the subsidiaries at any time during the year ended 31st March 2010 and remain in force for the benefit of all persons who are directors of the subsidiaries as at the date when this report was approved.

Copies of the Deed Polls and the company's Articles of Association are available for inspection during normal business hours at the company's registered office and will be available for inspection at the forthcoming Annual General Meeting from 10.00 am on Wednesday 21st July 2010 until the conclusion of the meeting.

Corporate Governance and Remuneration

The board's statement on corporate governance matters is given on pages 40 to 42 and its report on directors' remuneration, which includes details of service contracts and the directors' interests in the shares of the company, is set out on pages 48 to 56.

Other than service contracts, no director had any interest in any material contract with any group company at any time during the year ended 31st March 2010.

Articles of Association

The Articles of Association may only be amended by a special resolution at a general meeting of the company. A special resolution proposing the adoption of new Articles of Association will be proposed at the forthcoming Annual General Meeting. Further details are set out in the Notice of the Annual General Meeting. The company's Articles of Association are available for inspection during normal business hours at the company's registered office and will be available for inspection at the forthcoming Annual General Meeting from 10.00 am on Wednesday 21st July 2010 until the conclusion of the meeting.

Change of Control

There are no significant agreements to which the company is a party that take effect following a change of control of the company but the company and its subsidiaries are party to a number of commercial agreements that may allow the counterparties to alter or terminate the agreements on a change of control of the company following a takeover bid. Other than the matters referred to below, these are not deemed by the company to be significant in terms of their potential effect on the group as a whole.

The group has a number of loan notes and borrowing facilities which may require prepayment of principal and payment of accrued interest and breakage costs if there is change of control of the company. The group has also entered into a series of financial instruments to hedge its currency, interest rate and metal price exposures which provide for termination or alteration if a change of control of the company materially weakens the creditworthiness of the group.

The company is party to a marketing agreement with a subsidiary of Anglo Platinum Limited, originally entered into in 1992, under which the company was appointed as sales and marketing agent for refined platinum group metals worldwide excluding the US and the company agreed to provide certain marketing services. The agreement contains provisions under which the counterparty may have the right to terminate the agreement on a change of control of the company.

The rules of the company's employee share schemes set out the consequences of a change of control of the company on participants' rights under the schemes. Generally such rights will vest and become exercisable on a change of control subject to the satisfaction of relevant performance conditions.

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Change of Control (continued)

The executive directors' service contracts each contain a provision to the effect that if the contract is terminated by the company within one year after a change of control of the company, the company will pay to the director as liquidated damages an amount equivalent to one year's gross basic salary and other contractual benefits less the period of any notice given by the company to the director. There are no other agreements between the company and its directors or employees providing for compensation for loss of office or employment (whether through resignation, purported redundancy or otherwise) on a change of control of the company following a takeover bid.

Other than the marketing agreement with a subsidiary of Anglo Platinum Limited referred to above, the group does not have any contractual or other arrangements with any persons which the directors consider are essential to the business of the company.

Disabled Persons

Details of the company's policy relating to the recruitment, employment and training of disabled employees can be found on page 32.

Employee Involvement

Information on the action taken by the company during the year relating to employee involvement can be found on pages 29 to 37.

Use of Financial Instruments

Information on the group's financial risk management objectives and policies and its exposure to price risk, credit risk, liquidity risk and cash flow risk can be found on pages 93 to 97.

Branches

The company and its subsidiaries have established branches in a number of different countries in which they operate.

Policy on Payment of Commercial Debts

The group's policy in relation to the payment of all suppliers (set out in its Group Control Manual, which is distributed to all group operations) is that payment should be made within the credit terms agreed with the supplier, subject to the supplier having performed its obligations under the relevant contract. It is not the group's policy to follow any specific code or standard on payment practice in respect of its suppliers. At 31st March 2010, the company's aggregate level of 'creditor days' amounted to 8 days. Creditor days are calculated by dividing the aggregate of the amounts which were outstanding as trade payables at 31st March 2010 by the aggregate of the amounts the company was invoiced by suppliers during the year ended 31st March 2010 and multiplying by 365 to express the ratio as a number of days.

Charitable Donations

During the year ended 31st March 2010 the group donated £458,000 (2009 £495,000) to charitable organisations worldwide, of which £298,000 (2009 £366,000) was in the UK.

Further details of contributions made by the group worldwide are given on pages 34 and 35 and in the Sustainability Report which can be found on the company's website at www.matthey.com.

Political Donations and Expenditure

It is the policy of the group not to make political donations. During the year ended 31st March 2010, no donations were made by the company or its subsidiaries to any EU political party, EU political organisation or to any EU independent election candidate (2009 £ nil), no EU political expenditure was incurred (2009 £ nil) and no contributions to political parties outside the EU were made within the meaning of Part 14 of the Companies Act 2006 (2009 £ nil).

Management Report

The Report of the Directors is the 'management report' for the purposes of the Financial Services Authority's Disclosure and Transparency Rules (DTR 4.1.8).

Auditors and Disclosure of Information

In accordance with section 489 of the Companies Act 2006, resolutions are to be proposed at the forthcoming Annual General Meeting for the reappointment of KPMG Audit Plc as auditors of the company and to authorise the directors to determine their remuneration.

So far as each person serving as a director of the company at the date this Report of the Directors was approved by the board is aware, there is no relevant audit information of which the company's auditors are unaware. Each director hereby confirms that he or she has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

The Report of the Directors was approved by the Board of Directors on 2nd June 2010 and is signed on its behalf by:



Simon Farrant
Company Secretary