



Limited company with capital of €562,393,270

Registered office : rue du Marais, 31
1000 Brussels

Company Number : 0401.574.852

**SPECIAL REPORT FROM THE BOARD OF DIRECTORS
TO THE ORDINARY GENERAL MEETING
OF 14 APRIL 2004**

Ladies and Gentlemen,

In 2003, UMICORE granted call options on its stock to members of its staff and to the staff members of some of its foreign subsidiaries.

In order to enable option holders to benefit from preferential tax and social security legislation in France, the Board Of Directors, in accordance with the conditions laid down in French law, advises the Ordinary General Meeting of UMICORE each year of the stock options granted by UMICORE to its French subsidiaries' managerial staff.

Accordingly, we report to you below, in compliance with the conditions laid down in article 225-184 of the French Commercial Code, on the operations effected during the 2003 financial year in favour of the staff of UMICORE FRANCE, UMICORE IR GLASS and SOGEMET :

- 24,530 stock options at a unit price of €35.10 were granted to the managerial staff of UMICORE's French subsidiaries. The option exercise period is scheduled to open on 15 March 2004.
- No stock was subscribed or purchased during the 2003 financial year by the managerial staff of UMICORE's French subsidiaries.
- 740 stock options at a unit price of €35.10 were granted to the executive directors according to the offices and positions they hold in the French subsidiaries, UMICORE FRANCE, UMICORE IR GLASS and SOGEMET. The option exercise period is scheduled to open on 15 March 2004.
- No stock was subscribed or purchased during the 2003 financial year by the executive directors according to the offices and positions they hold in UMICORE's French subsidiaries.
- The 10 managers, non executive directors, of UMICORE FRANCE, UMICORE IR GLASS and SOGEMET respectively, who individually benefited from the greatest number of call options on UMICORE stock, together received a total of 4,320 call options on UMICORE stock.
- No stock was subscribed or purchased during the 2003 financial year by the managers, non executive directors, of UMICORE FRANCE, UMICORE IR GLASS and SOGEMET respectively.

The Board of Directors
3 March 2004