

REPORT OF THE BOARD OF DIRECTORS OF UMICORE

DRAWN UP IN ACCORDANCE WITH ARTICLE 604 OF THE COMPANIES CODE RELATING TO THE PROPOSAL MADE TO THE EXTRAORDINARY GENERAL MEETING OF UMICORE, IN ITS CAPACITY OF FOUNDER OF CUMERIO, TO AUTHORIZE THE BOARD OF DIRECTORS OF CUMERIO TO INCREASE, DURING A FIVE YEAR PERIOD, THE REGISTERED CAPITAL OF CUMERIO BY A MAXIMUM AMOUNT OF 18,000,000.00 EURO

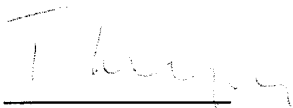
It is envisaged to allow Cumerio to offer, in the framework of stock option plans, to all or part of its employees, management and consultants and/or to all or part of the employees, management and consultants of its subsidiaries, subscription rights relating to Cumerio shares. Consequently, it will be proposed to the extraordinary general meeting of Umicore (in its capacity of founder of Cumerio) of 13 April 2005 (or of 28 April 2005 if the quorum required by law is not obtained at this first meeting) to insert a clause in the articles of association of Cumerio in order to authorize, on a renewable basis, the board of directors of Cumerio to increase, during a five year period as of the publication of Cumerio's incorporation deed in the Annexes to the Belgian State Gazette, the capital on one or several occasions by a maximum amount of 18,000,000.00 euro.

In light of the flexibility and speed of the authorized capital technique, the board of directors of Cumerio will only be allowed to use the authorized capital to issue stock options (in the form of subscription rights) in favor of all or part of its employees, management and consultants and/or in favor of all or part of the employees, management and consultants of its subsidiaries, and this with a view to providing them with an incentive.

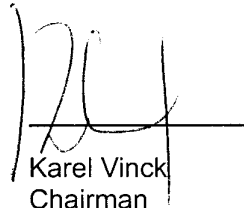
The capital increase resulting from this authorization can, amongst others, be realized by contribution in cash or by incorporation of reserves. The board of directors can restrict or cancel the preferential subscription right of the Cumerio shareholders, including in favor of one or more specific persons other than employees of Cumerio or of its subsidiaries.

This authorization also includes the power for the board of directors of Cumerio to acknowledge the changes to the articles of association resulting therefrom.

Signed by two directors on 9 March 2005 on the basis of a delegation given by the Board of Directors of Umicore on 21 February 2005



Thomas Leysen
Director



Karel Vinck
Chairman