



Limited Liability Company
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 26 APRIL 2006**

Ladies and Gentlemen,

In 2005, UMICORE granted subscription rights on Umicore stocks 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 2005 financial year in favour of the staff of UMICORE FRANCE, UMICORE MARKETING SERVICES FRANCE and SOPAVE :

- 6.500 subscription rights at a unit price of € 64.60 were granted to the managerial staff of UMICORE's French subsidiaries. The option exercise period is scheduled to open on 17 June 2006.
- During the 2005 financial year, the managerial staff of UMICORE's French subsidiaries subscribed 17,690 shares of the ISOP 2000 plan (80 staff members) and 15,490 shares of the ISOP 2001 plan (77 staff members).
- 700 subscription rights, at a unit price of € 64.60, were granted to the executive directors according to the offices and positions they hold in the French subsidiaries, UMICORE FRANCE, UMICORE MARKETING SERVICES FRANCE and SOPAVE. The option exercise period is scheduled to open on 17 June 2006.
- No stock was subscribed or purchased during the 2005 financial year by the executive directors according to the offices and positions they hold in UMICORE's French subsidiaries.
- The 8 managers, non-executive directors, of UMICORE FRANCE, UMICORE MARKETING SERVICES FRANCE and SOPAVE respectively, who individually benefited from the greatest number of subscription rights on UMICORE stocks, together received a total of 5,300 subscription rights on UMICORE stocks.
- During the 2005 financial year, the managers, non-executive directors, of UMICORE's French subsidiaries subscribed 17,690 shares of the ISOP 2000 plan (80 staff members) and 15,490 shares of the ISOP 2001 plan (77 staff members).

The board of directors
15 February 2006

Two handwritten signatures in black ink are visible at the bottom of the page. The signature on the left is a stylized, cursive 'M', and the signature on the right is a cursive 'T. Kuyper'.