

Press Release

03 December 1999

Dialogue at Olen on possible impact of the current situation in the copper and cobalt sectors

At the request of the management a special meeting of Union Minière's Olen works council was held on Thursday, 02 December 1999. The management of the UM Olen site explained the current economic situation to the trade union representatives and informed them of the impact it would have on staffing levels.

There are three business units on the Olen site, producing copper, cobalt and electro-optical materials.

On Thursday the local management of these three divisions submitted a report to the works council on the outlook for the industry from January 2000 onwards.

This report revealed that the implementation of the 1996-1998 Industrial Plan had not produced the expected results, mainly due to falling market prices and increasing competition, particularly in the copper and cobalt sectors. This means that further efforts are required to improve the way in which the work is organised, increase the flexibility of the product range, cut costs further and make maximum use of capacities.

The management also announced that there were problems with regard to around 140 jobs in the copper and cobalt divisions (out of a total of about 1300 manual and clerical staff in these divisions).

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PROFILE

Union Minière (UM), a Belgian based, internationally active Group,
is a world leader in the non-ferrous metals sector.

With centres of operations in several European countries (mainly Belgium, France and Bulgaria), North America and the Far East, the Union Minière Group produces and markets more than 20 different non-ferrous metals which are used in every sector of the economy.

Union Minière is structured on the basis of decentralised business units, which are close to their markets and their clients. The business units are split into four main lines of activity : zinc (UM Zinc, UM Building Products, UM Zinc Chemicals), copper and precious metals (UM Copper, UM Precious Metals), advanced materials (UM Cobalt & Energy Products, UM Electro-Optic Materials), technology and services (UM ENGINEERING, SOGEM). UM holds leading positions in each of its markets.

In addition, Union Minière has a 80.4 % participating interest in SIBEKA, a group which operates in the natural and synthetic diamonds sectors.

The Group generated a turnover of BEF 139 billion in 1998. UM currently employs some 8,000 people.

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