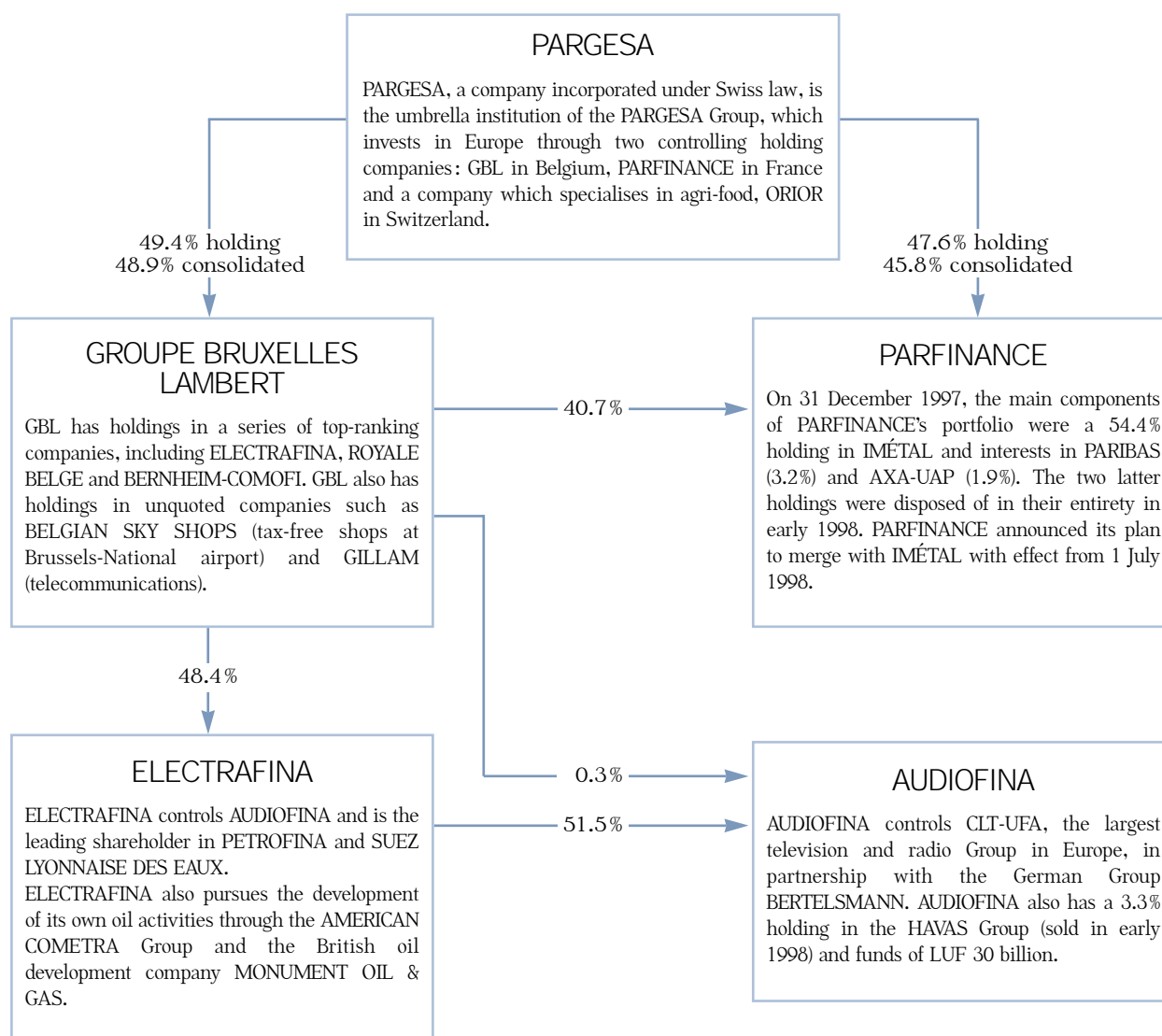


PARGESA GROUP



At the level of its holdings, PARGESA dedicated CHF 130 million in 1997 to strengthening GBL's equity capital by exercising the warrants that it held. In addition, its holding in ORIOR was increased from 74.1% at the end of 1996 to 83.1% by the purchase of blocks and by interventions in the stock market.

The net consolidated profit for the past business year (1997) amounts to CHF 730.7 million, compared to CHF 271.5 million the previous year. This development is due mainly to the capital profit realised by GBL with the ING public offer of exchange of ING on the BBL (BANQUE BRUXELLES LAMBERT), by ELECTRAFINA with the merger of CLT and UFA and with the sale of American oil assets. At the General Meeting, the Board of Directors will propose payment of a dividend of CHF 72 per bearer share, compared to a CHF 71 dividend in 1996.

Contribution to:

	Restricted consolidation		Consolidation (transitive)	
	Mio BEF	BEF/share	Mio BEF	BEF/share
Operating result 1997	705	27.8	-	-
Estimated value at 31.12.1997	27,957	1,079.6	-	-

Key consolidated figures (CHF million)

Pargesa	1994	1995	1996	1997
Equity capital	2,563	2,498	2,790	3,264
Net profit (Group share)	162	168	272	731
Net profit per share (CHF)	103.6	103.3	165.7	442.0
Gross dividend per share (CHF)	69.0	70.0	71.0	72.0
Estimated value per share (CHF)	1,925	1,934	2,497	2,814

PARGESA GROUP

Groupe Bruxel I es Lambert

In 1997, the exercise of 791,181 GBL warrants allowed an increase in equity capital of BEF 3.5 billion. In December 1997, GBL converted 330.000 ELECTRAFINA bonds redeemable in shares, a transaction which gave it a 48.4% holding in the latter's capital. In early 1998, GBL increased its holding in this company to over 50%.

In spring 1997, GBL sold its 1.8% holding in GIB GROUP, realising a capital gain of BEF 0.8 billion. In November 1997, together with the ROYALE BELGE Group, GBL decided to respond favourably to the public offer of exchange launched by ING on the BANQUE BRUXELLES LAMBERT. Through this operation, GBL realised a capital gain of BEF 13.9 billion. On 31 December 1997, its holding in ING accounted for some 13.4% of the estimated value of GBL; this has been classified as liquid assets.

For 1997, the consolidated profit comes to BEF 31.7 billion, compared with BEF 16.9 billion the previous year.

On 31 December 1997, the market price for GBL shares was BEF 5,360, meaning that it was discounted by 27.2% compared to the estimated value of BEF 7,366 (BEF 7,195 diluted). On 30 March 1998, the market price settled at BEF 6,480, meaning that it discounted by 24.3% compared to the estimated value of BEF 8,563 (BEF 8,324 diluted).

In early 1998, GBL disposed of its holding in DEWAAY and BANQUE PARIBAS BELGIQUE (renamed BANQUE ARTESIA), making a profit of BEF 1.7 billion. During the first quarter of 1998, GBL sold almost half its stake in ING, realising a gain of BEF 3,5 billion.

Electrafina

In February 1997, AMERICAN COMETRA sold US\$ 400 million of oil assets to LOMAK PETROLEUM. In the autumn, it signed a memorandum of agreement with PIONEER NATURAL RESOURCES CY., a company quoted on the New York stock market, in accordance with which AMERICAN COMETRA transferred the balance of its oil assets in the USA to PIONEER NATURAL RESOURCES CY. for US\$ 85 million and 1.6 million PIONEER shares. These transactions had a positive effect on the consolidated accounts of BEF 6.6 billion.

In 1997, the COMPAGNIE DE SUEZ and the LYONNAISE DES EAUX announced their merger into SUEZ LYONNAISE DES EAUX. ELECTRAFINA, which had a 6.1% holding in the COMPAGNIE DE SUEZ on 1 January 1997, strengthened its holding in the newly merged company by investing FRF 5,252 million in 1997, so becoming the leading shareholder with 11.2% of the capital on 31 December 1997.

In June 1997, ELECTRAFINA sold its 1.3% holding in CANAL+ to AUDIOFINA.

The year 1997 closed with a consolidated profit (Group share) of BEF 10.5 billion, compared to BEF 24.3 billion in 1996.

On 31 December 1997, ELECTRAFINA's three major holdings, i.e. PETROFINA, SUEZ LYONNAISE DES EAUX and AUDIOFINA, accounted for 36.7%, 29.4% and 24.5% respectively of the estimated value. The market price of the ELECTRAFINA share, which was BEF 3,410 on 31 December 1997, showed a 31.5% discount compared to the estimated value of BEF 4,979. On 24 March 1998, the market price of BEF 4,250 represented a discount of 23.6% compared to the estimated value of BEF 5,560.

Key consolidated figures (BEF million)

GBL	1994	1995	1996	1997
Equity capital	74,184	75,597	88,676	117,319
Net profit (Group share)	6,633	6,602	16,891	31,725
Net profit per share (BEF)	282	281	718	1,327
Gross dividend per share (BEF)	195.3	195.3	200.0	210.0
Estimated value per share (BEF)	4,705	4,959	5,838	7,366

Key consolidated figures (BEF million)

Electrafina	1994	1995	1996	1997
Equity capital	77,745	77,159	121,024	127,769
Net profit (Group share)	5,342	5,294	24,269	10,538
Net profit per share (BEF)	190	178	724	283
Gross dividend per share (BEF)	137.4	140.0	142.0	145.0
Estimated value per share (BEF)	3,698	3,845	4,041	4,979

PARGESA GROUP

Parfinance

In 1997, PARFINANCE increased its holding in IMÉTAL from 52.5% to 54.4% and sold 17% of its positions in AXA and PARIBAS in order to respond to the expected demand for redemption from holders of bonds redeemable in shares from its subsidiary SOPAR-INVEST.

The net consolidated profit for the year rose to FRF 583 million, compared to FRF 126 million in 1996:

- the contribution of IMÉTAL, the only holding accounted for under the equity method, comes to FRF 299 million after depreciation of acquisition differences amounting to FRF 32 million;
- operating income for the whole company fell to FRF 44 million, compared to FRF 124 million in 1996;
- capital income amounted to FRF 241 million, compared to FRF (297) million in 1996. This consists mainly of a write-back (FRF 230 million) on

PARIBAS shares, bringing their value at the end of the year to their original cost, FRF 417 per share.

In March 1998, PARFINANCE disposed of its remaining shares in AXA and PARIBAS on the stock market, realising a gross capital gain of FRF 972 million. Taking these disposals into account, a bonus dividend of FRF 100 per share, corresponding to a total payout of FRF 2,300 million, will be added to the ordinary PARFINANCE dividend of FRF 7.5 per share to be paid in June 1998.

Extraordinary Shareholders' Meetings at IMÉTAL and PARFINANCE, planned for 30 June 1998, will rule on the planned absorption of PARFINANCE by IMÉTAL on the basis of parity of two IMÉTAL ex-dividend shares for five PARFINANCE shares after distribution of ordinary and bonus dividends.

Audiofina

The year 1997 was marked by two main events:

- The merger of CLT and UFA in January 1997. To begin with, the German Group BERTELSMANN transferred UFA, its audiovisual specialist subsidiary, to CLT, in which AUDIOFINA then had a 97% controlling share. AUDIOFINA then sold CLT shares to BERTELSMANN so that the two partners would have identical holdings in the new CLT-UFA Group. The sale of CLT shares to BERTELSMANN led to a payment of DM 1,556 million (LUF 32.1 billion) to AUDIOFINA, corresponding to an extraordinary profit of LUF 21.5 billion. In the aftermath of these transactions and the purchase of minority interests in FRATEL, AUDIOFINA now has a 50% share in CLT-UFA HOLDING, equal to the holding of BWTV, in which BERTELSMANN has an 80% holding, the other 20% being in the hands of the German press publisher WAZ.

- The restructuring of AUDIOFINA's shareholding during the autumn of 1997, which resulted in a modification of the relationship between the GBL/ELECTRAFINA Group and HAVAS. The latter exchanged its indirect holding in AUDIOFINA (through a 40% holding in CLMM, the remaining 60% being held by ELECTRAFINA) for a direct holding of 19.6%. CLMM's intermediary control structure was then dismantled.

On 31 December 1997, AUDIOFINA's assets comprised the following holdings: 50% in CLT-UFA HOLDING, 3.3% in HAVAS, 1.4% in CANAL+. On the same date, AUDIOFINA's funds (excluding CLT-UFA debts) came to LUF 29.1 billion.

The holding in HAVAS was disposed of in early 1998, realising a capital gain of LUF 1.5 billion.

Key consolidated figures (FRF million)

Parfinance	1994	1995	1996	1997
Equity capital (before distribution)	8,094	8,262	5,909	6,537
Net profit (Group share)	387	393	126	583
Net profit per share (FRF)	12.3	12.5	4.6	25.3
Gross dividend per share (FRF)	7.5	7.5	7.5	107.5
Estimated value per share (FRF)	264	273	378	405

Key consolidated figures (LUF million)

Audiofina	1994	1995	1996	1997
Equity capital (before distribution)	13,136	22,800	25,715	45,541
Net profit (Group share)	3,826	3,232	3,306	20,233
Net profit per share (FRF)	123.1	53.0	54.2	328.8
Gross dividend per share (FRF)	20.4	21.0	22.0	22.0