

*The IMÉTAL Group's activities revolve around three industries:
construction materials (earthenware tiles and bricks, natural slate and advanced ceramics),
industrial minerals (calcium carbonate, kaolin, graphite, refractory clays and ceramic clays) and metal processing
(manufacturing precision mechanical and structural tubes and bimetallic conductors).*

In 1997, IMÉTAL benefited from the improved economic situation in Europe, the still high levels of growth in the United States, and the results of its active internal and external expansion policy. IMÉTAL made industrial investments to the value of FRF 800 million and acquired shareholdings worth a total of FRF 700 million. The most significant of these were FERRUM, the market leader in Canada for mechanical and structural tubes and NORD KAOLIN, which strengthens the reserves and the capacity of DRY BRANCH KAOLIN in Georgia.

Turnover was in excess of FRF 11 billion, a rise of 36% (6.3% with a constant perimeter). Below are the results by branch of activity:

- in construction materials, the turnover of FRF 2,909 million was up by 6% using a constant perimeter. Trade in tiles, bricks and roofing products was significantly higher, although the market for slates was depressed and the advanced ceramics business suffered from less favourable trading conditions;
- in industrial minerals, the turnover of FRF 4,270 million also showed a rise of 6% on a constant perimeter and exchange rates basis. Added to this were 9% for the rise in the USD and 22% for changes in the perimeter, in particular the acquisitions of

PLIBRICO in 1996 and NORD KAOLIN in 1997;

- in metal processing, turnover of FRF 3,872 million showed a rise of 8% with the same perimeter and at constant exchange rates. The impact of the rise in the USD on the turnover was 15%, and that of the incorporation, as from 1 May 1997, of FERRUM in Canada and the tubes division of TITAN in the United States was 54%.

Operating income was up by 25% at FRF 1.206 million compared with FRF 968 million in 1996. Net operating income (Group share) of FRF 660 million was up by 8.9% compared with 1996. Taking into account the net exceptional earnings of FRF (40) million, including FRF (38) million for the amortisation of goodwill, net earnings (Group share) totalled FRF 620 million compared with FRF 614 million in 1996.

A proposal will be put to the next Annual General Meeting for the payment of a net dividend of FRF 17.5 per share compared with FRF 16 per share in the previous year, giving a total distribution of FRF 261 million.

In March 1998, PARFINANCE and IMÉTAL have announced their intent to merge, subject to the approval of both their General Meetings.

Contribution to:

	Restricted consolidation		Consolidation (transitive)	
	Mio BEF	BEF/share	Mio BEF	BEF/share
Operating result 1997	-	-	324	12.8
Estimated value at 31.12.1997	-	-	5,881	227.1

Key consolidated figures (FRF million)

	1994	1995	1996	1997
Equity	5,038	5,329	5,849	6,573
Turnover	7,510	7,737	8,100	11,051
Net profit (Group share)	550	596	614	620
Net profit per share (FRF)	41.8	40.3	41.3	41.6
Gross dividend before tax per share (FRF)	12.5	14.5	16.0	17.5

ACP

ACP is the leading supplier of carbon dioxide in all its various forms (bulk, cylinders and dry ice) in the Belgian market, and also runs operations in bordering countries. ACP owns 100 % of ANTWERP GAS TERMINAL (AGT), a company operating a gas loading, storage and distribution terminal in the port of Antwerp.

In 1997, the bulk CO₂ business put in a solid performance compared with the previous year, largely due to better economic conditions for the industry, and despite limited production capacity in the spring of 1997 when one source of supply was shut down for a major overhaul.

Sales of CARBOGLACE® achieved record volumes which resulted in higher earnings.

Gas cylinders, primarily for the catering sector, have seen a gradual erosion of their market over the past few years. The introduction by ACP of new technology (minitank) and revitalisation of the distribution network should allow it to take on the fierce competition which is putting downward pressure on margins.

The construction of the new CARBODOUR production unit at Terte is progressing according to plan and should allow pro-

duction to start up in the spring of 1998. ACP concluded major supply contracts which will enable it to forge ahead with this new investment (totalling more than BEF 300 million) under favourable conditions.

The ANTWERP GAS TERMINAL had an exceptional year, thanks to excellent business volumes, which for the first time exceeded one million tons, permitting AGT to contribute a figure of some BEF 160 million to the consolidated income.

The ACP Group also has financial subsidiaries whose earnings were favourably influenced by the excellent performance of the stock markets and the appreciation of the USD and the GBP.

The Company plans to propose to the next Annual General Meeting the payment of a total dividend of BEF 100 million.

Contribution to:

	<i>Restricted consolidation</i>		<i>Consolidation (transitive)</i>	
	Mio BEF	BEF/share	Mio BEF	BEF/share
Operating result 1997	28	1.1	73	2.9
Estimated value at 31.12.1997	580	22.4	580	22.4

Key consolidated figures (BEF million)

	1994	1995	1996	1997
Equity	2,601	1,243	1,330	1,491
Turnover	1,084	1,072	1,081	1,102
Net profit (Group share)	74	132	201	271
Dividends	-	1,482	100	100

Hélio Charleroi

HÉLIO CHARLEROI is active in the magazine, catalogue and advertising brochure printing business. Alongside HÉLIO COLOR, ROTOCALCO and HÉLIO CORBEIL, which belong to the HACHETTE Group, its production unit forms part of a group of four graver printing companies operating throughout Europe. HÉLIO CHARLEROI is 50% owned by GROUPE JEAN DUPUIS and 50% by E2G, the industrial arm of the HACHETTE FILIPACCHI MEDIA Group.

The year 1997 was exceptional for HÉLIO CHARLEROI; its plant was operating near full capacity with the tonnage printed in excess of 70,000 tonnes (62,000 in 1996). This tonnage makes HÉLIO CHARLEROI the undisputed leader in heliogravure printing in Belgium with a market share of 60%. New contracts ensured that the binding unit was also working at full capacity.

This exceptional workload pushed the before-tax profit to a record high of BEF 184 million (compared with BEF 102 million in 1996), despite the fact that for the last time this year, the use of accelerated depreciation had an effect on the profit before tax of around BEF 54 million.

The losses incurred when starting up the enterprise were therefore fully recovered and the company's equity capital now stands at BEF 448 million, together with an allocation to accelerated amortisation exceeding normal amortisation by BEF 200 million.

Finally, the cash flow resulting from these good earnings made it possible to accelerate reimbursement of HÉLIO CHARLEROI's debt bringing it down to BEF 133 million by 31 December 1997.

Contribution to:

	Restricted consolidation		Consolidation (transitive)	
	Mio BEF	BEF/share	Mio BEF	BEF/share
Operating result 1997	5	0.2	52	2.1
Estimated value at 31.12.1997	187	7.2	208	8.0

Key consolidated figures (BEF million)

	1994	1995	1996	1997
Equity	192	230	329	448
Turnover	1,507	2,229	2,018	2,138
Net profit (Group share)	20	49	81	167
Dividends	-	-	-	-