

PARGESA

GBL

BERTELSMANN

SUEZ

IMERYS

TOTALFINAELF

FOMENTO DE CONSTRUCCIONES Y CONTRATAS

TAITTINGER

SOCIÉTÉ DU LOUVRE

QUICK

JOSEPH

ENTREMONT

TRANSCOR

CHEVAL BLANC

RIEUSSEC

DUPUIS

IJSBOERKE

DISTRIPAR

ANNUAL REPORT 2002



NPM/CNP

COMPAGNIE NATIONALE À PORTEFEUILLE
NATIONALE PORTEFEUILLEMAATSCHAPPIJ

NPM/CNP : A HOLDING COMPANY, A PROFESSIONAL SHAREHOLDER

What is NPM/CNP?

COMPAGNIE NATIONALE À PORTEFEUILLE / NATIONALE PORTEFEUILLEMAATSCHAPPIJ is a holding company

governed by Belgian law, listed on Euronext Brussels and controlled by the FRÈRE family.

Mission

NPM/CNP's mission is to act as a family company. Its long-term aim is the balanced growth of the value of the assets that its shareholders have entrusted it and the dividend distributed to

them, with a low-risk profile. This value creation results from the generation of a net operating profit (NOPAT) that is greater than the weighted average cost of the capital invested.

Aim and strategy

NPM/CNP has broad ambitions and intends to act and win the respect of investors and its peers as a value processor contributing to the creation of Corporate Europe. In strategic terms, this aim is enforced through a portfolio of assets split into three categories:

- **THE PARGESA/GBL GROUP**, controlled jointly by NPM/CNP and the POWER Group (Canada), which has large or controlling holdings in international companies (BERTELSMANN, SUEZ, TOTALFINAELF and IMERYS);
- **"VALUE INVESTING"***, direct investments by NPM/CNP in assets that it feels have significant appreciation potential; these principally include NPM/CNP's direct holding in

TOTALFINAELF and its stakes in FOMENTO DE CONSTRUCCIONES Y CONTRATAS and TAITTINGER/LE LOUVRE;

- **"PRIVATE EQUITY"***, which is made up of holdings, preferably controlling, in unlisted companies in a limited number of sectors (including the food industry, the wine-producing sector, power, publishing, selective retail and luxury products); these medium-sized companies must however have reached a level of maturity that guarantees their independence in terms of day-to-day management and are encouraged to develop, through internal growth, acquisitions or partnerships, in their core business or by branching out around it.

Management philosophy

Our simple strategy is organisational and practical and hinges on a set of processes and projects, based on sufficiently detailed plans to capture the most realistic scenario and grasp any opportunity that might arise. This project-based organisation is implemented by a multidisciplinary team led by the Managing Director, who provides guidance, consistency, coordination and motivation with respect for individual entrepreneurship.

The holding company's small, tightly knit management team applies this Process Based Value Management to the structures themselves and to the shareholdings that they own.

With regard to the companies it controls, NPM/CNP aims to limit its role to carrying out the core tasks of its activities as a professional shareholder:

- strategic choices and directions, including asset arbitrage, investments and disinvestments (based on the net operating profit on capital invested);
- the selection and motivation of directors;

- financial engineering and management of sources of financing (optimisation of the weighted average cost of capital).

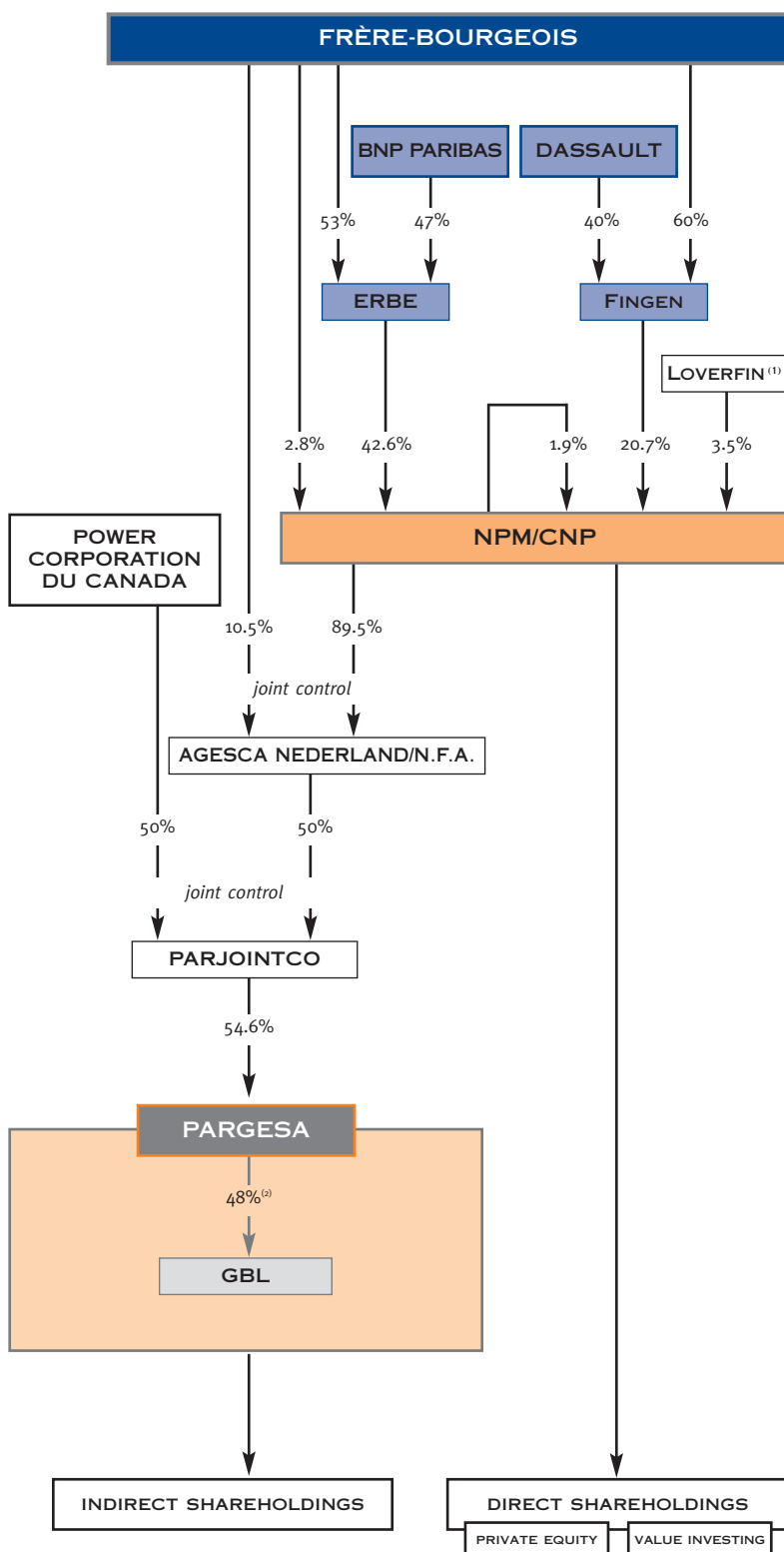
By positioning itself as a value, volatility and risk manager, NPM/CNP strives to collaborate effectively with the managers of operational subsidiaries in order to anticipate these different aspects; this dialogue is achieved in particular through reporting, with the emphasis on the monitoring of key value drivers, enabling NPM/CNP to follow developments in business, assess the risks and opportunities and, with the support of a strategic monitoring process, control the timing of major decisions.

Shareholders and managers therefore have different roles; the manager is in charge of operational management and has a large degree of independence to this end, ensuring flexibility and reactivity. However, trust does not exclude control, and the representatives of NPM/CNP reconcile the role of supporting management with the role of acting as a counterbalance to it in the context of mutual Corporate Governance.

* these concepts are simplistic in terms of the content that we give them, but are the closest to market parlance.

GROUP STRUCTURE AND SHAREHOLDERS

This organisation chart, presented here as at 31 December 2002, is regularly updated on the NPM/CNP website (www.npm-cnp.be).



NPM/CNP is the listed entity of the Group commonly known as the “Groupe de Charleroi”. Controlled by Baron FRÈRE and his family, it consists of three levels:

- FRÈRE-BOURGEOIS, the parent company, whose capital is owned by the FRÈRE family;
- partnerships with leading Groups: ERBE with BNP PARIBAS and FINGEN with the DASSAULT Group;
- NPM/CNP, the interface with major institutional investors and the market.

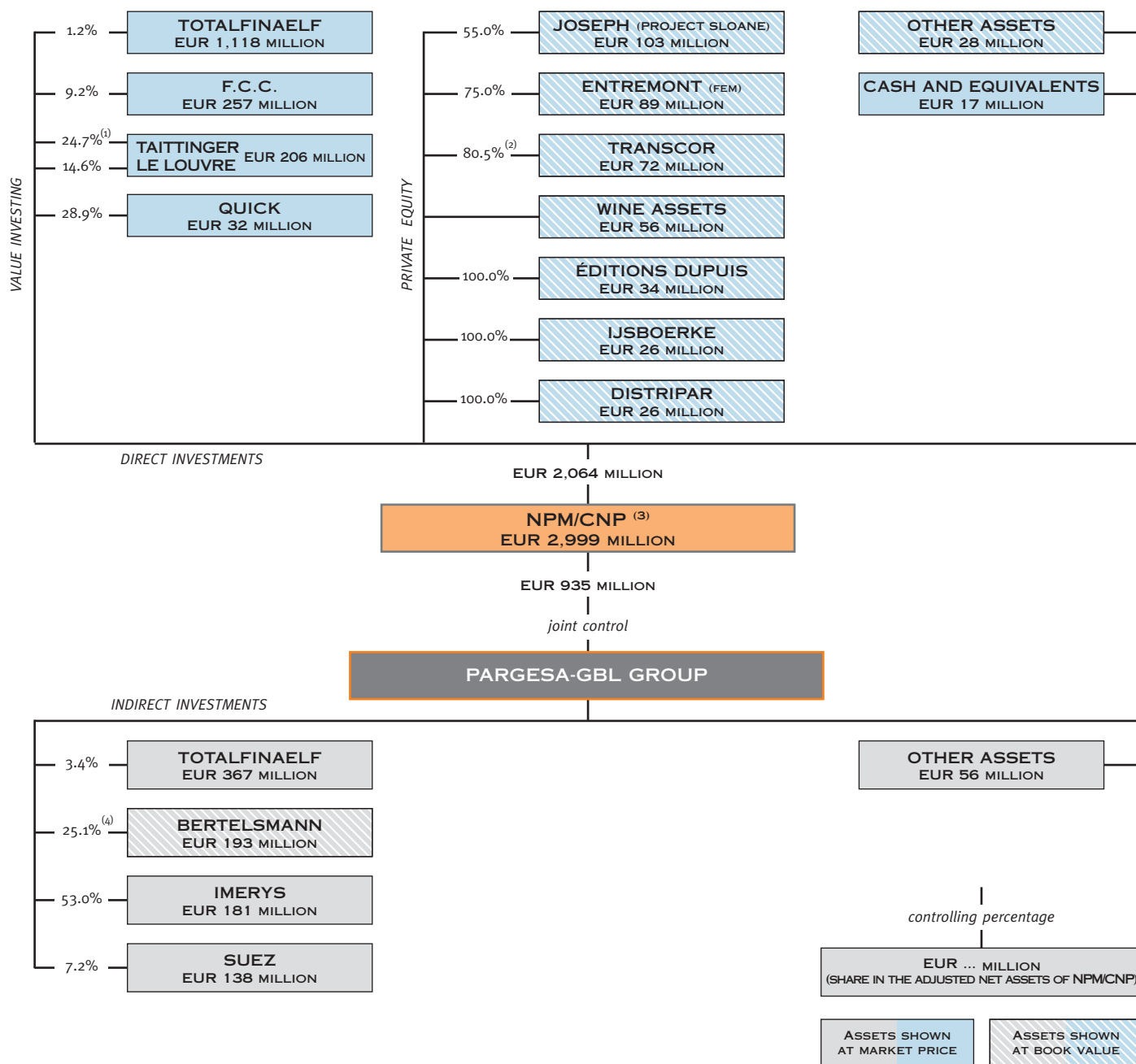
Apart from its direct investment activities, the NPM/CNP Group also pursues an investment activity through PARJOINTCO/PARGESA/GBL and the companies within their Group. PARJOINTCO, set up in 1990, was used by the Group to unite its participation in PARGESA with that of POWER CORPORATION DU CANADA, a Group controlled by Mr Paul DESMARAIS Sr. and his family. This alliance is governed by an agreement binding the partners until 2014. This covers PARGESA, its subsidiaries and its strategic interests.

(1) Company owned by the personnel and management of NPM/CNP.
 (2) 50% of voting rights, after cancellation of own shares.

GROUP ASSETS

AS AT 31 DECEMBER 2002

This organisation chart is regularly updated on the NPM/CNP website www.npm-cnp.be.



(1) Including investment certificates without voting rights for 3.1%.
 (2) Potentially 100%.

(3) NPM/CNP and its holding subsidiaries included in the restricted consolidation perimeter.
 (4) Of which 0.1% without voting rights.

Report submitted to the Ordinary General Meeting of 17 April 2003.

Contents

ANNUAL REPORT

GROUP STRUCTURE AND SHAREHOLDERS	<i>under front cover</i>
GROUP ASSETS	<i>under front cover</i>
FINANCIAL HIGHLIGHTS	2
STOCK MARKET DATA AND SHAREHOLDERS' CALENDAR	4
ADJUSTED NET ASSETS AND BREAKDOWN	5
MESSAGE TO THE SHAREHOLDERS	6
DIRECTORS' REPORT	
MAIN EVENTS OF THE 2002 FINANCIAL YEAR AND THE FIRST MONTHS OF 2003	14
ADJUSTED NET ASSETS AND TOTAL PERFORMANCE FOR THE SHAREHOLDERS	17
RESULTS	22
PROSPECTS	24
APPROPRIATION OF PROFIT	25
DONATIONS AND ART	26
CORPORATE GOVERNANCE	27
STAFF AND ORGANISATION	33
LEGAL NOTICES	35
MAJOR SHAREHOLDINGS	36
PARGESA GROUP	38
VALUE INVESTING	45
PRIVATE EQUITY	51
FINANCIAL SUPPLEMENT	
CONSOLIDATED ACCOUNTS	1
NON CONSOLIDATED ACCOUNTS	37
REFERENCE DOCUMENT	45
GLOSSARY	<i>under back cover</i>

On 2 April 2003, the BANKING AND FINANCE COMMISSION authorised the use of this annual report as a reference document for any public offer which may be made by COMPAGNIE NATIONALE À PORTEFEUILLE/NATIONALE PORTEFEUILLEMAATSCHAPPIJ, until the publication of its next annual report, in accordance with the provisions of Title II of Royal Decree no. 185 of 9 July 1935, under the dissociated information procedure.

Under this procedure, this annual report must be accompanied by a transaction memorandum in order to form a prospectus in accordance with article 29 of the aforementioned Royal Decree no. 185 of 9 July 1935. This prospectus will be subject to the approval of the Banking and Finance Commission in accordance with article 29ter, §1, para. 1 of Royal Decree no. 185 of 9 July 1935 and the provisions of the Royal Decree of 13 February 1996.

FINANCIAL HIGHLIGHTS: VALUE

GLOBAL DATA (EUR MILLION)

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
equity (restricted consolidation) ⁽¹⁾	1,106	1,282	1,273	1,304	1,329	1,626	2,001	2,031	2,011	2,046
(consolidation) ⁽¹⁾	1,097	1,264	1,253	1,326	1,458	1,845	2,431	2,520	2,568	2,547
adjusted net assets	1,424	1,487	1,508	1,740	2,172	2,514	3,186	3,601	3,452	2,999
annual TPS ⁽²⁾	36.0%	-3.8%	5.7%	19.6%	28.4%	24.9%	36.5%	16.9%	-2.5%	-11.3%
annual cumulative TPS since 1988 ⁽²⁾	7.3%	5.3%	5.3%	7.0%	9.2%	10.8%	12.7%	13.0%	11.9%	10.5%

NUMBER OF SHARES (,000)

existing shares (non diluted)	22,125	25,340	25,340	25,340	25,340	23,000	20,741	20,000 ⁽³⁾	20,000	20,000
unexercised warrants	200	1,700	1,700	1,700	1,700	-	-	-	-	-
potential shares (fully diluted)	22,325	27,040	27,040	27,040	27,040	23,000	20,741	20,000 ⁽³⁾	20,000	20,000

DATA PER SHARE (EUR)

adjusted net assets (non-diluted)	64.38	58.68	59.52	68.69	85.70	109.30	153.62	180.04	172.58	149.97
adjusted net assets (fully diluted)	64.18	58.55	59.32	67.92	83.86	109.30	153.62	180.04	172.58	149.97
annual TPS ⁽²⁾	34.8%	-5.1%	5.5%	18.7%	27.2%	33.4%	43.0%	19.0%	-2.5%	-11.3%
annual cumulative TPS since 1988 ⁽²⁾	7.3%	5.3%	5.3%	7.0%	9.2%	11.6%	14.0%	14.4%	13.1%	11.3%
stock market price (ordinary share)(high)	54.29	54.78	50.07	50.20	71.15	92.96	95.00	118.90	127.80	133.00
(low)	43.13	46.11	43.88	43.38	48.09	58.25	72.00	85.00	91.00	92.00
(close)	52.55	49.70	47.10	49.58	60.49	74.37	93.00	103.40	118.40	106.00

(1) Ex-dividend.

(2) TPS = Total Performance for the Shareholders, taking into account dividends and changes in the adjusted net assets.

(3) Anticipating the cancellation of 740,647 own shares decided during the Extraordinary General Meeting of 19/04/2001.

FINANCIAL HIGHLIGHTS: RESULTS

GLOBAL DATA (EUR MILLION)

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
restricted consolidated profit										
operating profit ⁽¹⁾	59.52	59.64	64.18	64.85	70.65	83.58	140.56	87.13	85.02	77.07
net profit	60.21	69.66	52.06	94.84	90.65	508.17	615.56	88.22	108.17	99.87
consolidated profit										
operating profit ⁽¹⁾	78.46	80.29	89.34	97.56	119.87	105.50	162.84	128.16	111.02	104.08
net profit	68.49	83.99	58.60	126.00	190.85	603.13	759.15	145.28	169.13	61.88
dividends										
total dividends	52.65	61.63	63.26	64.08	65.32	62.56	58.12	58.80	61.80	64.80
number of shares (,000)										
average number	22,125	25,340	25,340	25,340	25,340	23,949	21,997	20,223	20,000	20,000
shares entitled to dividend	22,125	25,340	25,340	25,340	25,340	23,000	20,741	20,000	20,000	20,000

ADJUSTED DATA PER SHARE ⁽²⁾ (EUR)

restricted consolidated profit										
operating profit.....	2.63	2.35	2.53	2.56	2.79	3.49	6.39	4.31	4.25	3.85
net profit.....	2.66	2.75	2.05	3.74	3.58	21.22	27.98	4.36	5.41	4.99
consolidated profit										
operating profit.....	3.47	3.17	3.53	3.85	4.73	4.40	7.40	6.34	5.55	5.20
net profit.....	3.03	3.31	2.31	4.97	7.53	25.18	34.51	7.18	8.46	3.09
dividend										
gross ordinary dividend	2.33	2.43	2.48	2.53	2.58	2.72	2.80	2.94	3.09	3.24

(1) Includes the headings mentioned on page 12 of the financial supplement.

(2) The data per share have been adjusted using coefficients determined on the basis of the adjusted net assets. These coefficients are set out on page 53 of the financial supplement.

MINIMUM INFORMATION REQUIRED BY THE BANKING AND FINANCE COMMISSION

Circular D2/F/99/5 dated December 1999 requires all holding companies listed on Euronext Brussels to provide minimum standardised information.

This information is set out on page 7 of the financial supplement to this report. For clear understanding of

the performance achieved by NPM/CNP, in parallel with this minimum information, we also publish detailed analytical information in accordance with the framework applied for many years.

STOCK MARKET DATA AND SHAREHOLDERS' CALENDAR

FINANCIAL INSTRUMENTS LISTED ON EURONEXT BRUSSELS

- Ordinary shares
- VVPR Strips (reduced withholding tax strips)

AVERAGE DAILY VOLUMES TRADED (EURONEXT BRUSSELS) (NUMBER OF SHARES)

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Ordinary shares	2,539	4,152	1,756	2,720	4,243	14,760	20,739	6,296	5,230	2,886
VVPR Shares.....	-	80	187	190	237	225	1,498	-	-	-
VVPR Strips.....	-	-	-	-	-	-	1,204	1,584	814	633
Warrants	-	7,433	2,274	3,389	19,168	15,942	11,906	-	-	-
Total (excluding strips)	2,539	11,665	4,217	6,299	23,648	30,927	34,143	6,296	5,230	2,886

MARKET PRICE AND ADJUSTED NET ASSETS PER SHARE (UNADJUSTED DATA PER SHARE)

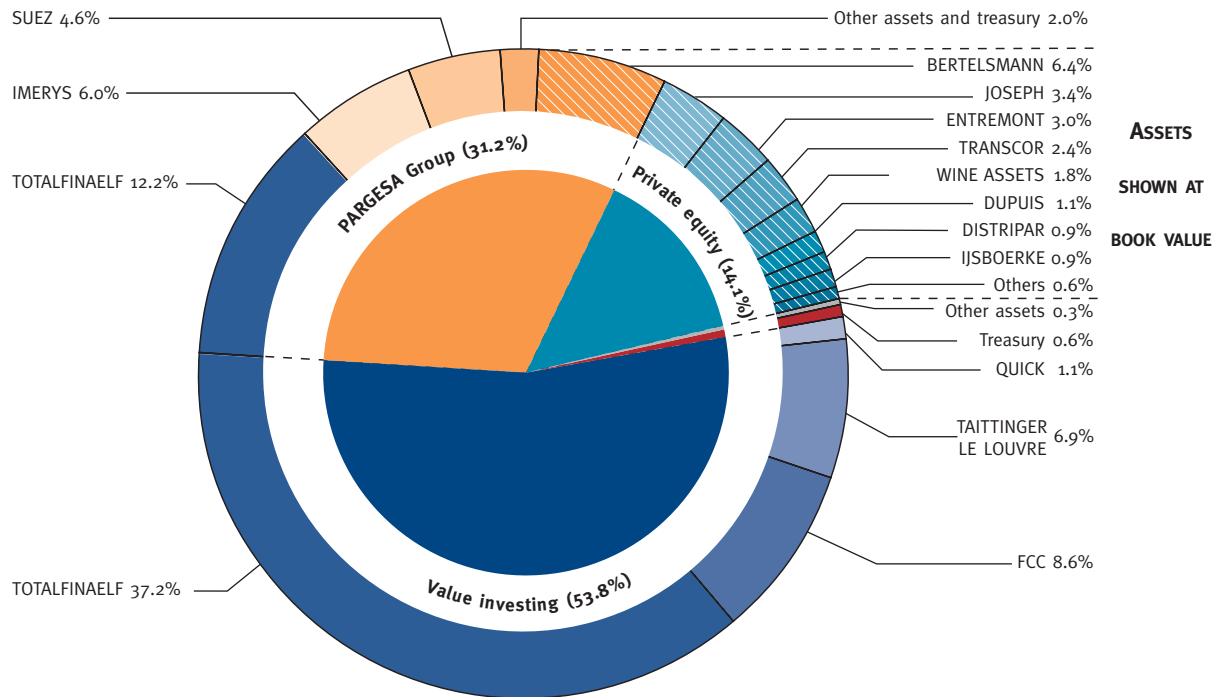


SHAREHOLDERS' CALENDAR

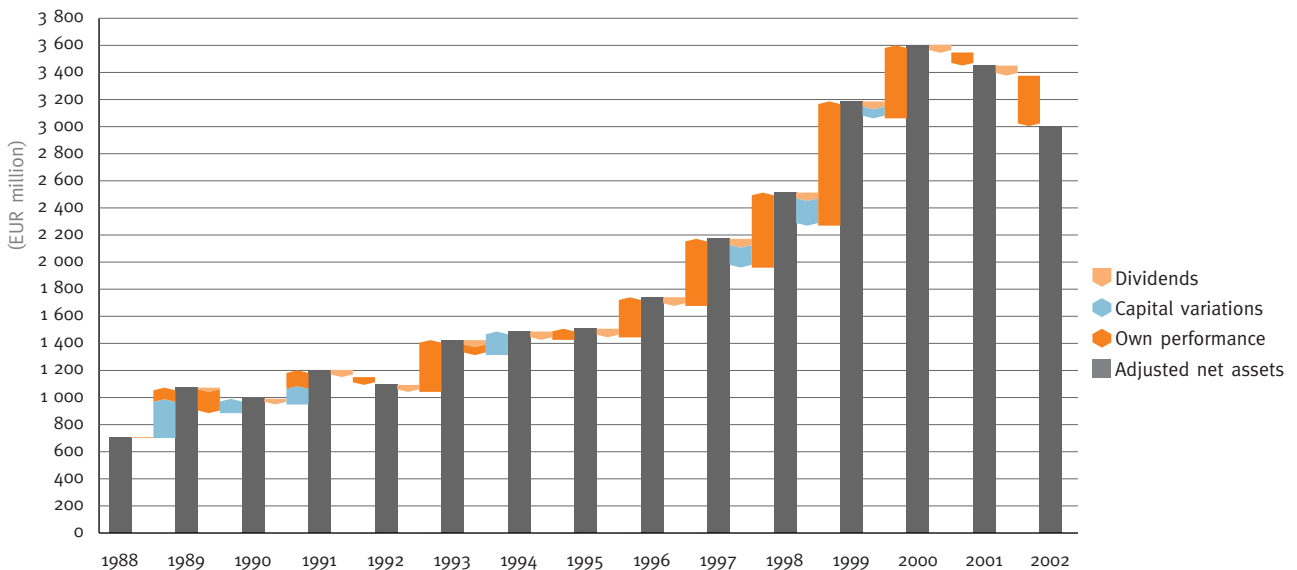
- 17.04.2003 **Ordinary General Meeting of Shareholders** at the registered office at 10 a.m.
- 24.04.2003 Subject to approval by the Ordinary General Meeting, **payment of dividends** (EUR 3.24 gross per share).
- 08.05.2003 Publication of restricted consolidated and consolidated accounts as at 31.03.2003.
- 05.09.2003 Publication of restricted consolidated and consolidated accounts as at 30.06.2003.
- 21.11.2003 Publication of restricted consolidated and consolidated accounts as at 30.09.2003.

ADJUSTED NET ASSETS AND BREAKDOWN

TRANSITIVE BREAKDOWN OF ADJUSTED NET ASSETS (AS AT 31 DECEMBER 2002)



EVOLUTION OF THE ADJUSTED NET ASSETS



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GLOSSARY

Restricted consolidation

Consolidation perimeter including NPM/CNP, the parent company and its subsidiary holding companies integrated globally or proportionally (see page 15 of financial supplement).

Under restricted consolidation, shareholdings appear on the balance sheet at their acquisition price and contribute to earnings by the amount of the dividends paid to the NPM/CNP Group.

Consolidation

Perimeter in which, unlike restricted consolidation, companies in which there is a holding of at least 20% are valued using the equity method; these companies are therefore posted in the consolidated accounts for an amount equal to NPM/CNP's share in their equity (consolidated balance sheet) and in their earnings (consolidated income statement).

Operating profit

The portion of the earnings including the operating profit generated by shareholdings (dividends and interests under restricted consolidation and, where applicable, earnings of companies accounted for using the equity method in the consolidated accounts), commissions and directors' fees received and net treasury income after deduction of operating costs and taxes.

Non operating profit

The portion of the earnings of companies consolidated or valued using the equity method consisting of capital gains or losses and write-offs on long-term financial investments, effects of sale or discontinuation of activities, and, for holding companies, depreciation of goodwill and other exceptional income and expenses.

Direct analysis

Analysis taking into account the PARGESA Group as a single shareholding and therefore not extending to its component parts.

Transitive analysis

Analysis decomposing the PARGESA Group into its component parts.

Adjusted net assets per share

Net assets value computed and adjusted as described on page 17.

It is clearly no estimation of the value per share as only the listed assets are marked-to-market; it is up to the analysts to determine the market value of the non-listed assets (BERTELSMANN and the Private Equity) in order to determine the estimated value per share.

Total Performance for the Shareholders

Internal annual cumulated rate of return for the shareholders in the form of both the dividend and the appreciation in the adjusted net assets value of the NPM/CNP share. This provides an instrument for measuring internal performance (see pages 17 to 21).

Non-diluted data

Data solely relating to issued shares and excluding the potential effect of the exercise of warrants; after 1998, there is no difference any longer between non-diluted and fully diluted data.

Fully diluted data

Data taking into account the effect of the exercise of outstanding warrants; after 1998, there is no difference any longer between non-diluted and fully diluted data.

NPM/CNP

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