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Since 1990, NPM/CNP has made public consolidated accounts including, using the equity method, PARJOINTCO (itself consolidating PARGESA and therefore incorporating GBL and PARFINANCE) and shareholdings of at least 20 % in companies held by the Group.

The Company also publishes restricted consolidated accounts which only incorporate fully owned financial companies, as well as AGESCA NEDERLAND (89.54 %) and its subsidiary N.F. ASSOCIATES, and the proportional inclusion of the statutory accounts of the jointly controlled PARJOINTCO, GROUPE JEAN DUPUIS and CENTRE DE COORDINATION DE CHARLEROI.

The restricted consolidated accounts only include, in addition to the results of financial companies controlled by NPM/CNP, the flows of dividends (as opposed to the results, in the consolidated accounts) for PARGESA and for equity accounted companies in which it has a holding of at least 20 % (ACP, BERNHEIM-COMOFI, ÉDITIONS DUPUIS, HÉLIO CHARLEROI, PETROFINA, ROYALE BELGE, TRANSCOR, SCI & ASSOCIÉS up to June 1996 and SUZY as from 1997).

Please note the following :

- As NPM/CNP owned the SUZY Group (comprised of three entities : SUZY, DESOBRY and DRIEHOEK) at the beginning of 1997, the results of this Group were equity accounted in the consolidated accounts of NPM/CNP as from 1997.
- As IJSBOERKE was not acquired by NPM/CNP until December 1997, this Group was only equity accounted on the balance sheet, as at 31 December 1997 ; it will only contribute to the consolidated results of NPM/CNP as from 1998.
- Following the capital gains made in 1996 (TRACTEBEL) and 1997 (50 % of CLT and BBL) within the PARGESA Group, it was decided to proceed with an exceptional depreciation of the goodwill which had negatively affected the earnings of the NPM/CNP Group by BEF 411 million in 1996, and by BEF 278 million in 1997.
- Finally, during 1997, PETROFINA adopted American accounting methods (US GAAP) ; NPM/CNP's share of the resulting decrease in the equity of PETROFINA (BEF 583 million) was posted as a reduction in the consolidated reserves.

CONSOLIDATED ACCOUNTS

KEY FIGURES

<i>(BEF thousand except for data per share)</i>	Consolidated accounts			Restricted consolidated accounts		
	1997	1996	1995	1997	1996	1995
EQUITY						
– total	61,323,309	55,556,575	52,172,585	55,298,283	54,227,614	52,693,654
– Group share	58,815,540	53,486,338	50,526,275	53,602,196	52,588,592	51,350,577
– minority interests	2,507,769	2,070,237	1,646,310	1,696,087	1,639,022	1,343,077
NET PROFIT						
– total	8,103,565	5,253,325	2,451,973	3,718,296	3,881,119	2,152,229
– Group share :	7,698,826	5,082,664	2,363,655	3,656,697	3,826,174	2,100,296
• operating income	4,820,637	3,935,461	3,604,356	2,850,102	2,616,402	2,589,112
• capital result	2,878,189	1,147,203	(1,240,701)	806,595	1,209,772	(488,816)
including amortisation of goodwill (transitively) (1)	(665,598)	(769,204)	(403,248)	-	(821)	-
– minority interests	404,739	170,661	88,318	61,599	54,945	51,933
GROSS DIVIDENDS	2,635,360	2,584,680	2,552,188	2,635,360	2,584,680	2,552,188
NUMBER OF SHARES IN ISSUE	25,340,000	25,340,000	25,340,000	25,340,000	25,340,000	25,340,000
ADJUSTED DATA PER SHARE (in BEF)						
– operating income	190.24	155.31	142.24	112.47	103.25	102.17
– capital result	113.58	45.27	(48.96)	31.83	47.74	(19.29)
including amortisation of goodwill (transitively) (1)	(26.27)	(30.36)	(15.91)	-	(0.03)	-
– earnings per share	303.82	200.58	93.28	144.31	150.99	82.88
– gross dividend per ordinary share	104.00	102.00	100.00	104.00	102.00	100.00

(1) Includes amortisation of goodwill by NPM/CNP as well as NPM/CNP's transitive share in the amortisation of goodwill recorded by its financial subsidiaries and by PARJOINTCO, PARGESA, GBL, PARFINANCE and the sub-holdings controlled by those groups.

CONSOLIDATED ACCOUNTS

BALANCE SHEETS

ASSETS (BEF thousand)	Consolidated accounts			Restricted consolidated accounts		
	1997	1996	1995	1997	1996	1995
FIXED ASSETS	51,276,777	46,390,729	49,787,068	45,456,168	45,244,680	50,441,983
I. Formation expenses	-	-	-	-	-	-
II. Intangible assets	-	-	-	-	-	-
III. Goodwill	3,001,383	1,998,161	2,199,310	-	-	-
IV. Tangible fixed assets	346,157	220,486	76,737	346,323	220,689	76,986
A. Land and buildings	48,446	20,541	28,539	48,446	20,541	28,539
B. Plant, machinery and equipment	-	-	-	-	-	-
C. Furniture and vehicles	89,249	17,323	9,032	89,415	17,526	9,281
D. Leasing and other similar rights	-	-	-	-	-	-
E. Other tangible assets	208,462	-	-	208,462	-	-
F. Assets under construction and advance payments	-	182,622	39,166	-	182,622	39,166
V. Investments	47,929,237	44,172,082	47,511,021	45,109,845	45,023,991	50,364,997
A. Equity-accounted companies	37,602,032	32,424,814	35,151,974	-	-	-
1. Shares	37,327,032	32,349,814	33,303,978	-	-	-
2. Bonds	275,000	75,000	1,847,996	-	-	-
B. Other companies	10,327,205	11,747,268	12,359,047	45,109,845	45,023,991	50,364,997
1. Stocks and shares	10,327,196	11,747,262	12,359,040	44,834,836	44,948,985	48,516,994
2. Bonds and other amounts receivable	9	6	7	275,009	75,006	1,848,003
CURRENT ASSETS	23,008,325	23,464,663	13,423,037	23,024,354	23,520,320	13,498,005
VI. Amounts receivable after more than one year	-	-	-	-	-	-
A. Trade receivables	-	-	-	-	-	-
B. Other receivables	-	-	-	-	-	-
VII. Stocks and contracts in progress	-	-	-	-	-	-
A. Stocks	-	-	-	-	-	-
B. Contracts in progress	-	-	-	-	-	-
VIII. Amounts receivable within one year	7,389,086	9,201,745	3,577,524	7,199,180	9,070,976	3,579,505
A. Trade receivables	44,389	7,023	7,045	44,389	7,023	7,045
B. Other receivables	7,344,697	9,194,722	3,570,479	7,154,791	9,063,953	3,572,460
IX. Short-term investments	9,103,336	7,006,513	6,050,957	9,285,946	7,189,652	6,079,693
A. Own shares	747,018	872,095	-	747,018	872,095	-
B. Other investments and deposits	8,356,318	6,134,418	6,050,957	8,538,928	6,317,557	6,079,693
X. Cash at bank and in hand	6,224,919	7,161,654	3,633,138	6,243,808	7,164,153	3,677,372
XI. Deferred expenses and accrued income	290,984	94,751	161,418	295,420	95,539	161,435
TOTAL ASSETS	74,285,102	69,855,392	63,210,105	68,480,522	68,765,000	63,939,988

CONSOLIDATED ACCOUNTS

BALANCE SHEETS

LIABILITIES AND EQUITY (BEF thousand)	Consolidated accounts			Restricted consolidated accounts		
	1997	1996	1995	1997	1996	1995
EQUITY	58,815,540	53,486,338	50,526,275	53,602,196	52,588,592	51,350,577
I. Share capital	4,751,250	4,751,250	4,751,250	4,751,250	4,751,250	4,751,250
A. Issued capital	4,751,250	4,751,250	4,751,250	4,751,250	4,751,250	4,751,250
B. Uncalled capital	-	-	-	-	-	-
II. Share premium account	42,824,428	42,824,428	42,824,428	42,824,428	42,824,428	42,824,428
III. Revaluation surplus	-	-	-	-	-	-
IV. Reserves	13,107,417	8,627,375	6,129,391	5,966,524	4,945,187	3,703,693
V. Negative goodwill	214,634	226,029	222,231	149,459	149,459	149,459
VI. Translation adjustments	(2,082,189)	(2,942,744)	(3,401,025)	(89,465)	(81,732)	(78,253)
VII. Investment grants	-	-	-	-	-	-
MINORITY INTERESTS	2,507,769	2,070,237	1,646,310	1,696,087	1,639,022	1,343,077
VIII. Minority interests	2,507,769	2,070,237	1,646,310	1,696,087	1,639,022	1,343,077
PROVISIONS AND DEFERRED TAXATION	38,000	41,500	303,357	38,000	41,500	269,250
IX. A. Provisions for liabilities and charges	38,000	41,500	303,357	38,000	41,500	269,250
1. Pensions and similar obligations	-	-	-	-	-	-
2. Tax provisions	-	-	-	-	-	-
3. Major repairs and maintenance	-	-	-	-	-	-
4. Other liabilities and charges	38,000	41,500	303,357	38,000	41,500	269,250
B. Deferred taxation	-	-	-	-	-	-
LIABILITIES	12,923,793	14,257,317	10,734,163	13,144,239	14,495,886	10,977,084
X. Amounts payable after more than one year	3,273,750	3,273,750	3,273,750	3,508,668	3,493,032	3,510,311
A. Financial liabilities	3,273,750	3,273,750	3,273,750	3,508,668	3,493,032	3,510,311
1. Subordinated loans	-	-	-	-	-	-
2. Unsubordinated debentures	3,273,750	3,273,750	3,273,750	3,273,750	3,273,750	3,273,750
3. Finance leasing liabilities	-	-	-	-	-	-
4. Amounts due to financial institutions	-	-	-	234,918	219,282	236,561
5. Other loans	-	-	-	-	-	-
B. Trade payables	-	-	-	-	-	-
1. Suppliers	-	-	-	-	-	-
2. Notes payable	-	-	-	-	-	-
C. Advances received on contracts in progress	-	-	-	-	-	-
D. Other liabilities	-	-	-	-	-	-
XI. Amounts payable within one year	9,179,586	10,737,303	7,139,612	9,152,745	10,742,200	7,139,607
A. Current portion of long-term debt	-	-	-	-	-	-
B. Financial debts	6,255,298	7,662,381	4,238,123	6,255,298	7,664,054	4,238,123
1. Amounts due to financial institutions	1,692,793	1,462,116	1,338,123	1,692,793	1,462,116	1,338,123
2. Other loans	4,562,505	6,200,265	2,900,000	4,562,505	6,201,938	2,900,000
C. Trade payables	38,872	47,852	24,586	38,872	47,852	24,586
1. Suppliers	38,872	47,852	24,586	38,872	47,852	24,586
2. Notes payable	-	-	-	-	-	-
D. Advances received on contracts in progress	-	-	-	-	-	-
E. Taxes, salaries and social charges payable	135,746	114,170	53,786	135,746	117,394	53,786
1. Taxes	130,256	108,775	48,954	130,256	111,999	48,954
2. Salaries and social charges	5,490	5,395	4,832	5,490	5,395	4,832
F. Other liabilities	2,749,670	2,912,900	2,823,117	2,722,829	2,912,900	2,823,112
XII. Accrued expenses and deferred income	470,457	246,264	320,801	482,826	260,654	327,166
LIABILITIES AND EQUITY	74,285,102	69,855,392	63,210,105	68,480,522	68,765,000	63,939,988

CONSOLIDATED ACCOUNTS

PROFIT AND LOSS STATEMENTS

EXPENSES (BEF thousand)	Consolidated accounts			Restricted consolidated accounts		
	1997	1996	1995	1997	1996	1995
A. Interest expense	402,002	444,711	465,452	420,794	456,316	475,140
B. Other financial expense	164,892	155,541	283,405	191,119	156,916	290,532
B.bis Amortisation of goodwill	155,820	152,436	155,420	-	821	-
C. Miscellaneous goods and services	89,367	86,086	70,428	90,758	86,086	72,220
D. Payroll expenses	89,274	79,538	79,369	105,745	96,522	83,452
E. Miscellaneous operating expenses	10,122	7,249	4,362	10,122	7,249	4,362
F. Depreciation and write-off of formation expenses, tangible and intangible assets	17,021	3,003	6,241	17,058	3,049	6,297
G. Write-down on	127,427	252,463	703,407	127,427	252,463	741,234
1. long-term investments	-	249,330	556,403	-	249,330	594,230
2. current assets	127,427	3,133	147,004	127,427	3,133	147,004
H. Provisions for liabilities and charges	-	-	6,410	-	-	6,410
I. Losses on disposal of	130	16,295	17,709	130	16,295	17,709
1. tangible and intangible fixed assets	88	15	293	88	15	293
2. long-term investments	-	-	3,937	-	-	3,937
3. current assets	42	16,280	13,479	42	16,280	13,479
J. Exceptional expenses	33,168	105,754	136,000	33,168	105,754	136,000
K. Taxes	49,283	59,219	29,791	49,283	65,970	29,791
K.bis Losses of equity-accounted companies	-	37,528	47,997	-	-	-
L. Profit for the period	8,103,565	5,253,325	2,451,973	3,718,296	3,881,119	2,152,229
L.bis Minority interests in profit	404,739	170,661	88,318	61,599	54,945	51,933
L.ter Group share of profit	7,698,826	5,082,664	2,363,655	3,656,697	3,826,174	2,100,296
TOTAL EXPENSES	9,242,071	6,653,148	4,457,964	4,763,900	5,128,560	4,015,376
Appropriation of profit						
C. Transfers to / (from) reserves	5,063,466	2,497,984	(188,533)	1,021,337	1,241,494	(451,892)
1. Consolidated reserves	5,063,466	2,497,984	(188,533)	1,021,337	1,241,494	(451,892)
F. Profit to be distributed	2,635,360	2,584,680	2,552,188	2,635,360	2,584,680	2,552,188
1. Dividend to shareholders	2,635,360	2,584,680	2,552,188	2,635,360	2,584,680	2,552,188
	7,698,826	5,082,664	2,363,655	3,656,697	3,826,174	2,100,296

CONSOLIDATED ACCOUNTS
PROFIT AND LOSS STATEMENTS

REVENUES (BEF thousand)	Consolidated accounts			Restricted consolidated accounts		
	1997	1996	1995	1997	1996	1995
A. Revenue from investments	508,429	575,358	596,138	2,220,810	2,241,655	2,579,858
1. Dividends	497,201	533,414	514,519	2,209,582	2,199,711	2,498,239
2. Interests	11,228	41,944	81,619	11,228	41,944	81,619
B. Revenue from current assets	744,684	663,277	652,176	757,465	668,823	653,281
C. Other financial revenue	157,318	182,514	95,620	157,318	204,249	95,620
D. Revenue from services rendered	40,351	27,679	26,274	40,351	27,679	26,274
E. Other operating revenue	53,746	44,338	47,003	53,746	44,338	47,003
F. Reversals of depreciation or write-off of tangible and intangible assets				-	-	-
G. Write-back of	15,509	16,277	35,137	-	-	-
1. long-term investments	60,576	426,403	53,291	60,576	426,403	53,291
2. current assets	39,729	324,441	-	39,729	324,441	-
H. Reversals of provisions for liabilities and charges	20,847	101,962	53,291	20,847	101,962	53,291
I. Profits on disposal of	3,500	-	2,500	3,500	-	2,500
1. tangible and intangible fixed assets	1,446,251	1,080,054	538,995	1,462,152	1,373,408	538,995
2. long-term investments	578	108	-	578	108	-
3. current assets	783,637	849,051	8,489	799,538	1,142,405	8,489
J. Exceptional revenue	662,036	230,895	530,506	662,036	230,895	530,506
K. Taxation adjustments and reversals of tax provisions	6	136,238	-	6	136,238	-
K.bis Profits of equity-accounted companies	2,518	5,767	15,436	7,976	5,767	18,554
L. Loss for the period	6,209,183	3,495,243	2,395,394	-	-	-
L.bis Minority interest in loss	-	-	-	-	-	-
L.ter Group share of loss	-	-	-	-	-	-
TOTAL REVENUES	9,242,071	6,653,148	4,457,964	4,763,900	5,128,560	4,015,376
Appropriation of profit						
A. Profit available for appropriation	7,698,826	5,082,664	2,363,655	3,656,697	3,826,174	2,100,296
1. Profit for the period	7,698,826	5,082,664	2,363,655	3,656,697	3,826,174	2,100,296
	7,698,826	5,082,664	2,363,655	3,656,697	3,826,174	2,100,296

CONSOLIDATED ACCOUNTS

BALANCE SHEETS - NOTES

ASSETS (BEF thousand)

III. Goodwill

This represents the excess of the cost of investments in subsidiaries and equity-accounted companies over the value of NPM/CNP's share of their net assets on the date of acquisition or initial consolidation and is analysed as follows :

	Gross amounts	Cumulative amortisation	Consolidated net amounts		
	au 31.12.1997	au 31.12.1997	1997	1996	1995
PETROFINA	2,326,927	(908,424)	1,418,503	1,611,016	1,730,504
IJSBOERKE	1,266,420	-	1,266,420	-	-
ROYALE BELGE	477,096	(211,004)	266,092	331,916	410,202
BERNHEIM-COMOFI	82,303	(31,935)	50,368	54,483	58,604
SUZY	10,756	(10,756)	-	-	-
ACP	786	(786)	-	746	-
Total	4,164,288	(1,162,905)	3,001,383	1,998,161	2,199,310

Goodwill is allocated to the investments to which it is related and is amortised at a rate of 5 % per annum. Minor amounts can be written off in full ; this was the case in 1997 for an amount of 10,926. Moreover, additional amortisation is provided when appropriate.

V. Investments

A.1 Equity-accounted companies – Shares

	Percentage of ownership			Consolidated accounts		
	1997	1996	1995	1997	1996	1995
PARJOINTCO	50.00 %	50.00 %	50.00 %	22,556,419	18,966,721	17,757,949
PETROFINA	6.41 %	6.46 %	6.46 %	9,996,619	9,204,380	8,438,526
SCI & ASSOCIÉS	-	-	49.00 %	-	-	2,504,777
ROYALE BELGE	2.05 %	2.35 %	2.69 %	1,690,103	1,594,055	1,629,577
BERNHEIM-COMOFI	21.69 %	21.69 %	21.69 %	965,283	960,140	1,061,437
ACP	28.32 %	28.32 %	28.12 %	454,531	408,818	353,496
TRANSCOR	47.59 %	47.59 %	47.59 %	777,813	680,941	596,246
ÉDITIONS DUPUIS	50.00 %	50.00 %	50.00 %	391,383	380,873	355,625
HÉLIO CHARLEROI	25.00 %	25.00 %	25.00 %	112,065	82,236	57,483
IJSBOERKE	100.00 %	-	-	209,554	-	-
SUZY	100.00 %	-	-	106,403	-	-
Others	n.a.	n.a.	n.a.	66,859	71,650	548,862
Total				37,327,032	32,349,814	33,303,978

A.2 Equity-accounted companies – Bonds and other amounts receivable

	Consolidated accounts			Restricted consolidated accounts		
	1997	1996	1995	1997	1996	1995
SCI & ASSOCIÉS	-	-	1,772,996	-	-	-
SUZY	200,000	-	-	-	-	-
HÉLIO CHARLEROI	75,000	75,000	75,000	-	-	-
Total	275,000	75,000	1,847,996	-	-	-

B.1 Other companies – Stocks and shares

(number of shares held)

	Consolidated accounts			Restricted consolidated accounts		
	1997	1996	1995	1997	1996	1995
ACIDE CARBONIQUE PUR	-	-	-	28,316	28,316	28,121
ARTEMIS	-	299,592	-	-	299,592	296,953
BERNHEIM-COMOFI	-	-	-	640,606	640,606	640,606
COBEPA	877,261	1,165,435	1,165,435	877,261	1,165,435	1,165,435
COMPAGNIE GÉNÉRALE DES EAUX	1,115,335	1,115,335	1,115,335	1,115,335	1,115,335	1,115,335
ELF AQUITAINE	1,000,000	1,296,695	1,296,695	1,000,000	1,296,695	1,296,695
ESPIRITO SANTO FINANCIAL HOLDING	-	263,474	2,047,169	-	263,474	2,047,169
ÉDITIONS DUPUIS	-	-	-	639,187	639,187	639,187
HÉLIO CHARLEROI	-	-	-	100,000	100,000	100,000
HEXANE (L'Éventail)	210	210	-	210	210	-
BELHOLDING	-	-	-	216	-	-
STARCO TIELEN	-	-	-	7,119	-	-
IJSBOERKE I.C.I.	-	-	-	14	-	-
IMMO TIELEN	-	-	-	102	-	-
PARGESA registered shares	-	-	-	544,694	544,694	544,694
PARGESA bearer shares	-	-	-	396,250	396,250	396,250
PARIBAS	-	-	151,514	-	-	151,514
PETROFINA	-	-	-	1,501,078	1,501,078	1,501,078
ROYALE BELGE	-	-	-	328,668	376,263	429,688
SCI & ASSOCIÉS	-	-	-	-	-	52,432,054
SOCIÉTÉ GÉNÉRALE DE BELGIQUE	1,680,791	1,689,185	1,689,185	1,680,791	1,689,185	1,689,185
SUZY S.A.	-	-	-	64,400	-	-
DESOBRY	-	-	-	1,250	-	-
DRIEHOEK	-	-	-	41	-	-
TRANSCOR	-	-	-	7,439	7,439	7,439

B.2 Other companies – Bonds and other amounts receivable

	Consolidated accounts			Restricted consolidated accounts		
	1997	1996	1995	1997	1996	1995
SCI & ASSOCIÉS	-	-	-	-	-	1,772,996
HÉLIO CHARLEROI	-	-	-	75,000	75,000	75,000
SUZY	-	-	-	200,000	-	-
Other amounts receivable	9	6	7	9	6	7
Total	9	6	7	275,009	75,006	1,848,003

VIII. Amounts receivable within one year

B. Other receivables

	Consolidated accounts			Restricted consolidated accounts		
	1997	1996	1995	1997	1996	1995
Tax receivables	547,505	543,110	509,341	547,505	543,110	509,341
Loans to associated companies	6,583,231	8,329,829	3,025,000	6,393,325	8,199,060	3,025,000
Receivables related to shares sold	200,422	302,842	-	200,422	302,842	-
Others	13,539	18,941	36,138	13,539	18,941	38,119
Total	7,344,697	9,194,722	3,570,479	7,154,791	9,063,953	3,572,460

IX. Short-term investments

A. Own shares

At 31 December 1997, the NPM/CNP Group held 411,165 of its own shares for a value of 747,018, with a total nominal value of 77,093. Of these own shares 358,966 were held by NPM/CNP (INVESTOR and CARPAR) and 52,199 by FINGEN, an indirect subsidiary. The dividends received on these shares have been eliminated from the (restricted) consolidated accounts.

B. Other investments and deposits

	Consolidated accounts			Restricted consolidated accounts		
	1997	1996	1995	1997	1996	1995
Shares and bonds	2,208,609	3,245,024	3,259,746	2,208,609	3,428,163	3,288,482
Cash deposits	6,147,709	2,889,394	2,791,211	6,330,319	2,889,394	2,791,211
Total	8,356,318	6,134,418	6,050,957	8,538,928	6,317,557	6,079,693

CONSOLIDATED ACCOUNTS

BALANCE SHEETS - NOTES

LIABILITIES AND EQUITY

I. Share capital

The Board was authorised by the Shareholders' Meeting of 12 June 1996 to increase the share capital by 2,000,000 and to issue debentures with conversion or subscription rights which could lead to an increase in the share capital of the same amount. The capital increase by 318,750 following the exercise of the warrants currently in issue would be deducted from the authorised capital. The Shareholders' Meeting of 11 June 1997 authorised the Board of Directors to acquire on the stock market up to 1,500,000 own shares.

IV. Reserves

This records NPM/CNP's share of profits transferred to reserves by NPM/CNP, its subsidiaries and equity-accounted companies. Movements on the reserve were as follows :

	Consolidated accounts			Restricted consolidated accounts		
	1997	1996	1995	1997	1996	1995
Opening balance	8,627,375	6,129,391	6,317,924	4,945,187	3,703,693	4,155,585
Profit of the year	7,698,826	5,082,664	2,363,655	3,656,697	3,826,174	2,100,296
Dividends	(2,635,360)	(2,584,680)	(2,552,188)	(2,635,360)	(2,584,680)	(2,552,188)
Change in accounting principles by PETROFINA	(583,424)	-	-	-	-	-
Closing balance	13,107,417	8,627,375	6,129,391	5,966,524	4,945,187	3,703,693

V. Negative goodwill

Negative goodwill is the difference between the cost of investments in subsidiaries and equity-accounted companies and the value of NPM/CNP's share of the equity of these companies at the date of their acquisition or first consolidation.

VI. Translation adjustments

These adjustments are the result of movements in the exchange rates of currencies in which the accounts of subsidiaries or equity-accounted companies are expressed. They represent the difference between the value on translation of the assets and liabilities of foreign subsidiaries at the closing rate and their net worth at historic rates as well as the difference arising from the balance sheet being translated at the closing rate while the income statement is translated at the average rate for the year. The differences shown mainly relate to PETROFINA.

VIII. Minority interests

The minority interests represent 10.5 % of the capital of AGESCA NEDERLAND held by FRÈRE-BOURGEOIS.

IX. Provisions for liabilities and charges

	Consolidated accounts			Restricted consolidated accounts		
	1997	1996	1995	1997	1996	1995
Potential compensation to FIBELPAR in case of exercise by ELF AQUITAINE of its put option on NPM/CNP-shares (provision reversed in 1996)	-	-	136,000	-	-	136,000
FRF exchange hedging costs (liquidation January 1996)	-	-	126,840	-	-	126,840
Provisions for COMPAGNIE GÉNÉRALE DES EAUX put options	-	-	6,410	-	-	6,410
VITAL SOGEVIANDES potential losses	-	-	34,107	-	-	-
Removal costs	-	20,000	-	-	20,000	-
Others	38,000	21,500	-	38,000	21,500	-
Total	38,000	41,500	303,357	38,000	41,500	269,250

X. Amounts payable after more than one year

	Consolidated accounts			Restricted consolidated accounts		
	1997	1996	1995	1997	1996	1995
Bonds A (1)	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Bonds B (2)	1,773,750	1,773,750	1,773,750	1,773,750	1,773,750	1,773,750
50 % Group's share in PARJOINTCO's borrowing of CHF 18,500,000 (ended 14.07.1999 – 4.875 % rate)	-	-	-	234,918	219,282	236,561
Total	3,273,750	3,273,750	3,273,750	3,508,668	3,493,032	3,510,311

(1) 30,000 bonds A 6.70 % 1994-1999 each with a nominal value of BEF 50,000

(2) 750,000 bonds B 5.0625 % 1994-1999 each with a nominal value of BEF 2,365 and with 2 warrants attached which can be exercised from 1 to 15 June 1994 to 1999 at BEF 2,365 per share

XI. Amounts payable within one year

B. Financial debts

	Consolidated accounts			Restricted consolidated accounts		
	1997	1996	1995	1997	1996	1995
Market rate loans from affiliated companies	4,562,500	6,200,265	2,900,000	4,562,500	6,201,938	2,900,000
Foreign currency credits covering short-term investments	1,692,793	1,462,116	1,330,973	1,692,793	1,462,116	1,330,973
Others	5	-	7,150	5	-	7,150
Total	6,255,298	7,662,381	4,238,123	6,255,298	7,664,054	4,238,123

F. Other liabilities

	Consolidated accounts			Restricted consolidated accounts		
	1997	1996	1995	1997	1996	1995
Dividends for the year	2,635,360	2,584,680	2,552,188	2,635,360	2,584,680	2,552,188
Dividends relating to prior years	8,394	6,398	6,150	8,394	6,398	6,150
Liabilities related to share purchases	69,816	315,930	255,625	42,975	315,930	255,625
Others	36,100	5,892	9,154	36,100	5,892	9,149
Total	2,749,670	2,912,900	2,823,117	2,722,829	2,912,900	2,823,112

RECONCILIATION OF BALANCE SHEET AT 31.12.1997 (RESTRICTED CONSOLIDATED ACCOUNTS - CONSOLIDATED ACCOUNTS)

	Other companies stock and shares	Other assets and liabilities	Goodwill		Consolidated reserves	Translation adjustments	Minority interests	Equity-accounted companies : shares
			Positive	Negative				
Restricted consolidated accounts	44,834,836	204,251	-	149,459	5,966,524	(89,465)	1,696,087	-
<i>Equity-accounted companies :</i>								
PARJOINTCO/PARGESA (1)	(15,535,950)	(231,092)	-	-	6,573,280	(133,401)	811,682	22,556,419
ACP	(579,679)	-	-	2,760	(128,077)	169	-	454,531
BERNHEIM-COMOFI	(920,793)	-	50,368	337	93,601	920	-	965,283
ÉDITIONS DUPUIS	(300,565)	-	-	21,030	69,788	-	-	391,383
HÉLIO CHARLEROI	(25,220)	-	-	9,328	77,517	-	-	112,065
IJSBOERKE	(1,449,132)	26,841	1,266,419	-	-	-	-	209,554
PETROFINA	(13,718,132)	-	1,418,504	-	(412,442)	(1,890,567)	-	9,996,619
ROYALE BELGE	(1,521,339)	-	266,092	-	434,626	230	-	1,690,103
SUZY	(76,987)	-	-	-	29,416	-	-	106,403
TRANSCOR	(325,521)	-	-	31,720	390,647	29,925	-	777,813
Others	(54,322)	-	-	-	12,537	-	-	66,859
<i>Effect of equity accounting</i>	<i>(34,507,640)</i>	<i>(204,251)</i>	<i>3,001,383</i>	<i>65,175</i>	<i>7,140,893</i>	<i>(1,992,724)</i>	<i>811,682</i>	<i>37,327,032</i>
Consolidated accounts	10,327,196	-	3,001,383	214,634	13,107,417	(2,082,189)	2,507,769	37,327,032

(1) Relates to PARGESA shares held, in the restricted consolidation, by PARJOINTCO.

CONSOLIDATED ACCOUNTS

ANALYTICAL PROFIT AND LOSS STATEMENTS

(BEF thousand)	Note	Consolidated accounts			Restricted consolidated accounts		
		1997	1996	1995	1997	1996	1995
Revenue from long-term investments		4,226,935	3,621,363	3,208,863	2,220,810	2,241,655	2,163,251
Dividends	1	497,201	533,414	514,519	2,209,582	2,199,711	2,081,632
Interests	2	11,228	41,944	81,619	11,228	41,944	81,619
Operating income from equity-accounted companies	3	3,718,506	3,083,533	2,614,877	-	-	-
	3	-	(37,528)	(2,152)	-	-	-
Other financial income and expenses		890,522	558,983	601,331	858,284	573,284	585,621
Revenue from current assets		744,684	663,277	652,176	757,465	668,823	653,281
Interest expense		(402,002)	(444,711)	(465,452)	(420,794)	(456,316)	(475,140)
Profits on disposal of current assets		662,036	230,895	530,506	662,036	230,895	530,506
Losses on disposal of current assets		(42)	(16,280)	(13,479)	(42)	(16,280)	(13,479)
Write-down on current assets		(127,427)	(3,133)	(147,004)	(127,427)	(3,133)	(147,004)
Write-back on current assets		20,847	101,962	53,291	20,847	101,962	53,291
Other financial revenue		157,318	182,514	95,620	157,318	204,249	95,620
Other financial expense		(164,892)	(155,541)	(104,327)	(191,119)	(156,916)	(111,454)
Net overheads		(108,187)	(103,859)	(90,659)	(126,086)	(120,889)	(96,590)
Miscellaneous goods and services		(89,367)	(86,086)	(70,428)	(90,758)	(86,086)	(72,220)
Payroll expenses		(89,274)	(79,538)	(79,369)	(105,745)	(96,522)	(83,452)
Depreciation		(17,021)	(3,003)	(5,867)	(17,058)	(3,049)	(5,923)
Provisions for liabilities and charges		3,500	-	(3,910)	3,500	-	(3,910)
Miscellaneous operating expenses		(10,122)	(7,249)	(4,362)	(10,122)	(7,249)	(4,362)
Revenue from services rendered		40,351	27,679	26,274	40,351	27,679	26,274
Other operating revenue		53,746	44,338	47,003	53,746	44,338	47,003
Taxes on operating income		(46,765)	(15,952)	(14,355)	(41,307)	(22,703)	(11,237)
Minority interests		(141,868)	(125,074)	(100,824)	(61,599)	(54,945)	(51,933)
Operating income (Group share)	8	4,820,637	3,935,461	3,604,356	2,850,102	2,616,402	2,589,112
In BEF/share		190.24	155.31	142.24	112.47	103.25	102.17
Revenue from long-term investments		2,490,677	411,710	(265,328)	-	-	416,607
Exceptional dividends		-	-	-	-	-	416,607
Capital results from equity-accounted companies	4	2,490,677	411,710	-	-	-	-
	4	-	-	(265,328)	-	-	-
Operations on long-term investments		823,366	924,162	(551,851)	839,267	1,217,516	(589,678)
Profits on disposals	5	783,637	849,051	8,489	799,538	1,142,405	8,489
Losses on disposals		-	-	(3,937)	-	-	(3,937)
Write-down on long-term investments	6	-	(249,330)	(556,403)	-	(249,330)	(594,230)
Write-back on long-term investments	6	39,729	324,441	-	39,729	324,441	-
Goodwill amortisation		(140,311)	(136,159)	(120,283)	-	(821)	-
Amortisation		(155,820)	(152,436)	(155,420)	-	(821)	-
Reversals		15,509	16,277	35,137	-	-	-
Other capital results		(32,672)	30,577	(315,745)	(32,672)	30,577	(315,745)
Profits on disposal of tangible assets		578	108	-	578	108	-
Losses on disposal of tangible assets		(88)	(15)	(293)	(88)	(15)	(293)
Exceptional revenue	7	6	136,238	-	6	136,238	-
Exceptional expenses	7	(33,168)	(105,754)	(315,452)	(33,168)	(105,754)	(315,452)
Taxes on capital results		-	(37,500)	-	-	(37,500)	-
Minority interests		(262,871)	(45,587)	12,506	-	-	-
Capital results (Group share)	8	2,878,189	1,147,203	(1,240,701)	806,595	1,209,772	(488,816)
In BEF/share		113.58	45.27	(48.96)	31.83	47.74	(19.29)
Net profit (Group share)	8	7,698,826	5,082,664	2,363,655	3,656,697	3,826,174	2,100,296
In BEF/share		303.82	200.58	93.28	144.31	150.99	82.88

CONSOLIDATED ACCOUNTS
PROFIT AND LOSS STATEMENTS - NOTES

Note 1 — Revenue from long-term investments – Dividends

	Consolidated accounts			Restricted consolidated accounts		
	1997	1996	1995	1997	1996	1995
ACP	-	-	-	28,316	-	-
BERNHEIM-COMOFI	-	-	-	64,061	64,061	60,394
COBEPA	86,945	62,160	58,026	86,945	62,160	58,026
COMPAGNIE GÉNÉRALE DES EAUX	92,820	97,330	93,908	92,820	97,330	93,908
ÉDITIONS DUPUIS	-	-	-	37,561	12,000	21,068
ELF AQUITAINE	116,829	130,470	127,117	116,829	130,470	127,117
ESPIRITO SANTO FINANCIAL HOLDING	5,622	32,260	42,076	5,622	32,260	42,076
PARGESA	-	-	-	787,383	790,283	771,914
PETROFINA	-	-	-	600,431	528,379	480,345
ROYALE BELGE	-	-	-	118,328	97,828	110,279
SCI & ASSOCIÉS	-	-	-	-	149,768	-
SOCIÉTÉ GÉNÉRALE DE BELGIQUE	194,972	195,945	193,377	194,972	195,945	193,377
TRANSCOR	-	-	-	69,149	23,978	114,423
Others	13	15,249	15	7,165	15,249	8,705
Total	497,201	533,414	514,519	2,209,582	2,199,711	2,081,632

Note 2 — Revenue from long-term investments – Interests

	Consolidated accounts			Restricted consolidated accounts		
	1997	1996	1995	1997	1996	1995
HÉLIO CHARLEROI	5,156	7,800	7,800	5,156	7,800	7,800
SUZY	6,072	-	-	6,072	-	-
SCI & ASSOCIÉS	-	34,144	73,819	-	34,144	73,819
Total	11,228	41,944	81,619	11,228	41,944	81,619

Note 3 — Operating income from equity-accounted companies

	Consolidated accounts			Restricted consolidated accounts		
	1997	1996	1995	1997	1996	1995
ACP	72,699	52,969	33,202	-	-	-
BERNHEIM-COMOFI	68,774	(37,528)	89,695	-	-	-
ÉDITIONS DUPUIS	49,169	37,806	31,851	-	-	-
HÉLIO CHARLEROI	41,772	20,298	12,376	-	-	-
PARJOINTCO (1)	1,510,247	1,451,384	1,304,519	-	-	-
PETROFINA	1,413,897	1,021,124	735,012	-	-	-
ROYALE BELGE (2)	416,250	264,552	178,350	-	-	-
SCI & ASSOCIÉS	-	149,768	204,569	-	-	-
SUZY	40,172	-	-	-	-	-
TRANSCOR	103,163	82,600	21,624	-	-	-
Others	2,363	3,032	1,527	-	-	-
Total						
	- in profit	3,718,506	3,083,533	2,614,877	-	-
	- in loss	-	(37,528)	(2,152)	-	-
	- globally	3,718,506	3,046,005	2,612,725	-	-

(1) including profits made by ROYALE BELGE on the BBL/ING exchange in 1997 for an amount of 209,569 (187,652 Group share) and on TRACTEBEL in 1996 for an amount of 82,054 (73,473 Group share)

(2) including profits made on the BBL/ING exchange in 1997 for an amount of 234,287 and on TRACTEBEL in 1996 for an amount of 98,700

Note 4 — Capital results from equity-accounted companies

	Consolidated accounts			Restricted consolidated accounts		
	1997	1996	1995	1997	1996	1995
PARJOINTCO	2,490,677	411,710	(219,483)	-	-	-
Others	-	-	(45,845)	-	-	-
Total						
	- in profit	2,490,677	411,710	-	-	-
	- in loss	-	-	(265,328)	-	-
	- globally	2,490,677	411,710	(265,328)	-	-

CONSOLIDATED ACCOUNTS

PROFIT AND LOSS STATEMENTS - NOTES

Note 5 — Operations on long-term investments – Profits on disposals

	Consolidated accounts			Restricted consolidated accounts		
	1997	1996	1995	1997	1996	1995
ELF AQUITAINE	399,007	-	-	399,007	-	-
COBEPA	149,706	-	-	149,706	-	-
ROYALE BELGE	112,431	85,334	-	135,751	91,647	-
ESPIRITO SANTO FINANCIAL HOLDING	49,996	-	-	49,996	-	-
SCI & ASSOCIÉS	48,992	755,793	-	48,892	1,050,758	-
Others	23,505	7,924	8,489	16,186	-	8,489
Total	783,637	849,051	8,489	799,538	1,142,405	8,489

Note 6 — Operations on long-term investments – Write-down and write-back

	Consolidated accounts			Restricted consolidated accounts		
	1997	1996	1995	1997	1996	1995
ARTEMIS	-	(249,330)	(43,639)	-	(249,330)	(81,466)
ESPIRITO SANTO FINANCIAL HOLDING	39,729	259,301	(308,687)	39,729	259,301	(308,687)
COMPAGNIE FINANCIÈRE DE PARIBAS	-	65,140	(194,077)	-	65,140	(194,077)
Others	-	-	(10,000)	-	-	(10,000)
Total	-	(249,330)	(556,403)	-	(249,330)	(594,230)
	write-down					
	write-back	39,729	324,441	39,729	324,441	-

Note 7 — Exceptional revenue and expenses

	Consolidated accounts			Restricted consolidated accounts		
	1997	1996	1995	1997	1996	1995
Provision for potential compensation to FIBELPAR in case of exercise by ELF AQUITAINE of its put option on NPM/CNP shares	-	136,000	(136,000)	-	136,000	(136,000)
Exchange hedging on FRF debt	-	-	(179,078)	-	-	(179,078)
Provision for removal costs	-	(20,000)	-	-	(20,000)	-
Costs relating to the new premises	-	(56,576)	-	-	(56,576)	-
Other expenses	(33,168)	(29,178)	-	(33,168)	(29,178)	-
Other revenues	6	238	-	6	238	-
Total	6	136,238	-	6	136,238	-
	revenue					
	expenses	(33,168)	(105,754)	(33,168)	(105,754)	(315,452)

Note 8 — Reconciliation of the consolidated profit and the restricted consolidated profit (Group share)

	OPERATING				CAPITAL				TOTAL	
	Restricted consolidated	Results of equity accounted companies	Dividend	Consolidated	Restricted consolidated	Results of equity accounted companies	Others	Amortisation of goodwill	Consolidated	Consolidated
Direct contribution										
PARGESA	705,039	1,392,314	(705,039)	1,392,314	-	2,559,052	-	(314,961)	2,244,091	3,636,405
ACP	28,316	72,699	(28,316)	72,699	-	-	-	(746)	(746)	71,953
BERNHEIM-COMOFI	64,061	68,774	(64,061)	68,774	-	-	-	(4,115)	(4,115)	64,659
ÉDITIONS DUPUIS	37,561	49,169	(37,561)	49,169	-	-	-	-	-	49,169
HÉLIO CHARLEROI	5,156	41,772	-	46,928	-	-	-	-	-	46,928
PETROFINA	600,431	1,413,897	(600,431)	1,413,897	-	-	-	(116,346)	(116,346)	1,297,551
ROYALE BELGE	118,328	416,250	(118,328)	416,250	-	-	-	(23,857)	(23,857)	392,393
SUZY	6,072	40,172	-	46,244	-	-	-	(10,756)	(10,756)	35,488
TRANSCOR	69,149	103,163	(69,149)	103,163	-	-	-	-	-	103,163
Others	1,215,989	2,363	(7,153)	1,211,199	806,595	-	(16,677)	-	789,918	2,001,117
Total	2,850,102	3,600,573	(1,630,038)	4,820,637	806,595	2,559,052	(16,677)	(470,781)	2,878,189	7,698,826
in BEF per share	112.47			190.24	31.83				113.58	303.82

I. Principles, Group structure and methods of consolidation

In addition to the consolidated accounts required by the Royal Decrees of 6 March 1990 and 25 November 1991, the Company also publishes restricted consolidated accounts.

The latter fully consolidate the results of the parent company and those of fully owned financial companies (see list at point II below), AGESCA NEDERLAND (89.54 % held) and its subsidiary N.F. ASSOCIATES, and proportionally consolidate CENTRE DE COORDINATION DE CHARLEROI, GROUPE JEAN DUPUIS and PARJOINTCO, which are jointly controlled.

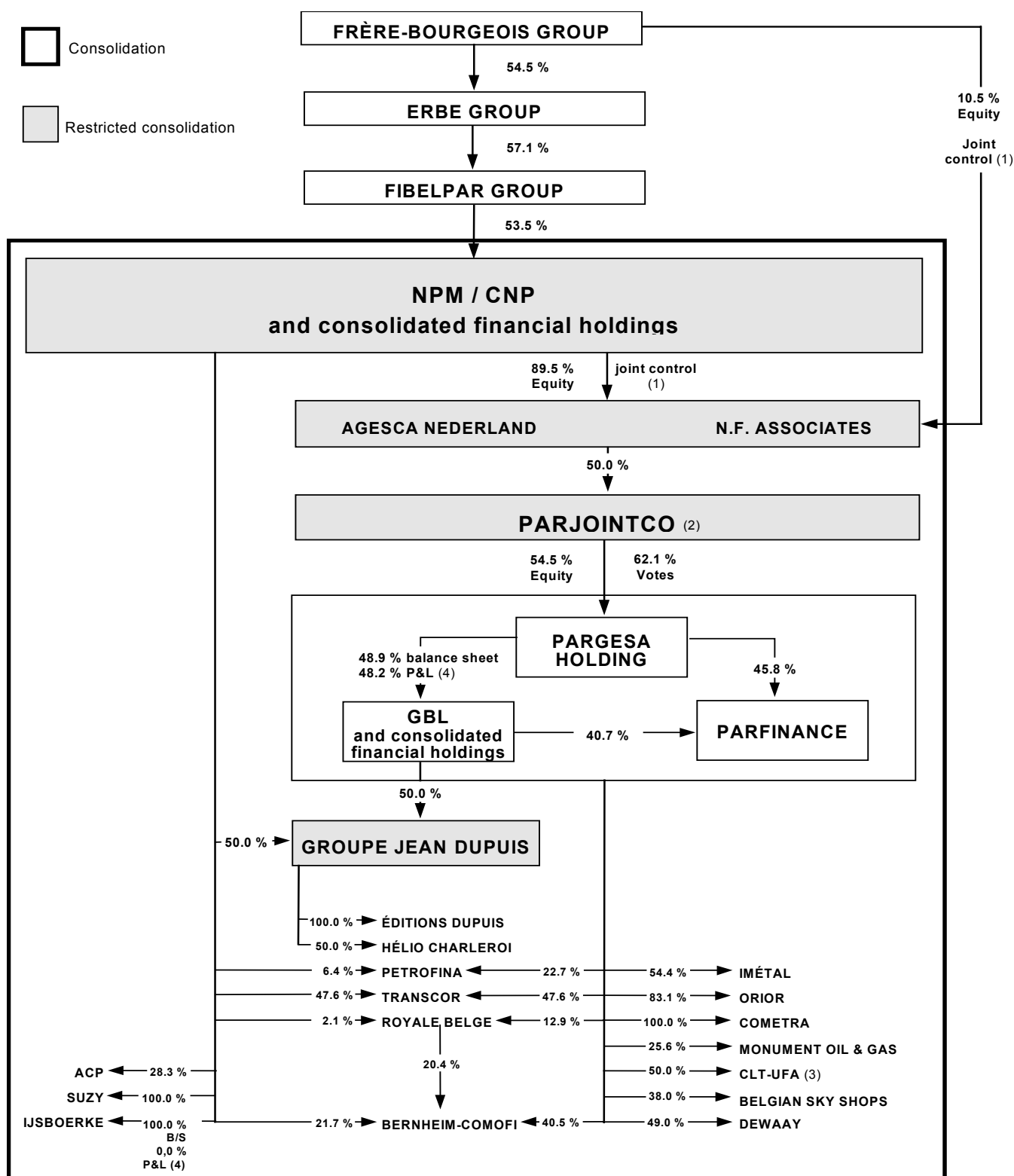
These restricted consolidated accounts are published for information purposes only ; as they have no statutory nature, no further details are provided in this Appendix.

The consolidated accounts which are analysed in this appendix fully consolidate the accounts of the parent company and those of its subsidiaries in which there is a shareholding of 100 %, of AGESCA NEDERLAND and of N.F. ASSOCIATES, proportionally consolidate CENTRE DE COORDINATION DE CHARLEROI and GROUPE JEAN DUPUIS and consolidate by the equity method the accounts of companies in which there is a shareholding, directly or indirectly, of at least 20 %, as well as those of PARJOINTCO, which is jointly controlled.

This accounting treatment is intended to better reflect the true picture of the assets of the NPM/CNP Group, with PARJOINTCO fully consolidating PARGESA, GBL and PARFINANCE Groups.

In order to give shareholders a more complete picture of the Group, a summary presentation of the consolidated accounts of PARJOINTCO (i.e. including the PARGESA Group) is included (see pages 84 to 89).

The Group structure at 31 December 1997 can be presented as follows :



(1) Agreement between the FRÈRE-BOURGEOIS and NPM/CNP Groups providing equal management control

(2) Company jointly held with POWER CORPORATION OF CANADA

(3) CLT-UFA HOLDING, 50 % jointly held, owns 98 % of CLT-UFA

(4) Shares acquired at the end of the year have not contributed to the 1997 profit

II. Fully consolidated subsidiaries	National identification or VAT number	Percentage of shares held by consolidated subsidiaries	
		consolidated subsidiaries	equity-accounted companies
AGESCA NEDERLAND N.V. - Rotterdam	-	89.5	-
CARPAR S.A. - Loverval	441.649.215	100.0	-
COMPAGNIE IMMOBILIÈRE DE ROUMONT S.A. - Loverval	455.738.167	100.0	-
FINGEN S.A. - Luxembourg	-	100.0	-
INVESTOR S.A. - Loverval	426.114.070	100.0	-
N.F. ASSOCIATES N.V. - Rotterdam	-	100.0 (1)	-
ORILUX S.A. - Luxembourg	-	100.0	-
SLP S.A. - Loverval	429.364.758	100.0	-
SWIFIN S.A. - Luxembourg	-	100.0	-
SWILUX S.A. - Luxembourg	-	100.0	-

(1) 100 % of the ordinary equity is held by AGESCA NEDERLAND N.V.

III. Proportionally consolidated subsidiaries	National identification or VAT number	Percentage of shares held by consolidated subsidiaries	
		consolidated subsidiaries	equity-accounted companies
CENTRE DE COORDINATION DE CHARLEROI S.A. Loverval	454.199.332	50.0	20.9
GROUPE JEAN DUPUIS S.A. - Loverval	405.630.244	50.0	50.0

IV. Major equity-accounted companies	National identification or VAT number	Percentage of shares held by consolidated subsidiaries	
		consolidated subsidiaries	equity-accounted companies
ACIDE CARBONIQUE PUR S.A. - Brussels	402.117.062	28.3	-
BERNHEIM-COMOFI S.A. - Brussels	403.231.968	21.7	60.9
ÉDITIONS DUPUIS S.A. - Marcinelle	429.160.563	100.0 (1)	-
ELECTRAFINA S.A. - Brussels	407.040.209	-	48.4
GROUPE BRUXELLES LAMBERT S.A. - Brussels	403.228.010	-	48.9
HÉLIO CHARLEROI S.A. - Fleurus	434.915.138	50.0 (1)	-
IJSBOERKE ICE CREAM INTERNATIONAL N.V. - Tielen	438.625.684	100.0	-
PARFINANCE S.A. - Paris	-	-	86.5
PARGESA HOLDING S.A. - Geneva	-	-	54.5
PARJOINTCO N.V. - Rotterdam	-	50.0	-
PETROFINA S.A. - Brussels	403.079.441	6.4	22.7
ROYALE BELGE S.A. - Brussels	403.292.346	2.1	12.9 (2)
ROYALE VENDÔME S.A. - Brussels	432.525.869	-	25.1
SUZY N.V. - Buizingen	417.942.811	100.0	-
TRANSCOR S.A. - Brussels	402.981.550	47.6	47.6

(1) investment held by GROUPE JEAN DUPUIS

(2) 51.2 % held by ROYALE VENDÔME

V. Other companies in which there is a shareholding of at least 10 %	National identification or VAT number	Percentage of shares held by consolidated subsidiaries	
		consolidated subsidiaries	equity-accounted companies
HEXANE S.A. - Brussels	451.175.506	50.0 (1)	-

(1) investment held by GROUPE JEAN DUPUIS, which is not equity-accounted due to its minor importance.

For the sake of the clarity and conciseness necessary to give a good overall view of the Group, the above lists are not exhaustive.

Subsidiaries controlled by companies included under point IV have been omitted, as they are considered as economically being an integral part of these companies. Also excluded were the entities or Groups in which the companies included under point II do not have any direct shareholding or which are not part of a chain leading to a shareholding accounted for under the equity method.

Complete details are available at the Company's Registered Office and will be filed with the NATIONAL BANK OF BELGIUM together with the consolidated accounts.

VI. Accounting policies

The accounting policies applied in the preparation of the consolidated accounts are the same as those which apply to the statutory accounts (cf. point XX of the Appendix to the annual accounts). As allowed by the Royal Decree of 6 March 1990, financial statements of equity-accounted companies or groups have not been restated, except where the accounting policies applied in these accounts are incompatible with those laid down by Belgian law and European Directives.

- Intercompany balances are eliminated ; the Group's share of intercompany profits earned from both subsidiaries and equity-accounted companies is eliminated.
- The assets and liabilities of foreign companies are translated using the closing rate method ; the income statements of these companies are converted at the average rate for the year as published by the NATIONAL BANK OF BELGIUM.
- Goodwill is the difference on consolidation calculated when a company is included in the consolidation for the first time. For those companies falling within the restricted consolidation, where positive goodwill arises, it is as far as possible allocated to the individual assets which justified the payment of the premium. If no such allocation can be made it is fully written off in the year in which it arises.

Positive goodwill on equity-accounted companies is amortised at 5 % per annum. The Board of Directors believes that amortising goodwill over 20 years corresponds more closely to economic reality (goodwill is paid in the expectation of future profits) rather than the 5 year limit suggested by the Royal Decree. Minor amounts may be written off in full. Extraordinary amortisation is made when the Board considers that the goodwill is overstated.

Negative goodwill is reported as a component of the shareholders' equity and remains there for as long as the shares to which it relates stay within the Group.

VII. Statement of formation expenses (BEF thousand)

Opening net book value	-
Movements in the year	
- additional costs incurred	-
- amounts written off	-
Closing net book value	-

VIII. Statement of intangible assets (BEF thousand)

Opening net book value	-
Movements in the year	
- additional costs incurred	-
- amounts written off	-
Closing net book value	-

IX. Statement of tangible fixed assets (BEF thousand)

	Lands and buildings	Furniture and vehicles	Assets under construction	Other tangible assets
a) Acquisition cost				
Opening balance	20,541	45,615	182,622	-
Movement in the year				
- acquisitions	27,905	84,718	31,024	-
- disposals	-	(4,273)	(213,646)	213,646
Closing balance	48,446	126,060	-	213,646
c) Depreciation				
Opening balance	-	(28,292)	-	-
Movement in the year				
- charged	-	(11,837)	-	(5,184)
- written back	-	3,318	-	-
Closing balance	-	(36,811)	-	(5,184)
Closing net book value	48,446	89,249	-	208,462

X. Statement of investments (BEF thousand)

	Companies	
	equity-accounted	other
1. Shareholdings		
a) Acquisition cost		
Opening balance	33,201,723	12,113,038
Movements in the year		
- acquisitions	1,526,119	-
- disposals and withdrawals	(220,202)	(1,720,899)
- transfer between items	-	-
Closing balance	<u>34,507,640</u>	<u>10,392,139</u>
b) Revaluation surplus		
Opening balance	-	-
Movements in the year		
- revaluations	-	-
- cancellations	-	-
Closing balance	<u>-</u>	<u>-</u>
c) Amounts written-off		
Opening balance	-	(364,896)
Movements in the year		
- charged	-	-
- written back	-	39,729
- transfer between items	-	261,104
Closing balance	<u>-</u>	<u>(64,063)</u>
d) Increases or reductions resulting from consolidation under the equity method		
Opening balance	(851,909)	-
Movements in the year		
- acquisitions	(1,250,334)	-
- profits	6,209,183	-
- dividends received	(1,716,720)	-
- disposals	18,648	-
- other	410,524	-
Closing balance	<u>2,819,392</u>	<u>-</u>
e) Amounts not called		
Opening balance	-	(880)
Movements in the year	-	-
Closing balance	<u>-</u>	<u>(880)</u>
Closing net book value	<u>37,327,032</u>	<u>10,327,196</u>
2. Bonds and amounts receivable		
Opening net book value	75,000	6
Movements in the year		
- additions	200,000	3
- repayments or disposals	-	-
- amounts written off	-	-
Closing net book value	<u>275,000</u>	<u>9</u>
Cumulative write-offs on receivables at the end of the financial year	<u>-</u>	<u>-</u>

XI. Statement of reserves (BEF thousand)

Opening net book value	8,627,375
Movements in the year	
- profit	7,698,826
- dividends paid	(2,635,360)
- changes in accounting principles by PETROFINA	(583,424)
Closing net book value	<u>13,107,417</u>

XII. Statement of goodwill (BEF thousand)

	Subsidiaries		Equity-accounted companies	
	positive	negative	positive	negative
Opening net book value	-	149,459	1,998,161	76,570
Movements in the year				
- adjustments resulting from an increase in shareholding percentage	-	-	1,277,176	-
- adjustments resulting from a decrease in shareholding percentage	-	-	(118,134)	-
- amortisation	-	-	(155,820)	-
- differences taken to results	-	-	-	-
- others	-	-	-	(11,395)
Closing net book value	<u>-</u>	<u>149,459</u>	<u>3,001,383</u>	<u>65,175</u>

XIII. Statement of liabilities (BEF thousand)

	due within one year (current portion)	with more than one year but less than five years to run	with more than five years to run
	A. Analysis of amounts originally payable after more than one year		
Financial liabilities	-	3,273,750	-
2. Non-subordinated debentures	-	3,273,750	-
		1997	
C. Taxes, salaries and social charges payable			
1. Taxes			
b) not overdue tax payable		80,124	
c) accrued tax charges		50,132	
2. Salaries and social charges			
b) other salaries and social charges		5,490	

XIV. Other information regarding operating results (BEF thousand)

	1997	1996	1995
B.1. Average number of employees	18.6	10.7	10.2
Additional Personnel (12.1 in 1997, 20.1 in 1996 and 20.7 in 1995) is included in the records of the NPM/CNP Cost Association ; it is then allocated among the members at the end of the year.			
B.2. Payroll expenses	89,274	79,538	79,369
a) salaries and direct social charges	64,466	58,442	58,270
b) employers' social insurance contributions	16,317	13,519	13,442
c) employers' additional insurance contributions	5,537 (1)	3,498	3,596
d) other employment costs	2,954	4,079	4,061
D. Taxes on results			
1. Taxes on the profit for the year	45,677	59,219	24,697
a) taxes and withholdings paid or payable	282,332	262,909	261,551
b) payment of taxes or withholdings included in the balance sheet	(282,332)	(262,909)	(261,551)
c) estimated additional taxes	45,677	59,219	24,697
2. Taxes on the profits for previous years	3,606	-	5,094

(1) in addition, an exceptional charge regarding pension expenses of 25,000 was booked in 1997

XV. Off-balance sheet rights and commitments

1. Within the framework of the 1990 agreement - renewed in 1996 - between the FRÈRE-BOURGEOIS/NPM-CNP and POWER Groups with respect to the joint control of PARGESA HOLDING S.A., the partners acknowledged the following mutual rights and commitments :

in the case of the loss of control by the FRÈRE-BOURGEOIS/NPM-CNP Group or by the POWER Group of PARJOINTCO N.V. or, should that company be dissolved, of the companies to which ownership of the PARGESA shares will be transferred, subject to settlement by arbitration, the defaulting Group will grant an option to the other Group to acquire the shareholding in PARGESA held by PARJOINTCO N.V. or by companies of the defaulting Group, at the stock market price at the time of the arbitration settlement for PARGESA shares and at the issue price for any other PARGESA security.

2. As part of the agreement for the sale of SCI & ASSOCIÉS and its subsidiary CACAO BARRY, NPM/CNP had to grant the acquirer the usual guarantees concerning the sale of enterprises (mainly a guarantee covering assets and liabilities valid until 31 December 1997 or up to the statutory requirement in force on fiscal and social matters, including a deductible). In early January 1998, the Company received from the acquirer, in violation of the contractual terms (this violation has been confirmed by the advisors of the Company), notification of elements (for a sum well below the deductible) which could give rise to a subsequent call on the guarantee in the event that other items (as yet unknown) were to follow suit, possibly crossing the threshold of the said deductible. As the Company did not know any element likely to trigger the guarantee at the time this document went to press, no provision was set aside to cover this potential risk.

3. In order to cover the exchange risk associated with its ELF AQUITAINE shares, in 1994 the NPM/CNP Group made a BEF/FRF interest rate swap for a period of five years for a sum of FRF 514 million. This operation provided the Group with the benefit, in addition to covering the exchange risk, of a favourable interest rate differential of 0.5% per annum for the duration of the contract. Since the term of the contract extends beyond the date for setting the Euro exchange rates, the conversion difference (favourable or otherwise) appearing on this date on the loan portion of the swap will be carried forward, on 31 December 1998, to the value of the shares covered by this operation. In order to cover the exchange risk related to the ELF AQUITAINE shares, the NPM/CNP Group carried out a BEF/FRF exchange rate and interest rate swap for a period of 5 years covering some FRF 514 million.

Despite the sale of part of its holding in ELF AQUITAINE during 1997, the amount of this cover remained well below the value of the stock in our possession due to the significant rise in its value.

4. At 31 December 1997, 1,700,000 NPM/CNP warrants were still in circulation, giving the right to subscribe for the same number of shares in the company up to 1999 on the following conditions :
 - 1,500,000 shares at a price of BEF 2,365 (warrants issued in 1994)
 - 200,000 shares reserved for the personnel at a price of BEF 1,696 (warrants issued in 1990)

CONSOLIDATED ACCOUNTS

APPENDIX

XVI. Intercompany balances with associated and related companies (BEF thousand)

	Associated companies			Related companies		
	1997	1996	1995	1997	1996	1995
1. Investments						
- shares	25,185,779	21,142,561	18,239,675	10,451,150	9,613,198	15,064,303
- receivables	275,000	75,000	75,000	-	-	1,772,996
2. Receivables						
- due within one year	6,783,658	8,329,629	3,025,000	-	-	-
3. Short-term investments						
- shares	489,063	-	-	297,600	-	-
- receivables	-	-	-	-	-	-
4. Payables						
- falling due beyond one year	-	-	-	-	-	-
- long-term liabilities due within one year	-	-	-	-	-	-
- due within one year	4,562,500	6,200,265	3,062,105	-	303,353	93,413
7. Finance income/expense						
- Income						
- from investments	11,228	7,800	-	-	34,144	81,619
- from current assets	236,060	272,074	121,812	18,962	-	-
- other financial income	-	-	-	-	-	-
- Expenses						
- on payables	124,257	154,435	156,989	120	-	-
- other financial costs	-	-	-	-	-	-

XVII. Financial relations with Directors (BEF thousand)

	1997	1996	1995
A. Amounts of remuneration paid during the year to Members of the Board of Directors of the parent company by fully or proportionally consolidated companies	24,503	24,279	19,985
B. Loans and advances granted to Directors	-	-	-

CONSOLIDATED ACCOUNTS

STATEMENTS OF CASH FLOWS

(BEF thousand)

SOURCES OF LONG-TERM FUNDS	Consolidated accounts			Restricted consolidated accounts		
	1997	1996	1995	1997	1996	1995
Cash flow of the year	8,324,248	4,972,967	3,473,863	3,798,705	3,483,299	3,091,719
Net profit (Group)	7,698,826	5,082,664	2,363,655	3,656,697	3,826,174	2,100,296
(Minority interests)	404,739	170,661	88,318	61,599	54,945	51,933
Depreciation and net write-offs	224,183	(18,501)	776,640	83,909	(170,070)	694,240
Provisions for liabilities and charges	(3,500)	(261,857)	245,250	(3,500)	(227,750)	245,250
Other changes in equity	265,736	462,079	(267,780)	(7,733)	(3,479)	75,262
Other changes in minority interests	32,793	260,554	(50,916)	(4,534)	241,000	(52,963)
Long-term debt	-	-	-	15,636	(17,279)	236,561
	8,622,777	5,695,600	3,155,167	3,802,074	3,703,541	3,350,579
APPLICATIONS OF LONG-TERM FUNDS						
Dividends paid	2,635,360	2,584,680	2,552,188	2,635,360	2,584,680	2,552,188
Tangible assets	142,692	146,752	68,778	142,692	146,752	68,778
Long-term investments (including goodwill)	5,074,119	(3,455,475)	(277,075)	46,125	(5,415,296)	(297,501)
	7,852,171	(724,043)	2,343,891	2,824,177	(2,683,864)	2,323,465
Net increase/(decrease) in long-term funds	770,606	6,419,643	811,276	977,897	6,387,405	1,027,114
CHANGES IN WORKING CAPITAL						
Increase/(decrease) in current assets						
Trade receivables within one year	37,366	(22)	7,045	37,366	(22)	7,045
Other amounts receivable within one year	(1,850,025)	5,624,243	180,348	(1,909,162)	5,491,493	267,414
Short-term investments - own shares	(125,077)	872,095	-	(125,077)	872,095	-
Short-term investments - other investments and deposits	2,115,320	(15,368)	(1,477,827)	2,327,951	139,035	(1,449,105)
Cash at bank and in hand	(936,735)	3,528,516	1,924,711	(920,345)	3,486,781	1,944,159
Deferred charges and accrued income	196,233	(66,667)	40,246	199,881	(65,896)	40,001
	(562,918)	9,942,797	674,523	(389,386)	9,923,486	809,514
Increase/(decrease) in current liabilities						
Transfers from long-term debt	-	-	(20,000)	-	-	(20,000)
Financial liabilities	(1,407,083)	3,424,258	(383,180)	(1,408,756)	3,425,931	(468,265)
Trade payables	(8,980)	23,266	23,046	(8,980)	23,266	23,046
Taxes, salaries and social charges payable	21,576	60,384	(19,121)	18,352	63,608	(20,782)
Other amounts payable within one year	(163,230)	89,783	331,031	(190,071)	89,788	331,026
Accrued charges and deferred income	224,193	(74,537)	(68,529)	222,172	(66,512)	(62,625)
	(1,333,524)	3,523,154	(136,753)	(1,367,283)	3,536,081	(217,600)
Increase/(decrease) in working capital	770,606	6,419,643	811,276	977,897	6,387,405	1,027,114

After a 1995 financial year with little movement in the portfolio, NPM/CNP disposed of the following shareholdings in 1996 and 1997 :

- ROYALE BELGE
53,425 shares in 1996 (for an amount of BEF 339 million) and 47,575 shares in 1997 (BEF 356 million).
- ESPIRITO SANTO FINANCIAL HOLDING
1,783,695 shares in 1997 (for an amount of BEF 1,128 million) and 263,474 shares in 1997 (BEF 199 million).
- COBEPA
288,174 shares in 1997 for an amount of BEF 431 million.
- ELF AQUITAINE
296,695 shares in 1997 for an amount of BEF 1,132 million.
- SCI & ASSOCIÉS
The whole shareholding mid-1996 for an amount of BEF 5,056 million.

Shareholdings meant to be sold have been classified as short-term investments : PARIBAS end 1996 (BEF 244 million) and ARTEMIS end 1997 (BEF 205 million).

In 1997, NPM/CNP acquired 100 % of SUZY (BEF 77 million for the shares and BEF 200 million for long-term advances) and of IJSBOERKE (BEF 1,449 million).

Ladies, Gentlemen,

In accordance with the legal and statutory requirements, we report on our audit assignment which you have entrusted to us.

We have examined the consolidated annual accounts for the year ended 31 December 1997, which have been prepared under the responsibility of the Board of Directors and which show a balance sheet total of BEF 74,285,102 (000) and an income statement resulting in a profit, for the year of BEF 7,698,826 (000) (Group share). In addition, we have performed specific procedures with respect to the Directors' report.

Unqualified audit opinion on the financial statements

Our examination has been conducted in accordance with the auditing standards of the INSTITUT DES REVISEURS D'ENTREPRISE / INSTITUUT DER BEDRIJFSREVISOREN. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated annual accounts are free of material misstatement and are in compliance with the Belgian legal and regulatory requirements.

In accordance with these standards we have taken into account the administrative and accounting organisation of the Company as well as the procedures of internal control. The responsible officers of the company have clearly replied to all our requests for information and explanations. We have examined, on a test basis, the evidence supporting the amounts included in the consolidated financial statements. We have assessed the accounting policies used, the significant estimates made by the Company and the overall presentation of the consolidated annual accounts. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated annual accounts present fairly the financial position of NPM/CNP as of 31 December 1997, and the results of its operations for the year then ended taking into account the legal and regulatory requirements, and the supplementary information given in the notes is adequate.

Additional certifications

We supplement our report with the following certifications which do not impact on our audit opinion on the financial statements :

- The Directors' report includes the information required by the law and is in accordance with the consolidated financial statements.

Brussels, 3 April 1998

The Statutory Auditors

KLYNVELD PEAT MARWICK GOERDELER
Reviseurs d'Entreprises S.C.C.
represented by
Georges M. TIMMERMAN

DELOITTE & TOUCHE
Reviseurs d'Entreprises S.C.C.
represented by
Claude POURBAIX

Introduction

PARJOINTCO N.V., a company registered under Dutch law, was set up in 1990, on the basis of equality of shareholding and management control between the FRÈRE-BOURGEOIS/NPM-CNP Group on the one hand and POWER CORPORATION OF CANADA on the other. It is the financial vehicle for joint control of the PARGESA/GBL/PARFINANCE groups, consolidating approximately 54.5 % of the capital of PARGESA which, in turn, controls GBL. These two latter companies together control PARFINANCE (86.5 % of the capital).

Principles of consolidation

The audited accounts of the companies listed above were included as transmitted by their auditors, the only exceptions being the correcting entries necessary to bring them in line with the Belgian accounting principals and those allowing the change from consolidation under the equity method to full consolidation of GBL and PARFINANCE by PARGESA ; the accounts presented here also consolidate ELECTRAFINA and AUDIOFINA, which are included in GBL's accounts.

As already stated, positive goodwill relating to the various companies is not allocated but is shown as part of the cost of the companies on which it has arisen and amortised at a rate of 5 % per annum. However, following the sale by ELECTRAFINA of its shares in TRACTEBEL in the second half of 1996, PARGESA considered it appropriate to record an exceptional amortisation charge of BEF 431 million against its goodwill in GBL (BEF 237 million relating to the part belonging to PARJOINTCO). PARJOINTCO itself charged exceptional amortisation of BEF 680 million, calculated as the difference, at the time of its creation in 1990, between the stock market value of the TRACTEBEL shares and their consolidated book value within the PARGESA/GBL/PARFINANCE Group. Similarly, in 1997, because of the capital gains made by the PARGESA Group on its shareholdings in BBL and in CLT, PARJOINTCO booked an exceptional goodwill amortisation of BEF 621 million.

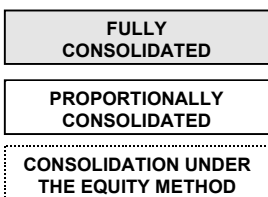
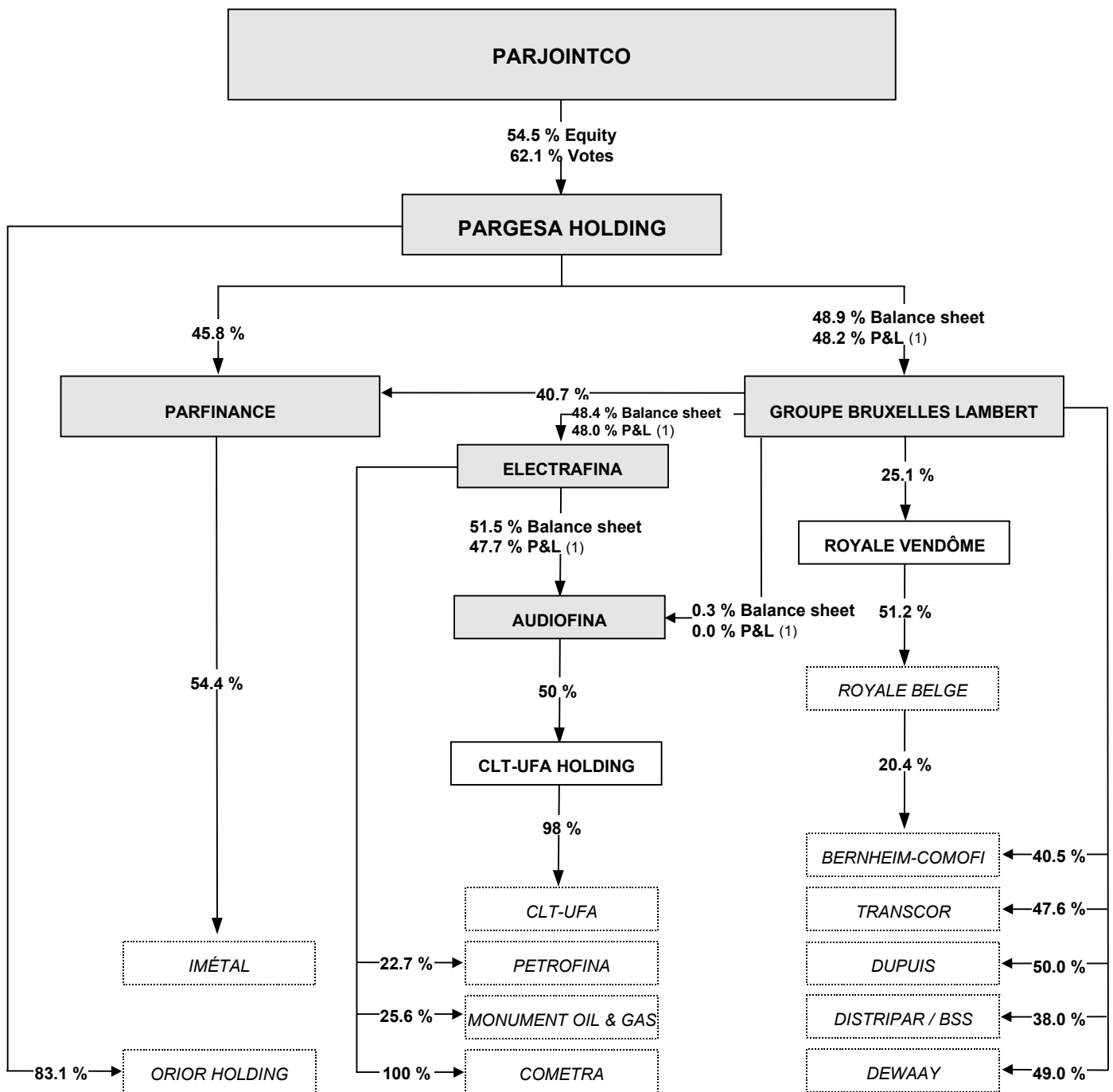
Highlights of the 1997 financial year

During the 1996 financial year, the equity of PARJOINTCO changed as follows (BEF million) :

- equity at 31.12.1996	38,530
- profit for the year	8,002
- distributed dividend	(1,585)
- translation adjustments	1,015
- changes in accounting principles by PETROFINA	(211)
- equity at 31.12.1997	45,751

PARJOINTCO, as such, did not conduct significant financial operations during the 1995 financial year. Operations conducted by PARJOINTCO's subsidiaries (PARGESA, GBL, PARFINANCE, ELECTRAFINA and AUDIOFINA) are described in the management report section. The most significant accounting impacts come from the capital gains booked on the shareholding in CLT (upon grouping of the CLT activities with those of UFA) and on BBL shares as a consequence of the Public Offer by ING.

Consolidation structure at 31 December 1997



(1) shares acquired at the end of the year did not contribute to the 1997 profit

CONSOLIDATED ACCOUNTS

PARJOINTCO - BALANCE SHEETS

ASSETS <i>(BEF million)</i>	Group share			Minority interests			Total		
	1997	1996	1995	1997	1996	1995	1997	1996	1995
Goodwill	3,803	3,862	5,532	10,501	24,971	13,580	14,304	28,833	19,112
Equity-accounted companies	19,974	21,411	19,622	72,670	87,446	97,510	92,644	108,857	117,132
Other fixed assets and investments	13,773	11,775	11,967	59,530	35,858	40,315	73,303	47,633	52,282
	37,550	37,048	37,121	142,701	148,275	151,405	180,251	185,323	188,526
Current assets	17,315	8,830	9,963	56,482	31,704	22,012	73,797	40,534	31,975
Total	54,865	45,878	47,084	199,183	179,979	173,417	254,048	225,857	220,501

LIABILITIES AND EQUITY <i>(BEF million)</i>	Group share			Minority interests			Total		
	1997	1996	1995	1997	1996	1995	1997	1996	1995
Equity (Group)	45,751	38,530	36,165	-	-	-	45,751	38,530	36,165
Minority interests	-	-	-	186,078	162,843	148,337	186,078	162,843	148,337
Provisions for liabilities and charges	1,003	1,018	824	1,519	1,389	1,065	2,522	2,407	1,889
Long-term debt	2,936	4,405	6,336	10,275	11,959	13,977	13,211	16,364	20,313
Current liabilities	5,175	1,925	3,759	1,311	3,788	10,038	6,486	5,713	13,797
Total	54,865	45,878	47,084	199,183	179,979	173,417	254,058	225,857	220,501

RESULTS (BEF million)	Group share			Minority interests			Total		
	1997	1996	1995	1997	1996	1995	1997	1996	1995
Dividends and interests	444	325	445	1,768	796	1,293	2,212	1,121	1,738
Results of equity-accounted companies	2,575	2,414	2,031	8,060	11,652	10,994	10,635	14,066	13,025
Income from investments	3,019	2,739	2,476	9,828	12,448	12,287	12,847	15,187	14,763
Gains on disposal of current assets	202	79	76	346	104	224	548	183	300
Other financial revenue	1,164	885	800	4,032	2,397	1,750	5,196	3,282	2,550
Interest expenses	(378)	(360)	(537)	(888)	(894)	(1,170)	(1,266)	(1,254)	(1,707)
Losses, amounts written off and written back on current assets	(48)	-	(70)	(109)	-	(261)	(157)	-	(331)
Other financial expenses	(651)	(220)	(122)	(1,987)	(673)	(341)	(2,638)	(893)	(463)
Other expenses and operating revenue	(250)	(297)	(211)	(473)	(481)	(467)	(723)	(778)	(678)
Operating income before taxes	3,058	2,826	2,412	10,749	12,901	12,022	13,807	15,727	14,434
Gains on disposal of investments	6,281	2,832	315	22,863	17,515	959	29,144	20,347	1,274
Losses, amounts written off and written back on investments	(132)	(246)	(111)	(474)	(580)	(337)	(606)	(826)	(448)
Amortisation of goodwill	(1,169)	(1,410)	(441)	(1,100)	(1,659)	(1,034)	(2,269)	(3,069)	(1,475)
Other extraordinary revenue/(expenses)	1	(269)	(2)	(30)	(722)	21	(29)	(991)	19
Capital result before taxes	4,981	907	(239)	21,259	14,554	(391)	26,240	15,461	(630)
Taxes	(37)	(7)	(3)	(196)	(18)	(115)	(233)	(25)	(118)
Net profit	8,002	3,726	2,170	31,812	27,437	11,516	39,814	31,163	13,686

CONSOLIDATED ACCOUNTS

PARJOINTCO - ANALYSIS OF THE MAJOR ITEMS

GOODWILL

(BEF million)

	Group share			Minority interests			Total		
	1997	1996	1995	1997	1996	1995	1997	1996	1995
PARGESA	710	1,330	2,093	-	-	-	710	1,330	2,093
PETROFINA	1,012	1,091	1,124	6,826	7,627	8,278	7,838	8,718	9,402
ROYALE BELGE	498	536	599	1,370	1,518	1,675	1,868	2,054	2,274
GBL	1,034	417	804	863	342	644	1,897	759	1,448
IMÉTAL	442	331	474	791	588	1,513	1,233	919	1,987
Others	107	157	438	651	14,896	1,470	758	15,053	1,908
Total	3,803	3,862	5,532	10,501	24,971	13,580	14,304	28,833	19,112

INVESTMENTS IN EQUITY-ACCOUNTED COMPANIES

(BEF million)

	% held			Group share			Minority interests			Total		
	1997	1996	1995	1997	1996	1995	1997	1996	1995	1997	1996	1995
IMÉTAL	54.4	52.5	52.7	8,238	7,098	4,028	14,755	12,601	12,839	22,993	19,699	16,867
PETROFINA	22.7	22.8	22.8	4,455	4,069	3,563	30,874	28,454	26,254	35,329	32,523	29,817
BBL	-	12.4	12.4	-	2,987	2,751	-	8,459	7,695	-	11,446	10,446
TRACTEBEL	-	-	20.5	-	-	2,594	-	-	19,118	-	-	21,712
ROYALE BELGE	12.9	12.9	13.0	2,879	2,292	2,054	7,916	6,489	5,743	10,795	8,781	7,797
ORIOR HOLDING	83.1	74.1	69.0	1,980	1,721	1,749	1,651	1,406	1,400	3,631	3,127	3,149
COMETRA	100.0	100.0	100.0	655	611	488	4,414	4,270	3,595	5,069	4,881	4,083
CLT-UFA (1)	50.0	97.1	96.8	634	1,342	1,081	8,788	21,145	16,249	9,422	22,487	17,330
BERNHEIM-COMOFI	40.5	40.5	40.5	385	373	426	1,060	1,058	1,192	1,445	1,431	1,618
MONUMENT / NIMEX	25.6	25.7	66.7	319	228	215	2,147	1,595	1,587	2,466	1,823	1,802
Others				429	690	673	1,065	1,969	1,838	1,494	2,659	2,511
Total				19,974	21,411	19,622	72,670	87,446	97,510	92,644	108,857	117,132

(1) CLT-UFA HOLDING, 50 % jointly held, owns 98 % of CLT-UFA

PROFITS OF EQUITY-ACCOUNTED COMPANIES

(BEF million)

	Profit (100 %)			Group share			Minority interests			Total		
	1997	1996	1995	1997	1996	1995	1997	1996	1995	1997	1996	1995
IMÉTAL (FRF)	620	614	596	724	692	443	1,306	1,229	1,412	2,030	1,921	1,855
ROYALE BELGE	23,159	11,315	6,176	722	418	234	2,028	1,183	655	2,750	1,601	889
PETROFINA	22,060	16,048	11,608	630	450	310	4,367	3,158	2,287	4,997	3,608	2,597
BBL	11,778	10,291	8,941	384	333	292	1,078	943	817	1,462	1,276	1,109
BERNHEIM-COMOFI	317	(160)	426	35	(18)	43	98	(50)	122	133	(68)	165
ORIOR HOLD. (CHF)	1.6	6.8	12.4	12	68	118	10	55	94	22	123	212
CLT-UFA	(2,882)	3,372	3,335	(87)	194	200	(1,336)	3,049	3,008	(1,423)	3,243	3,208
TRACTEBEL (1)	-	7,510	11,335	-	196	283	-	1,374	2,083	-	1,570	2,366
Others				155	352	75	509	1,127	275	664	1,479	350
Total				2,575	2,739	2,031	8,060	12,448	10,994	10,635	15,187	13,025

(1) In 1996, this shareholding contributed to the profit only for the first six months

GAINS ON DISPOSAL OF INVESTMENTS

	Group share			Minority interests			Total		
	1997	1996	1995	1997	1996	1995	1997	1996	1995
	<i>(BEF million)</i>								
BBL	3,639	-	-	10,212	-	-	13,851	-	-
CLT	1,259	-	-	3,533	-	-	4,792	-	-
Oil assets	829	-	-	5,747	-	-	6,576	-	-
GIB GROUP	211	-	-	593	-	-	804	-	-
TRACTEBEL	-	2,341	-	-	16,434	-	-	18,775	-
CARNAUDMETALBOX	-	370	-	-	658	-	-	1,028	-
Others	343	121	315	2,778	423	959	3,121	544	1,274
Total	6,281	2,832	315	22,863	17,515	959	29,144	20,347	1,274

LOSSES ON DISPOSAL OF INVESTMENTS (-), AMOUNTS WRITTEN OFF (-) AND WRITTEN BACK (+)

	Group share			Minority interests			Total		
	1997	1996	1995	1997	1996	1995	1997	1996	1995
	<i>(BEF million)</i>								
PARIBAS	131	(181)	(53)	236	(490)	(170)	367	(671)	(223)
Others	(263)	(65)	(58)	(710)	(90)	(167)	(973)	(155)	(225)
Total	(132)	(246)	(111)	(474)	(580)	(337)	(606)	(826)	(448)

AMORTISATION OF GOODWILL

	Group share			Minority interests			Total		
	1997	1996	1995	1997	1996	1995	1997	1996	1995
	<i>(BEF million)</i>								
PARGESA by PARJOINTCO	(735)	(840)	(156)	-	-	-	(735)	(840)	(156)
GBL by PARGESA	(183)	(330)	(94)	(152)	(269)	(76)	(335)	(599)	(170)
PETROFINA	(85)	(86)	(82)	(592)	(601)	(605)	(677)	(687)	(687)
IMÉTAL	(71)	(42)	(41)	(128)	(74)	(132)	(199)	(116)	(173)
ROYALE BELGE	(50)	(50)	(52)	(140)	(140)	(145)	(190)	(190)	(197)
AUDIOFINA / CLT	-	(54)	-	-	(529)	-	-	(583)	-
Others	(45)	(8)	(16)	(88)	(46)	(76)	(133)	(54)	(92)
Total	(1,169)	(1,410)	(441)	(1,100)	(1,659)	(1,034)	(2,269)	(3,069)	(1,475)

CONSOLIDATED ACCOUNTS

SUMMARIZED FINANCIAL STATEMENTS OF MAJOR NON-LISTED SHAREHOLDINGS

The financial statements of the major non-listed shareholdings (other than PARJOINTCO) equity-accounted by NPM/CNP are presented hereafter in a summarized version :

ACIDE CARBONIQUE PUR (BEF million)

	1997	1996	1995	1994	1993
Intangible assets	-	-	-	5	9
Tangible assets	1,799	1,763	1,926	2,149	1,995
Investments	1	43	11	31	434
Inventories	56	58	56	56	51
Receivables	413	720	663	720	239
Other current assets	2,236	1,348	1,359	2,121	1,749
Assets	4,505	3,932	4,015	5,082	4,477
Equity (before dividends)	1,605	1,444	1,243	2,601	2,542
Minority interests	1	1	1	1	1
Provisions for liabilities and charges	155	163	187	186	222
Long-term debt	1,320	740	952	1,198	1,134
Non financial short-term debt	737	1,086	528	859	360
Other short-term liabilities	687	498	1,104	237	218
Liabilities and equity	4,505	3,932	4,015	5,082	4,477
Turnover	1,102	1,081	1,072	1,084	1,178
Cash flow before tax	496	457	434	330	1,462
Total profit before tax	282	213	153	110	1,231
Net income	271	201	132	74	1,089
Dividend	100	100	1,482	-	-

ÉDITIONS DUPUIS (BEF million)

	1997	1996	1995	1994	1993
Intangible assets	312	238	310	299	349
Tangible assets	188	203	214	232	126
Investments	29	14	46	11	2
Inventories	329	378	288	294	358
Receivables	620	735	460	386	516
Other current assets	398	265	292	408	546
Assets	1,876	1,833	1,610	1,630	1,897
Equity (before dividends)	783	762	692	686	1,022
Minority interests	-	-	-	-	-
Provisions for liabilities and charges	-	-	23	25	30
Long-term debt	47	58	66	77	88
Non financial short-term debt	1,046	1,013	729	692	757
Other short-term liabilities	-	-	100	150	-
Liabilities and equity	1,876	1,833	1,610	1,630	1,897
Turnover	2,176	1,799	1,675	1,637	1,454
Cash flow before tax	361	248	232	172	108
Total profit before tax	157	117	84	103	87
Net income	98	77	62	86	59
Dividend	85	75	36	30	28

IJSBOERKE ⁽¹⁾ (BEF million)

	1997	1996	1995	1994	1993
Intangible assets	8	9	10	12	1
Tangible assets	585	740	816	883	955
Investments	21	22	22	25	26
Inventories	166	215	245	194	181
Receivables	139	137	146	148	133
Other current assets	61	50	55	62	72
Assets	980	1,173	1,294	1,324	1,368
Equity (before dividends)	210	209	188	223	151
Minority interests	-	-	-	-	-
Provisions for liabilities and charges	84	137	162	163	166
Long-term debt	308	357	468	517	659
Non financial short-term debt	202	261	341	295	280
Other short-term liabilities	176	209	135	126	112
Liabilities and equity	980	1,173	1,294	1,324	1,368
Turnover	1,819	1,795	2,017	1,978	1,850
Cash flow before tax	121	161	198	251	175
Total profit before tax	6	28	55	112	38
Net income	2	23	36	71	13
Dividend	-	-	-	-	-

(1) Group accounts including IJSBOERKE, STARCO TIELEN, IMMO TIELEN and BELHOLDING.

SUZY (BEF million)

	1997 ⁽¹⁾
Intangible assets	-
Tangible assets	311
Investments	-
Inventories	143
Receivables	322
Other current assets	-
Assets	776
Equity (before dividends)	77
Minority interests	-
Provisions for liabilities and charges	9
Long-term debt	200
Non financial short-term debt	311
Other short-term liabilities	179
Liabilities and equity	776
Turnover	1,572
Cash flow before tax	74
Total profit before tax	28
Net income	26
Dividend	-

The SUZY Group underwent major restructuring before its takeover by NPM/CNP ; the consolidated accounts of previous years are consequently impossible to compare ; moreover the accounting principles were not consistent with those applied by NPM/CNP.

(1) accounts closed per 30 September.

CONSOLIDATED ACCOUNTS

SUMMARIZED FINANCIAL STATEMENTS OF MAJOR NON-LISTED SHAREHOLDINGS

HÉLIO CHARLEROI (BEF million)

	1997	1996	1995	1994	1993
Intangible assets	-	-	-	-	-
Tangible assets	649	856	1,083	1,259	937
Investments	3	3	3	2	4
Inventories	72	64	184	62	40
Receivables	534	547	663	352	289
Other current assets	122	135	181	95	98
Assets	1,380	1,605	2,114	1,770	1,368
Equity (before dividends)	448	329	230	192	183
Minority interests	-	-	-	-	-
Provisions for liabilities and charges	118	65	30	5	5
Long-term debt	434	597	804	939	553
Non financial short-term debt	380	416	784	400	550
Other short-term liabilities	-	198	266	234	77
Liabilities and equity	1,380	1,605	2,114	1,770	1,368
Turnover	2,138	2,018	2,229	1,507	1,553
Cash flow before tax	392	312	267	168	152
Total profit before tax	184	99	49	20	5
Net income	167	81	49	20	5
Dividend	-	-	-	-	-

TRANSCOR (BEF million)

	1997	1996	1995	1994	1993
Intangible assets	-	-	-	-	-
Tangible assets	60	47	60	78	74
Investments	25	82	20	37	59
Inventories	1,225	2,272	1,179	1,599	2,002
Receivables	2,275	2,306	2,145	3,158	4,396
Other current assets	1,486	844	968	1,728	1,398
Assets	5,071	5,551	4,372	6,600	7,929
Equity (before dividends)	1,634	1,431	1,253	1,511	1,600
Minority interests	-	-	-	9	15
Provisions for liabilities and charges	36	36	37	35	38
Long-term debt	-	-	-	-	-
Non financial short-term debt	3,092	3,662	2,884	3,689	3,384
Other short-term liabilities	309	422	198	1,356	2,892
Liabilities and equity	5,071	5,551	4,372	6,600	7,929
Turnover	49,055	42,051	33,324	59,045	72,885
Cash flow before tax	295	208	82	324	189
Total profit before tax	279	193	66	294	160
Net income	216	173	45	257	150
Dividend	200	145	50	240	240

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NOTICE

In accordance with article 80bis of the Co-ordinated Laws on Commercial Companies, the statutory accounts presented in this chapter are an abridged version of the Parent Company accounts, and they include neither all the notes and information required by law nor the report of the Statutory Auditors, who have provided an unqualified opinion. The complete accounts will be deposited at the NATIONAL BANK OF BELGIUM and will also be available at the Company's head office.

NON-CONSOLIDATED ACCOUNTS

BALANCE SHEETS

ASSETS (BEF thousand)		1997	1996	1995
FIXED ASSETS		52,973,161	48,326,675	48,281,150
III.	Tangible fixed assets	96,749	1,718	4,547
	A. Lands and buildings	4,078	-	-
	C. Furniture and vehicles	3,583	1,718	4,547
	E. Assets under construction and advance payments	89,088	-	-
IV.	Investments	52,876,412	48,324,957	48,276,603
	A. Subsidiaries			
	1. Shareholdings	28,431,269	25,060,164	22,973,042
	B. Related companies			
	1. Shareholdings	15,342,469	15,342,469	18,995,785
	2. Receivables	-	-	1,772,996
	C. Other investments			
	1. Stocks and shares	9,102,674	7,922,324	4,534,780
CURRENT ASSETS		16,115,778	16,401,285	19,146,808
VII.	Amounts receivables within one year	6,305,355	7,841,266	12,565,431
	B. Other receivables	6,305,355	7,841,266	12,565,431
VIII.	Short-term investments	6,503,957	5,356,005	4,118,532
	A. Own shares	-	28,396	-
	B. Other investments	6,503,957	5,327,609	4,118,532
IX.	Cash at bank and in hand	3,207,265	3,080,752	2,250,780
X.	Deferred expenses and accrued income	99,201	123,262	212,065
TOTAL ASSETS		69,088,939	64,727,960	67,427,958

NON-CONSOLIDATED ACCOUNTS

BALANCE SHEETS

LIABILITIES AND EQUITY (BEF thousand)		1997	1996	1995
EQUITY		55,427,857	53,741,840	51,416,304
I.	Capital	4,751,250	4,751,250	4,751,250
	A. Issued capital	4,751,250	4,751,250	4,751,250
II.	Share premium account	42,824,428	42,824,428	42,824,428
IV.	Reserves	1,591,909	1,129,203	766,408
	A. Legal reserve	475,125	475,125	475,125
	B. Non-distributable reserves			
	1. Own shares	825,501	362,795	-
	2. Others	215	215	215
	C. Tax-free reserves	221,068	221,068	221,068
	D. Distributable reserves	70,000	70,000	70,000
V.	Profit carried forward	6,260,270	5,036,959	3,074,218
PROVISIONS AND DEFERRED TAXATION		4,000	23,500	142,410
VII.	A. Provisions for liabilities and charges	4,000	23,500	142,410
	4. Other liabilities and charges	4,000	23,500	142,410
LIABILITIES		13,657,082	10,962,620	15,869,244
VIII.	Amounts payable after more than one year	3,273,750	3,273,750	3,273,750
	A. Financial liabilities			
	2. Non-subordinated debentures	3,273,750	3,273,750	3,273,750
IX.	Amounts payable within one year	10,065,945	7,190,344	12,320,565
	B. Financial debts			
	1. Amounts due to financial institutions	1,220,973	1,019,941	995,612
	2. Other loans	6,050,000	3,500,000	
	C. Trade payables			
	1. Suppliers	19,636	2,065	1,098
	E. Taxes, salaries and social charges payable			
	1. Taxes	80,845	77,064	48,186
	2. Salaries and social charges	-	176	176
	F. Other liabilities	2,694,491	2,591,098	11,275,493
X.	Accrued expenses and deferred income	317,387	498,526	274,929
LIABILITIES AND EQUITY		69,088,939	64,727,960	67,427,958

NON-CONSOLIDATED ACCOUNTS

PROFIT AND LOSS STATEMENTS

EXPENSES (BEF thousand)	1997	1996	1995
A. Interest expense	357,400	395,844	487,591
B. Other financial expense	85,913	143,179	82,611
C. Miscellaneous goods and services	68,083	311,465	48,293
D. Payroll expenses	27,181	34,532	38,432
E. Miscellaneous operating expenses	19,232	140	184
F. Depreciation and write-off of formation expenses, tangible and intangible assets	3,913	2,560	3,351
G. Write-off on	114,520	234	1,021,627
1. investments	-	-	941,174
2. current assets	114,520	234	80,453
H. Provisions for liabilities and charges	4,000	3,500	6,410
I. Losses on disposal of	4,614	650	179,773
1. tangible and intangible fixed assets	88	-	293
2. investments	90	16	168,530
3. current assets	4,436	634	10,950
J. Exceptional expenses	-	25,987	136,000
L. Taxes	37,216	55,716	29,020
M. Profit for the year	4,321,377	4,910,216	2,393,518
TOTAL EXPENSES	5,043,449	5,884,023	4,426,810

O. Profit for the year available for appropriation	4,321,377	4,910,216	3,673,341
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PROFIT APPROPRIATION (BEF thousand)	1997	1996	1995
C. Transfer to reserves	462,706	362,795	-
2. to the legal reserve	-	-	-
3. to other reserves	462,706	362,795	-
D. Profit carried forward	6,260,270	5,036,959	3,074,218
1. Profit carried forward	6,260,270	5,036,959	3,074,218
F. Profit to be distributed	2,635,360	2,584,680	2,552,188
1. Dividends to shareholders	2,635,360	2,584,680	2,552,188
	9,358,336	7,984,434	5,626,406

NON-CONSOLIDATED ACCOUNTS

PROFIT AND LOSS STATEMENTS

REVENUE (BEF thousand)	1997		1996		1995	
A. Revenue from investments		1,308,283		2,732,037		2,237,842
1. Dividends	1,308,283		2,697,893		2,163,936	
2. Interests	-		34,144		73,906	
B. Revenue from current assets		660,041		722,403		890,163
C. Other financial revenue		252,573		93,528		66,387
E. Other operating revenue		38,486		34,050		31,566
G. Write-back on		847,452		64,670		84,316
1. investments	843,909		10,091		-	
2. current assets	3,543		54,579		84,316	
H. Reversals of provisions for liabilities and charges		23,500		142,410		2,500
I. Profits on disposal of		1,910,616		2,089,104		1,102,255
1. tangible and intangible fixed assets	574		108		-	
2. investments	1,302,824		1,901,008		706,762	
3. current assets	607,218		187,988		395,493	
J. Extraordinary revenue		6		60		-
L. Adjustment of income taxes and write-back of tax provisions		2,492		5,761		11,781
TOTAL REVENUE		5,043,449		5,884,023		4,426,810
N. Transfer from tax-free reserves		-		-		1,279,823
PROFIT APPROPRIATION (BEF thousand)						
A. Profit available for appropriation		9,358,336		7,984,434		5,626,406
1. Profit for the year available for appropriation	4,321,377		4,910,216		3,673,341	
2. Profit brought forward from the previous year	5,036,959		3,074,218		1,953,065	
		9,358,336		7,984,434		5,626,406

NON-CONSOLIDATED ACCOUNTS

EXTRACT FROM THE NOTES

VIII. Statement of capital

A. Share capital	In BEF thousand	Number of shares
1. Issued capital		
- opening balance	4,751,250	25,340,000
- changes during the year	-	-
- closing balance	4,751,250	25,340,000
2. Description of capital		
2.1. Types of shares		
- ordinary	4,651,281	24,806,830
- AFV 1	9,075	48,400
- AFV 2	144	770
- AFV 3	45,375	242,000
- AFV 4	45,375	242,000
2.2. Registered or bearer shares		
- registered		17,932,201
- bearer		7,407,799
D. Commitments to issue shares		
2. Subscription rights		
- number of subscription rights in issue		
- until 1999, at BEF 1,696 per share		200,000
- until 1999, at BEF 2,365 per share		1,500,000
- capital to be subscribed	318,750	
- maximum number of shares to be issued		1,700,000
E. Capital authorised but not issued	2,000,000	

G. Shareholding structure (law of 2 March 1989)

At 31 December 1997, based on declarations received by that date :

Shareholders	Number of shares held	Number of warrants	Percentages		Date of declaration
			non diluted	fully diluted	
INVESTOR	91,202	1,500	0.36	0.35	30.06.97
CARPAR	286,917	-	1.13	1.06	30.06.97
NPM/CNP	-	299	-	-	30.06.97
<i>Sub-Group NPM/CNP</i>	<i>378,119</i>	<i>1,799</i>	<i>1.49</i>	<i>1.41</i>	<i>30.06.97</i>
FIBELPAR	11,393,967	-	44.97	42.14	30.06.97
PAM N.V.	2,210,070	-	8.72	8.17	30.06.97
ERBE FINANCE	-	103,750	-	0.38	30.06.97
BELGIAN SKY SHOPS	670,930 (1)	-	2.65	2.48	30.06.97
IMMOBILIÈRE BERNHEIM-OUTREMER	71,001 (1)	-	0.28	0.26	30.06.97
FIBELPAR Group and associated companies	14,724,087	105,549	58.11	54.84	30.06.97
UAP VIE	1,261,066	-	4.98	4.66	21.03.94
ROYALE BELGE	1,149,382	-	4.54	4.25	21.03.94
URBAINE UAP (2)	266,666	-	1.05	0.99	21.03.94
LLOYD BELGE (2)	69,595	-	0.27	0.26	21.03.94
L'ASSURANCE LIEGEOISE (2)	42,000	-	0.17	0.16	21.03.94
FOYER BELGE (2)	10,666	-	0.04	0.04	21.03.94
UAP (now AXA-UAP) and ROYALE BELGE Groups	2,799,375	-	11.05	10.35	21.03.94

(1) early April 1998, BELGIAN SKY SHOPS owned 87,449 NPM/CNP shares, representing 0.35 % and 0.32 % of the non diluted and fully diluted capital of the Company and IMMOBILIÈRE BERNHEIM-OUTREMER did not hold any share any longer

(2) the shares held by those companies were subsequently bought by ROYALE BELGE 1994

XX. Accounting policies**1. Formation expenses**

Formation expenses are written off by at least 20 % per annum. The issue costs of borrowed capital, discounts and premiums on loans are written off over the loan period.

In any event, the Board of Directors can decide to write off the formation expenses in the year in which they were incurred.

2. Tangible fixed assets

Tangible fixed assets are recorded at cost or at the contributed value.

The straight line depreciation method is used and the following annual rates are applied :

- real estate rights	2 % (duration of the rights)
- vehicles	25 %
- furniture and office equipment	20 %
- computer equipment	33 %
- telephone facilities	33 %

3. Investments**a) Shareholdings and other securities**

Shareholdings and other securities are recorded at cost, taking account of any adjustments to the value which may be necessary, excluding incidental costs which are written off in the year in which they are incurred.

Shareholdings

Shareholdings value is estimated at the end of each financial year, based primarily on a prudent assessment of the underlying net assets, taking into account latent gains and losses which are considered to be of a permanent nature in view of the circumstances, profitability and known prospects of the Company.

The value of shareholdings is reduced to the extent that there has been a permanent impairment in value.

However, as provided for in article 34 of the Royal Decree of 8 October 1976, the Board may decide to take permanent increases in the value of investments directly to section III of the balance sheet without passing through the income statement.

Other securities

Shares quoted on the stock exchange or in public sale are valued at the market price, if significant.

Unquoted shares, and shares in which there is not considered to be significant trading, are valued in the same way as shareholdings.

The carrying value is reduced where there has been a permanent impairment in value.

b) Other investments

These are recorded at their cost or nominal value. The carrying value is reduced where there has been a permanent impairment in value.

c) Receivables and guarantees

Receivables, including fixed interest bonds, included in investments, are written down where repayment at maturity, in whole or in part, is uncertain or otherwise compromised.

4. Amounts receivable after more than one year

These are valued in the same way as receivables included in other investments.

5. Amounts receivable within one year

These are valued in the same way as receivables included in other investments but without considering the permanent nature of impairments in value.

6. Short-term investments

These are recorded at cost excluding incidental expenses which are charged to the income statement.

In general, shares quoted on the stock exchange or in public sale are valued in the same way as other securities included in investments. However, write-downs are recorded, whether or not they are considered to be permanent.

7. Provisions for liabilities and charges

At the end of each financial year, the Board of Directors examines previous provisions and considers new provisions required to cover possible liabilities or charges.

8. Commitments and recourse against third parties

The Board of Directors values commitments and recourse against third parties at the nominal value of the legal commitment referred to in the contract ; if there is no nominal value or in borderline cases, they will be noted for the record only.

9. Assets and liabilities recorded in foreign currencies

These are translated at the buying rate on the last day of the financial year.

10. Cost Association ⁽¹⁾

The Company is a member of a cost association (Association de frais), set up as an autonomous grouping with no legal personality, by a number of related companies, with the aim of rationalising and reducing their administrative costs by combining their staff, offices, property, equipment and, in general, all the expenses incurred in managing their operations.

The allocation of expenses and costs incurred by the association is carried out in accordance with the following rules :

- Expenses and costs - mainly payroll and miscellaneous costs - relating to operations and particular events occurring during the financial year and involving one or more of the members of the association are charged directly to the member or members concerned on an actual or lump sum basis depending on the circumstances, and on the basis of appropriate documentation.
- The balance of the expenses and charges is allocated proportionally among the members of the association in accordance with a formula based primarily on estimated net assets, annual movement in net assets and gross operating income.

A statement of costs is drawn up at the end of each financial year indicating, by income statement item, the share allocated to each member of the association.

(1) NPM/CNP is also charged, based on actual services rendered, with invoices from CENTRE DE COORDINATION DE CHARLEROI (accounting, treasury, personnel and administration services) and by COMPAGNIE IMMOBILIÈRE DE ROUMONT (management of the building and of the shareholdings).

**REFERENCE DOCUMENT RELATING TO A POSSIBLE
PUBLIC SUBSCRIPTION OFFER OF SHARES AND THEIR LISTING
ON THE PRIMARY MARKET**

In the framework of the dissociated information procedure laid down by the Royal Decree of 13 February 1996, NPM/CNP has adapted the content of its annual report to allow it to be used as reference document for the possible issue of listed shares.

In such a case, this document together with the operations note published at the time of the issue will constitute the prospectus in accordance with schemes A or B of the Royal Decree of 18 September 1990.

In order to aid the reader locate the information provided by this Royal Decree, this document incorporates a reference table ; in those cases where the information is not readily available by other means, the information itself is provided.

If a public issue does indeed take place, the information included in the present annual report will be updated in the transaction notice.

Part I : INFORMATION REGARDING RESPONSIBILITY FOR THE PROSPECTUS AND FOR THE AUDIT OF THE ACCOUNTS

This information will be included in the eventual operations note.

Part II : INFORMATION RELATING TO THE SHARES AND THEIR LISTING ON THE PRIMARY MARKET

This information will be included in the eventual operations note.

Part III : INFORMATION ABOUT THE COMPANY AND ITS SHARE CAPITAL

3.1. Identification of the Company

3.1.0. Name, registered and administration offices

NATIONALE PORTEFEUILLEMAATSCHAPPIJ N.V. / COMPAGNIE NATIONALE À PORTEFEUILLE S.A., abbreviated to NPM/CNP.

The registered office of the Company is at 6280 Loverval (Gerpinnes), rue de la Blanche Borne, 12. The registered office may be transferred to any location in Belgium by decision of the Board of Directors.

3.1.1. Date of incorporation and duration

The Company was incorporated for an unlimited duration on 20 November 1906 under the name « LE GAZ RICHE » as a public company with limited liability (« société anonyme »), by public deed executed by Maître Émile LEFÈVRE, public Notary in Antwerp, published in the annex of the Belgian « Official Gazette » dated 3-4 December 1906, under number 6133.

The articles of incorporation have been amended for the last time by public deed executed by Maître Hubert MICHEL, public Notary in Charleroi under the intervention of Maître Gilberte RAUCQ, public Notary in Brussels on 11 June 1997, published in the annex of the Belgian « Official Gazette » on 4 July 1997.

3.1.2. Legislation under which the Company operates and legal form

See point 3.1.1.

3.1.3. Objects of the Company

According to Article 3 of the statutes :

« The objects of the Company are the purchase, the sale, the assignment, the exchange and the management of any securities, shares, bonds, government bonds or any other financial or non financial assets or rights ; the holding under any form, in any company or business in the production and/or distribution of energy, or in industry, commerce, finance, real estate or other, existing or to be incorporated.

Among others, NPM/CNP may acquire through purchase, exchange, contribution, subscription, underwriting, option or any other means, any security, asset, receivables or intangible asset ; participate in any association or merger ; manage or enhance the value of its securities and shareholdings portfolio ; realise or liquidate such assets by assignment, sale or any other means.

NPM/CNP may conduct any financial, commercial, industrial and real estate operations or transactions, directly or indirectly related to its objects or designed to realise such objects. ».

3.1.4. Commercial registers

The Company is registered in the commercial registers of Charleroi under number 161,072.

3.1.5. Places of consultation of public documents

The co-ordinated articles of incorporation of NPM/CNP may be consulted at the Commercial Court in Charleroi and in the registered office of NPM/CNP.

The annual accounts are filed with the NATIONAL BANK OF BELGIUM. All appointment and dismissal of the representatives of NPM/CNP are published in the annex of the Belgian « Official Gazette ».

Financial notices are published in the financial press and on the internet website (<http://www.cnp.be>). The other documents available to the public and mentioned in an eventual prospectus may be consulted at the registered office of NPM/CNP.

The annual reports are sent to the registered shareholders and to each person asking to receive them.

3.2. Share capital

3.2.0. Issued capital

The fully paid share capital of the Company amounts to BEF 4,751,250,000. It is represented by 25,340,000 shares with no designated nominal value of which 24,806,830 are ordinary shares, 48,400 are AFV1 shares, 770 are AFV2 shares, 242,000 are AFV3 shares and 242,000 are AFV4 shares.

The ordinary shares include notably 1,474,970 VVPR shares issued by public subscription and 1,740,460 VVPR shares placed with the company FIBELPAR which were the object of a limited subscription with the issuer. The rights attached to the shares are the following :

a. *Right to vote at General Meetings*

Each share carries one vote.

b. *Preferential rights in the event of share capital increases*

In the event of a share capital increase by cash subscription, the new shares must be offered in the first instance to existing shareholders pro rata to the number of shares held on the day of issue, as prescribed by law.

The General Meeting nonetheless has the right to cancel or to limit the preferential subscription rights in the interest of the company to the extent permitted by the Co-ordinated Laws on Commercial Companies, or to suspend the rights for a limited period.

Any proposal by the Board of Directors to limit or to suspend the preferential subscription rights must be justified in a detailed report, which covers in particular the issue price and the financial consequences for Shareholders. A report is also made up by the Auditors, in which they state that the financial information and the accounts contained in the report by the Board are correct. These reports are filed with the clerk of the Commercial Tribunal.

In the event of a share capital increase by cash subscription, the holders of convertible bonds, of bonds redeemable in shares, of subscription rights or of other securities, may convert their holding or exercise their subscription rights and thus participate in the new issue to the extent that this right is bestowed on existing shareholders.

The Board of Directors always retains the right to conclude agreements under, conditions which it deems appropriate, with any third party in order to ensure the subscription of all or part of the issue shares.

c. *Appropriation of profits*

Net profits are allocated as follows :

1. A minimum of 5 % is transferred to the legal reserve until this reaches 10 % of share capital.
2. The remaining amount is allocated as decided upon by the General Meeting following a proposal by the Board of Directors.

Nevertheless, existing AFV shares which benefit from the advantages provided for by Royal Decrees 15 and 150, are also assigned the saving made by the company as a result of the tax exemption of income assigned to such AFV shares - to the extent that an ordinary dividend is declared. This additional benefit is limited to tax savings made, or which will be made in the future, in relation to the financial year ending no later than 31 December 1996 (tax year 1997).

The Board of Directors may, within the conditions laid down by law, distribute advances on the dividend for the year.

d. *Liquidation*

In the event of the liquidation of the company, the net assets, after payment of all debts, charges and liquidation costs, will be used in the first instance to reimburse the paid up portion of share capital - in cash or in securities. The remaining balance will be distributed equally over all shares.

3.2.1. Authorised share capital

By decision of the Shareholders' Extraordinary General Meeting of 12 June 1996, the Board of Directors authorised, for a period of five years starting on 9 July 1996, to increase share capital by up to BEF 2 billion in one or more stages. The method used to increase the share capital is to be determined by the Board and may consist of the issue of shares with or without voting rights. This authorisation may be renewed in accordance with relevant laws. The increase in share capital decided on with regards to this authorisation may incorporate cash or non-cash consideration or may, to the extent permitted by the Co-ordinated Laws on Commercial Companies (CLCC), incorporate the use of reserves including the share premium reserve.

The use of reserves may take place with or without the issue of new securities. The Board of Directors is expressly permitted to proceed with share capital increases under the condition laid down by the CLCC, in the case of a takeover bid relating to securities issued by the company and on condition that notice to this effect is given to the BANKING AND FINANCE COMMISSION within 3 years of the Extraordinary General Meeting of 12 June 1996. In the event where the Board of Directors decides to increase share capital in the framework of the authorisation by the issue of shares by cash subscription, of convertible bonds, of bonds redeemable in shares, of subscription rights or of other securities, it may, in the interest of the company and under the conditions laid down by the CLCC, limit or cancel the preferential rights of existing shareholders, to the advantage of a person or specific persons even if these are not staff members of the company or its subsidiaries.

Under the same conditions and in accordance with 101 bis to 101 octies of the CLCC. The Board of Directors is also authorised to proceed with the issue of convertible bonds or bonds redeemable in shares (whether subordinated or non-subordinated), of subscription rights or other securities (whether or not attached to bonds), or other financial instruments which could lead to an increase in share capital of up to BEF 2 billion.

In the framework of this authorisation, the exercising of all warrants in issue would utilise authorised share capital of BEF 318,750,000 (i.e. the maximum increase in share capital resulting from the exercising of the 1,500,000 warrants issued on 28 February 1994 and the 200,000 warrants granted to staff members and certain Directors).

3.2.2. *Shares not representing the capital*

There are no such shares.

3.2.3. *Bonds issued, liabilities and commitments of the Company*

In March 1994, the Company issued 30,000 A bonds 6.70 % 1994-1999 with a unitary nominal value of BEF 50,000, totalling BEF 1,500,000,000.

Simultaneously the Company issued 750,000 B bonds 5.0625 % 1994-1999 with a unitary nominal value of BEF 2,365, totalling BEF 1,773,750,000. These bonds were accompanied by two warrants exercisable between 1 June and 15 June of 1994 and 1999 by subscription to one NPM/CNP share at the price of BEF 2,365 ; this gives a total of 1,500,000 warrants. In accordance with the aim of the Company to gradually widen the membership, these bonds were however offered on the Belgian market accompanied by one warrant only, and the other 750,000 were sold on the international market.

The detail of the most significant other debts can be found on page 69 of this annual report.

None of the Company's bonds or debts are subject to specific guarantees given on any of its assets. Major off-balance sheet commitments are detailed on page 79 of this annual report.

3.2.4. *Conditions for changes to the capital and to the rights of the various categories of shares*

The statutes of the Company do not include provisions regarding capital and rights modifications which would be more restrictive than the legal provisions.

3.2.5. *Changes in the share capital over the last three years and during the current year*

No capital increase has taken place over the last three years.

3.2.6. *Persons in a position to influence the Company*page 25

3.2.7. *Shareholders holding more than 5 % of the capital*page 98

3.2.8. *Brief description of the Group*pages 25 à 27, 74 and 85

3.2.9. *Own shares*pages 12 and 67

The Annual General Meeting of 11 June 1997 authorised the Board of Directors to acquire up to 1,500,000 shares in the Company on the stock market at a minimum price of BEF 1,500 and a maximum price of BEF 3,000 per share, valid for a period of 18 months. It will be proposed to the Extraordinary General Meeting of Shareholders on 13 May 1998 to renew this authorisation with a minimum price of BEF 1,500 and a maximum price of BEF 4,500.

This provision applies to shares in the Company acquired by one or more of its subsidiaries in the sense of article 52 quinquies § 1, second sub-paragraph of the co-ordinated laws on commercial companies.

The Board of Directors may dispose of Company shares, on the stock market or in any other manner provided for under the law, without the prior authorisation of the General Meeting.

The Board of Directors was authorised, in compliance with the law, for a period of three years as from 4 July 1997, to acquire and dispose of shares in the Company in the cases provided for in article 52 bis § 4 sub-paragraph 2.2 for the purpose of preventing serious and imminent danger to the Company.

Part IV : INFORMATION ON THE ACTIVITIES OF THE COMPANY**4.1. Major activities of the Company**

- 4.1.0. *Description of the major activities of the Company*.....inside cover
 4.1.1. *Breakdown of profit and of estimated value* pages 13 to 22
 4.1.2. *Major branches and real-estate properties* pages 12, 62 and 76
 4.1.3. *Assessment of economically exploitable reserves and their probable duration*
 This information is not relevant in the case of NPM/CNP.
 4.1.4. *Exceptional events*..... page 22

4.2. Dependence on licences and contracts

The activity of the Company does not depend on licences or on specific contracts having a significant impact on its future financial situation.

4.3. Research and development

This information is not relevant in the case of NPM/CNP. As a holding company, NPM/CNP does not conduct research and development efforts.

4.4. Litigation or arbitration

To the Board of Directors' best knowledge, there is no pending litigation or arbitration which could have a significant impact on the financial situation of the Company (please also refer to page 79, note 2).

4.5. Going concern

The Company has not experienced recently any interruption in its business and is not aware of any event likely to compromise the conduct of its activities.

4.6. Average staff number and evolution..... page 79**4.7. Investment policy**

- 4.7.0. *Major investments of the last three years and of the current financial year*..... pages 9 to 11, 81 and 82
 4.7.1. *Major investments in progress and financing*..... pages 9 to 11
 4.7.2. *Major investment commitments*
 No significant investment commitment was made by the Company, at the date of press of this document.

Part V : FINANCIAL INFORMATION**5.1. Accounts**

- 5.1.0. *Balance sheets and profit and loss accounts*..... pages 94 to 97
 5.1.1. *Consolidated balance sheets and profit and loss accounts*..... pages 62 to 65

5.1.2. Net operating profit per share

The non-consolidated net operating profit per share has been (in BEF) :

1997	1996	1995
85.80	119.37	115.74

NPM/CNP being a holding company, the non-consolidated accounts are of little significance. The restricted consolidated and consolidated results per share are shown page 61.

5.1.3. Dividend per share..... pages 24 and 61**5.1.4. Half-year results**

In case more than nine months have elapsed since the end of the latest financial year, half-year results will be included in the operations note.

5.1.5. Additional information in the case of non conformity to the European Guidelines

The accounts of NPM/CNP being in conformity with the guidelines of the European Union, no additional information needs to be provided.

5.1.6. Sources and applications of funds pages 81 and 82

5.2. Information on shareholdings of the Company pages 26 to 56, 75 and 84 to 92

5.3. Information on more than 10% held shareholdings pages 26 to 56 and 75

5.4. Information on the consolidated accounts pages 59 to 92

5.5. Information in parts 4 and 7, extended to the Group level

The information required in parts 4 and 7 is already extended to the Group level.

Part VI : INFORMATION ABOUT DIRECTORS, MANAGEMENT AND AUDITORS

6.1. Name, functions and major activities of the Directors, the members of the Executive Committee and the Statutory Auditors pages 2 and 3

John DILS, Chairman of the Board of Directors

Independent non-executive Director

Mr. John DILS is Chairman of the Board of Directors of CONTRÔLE TECHNIQUE AUTOMOBILE « C.T.A. » and Honorary Vice-Chairman of the Board of Director of BBL. He is also Director of the ROYAL AUTOMOBILE CLUB DE BELGIQUE "R.A.C.B." and of S.G.S. BELGIUM (SOCIÉTÉ GÉNÉRALE DE SURVEILLANCE).

Gilles SAMYN, Managing Director

Executive Director

Mr. Gilles SAMYN is Managing Director of FRÈRE-BOURGEOIS, ERBE and FIBELPAR. He is Member of the Executive Committee of PARGESA and of GROUPE BRUXELLES LAMBERT, Chairman of the Board of Directors of ÉDITIONS DUPUIS, HÉLIO CHARLEROI, TRANSCOR and IJSBOERKE, and Director of various companies including IMÉTAL, PETROFINA and CLT-UFA.

Jean CLAMON, Director

Non-executive Director

Mr. Jean CLAMON is Member of the Management Committee of BANQUE PARIBAS and Managing Director of ERBE. He is also Director of COMPAGNIE DE NAVIGATION MIXTE, COBEP, FIBELPAR and COMPAGNIE GÉNÉRALE MOSANE.

Laurent DASSAULT, Member of the Executive Committee

Non-executive Member

Mr. Laurent DASSAULT is Managing Director of DASSAULT INVESTISSEMENTS, Joint Managing Director of CHÂTEAU DASSAULT-ST-ÉMILION, Director of FINANCIÈRE ET IMMOBILIÈRE MARCEL DASSAULT and of BANQUE ROTHSCHILD LUXEMBOURG, and of various companies including DASSAULT INDUSTRIES, DASSAULT SYSTÈMES and DASSAULT BELGIQUE AVIATION.

Victor DELLOYE, Director - Secretary-General

Executive Director

Mr. Victor DELLOYE is Director of FRÈRE-BOURGEOIS and of related companies. He is also Director of ROYALE BELGE.

Pierre-Alain DE SMEDT, Director

Independent non-executive Director

Mr. Pierre-Alain DE SMEDT is Chairman of the Executive Committee of SEAT S.A. and Member of the world-wide Management Committee of VOLKSWAGEN.

Thierry DORMEUIL, Director

Non-executive Director

Mr. Thierry DORMEUIL is Member of the Executive Committee and Responsible of the agri-food, luxury goods, textile and building materials sectors of the Consulting Department of the PARIBAS Group, Director of COMPAGNIE DE NAVIGATION MIXTE, GUYORMARCH, NORD EST, AXA RE FINANCE and COBEP. He also represents SOCIÉTÉ GÉNÉRALE COMMERCIALE ET FINANCIÈRE at the Board of Directors of VIA BANQUE.

Jacques FOREST, Director**Non-executive Director**

Mr. Jacques FOREST is Chairman of the Management Committee of P&V ASSURANCES, Censor of the NATIONAL BANK OF BELGIUM and Director of several companies including MULTIPHARMA and NAGELMACKERS.

Baron FRÈRE, Director (until 2 April 1998)**Non-executive Director**

Baron FRÈRE is Chairman of the Board of Directors of FRÈRE-BOURGEOIS, ERBE, FIBELPAR, PETROFINA and of ELECTRAFINA, Chairman of the Board and Managing Director of GROUPE BRUXELLES LAMBERT and Vice-Chairman of PARGESA HOLDING, PARFINANCE and ROYALE BELGE. He is Member of the Board of Trustees of SUEZ LYONNAISE DES EAUX, and Director of several companies including CLT-UFA, HAVAS, TF1 and LVMH. Baron FRÈRE is also Honorary Member of the Board of Directors of the NATIONAL BANK OF BELGIUM.

Gérald FRÈRE, Director**Non-executive Director**

Mr. Gérald FRÈRE is Managing Director of FRÈRE-BOURGEOIS and Chairman of the Executive Committee of GBL. He is a.o. Director of ERBE, FIBELPAR, PARGESA, PARFINANCE, ROYALE BELGE, COBEPA and GIB. He is also Member of the Board of Directors of the NATIONAL BANK OF BELGIUM.

Sécolène FRÈRE, Director (from 2 April 1998)**Non-executive Director**

Miss Sécolène FRÈRE is student at the VESALIUS COLLEGE - VUB.

Jean-Pierre GERARD, Director**Non-executive Director**

Mr. Jean-Pierre GERARD is Managing Director of ROYALE BELGE. He is Member of the Executive Committee of AXA-UAP and Director of several companies of the ROYALE BELGE Group. He is also Member of the Executive Committee of UNION PROFESSIONNELLE DES ENTREPRISES D'ASSURANCES (Professional Association of Insurance Companies) and Member of the INSURANCE COMMISSION.

Philippe HUSTACHE, Director**Non-executive Director**

Mr. Philippe HUSTACHE is Managing Director of FINANCIÈRE ET IMMOBILIÈRE MARCEL DASSAULT and Director of several companies including SANOFI and BANQUE VERNES.

Marcel NICOLAÏ, Director**Independent non-executive Director**

Mr. Marcel NICOLAÏ is Chairman of the Management Committee of VICTOIRE ASSET MANAGEMENT and manager of several unit trusts.

Thierry de RUDDER, Director**Non-executive Director**

Mr. Thierry de RUDDER is Managing Director of GROUPE BRUXELLES LAMBERT and ELECTRAFINA. He is Chairman of the Board of Directors of BERNHEIM-COMOFI and Director of AUDIOFINA, ROYALE BELGE, PETROFINA, SOCIÉTÉ GÉNÉRALE DE BELGIQUE, TRACTEBEL, MONUMENT OIL AND GAS (U.K.) and of several companies of GROUPE BRUXELLES LAMBERT.

Baron SANTENS, Director**Independent non-executive Director**

Mr. Marc SANTENS is Chairman of the SANTENS textile group.

Jo SANTINO, Director**Non-executive Director**

Mr. Jo SANTINO is Managing Director of COMPAGNIE GÉNÉRALE MOSANE and Member of the Management Committee of COBEPA. He is also Chairman of BERGINVEST and of T. PALM. He is Director of several other companies, including FLORIDIENNE, SCHRÉDER, AUTOMATIC SYSTEMS, ARVAL BELGIUM and L'ÉCHO.

Gustaaf VAN den BEMPT, Director**Independent non-executive Director**

Mr. Gustaaf VAN den BEMPT is Master in Law and in Notary Right and Certified Accountant. He works as crisis manager for companies experiencing difficulties and as management consultant for small and medium-sized companies.

Philippe WILMES, Director**Independent non-executive Director**

Mr. Philippe WILMES is Chairman of the Executive Committee of SOCIÉTÉ FÉDÉRALE D'INVESTISSEMENT and of SOCIÉTÉ BELGE D'INVESTISSEMENT INTERNATIONAL. He is also Member of the Board of Directors of the NATIONAL BANK OF BELGIUM and Director of several companies including TRACTEBEL, CODITEL and of the BANK FOR INTERNATIONAL PAYMENTS.

Statutory Auditors

KLYNVELD PEAT MARWICK GOERDELER, Reviseurs d'Entreprises S.C.C.,
Sporoweglaan, 3 – B-2610 Wilrijk
represented by Georges M. TIMMERMAN

DELOITTE & TOUCHE, Reviseurs d'Entreprises S.C.C.,
Brussels Airport Business Park - Berkenlaan, 6 – B-1831 Diegem
represented by Claude POURBAIX

6.2. Relations with Directors and Managers

6.2.0. Salaries and fringe benefits

Based upon the 1997 accounts (in ,000 BEF) :

	paid by the Company	paid by subsidiaries of the Company	paid by the equity-accounted companies (1)
To Directors of the Parent Company			
- members of the Executive Committee	18,451	1,952	5,337
- other directors	3,150	950	-
	<u>21,601</u>	<u>2,902</u>	<u>5,337</u>
To Members of the Executive Committee who are not Directors	300	-	n.a.
Advances and loans granted to Directors and Members of the Executive Committee	-	-	-

(1) only relates to Executive Directors ; in addition, PARJOINTCO paid in 1997 an amount of BEF 11,168,(000) to FRÈRE-BOURGEOIS HOLDING in consideration for services rendered by its representatives.

The fees paid in 1997 to the Statutory Auditors of the Company in remuneration for their mandates amounted to BEF 360,(000). For additional services, DELOITTE & TOUCHE received an amount of BEF 346,(000) in 1997.

6.2.1. Shares and options of the Company

At 31 December 1997, no Director or Auditor was listed as a registered shareholder of the Company. Members of the Board of Directors and of the Executive Committee were registered for 33,578 warrants at the same date. These warrants can be exercised until November 1999 by subscription to one NPM/CNP share at the price of BEF 1,696.

6.2.2. Conflicts of interests

In such instances, the Board of Directors establishes a special report included in the Annual Report of the Company in accordance with legal requirements.

6.2.3. Loans and advances

See point 6.2.0.

6.3. Stock option plan

The Company issued on 30 June 1990 200,000 warrants reserved for the Personnel and the Managers ; these warrants can be exercised until November 1999 by subscription to one NPM/CNP share at a price of BEF 1,696.

At the date of press of this document, notwithstanding realised transactions, no warrant had been exercised yet.

Part VII : INFORMATION ON THE RECENT EVOLUTION AND PROSPECTS OF THE COMPANY

Information available at the date of press of this document is included in the Directors' report (pages 9 to 12 and 23) ; should a public subscription offer take place, the related information would be updated in the operations note.

BASE PRINCIPLES

Various adjustment factors are used in order to allow data related to different years to be compared, cancelling the diluting effect of capital increases.

COMPUTATION METHODS*1. Factors applicable to results and dividends*

These adjustment factors cancel the diluting effect of effectively carried out capital increases and are computed based upon the non-diluted estimated value.

2. Factors applicable to the fully diluted estimated value

These adjustment factors cancel the diluting effects of effective or potential (warrants) capital increases and are calculated based upon the fully diluted estimated value.

3. Factors applicable to stock market prices

These adjustment factors are of course computed based upon the stock market prices.

YEARLY ADJUSTMENT FACTORS

	1. results and dividends	2. estimated value (fully diluted)	3. stock market prices
1987	0.8713	0.8527	0.9466
1988	0.8764	0.9056	0.9867
1989	0.9501	0.9494	1.0000
1990	0.9701	0.9515	1.0000
1991	0.9778	0.9591	1.0000
1992	0.9778	0.9591	1.0000
1993	0.9778	0.9591	1.0000
1994	1.0000	0.9809	1.0000
1995	1.0000	0.9817	1.0000
1996	1.0000	0.9896	1.0000
1997	1.0000	1.0000	1.0000