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.

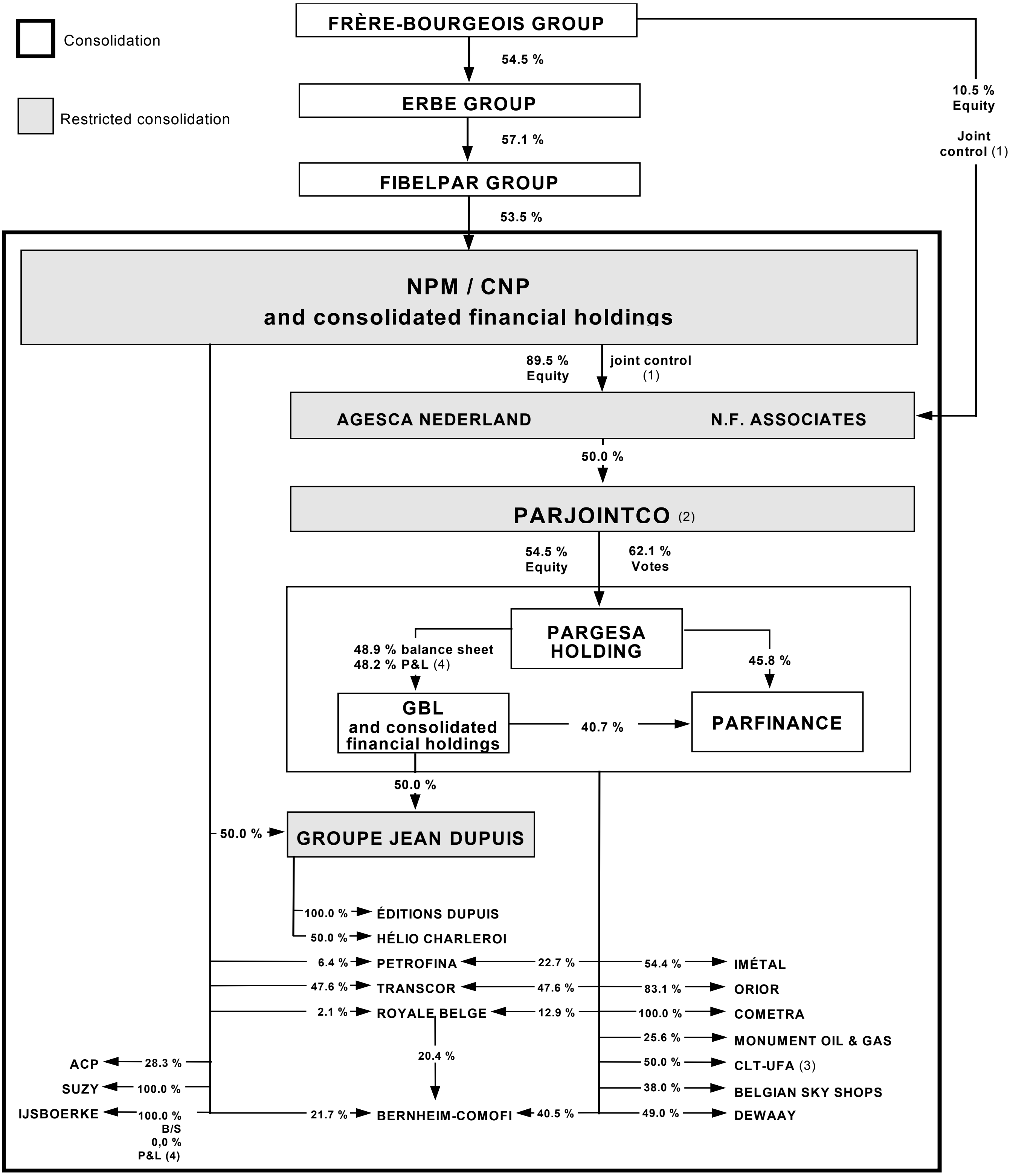
These restricted consolidated accounts are published for information purposes only ; as they have no statutory nature, no further details are provided in this Appendix.

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	Percentage of shares held by 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	Percentage of shares held by 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	Percentage of shares held by 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	Percentage of shares held by 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	Companies 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	34,507,640	10,392,139
b) Revaluation surplus		
Opening balance	-	-
Movements in the year		
- revaluations	-	-
- cancellations	-	-
Closing balance	-	-
c) Amounts written-off		
Opening balance	-	(364,896)
Movements in the year		
- charged	-	-
- written back	-	39,729
- transfer between items	-	261,104
Closing balance	-	(64,063)
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	2,819,392	-
e) Amounts not called		
Opening balance	-	(880)
Movements in the year	-	-
Closing balance	-	(880)
Closing net book value	**37,327,032**	**10,327,196**
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	**275,000**	**9**
Cumulative write-offs on receivables at the end of the financial year	**-**	**-**

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	**13,107,417**

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	**-**	**149,459**	**3,001,383**	**65,175**

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)

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

	Associated companies 1997	Associated companies 1996	Associated companies 1995	Related companies 1997	Related companies 1996	Related companies 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	-	-	-

(BEF thousand)	Consolidated accounts			Restricted consolidated accounts		
SOURCES OF LONG-TERM FUNDS	**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