

**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.

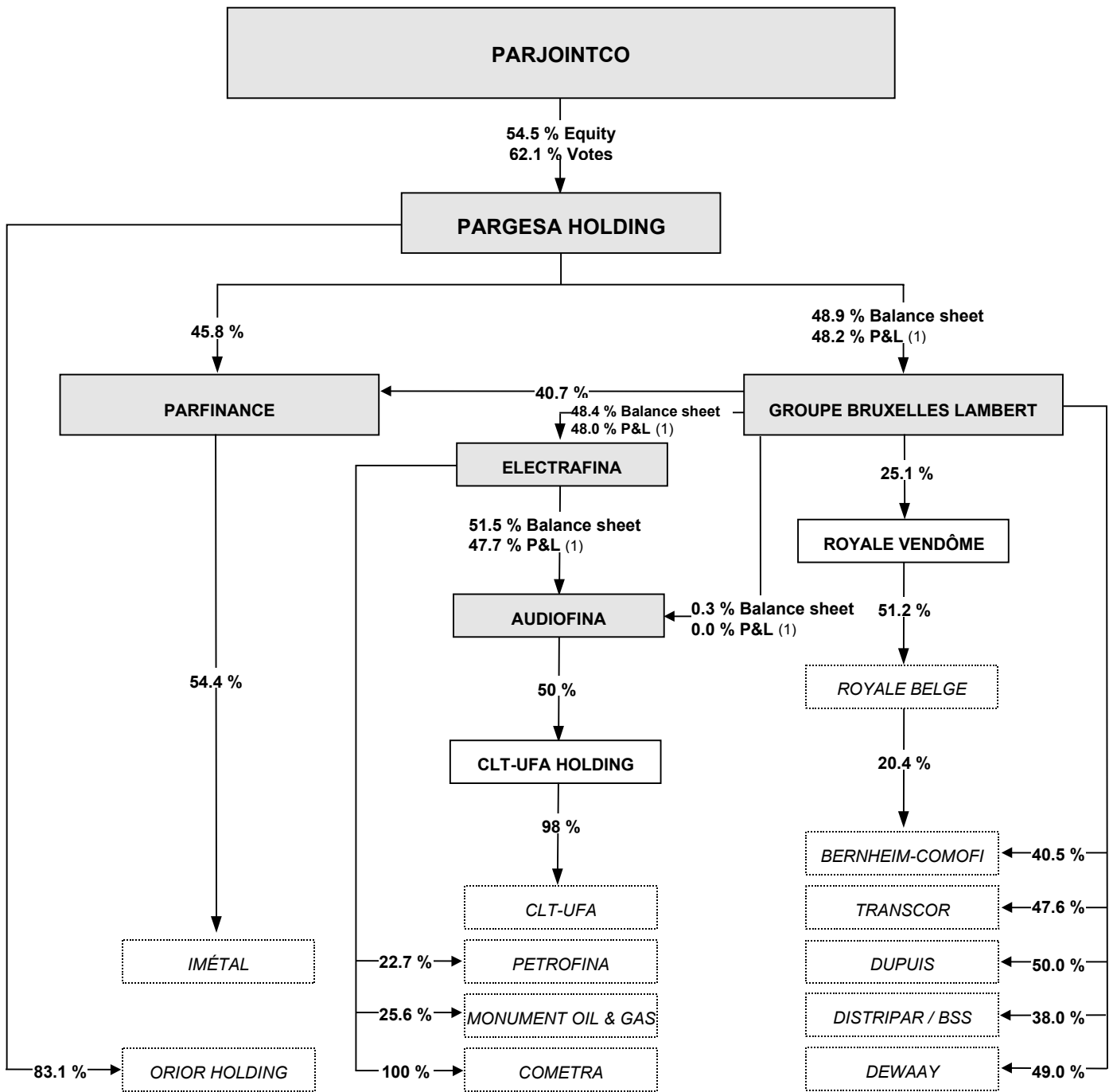
**Highlights of the 1997 financial year**

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



- FULLY CONSOLIDATED**
- PROPORTIONALLY CONSOLIDATED**
- CONSOLIDATION UNDER THE EQUITY METHOD**

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

CONSOLIDATED ACCOUNTS

PARJOINTCO - BALANCE SHEETS

<b>ASSETS</b> <i>(BEF million)</i>	<b>Group share</b>			<b>Minority interests</b>			<b>Total</b>		
	<b>1997</b>	<b>1996</b>	<b>1995</b>	<b>1997</b>	<b>1996</b>	<b>1995</b>	<b>1997</b>	<b>1996</b>	<b>1995</b>
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
<b>Total</b>	<b>54,865</b>	<b>45,878</b>	<b>47,084</b>	<b>199,183</b>	<b>179,979</b>	<b>173,417</b>	<b>254,048</b>	<b>225,857</b>	<b>220,501</b>

<b>LIABILITIES AND EQUITY</b> <i>(BEF million)</i>	<b>Group share</b>			<b>Minority interests</b>			<b>Total</b>		
	<b>1997</b>	<b>1996</b>	<b>1995</b>	<b>1997</b>	<b>1996</b>	<b>1995</b>	<b>1997</b>	<b>1996</b>	<b>1995</b>
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
<b>Total</b>	<b>54,865</b>	<b>45,878</b>	<b>47,084</b>	<b>199,183</b>	<b>179,979</b>	<b>173,417</b>	<b>254,058</b>	<b>225,857</b>	<b>220,501</b>

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)
<b>Operating income before taxes</b>	<b>3,058</b>	<b>2,826</b>	<b>2,412</b>	<b>10,749</b>	<b>12,901</b>	<b>12,022</b>	<b>13,807</b>	<b>15,727</b>	<b>14,434</b>
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
<b>Capital result before taxes</b>	<b>4,981</b>	<b>907</b>	<b>(239)</b>	<b>21,259</b>	<b>14,554</b>	<b>(391)</b>	<b>26,240</b>	<b>15,461</b>	<b>(630)</b>
Taxes	(37)	(7)	(3)	(196)	(18)	(115)	(233)	(25)	(118)
<b>Net profit</b>	<b>8,002</b>	<b>3,726</b>	<b>2,170</b>	<b>31,812</b>	<b>27,437</b>	<b>11,516</b>	<b>39,814</b>	<b>31,163</b>	<b>13,686</b>

## 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
<b>Total</b>	<b>3,803</b>	<b>3,862</b>	<b>5,532</b>	<b>10,501</b>	<b>24,971</b>	<b>13,580</b>	<b>14,304</b>	<b>28,833</b>	<b>19,112</b>

#### 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
<b>Total</b>				<b>19,974</b>	<b>21,411</b>	<b>19,622</b>	<b>72,670</b>	<b>87,446</b>	<b>97,510</b>	<b>92,644</b>	<b>108,857</b>	<b>117,132</b>

(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
<b>Total</b>				<b>2,575</b>	<b>2,739</b>	<b>2,031</b>	<b>8,060</b>	<b>12,448</b>	<b>10,994</b>	<b>10,635</b>	<b>15,187</b>	<b>13,025</b>

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

**GAINS ON DISPOSAL OF INVESTMENTS**

	<b>Group share</b>			<b>Minority interests</b>			<b>Total</b>		
	<b>1997</b>	<b>1996</b>	<b>1995</b>	<b>1997</b>	<b>1996</b>	<b>1995</b>	<b>1997</b>	<b>1996</b>	<b>1995</b>
	<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
<b>Total</b>	<b>6,281</b>	<b>2,832</b>	<b>315</b>	<b>22,863</b>	<b>17,515</b>	<b>959</b>	<b>29,144</b>	<b>20,347</b>	<b>1,274</b>

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

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

**AMORTISATION OF GOODWILL**

	<b>Group share</b>			<b>Minority interests</b>			<b>Total</b>		
	<b>1997</b>	<b>1996</b>	<b>1995</b>	<b>1997</b>	<b>1996</b>	<b>1995</b>	<b>1997</b>	<b>1996</b>	<b>1995</b>
	<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)
<b>Total</b>	<b>(1,169)</b>	<b>(1,410)</b>	<b>(441)</b>	<b>(1,100)</b>	<b>(1,659)</b>	<b>(1,034)</b>	<b>(2,269)</b>	<b>(3,069)</b>	<b>(1,475)</b>

## 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
<b>Assets</b>	<b>4,505</b>	<b>3,932</b>	<b>4,015</b>	<b>5,082</b>	<b>4,477</b>
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
<b>Liabilities and equity</b>	<b>4,505</b>	<b>3,932</b>	<b>4,015</b>	<b>5,082</b>	<b>4,477</b>
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
<b>Net income</b>	<b>271</b>	<b>201</b>	<b>132</b>	<b>74</b>	<b>1,089</b>
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
<b>Assets</b>	<b>1,876</b>	<b>1,833</b>	<b>1,610</b>	<b>1,630</b>	<b>1,897</b>
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	-
<b>Liabilities and equity</b>	<b>1,876</b>	<b>1,833</b>	<b>1,610</b>	<b>1,630</b>	<b>1,897</b>
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
<b>Net income</b>	<b>98</b>	<b>77</b>	<b>62</b>	<b>86</b>	<b>59</b>
Dividend	85	75	36	30	28

**IJSBOERKE** <sup>(1)</sup> (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
<b>Assets</b>	<b>980</b>	<b>1,173</b>	<b>1,294</b>	<b>1,324</b>	<b>1,368</b>
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
<b>Liabilities and equity</b>	<b>980</b>	<b>1,173</b>	<b>1,294</b>	<b>1,324</b>	<b>1,368</b>
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
<b>Net income</b>	<b>2</b>	<b>23</b>	<b>36</b>	<b>71</b>	<b>13</b>
Dividend	-	-	-	-	-

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

**SUZY** (BEF million)

	1997 <sup>(1)</sup>
Intangible assets	-
Tangible assets	311
Investments	-
Inventories	143
Receivables	322
Other current assets	-
<b>Assets</b>	<b>776</b>
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
<b>Liabilities and equity</b>	<b>776</b>
Turnover	1,572
Cash flow before tax	74
Total profit before tax	28
<b>Net income</b>	<b>26</b>
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
<b>Assets</b>	<b>1,380</b>	<b>1,605</b>	<b>2,114</b>	<b>1,770</b>	<b>1,368</b>
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
<b>Liabilities and equity</b>	<b>1,380</b>	<b>1,605</b>	<b>2,114</b>	<b>1,770</b>	<b>1,368</b>
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
<b>Net income</b>	<b>167</b>	<b>81</b>	<b>49</b>	<b>20</b>	<b>5</b>
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
<b>Assets</b>	<b>5,071</b>	<b>5,551</b>	<b>4,372</b>	<b>6,600</b>	<b>7,929</b>
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
<b>Liabilities and equity</b>	<b>5,071</b>	<b>5,551</b>	<b>4,372</b>	<b>6,600</b>	<b>7,929</b>
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
<b>Net income</b>	<b>216</b>	<b>173</b>	<b>45</b>	<b>257</b>	<b>150</b>
Dividend	200	145	50	240	240