

DIRECTORS' REPORT

Dear Shareholders, Ladies and Gentlemen,

We are proud to present the Directors' report on the activities of your Company and its Group during the past financial year and to submit for your approval the statement of accounts closed on 31 December 1999.

Strengthening in private

Main events in 1999 and the first months of 2000

RESTRUCTURING OPERATIONS

During the first half of 1999, the NPM/CNP Group acquired on the market 881,340 of its own shares and 750,880 NPM/CNP warrants. After delivering 739,161 NPM/CNP shares to holders exercising warrants that matured on 15 June 1999, the Group held 838,256 NPM/CNP shares. These shares, with the 1,421,097 NPM/CNP shares acquired from the company ERBE (i.e. one seventh of all NPM/CNP shares held by ERBE) at the unit price of EUR 85, totalling 2,259,353 shares, were cancelled by the Extraordinary General Meeting of 22 July 1999. This had an anti-dilutive effect of 4.2% on the estimated value of the NPM/CNP share. The capital of the Company was then represented by 20,740,647 shares.

To ensure equality of treatment of shareholders, this acquisition of NPM/CNP shares from the shareholder ERBE was followed by a Public Buy-Back Offer. Open from 26 August to 17 September 1999, it concerned 1 NPM/CNP share for every 7 existing shares under the same conditions (EUR 85 per share). Due to the favourable trend in the price of the NPM/CNP share (EUR 89 on closure of the operation), only 15,852 shares were contributed to the Offer.

Following additional market acquisitions, on 31 December 1999, the NPM/CNP Group held 267,452 NPM/CNP shares. On 15 March 2000, the Group held 436,819 of its own shares.

DIRECT INVESTMENTS

PETROFINA – TOTAL FINA ELF

Following lifting of the suspensive conditions associated with the operation in March 1999, NPM/CNP contributed

the PETROFINA shares it held to the Public Exchange Offer launched by TOTAL, thus realising a restricted consolidated profit of EUR 381.2 million (including an extraordinary dividend of EUR 17.1 million) and a consolidated profit of EUR 381.5 million.

In October 1999, TOTALFINA launched a Public Exchange Offer on the French petroleum group ELF AQUITAINE in the proportion of 19 TOTALFINA shares for 13 ELF AQUITAINE shares. Following its contribution of 0.4% of ELF AQUITAINE to this offer, the NPM/CNP Group realised a capital gain of EUR 94.5 million (restricted consolidated and consolidated) and holds directly 1.14% of the new entity (alongside the 3.36% held by ELECTRAFINA).

ENTREMONT

In early July 1999, NPM/CNP acquired 75% of the ENTREMONT cheese group from the SANOFI Group and certain family shareholders. Jacques ENTREMONT, who remains the Chairman of the Management Board, raised his holding on this occasion to 25%. NPM/CNP and Jacques ENTREMONT combined their holdings in the ENTREMONT Group in the holding company FEM, which has bank debts totalling EUR 122 million. This shareholding represented a total investment for NPM/CNP of EUR 82.4 million.

JOSEPH

In September 1999, NPM/CNP acquired control of the creator and distributor of luxury ready-to-wear clothing JOSEPH. On 31 December 1999, NPM/CNP held in long-term investments 55% of the ordinary capital of the company SLOANE PROJECT LTD, which it used for the acquisition of the JOSEPH Group; EUR 48 million was invested by NPM/CNP on this occasion. The former shareholders grant-

equity

ed the acquirers a vendors' loan. As instalments on it and the part not refinanced by external financial institutions fall due, the NPM/CNP Group may have to invest an additional sum up to a maximum of EUR 47 million, bringing its total commitment to EUR 95 million.

DISTRIPAR

DISTRIPAR, a 76% subsidiary of NPM/CNP, under the terms of an agreement with its partner the DOMAINES BARONS DE ROTHSCHILD, raised its stake in CHÂTEAU RIEUSSEC from 40 to 50%, by subscribing to an increase in capital for an amount of EUR 7.8 million.

As operator of the largest point of sale for chocolate in the world (Brussels National Airport), the DISTRIPAR Group proceeded with the acquisition of 70% of the chocolate maker VANPARYS (brands VANPARYS and CORNÉ PORT ROYAL) for a total of EUR 2.2 million, mainly through capital increase.

SUZY Group

In October 1999, SUZY took over the MILCAMPS Group's share in their joint subsidiary INTERWAFFLES, a private label waffle manufacturer. In November 1999, fire completely destroyed the INTERWAFFLES factory at Buizingen. SUZY concluded an agreement with CORONA-LOTUS under which the latter takes over the brand and intangible assets of SUZY, a company that will then merge with INTERWAFFLES. CORONA-LOTUS, has committed itself to acquire 50% of the merged entity which will construct a new private label waffle factory at Courcelles (in the Charleroi region) for an estimated investment of more than EUR 20 million. At the beginning of 2000, INTERWAFFLES acquired the company LA PASCALOU, active in the same sector.

NPM/CNP sold off the Dutch company DRIEHOEK, which produced few synergies with the other companies in the SUZY Group, for the sum of EUR 4 million (realising a capital gain of EUR 2.8 million).

SAINT LOUIS SUCRE

In March 2000, INVEPARCO (a company 49% owned by a subsidiary of NPM/CNP, together with several other investors), acquired 51% of SAINT LOUIS SUCRE, the second largest sugar group in France, from the WORMS & CIE Group which remains a 47% shareholder, the management holding 2%. This structure will ensure continuity of management under the responsibility of the current team and enable SAINT LOUIS SUCRE, which has turnover of EUR 1.2 billion, to pursue its development policy.

The amount devoted by NPM/CNP to this investment was EUR 79 million.

Other events

In January 2000, NPM/CNP sold its holding in the company WIN to BELGACOM which, with the simultaneous departure of all other partners, becomes the 100% owner.

The venture capital fund VIVENTURES announced its intention early in the year 2000 to arrange a second round of financing in which NPM/CNP would like to participate to the tune of an additional EUR 50 million.

PARGESA/GBL/ELECTRAFINA

TOTAL FINA ELF

ELECTRAFINA contributed its stake of 22.6% in PETROFINA to the TOTAL Group, thereby realising a capital gain of EUR 1,330.3 million, EUR 119.7 million of which is the transitive share for NPM/CNP. Following the Public Exchange Offer

launched by TOTALFINA on ELF AQUITAINE, ELECTRAFINA held 3.36% of TOTAL FINA ELF (added to the 1.1% held directly by NPM/CNP).

RHODIA

GBL bought a 5.1% holding for EUR 161 million in RHODIA, one of the world leaders in speciality chemicals, as part of an open offer and global placement of RHODIA shares by RHONE-POULENC.

AUDIOFINA

GBL confirmed its long-term commitment to the audio-visual sector by increasing its stake in AUDIOFINA, which controls CLT-UFA (the leading European audio-visual group), at parity with BERTELSMANN/WAZ. This increase took place as follows :

- the purchase by GBL of the 18.7% shareholding (12,471,036 shares) of the VIVENDI Group in AUDIOFINA, representing an investment of EUR 673 million. This operation took place over 1999 and 2000, with the balance of the VIVENDI holding of 9,596,018 AUDIOFINA shares being acquired at the beginning of 2000,
- acquisition of 566,847 shares from SUEZ LYONNAISE DES EAUX,
- purchase from the BNP-PARIBAS Group of 1,180,000 AUDIOFINA shares in February 2000 and conclusion of options allowing GBL to buy 4,393,494 AUDIOFINA shares over the next two years.

In January 2000, GBL held a stake of 19.4% in AUDIOFINA (in addition to the 50.1% share held via ELECTRAFI-

NA). GBL's objective, in the current situation, is to maintain a holding over time, together with its subsidiary ELECTRAFINA, of a substantial majority of the capital of AUDIOFINA.

TREASURY MANAGEMENT

On 31 December 1999, the net short-term funds, held directly by the NPM/CNP Group (i.e. NPM/CNP, its financial branch in Geneva and its subsidiaries included in the restricted consolidation perimeter) totalled an estimated value of around EUR 505 million (EUR 491 million in book value) compared with EUR 757 million one year earlier and an average figure in the order of EUR 670 million over 1999 as a whole.

During this period, a portion of this amount was invested in shares with short-term prospects. In 1999 the NPM/CNP Group realised capital gains on treasury shares (net of capital losses and write-offs), totalling EUR 75.5 million (compared with EUR 20.4 million in 1998).

In accounting terms, the income from treasury management in 1999 including (in addition to the items mentioned above) net interests and other financial charges and revenues, totalled EUR 92.1 million in the restricted consolidated accounts.

In economic terms, taking into account unrealised gains on short-term investments, the Company achieved an average net return of 13.5% on its short-term funds.

Estimated value and Total Performance for Shareholders

The estimated value of the Company at the end of 1999 stood at EUR 3,186 millions (equivalent to EUR 153.62 per share) after payment in May 1999 of total dividends of EUR 62.56 mil-

lion (EUR 2.72 per ordinary share), compared with EUR 2,514 million (EUR 109.30 per share fully diluted) one year earlier.

METHOD USED TO CALCULATE THE ESTIMATED VALUE

In determining the estimated value, NPM/CNP attempts to be both prudent and objective. In accordance with the various types of assets, the following criteria are followed :

TYPES OF ASSETS	VALUATION CRITERIA
<p>Financial investments</p> <ul style="list-style-type: none"> • PARGESA, GBL and ELECTRAFINA (holdings jointly controlled) • Other listed companies • Other non-listed companies ⁽¹⁾ 	<ul style="list-style-type: none"> • Estimated value based on the same criteria as those applied by NPM/CNP • Market price • Book value ⁽²⁾ or share of shareholders' equity, whichever is higher
<p>Tangible Fixed assets</p>	<ul style="list-style-type: none"> • Book value ⁽²⁾
<p>Monetary assets and liabilities</p> <ul style="list-style-type: none"> • Own shares • Other listed assets • Deposits, liquid assets, other assets and debts 	<ul style="list-style-type: none"> • Market price • Market price • Book value ⁽²⁾

(1) CLT-UFA's value is inferred from AUDIOFINA's market price.

(2) Acquisition price less any depreciation or write-down.

WEEKLY COMMUNICATION OF THE ESTIMATED VALUE

For the sake of transparency, NPM/CNP publishes its estimated value every week in the Saturday edition of two Belgian financial newspapers (L'ÉCHO and DE FINANCIËL ECONOMISCHE TIJD); this is also available on the Internet site of the Company (www.cnp.be and www.npm.be) from Friday evening onwards.

This weekly estimated value is determined applying the same criteria as those described above. However, a few simplifying assumptions are made : some modifications made to the portfolio and to the earnings which have accumulated since the last publication of accounts may not be taken into account if these factors have a combined effect of less than 1% on the estimated value.

VALUE CREATION AND TOTAL PERFORMANCE FOR THE SHAREHOLDERS IN 1999

(IN MILLION EUR)

ESTIMATED VALUE

	31-Dec-98			variation			31-Dec-99		
	criteria (1)	breakdown (2)	%	shareholders (3)	value (4)	interest (5)	criteria (6)	breakdown (6)	%
ASSETS									
PARGESA	ev	838.8	33.4%		349.7	-	ev	1 188.5	37.3%
PETROFINA	sm	586.1	23.3%		(246.0)	(340.1)		-	-
ELF AQUITAINE	sm	98.5	3.9%		(36.1)	(62.4)		-	-
TOTAL FINA ELF		-	-		227.5	860.7	sm	1 088.2	34.2%
DISTRIPAR ⁽¹³⁾	se, bv	64.4	2.6%		(5.1)	32.1	se, bv	91.4	2.9%
ENTREMONT		-	-		-	82.4	bv	82.4	2.6%
IJSBOERKE / SUZY	bv	58.6	2.3%		-	0.8	bv	59.4	1.9%
JOSEPH		-	-		-	47.8	bv	47.8	1.5%
TRANSCOR	se	35.5	1.4%		10.0	(4.1)	se	41.4	1.3%
EDITIONS DUPUIS ⁽¹³⁾	se, bv	32.5	1.3%		(0.4)	-	se, bv	32.1	1.0%
ACP	bv	14.4	0.6%		-	-	bv	14.4	0.5%
HÉLIO CHARLEROI	se	10.7	0.4%		1.4	-	se	12.2	0.4%
VIVENTURES / WIN / INNO.COM	bv	1.7	0.1%		0.1	3.8	bv	5.6	0.2%
Other shareholdings	bv	6.3	0.2%		0.1	0.8	bv	7.1	0.2%
Tangible fixed assets	bv	9.6	0.4%		-	1.3	bv	10.9	0.3%
Long-term assets		1 757.0	69.9%		301.2	623.2		2 681.4	84.2%
Deposits, cash and debt	bv	566.3	22.5%	(244.8)	615.5	(542.0)	bv	395.0	12.4%
Shares and bonds	sm	149.9	6.0%	-	(1.4)	(63.6)	sm	84.9	2.7%
Own shares	sm	40.8	1.6%		1.7	(17.6)	sm	24.9	0.8%
Treasury (net)		757.0	30.1%	(244.8)	615.8	(623.2)		504.8	15.8%
Estimated value		2 513.9		(244.8)	917.0	-		3 186.2	
Restructuring operations (anti-dilution effect)		-		(164.9)	1 64.9	-		-	
Estimated value		2 513.9		(409.7)	1 081.9	-		3 186.2	
Estimated value (EUR/share)		109.30						153.62	

(1) valuation criteria.

(a) ev : estimated value.

(b) sm : stock market price.

(c) se : shareholders' equity.

(d) vc : book value.

(2) estimated value at 31.12.1998.

(3) flows with the shareholders : dividends and equity reduction expressed in data per share equivalents.

(4) value creation without effect on the profit & loss account.

(5) internal allocation of funds : investments and divestments at book value.

(6) estimated value at 31.12.1999 = (2) + (3) + (4) + (5).

RESTRICTED CONSOLIDATED PROFIT (GROUP)

with effect on value		witout effect	Total		Total value created	TPS
operating	capital	capital	(10)		(11)	(12)
(7)	(8)	(9)				
18.4	-	-	18.4	PARGESA	368.1	43.9%
-	381.2	-	381.2	PETROFINA	135.2	23.1%
2.8	94.5	-	97.3	ELF AQUITAINE	61.2	62.2%
16.1	-	-	16.1	TOTAL FINA ELF	243.6	n.s.
11.5	-	-	11.5	DISTRIPAR ⁽¹³⁾	6.4	9.9%
0.6	-	-	0.6	ENTREMONT	0.6	n.s.
0.2	2.8	-	2.9	IJSBOERKE / SUZY	2.9	5.0%
0.2	-	-	0.2	JOSEPH	0.2	n.s.
-	2.7	-	2.7	TRANSCOR	12.7	35.6%
2.2	-	-	2.2	EDITIONS DUPUIS ⁽¹³⁾	1.8	5.6%
0.7	-	-	0.7	ACP	0.7	4.9%
0.2	-	-	0.2	HÉLIO CHARLEROI	1.7	15.8%
-	-	0.1	0.1	VIVENTURES / WIN / INNO.COM	0.1	n.s.
0.1	0.0	-	0.1	Other shareholdings	0.2	n.s.
-	0.0	-	0.0	Tangible fixed assets	0.0	n.s.
53.0	481.2	0.1	534.2	Long-term assets	835.4	47.5%
17.9	-	-	17.9	Deposits, cash and debt	17.9	
74.2	-	-	74.2	Shares and bonds	72.8	
			-	Own shares	1.7	
92.1	-	-	92.1	Treasury (net)	92.4	13.5%
(4.5)	(6.3)		(10.7)	Other revenues / (costs)	(10.7)	
615.5		0.1	615.6	Restricted consolidated profit	917.0	36.5%
			-	Restructuring operations (not included in P&L)	164.9	
				After restructuring operations	1 081.9	43.0%

(7) value creation with effect on the profit & loss account : dividends, interests and profit and losses on short-term investments.

(8) value creation with effect on the profit & loss account : capital gains and losses.

(9) result without effect on the estimated value : write-downs and reversals of write-downs.

(10) total restricted consolidated result (Group) : (7) + (8) + (9).

(11) total value created : (4) + (7) + (8).

(12) Total Performance for the Shareholders over the period : (11)/(2).

(13) valuation criteria distinct per acquired lot.

VALUE CREATION AND TOTAL PERFORMANCE FOR THE SHAREHOLDERS FROM 1989 TO 1999

(IN MILLION EUR)

ESTIMATED VALUE

ASSETS	1-April-88			variation			31-Dec-99		
	criteria (1)	breakdown (2)	%	shareholders (3)	value (4)	interest (5)	criteria (6)	breakdown (6)	%
PARGESA		-			842.4	346.1	ev	1 188.5	37.3%
PETROFINA	sm	13.2	32.0%		(118.9)	105.7		-	
ELF AQUITAINE		-			-	-		-	
TOTAL FINA ELF		-			227.5	860.7	sm	1 088.2	34.2%
DISTRIPAR ⁽¹³⁾		-			11.7	79.7	se, bv	91.4	2.9%
ENTREMONT		-			-	82.4	bv	82.4	2.6%
IJSBOERKE / SUZY		-			-	59.4	bv	59.4	1.9%
JOSEPH		-			-	47.8	bv	47.8	1.5%
TRANSCOR		-			20.0	21.5	se	41.4	1.3%
EDITIONS DUPUIS ⁽¹³⁾		-			3.9	28.2	se, bv	32.1	1.0%
ACP		-			-	14.4	bv	14.4	0.5%
HÉLIO CHARLEROI		-			5.3	6.9	se	12.2	0.4%
VIVENTURES / WIN / INNO.COM		-			(1.1)	6.6	bv	5.6	0.2%
Non-listed companies sold	ev	14.0	33.8%		(13.1)	(0.9)		-	
Listed companies sold	bv	9.6	23.3%		(45.8)	36.2		-	
Other shareholdings		-			(0.2)	7.3	bv	7.1	0.2%
Tangible fixed assets		-			-	10.9	bv	10.9	0.3%
Long-term assets		36.8	89.1%		931.8	1 712.7		2 681.4	84.2%
Deposits, cash and debt	bv	4.5	10.9%	427.6	1 771.2	(1 808.3)	bv	395.0	12.4%
Shares and bonds		-			12.6	72.4	sm	84.9	2.7%
Own shares		-			1.7	23.2	sm	24.9	0.8%
Treasury (net)		4.5	10.9%	427.6	1 785.4	(1 712.7)		504.8	15.8%
Estimated value		41.3		427.6	2 717.2	-		3 186.2	
Estimated value (EUR/share)		53.83						153.62	

(1) valuation criteria.

- (a) ev : estimated value
- (b) sm : stock market price
- (c) se : shareholders' equity
- (d) vc : book value

(2) estimated value at 1.04.1988.

(3) flows with the shareholders : net capital increases (EUR 982.3 millions), less dividends (EUR 554.7 millions).

(4) value creation without effect on the profit & loss account.

(5) internal allocation of funds : investments and divestments at book value.

(6) estimated value at 31.12.1999 = (2) + (3) + (4) + (5).

(7) value creation with effect on the profit & loss account : dividends, interests and profit and losses on short-term investments.

(8) value creation with effect on the profit & loss account : capital gains and losses.

(9) result without effect on the estimated value : write-downs and reversals of write-downs.

(10) total restricted consolidated result (Group) : (7) + (8) + (9).

(11) total value created : (4) + (7) + (8).

(12) Total Performance for the Shareholders over the period.

(13) valuation criteria distinct per acquired lot.

RESTRICTED CONSOLIDATED RESULT (GROUP)

with effect on value		without effect	Total		Total value created	TPS
operating	capital	capital			(11)	(12)
(7)	(8)	(9)	(10)			
153.1	1.0	-	154.1	PARGESA.....	996.5	16.3%
149.7	392.3	-	542.0	PETROFINA	423.1	7.4%
18.1	104.4	-	122.5	ELF AQUITAINE	122.5	23.5%
16.1	-	-	16.1	TOTAL FINA ELF	243.6	n.s.
11.5	-	-	11.5	DISTRIPAR ⁽¹³⁾	23.2	26.9%
0.6	-	-	0.6	ENTREMONT	0.6	n.s.
0.5	2.8	-	3.3	IJSBOERKE / SUZY	3.3	2.5%
0.2	-	-	0.2	JOSEPH	0.2	n.s.
15.3	2.7	-	18.0	TRANSCOR	38.0	23.3%
5.3	-	-	5.3	EDITIONS DUPUIS ⁽¹³⁾	9.3	12.5%
3.3	10.3	-	13.6	ACP	13.6	9.8%
0.9	-	-	0.9	HÉLIO CHARLEROI	6.1	21.9%
-	-	(1.6)	(1.1)	VIVENTURES / WIN / INNO.COM	(1.1)	n.s.
12.5	47.7	-	60.1	Non-listed companies sold	47.0	16.1%
128.6	466.1	(15.3)	579.5	Listed companies sold	549.0	13.1%
0.3	0.1	(0.2)	0.2	Other shareholdings	0.3	n.s.
-	-	-	-	Tangible fixed assets	0.0	n.s.
515.9	1 027.4	(16.6)	1 526.7	Long-term assets	2 475.1	13.0%
113.1	-	-	113.1	Deposits, cash and debt	113.1	
170.5	-	-	170.5	Shares and bonds	183.1	
2.8	20.7	-	23.5	Own shares	25.1	
286.5	20.7	-	307.1	Treasury (net)	321.4	
(41.5)	(37.8)		(79.3)	Other revenues / (costs)	(79.3)	
1 771.2		(16.6)	1 754.6	Restricted consolidated profit	2 717.2	12.7%

OPINION OF THE STATUTORY AUDITORS ON THE ESTIMATED VALUE

To the shareholders of COMPAGNIE NATIONALE À PORTEFEUILLE/NATIONALE PORTEFEUILLEMAATSCHAPPIJ,

We have examined the calculation of the estimated value per share of NPM/CNP as of 31 December 1999.

This calculation was made by NPM/CNP based on its shareholders' equity, that of the holding companies controlled alone or jointly, and the assets held in their respective portfolios, the latter being valued according to the criteria described on page 17.

In conclusion, we confirm that the use of these criteria produces a value of EUR 153,62 per NPM/CNP share cum dividend at 31 December 1999.

20 March 2000

The Statutory Auditors

KPMG
Reviseurs d'Entreprises S.C.C.
Represented by Karel M. VAN OOSTVELDT

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

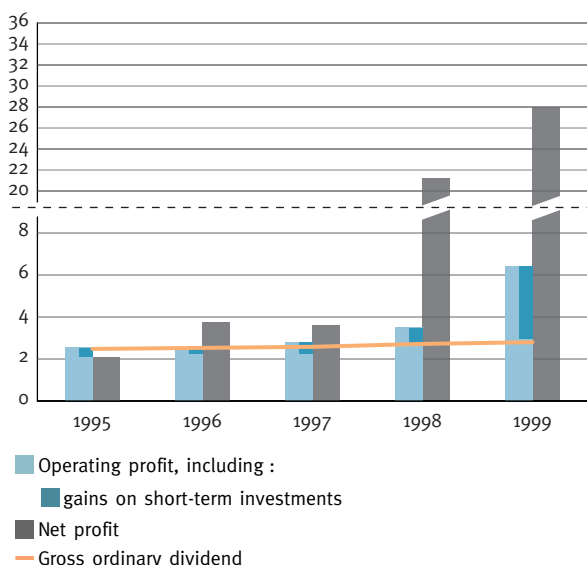
Results

The restricted consolidated profit amounts to EUR 615.6 million (EUR 27.98 per share) in 1999 compared with EUR 508.2 million (EUR 21.22 per share) in the previous year. The

total consolidated results in 1999 stood at EUR 759.2 million (EUR 34.51 per share) compared with EUR 603.1 million (EUR 25.18 per share) in 1998.

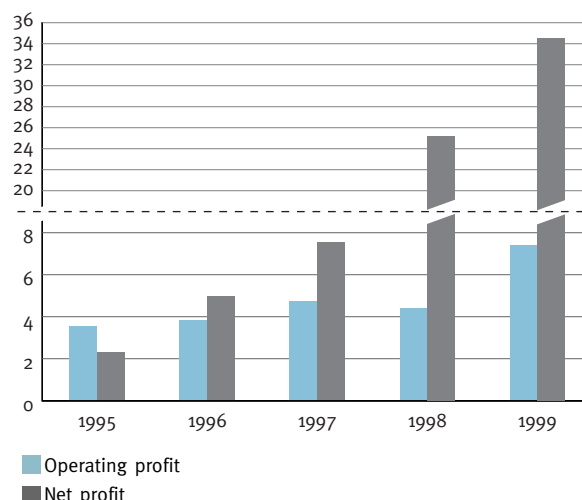
RESTRICTED CONSOLIDATED PROFIT

(in EUR/share)



CONSOLIDATED PROFIT

(in EUR/share)



The restricted consolidated operating profit realised in 1999 was up by 83% in figures per share (EUR 6.39) and totalled EUR 140.6 million in 1999 compared with EUR 83.6 million in 1998.

Despite selling off large holdings in 1998, for which a dividend had been collected the same year (ROYALE BELGE, COBEP, SOCIÉTÉ GÉNÉRALE DE BELGIQUE), the income from long-term investments was slightly up (EUR 53.0 mil-

lion compared with EUR 51.8 million), thanks to the contribution of the unlisted shareholdings acquired (DISTRIPAR, JOSEPH, ENTREMONT, etc.).

Income from the short-term funds was very favourably influenced by net gains realised on short-term investments (EUR 75.5 million in 1999 compared with EUR 20.4 million in 1998). A detailed analysis of the return on treasury investments is provided on page 16 of this report.

The consolidated operating profit stood at EUR 162.8 million compared with EUR 105.5 million in 1998 (EUR 7.40 per share compared with EUR 4.40 in 1998).

Apart from the exceptional performance of short-term investments remarked on above, it should be noted that the consolidated operating profit includes the profits of equity-accounted companies, which represented, on average over

the course of 1999, only around 21% of the transitive portfolio of assets. The major change concerns PETROFINA which, until 1998, contributed its profits to the consolidated result, while only the dividend is taken into account as from 1999 for TOTALFINA.

The contribution of the various components of the operating income can be broken down as follows (in EUR millions) :

CONTRIBUTION TO THE OPERATING PROFIT (IN EUR THOUSAND)

	Restricted consolidated ⁽¹⁾			Consolidated (breakdown of PARGESA) ⁽²⁾		
	1997	1998	1999	1997	1998	1999
Dividends and interests						
on long-term investments	53 011	51 799	52 970	17 250	11 861	28 352
ACP	702	702	702	-	-	-
BERNHEIM-COMOFI	1 588	-	-	-	-	-
DISTRIPAR	-	-	11 464	-	-	-
EDITIONS DUPUIS	932	1 058	2 211	-	-	-
ELF AQUITAINE	2 896	2 915	2 810	2 896	2 915	2 810
ENTREMONT Group	-	-	583	-	-	-
HELIO CHARLEROI	128	124	245	-	-	-
IJSBOERKE/SUZY	150	182	163	-	-	-
JOSEPH Group	-	-	231	-	-	-
PETROFINA	14 884	17 116	-	-	-	-
PARGESA	17 477	17 702	18 408	-	-	-
ROYALE BELGE	2 933	3 694	-	-	-	-
SOCIETE GENERALE DE BELGIQUE	4 833	5 000	-	4 833	5 000	-
SUEZ LYONNAISE DES EAUX	-	-	-	1 260	1 836	4 154
TOTALFINA	-	-	16 076	-	-	20 501
TRANSCOR	1 714	2 360	-	-	-	-
VIVENDI	2 301	-	-	2 301	-	-
Others	2 473	946	77	5 960	2 110	887
Income from equity-accounted long-term investments	-	-	-	83 913	58 879	44 441
ACP	-	-	-	1 802	1 509	2 418
BBL	-	-	-	4 263	-	-
BERNHEIM-COMOFI	-	-	-	2 092	-	-
CLT-UFA	-	-	-	(949)	(895)	3 017
DISTRIPAR	-	-	-	388	4 200	10 011
EDITIONS DUPUIS	-	-	-	1 726	1 598	2 900
ENTREMONT Group	-	-	-	-	-	3 074
HELIO CHARLEROI	-	-	-	1256	994	682
IJSBOERKE/SUZY	-	-	-	1 146	1 353	(738)
IMERYS	-	-	-	8 014	9 626	12 272
JOSEPH Group	-	-	-	-	-	1 828
PETROFINA	-	-	-	42 034	37 696	-
PARGESA	-	-	-	-	-	-
ROYALE BELGE	-	-	-	18 335	-	-
TRANSCOR	-	-	-	2 858	2 041	8 631
Others	-	-	-	948	757	346
Other net operating profit	17 641	31 779	87 585	18 709	34 759	90 046
Operating profit	70 652	83 578	140 555	119 872	105 499	162 839

(1) The restricted consolidated income, apart from the profits of consolidated financial companies (own holdings), only includes the dividends from PARGESA and companies accounted using the equity method.

(2) In the consolidated accounts, the dividends are eliminated and replaced by the results of companies accounted using the equity method and of PARGESA, the latter having been broken down transitively into its various components for this analysis.

You are reminded that, for companies accounted using the equity method, NPM/CNP only takes the share coming from the ordinary activities of these companies; the effect of selling off holdings or activities as well as, for holding companies, depreciation of goodwill and extraordinary

income, are not included in the operating income.

The net profit for 1999 was influenced by the non-operating profit of EUR 475.0 million or EUR 21.59 per share (restricted consolidated) and EUR 596.3 million or EUR 27.11 per share (consolidated) resulting from the following items :

(IN EUR THOUSAND)

	Restricted consolidation	Consolidation (transitively)
Capital gains and losses	464 047	602 446
Contribution of PETROFINA to TOTAL	364 093	501 169
Contribution of ELF AQUITAINE to TOTALFINA	94 508	94 508
Others	5 446	6 769
Goodwill depreciation	-	(16 523)
Other non-operating results	10 953	10 388
Total non operating profit	475 000	596 311

At the General Assembly of 20 April 2000 (and on its Internet site www.cnp.be), NPM/CNP will make available an analysis of the economic operating contribution including, apart from the consolidated operating income, the transitive share due to NPM/CNP from the operating results of companies not equity-accounted (mainly TOTAL FINA ELF

and SUEZ LYONNAISE DES EAUX) instead of its share in the dividends collected from them.

This analysis is not available at the time this document goes to press because some of the shareholdings not equity-accounted had not yet finalised their accounts.

Prospects

Although the dividends from shareholdings can already be estimated, it would be premature to pronounce on the level of result achieved by treasury activities, given the impact of changes in interest rates, the behaviour of the stock markets and investment opportunities that may arise. The level was particularly high in 1999, but it is hardly likely that such a performance can be repeated in the year 2000.

The restricted consolidated profit in 2000 should be at a level allowing NPM/CNP to pursue the growth of its dividend per share.

You may remember that NPM/CNP's dividend policy is to achieve a reasonable dividend growth per share, backed by a flow of recurring restricted consolidated operating income.

The consolidated operating income will also depend on the economic situation in the sectors in which NPM/CNP operates through its equity-accounted companies.

At the time of going to press, the company does not anticipate achieving substantial non-operating results.

Appropriation of profit

At the end of the 1999 financial year, the balance available for allocation stood at EUR 749,700,477.35, equal to the profit for the year to be allocated of EUR 88,961,071.82, plus the profit carried forward of EUR 660,739,405.53; the latter comes from profits carried forward at the end of the previous financial year (EUR 848,760,781.73) minus the transfer to the undistributable reserve for own shares for

the sum of EUR 188,021,376.20, which was cancelled following the cancellation of 2,259,353 NPM/CNP shares. The superdividend paid to the AFV shares, according to the statutes and Royal Decrees n°15 and 150, represents the tax shield for 1996, brought forward following the control of that fiscal year in 1999.

The Board of Directors proposes the following appropriation of profit :

(IN EUR)	
Ordinary dividends on 20,740,647 shares	58 073 811.60
Superdividends on 533,170 AFV shares	44 786.28
Transfer to the Legal Reserve	871 958.90
Transfer to the undistributable reserve for own shares	1 347 420.00
Profit carried forward	689 362 500.57
Ordinary dividend per share	2.80

This proposal represents a growth of 2.9% in the ordinary dividend per share.

Subject to approval by the Shareholders' General Meeting, the dividend will be paid out as from 26 April 2000 on presentation of coupon n° 49 at the Company's registered office and at the counters of the banks listed below :

BANQUE ARTESIA BANQUE BRUXELLES LAMBERT BANQUE DEGROOF BANQUE PARIBAS LUXEMBOURG FORTIS BANQUE
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CORPORATE GOVERNANCE

For ease of understanding, we have decided to group together a large amount of information under the heading of “Corporate Governance”. Our objective is to list together all of the associated information, mentioned in the recommendations of the stock market authority of the Brussels Stock Exchange and the Banking and Finance Commission, in accordance with the principle of “comply or explain”.

BOARD OF DIRECTORS

DIRECTORS ⁽¹⁾	First mandate	Last renewal	Term ends	Main mandate or function
Executive Directors				
Gilles SAMYN, Deputy Chairman.....	1988	1999	2005	Managing Director
Victor DELLOYE ⁽²⁾	1994	2000	2006	Director and Company Secretary
Non-executive directors representing dominant shareholders				
Gérald FRÈRE, Chairman	1988	1995	2001	Managing Director of FRÈRE-BOURGEOIS
Jean CLAMON ⁽²⁾	1988	2000	2006	Member of the Management Committee of BNP-PARIBAS
Laurent DASSAULT	1999	-	2005	Manager of DASSAULT INVESTISSEMENTS
Thierry DORMEUIL	1994	1995	2001	Responsible at Corporate Finance Department at the BNP-PARIBAS Group
Ségolène FRÈRE ⁽²⁾	1998	2000	2006	Director of ERBE
Philippe HUSTACHE	1995	-	2001	Director and CEO of the GROUPE INDUSTRIEL MARCEL DASSAULT
Thierry de RUDDER ^{(2) (3)}	1988	2000	2006	Managing Director of GROUPE BRUXELLES LAMBERT and ELECTRAFINA
Pierre VAN OMMESLAGHE	1999	-	2005	Barrister at the Court of Cassation (Belgium)
Non-executive independent directors				
Pierre-Alain DE SMEDT	1997	-	2003	Deputy General Manager of the RENAULT Group
Jacques FOREST	1992	1996	2002	Chairman of the Management Committee of P&V ASSURANCES
Henry MESTDAGH	1999	-	2005	Managing Director of MESTDAGH
Philippe WILMES ⁽²⁾	1988	2000	2006	Chairman of the Management Committee of the SOCIÉTÉ FÉDÉRALE D'INVESTISSEMENT

(1) The Directors are classified on the basis of the nomenclature decided by the Appointments and Remunerations Committee.

(2) The mandates of Jean CLAMON, Victor DELLOYE, Ségolène FRÈRE, Thierry de RUDDER and Philippe WILMES expire at the end of the Ordinary Shareholders' Meeting of 20 April 2000, which will have to deliberate on the renewal of these mandates.

(3) At the time of his appointment, Thierry de RUDDER represented ELECTRAFINA, which was an indirect shareholder of NPM/CNP via its holding in FIBELPAR. Although Thierry de RUDDER is Managing Director of ELECTRAFINA, a subsidiary of NPM/CNP, it was decided not to include him in the Executive Directors since ELECTRAFINA is not included in the restricted consolidation perimeter of NPM/CNP.

Composition of the Board of Directors

At the close of the General Meeting on 20 April 2000, and subject to approval of the proposed appointments, the Board will comprise 14 Directors. The longer-term objective is, however, to bring their number to 12, while respecting the current balance.

There are no specific rules in the statutes concerning the appointment and renewal of Directors' mandates. Terms of office for Directors last for 6 years and are renewable. The age limit has been set at 72 by the Appointments and Remunerations Committee.

Exercising the function of Director is not governed by any internal regulations.

Directors are selected by the Appointments and Remunerations Committee for their skills and qualities.

Functioning of the Board of Directors

COMPETENCE OF THE BOARD

The Board of Directors draws up strategic choices, investments and disposals, long-term financing and, periodically, the Company accounts. It appoints from within its ranks the Managing Director and the members of the Board Committees (Audit Committee and Appointments and Remunerations Committee) to which it delegates specific tasks.

MONITORING OF DAILY MANAGEMENT

Daily management is administered by the Managing Director who benefits from considerable autonomy. The Managing Director regularly reports to the Board of Directors on management issues and in particular on changes in shareholdings, monitoring of subsidiaries and the management of short-term investments.

FREQUENCY OF MEETINGS AND DECISION-MAKING MECHANISMS

The Board of Directors meets at least four times a year. It may also be convened in the event of emergency or for major operations. During 1999, the Board of Directors met five times, with an attendance rate of Directors at meetings of 71%.

The most important subjects discussed are :

- strategy,
- decisions on and approval of investments and disposals,
- report on long-term investments
- reports from the various committees,
- examination and approval of the accounts (annual, half-yearly and quarterly),
- budget forecasts,
- preparation of shareholders' general and extraordinary meetings.

Suitable documentation is made available to the Board concerning the different items on the agenda and the subjects for

deliberation at least two working days before such meetings. For the discussions of the Board to be valid, more than half of the members of the Board must be present or represented. All decisions are taken by a simple majority vote. In compliance with the legal provisions, the Board acts in a collegiate manner, in the interests of the Company, without any one category of Directors exercising a dominant role over any other.

There is no specific internal procedure in the Company allowing a Director to make a request to the Board for the advice of an independent expert; if such a request was to be made by a member, it would be put into effect. In the event of any conflict of interests, the Board calls on the services of independent experts. The Board Committees call on the services of external experts where appropriate.

REPRESENTATION OF THE COMPANY

According to the statutes, the Company is validly bound by the signature of two Directors or the signature of the Managing Director alone in the context of daily management.

The Company has delegated representation mainly to the two Executive Directors or, where appropriate, to the Chairman of the Board of Directors. The Board of Directors has also delegated special limited powers to selected persons external to its ranks.

REMUNERATIONS

The Appointments and Remunerations Committee decides on the emoluments for non-executive Directors and the fixed and variable remunerations for executive Directors.

The Appointments and Remunerations Committee is also authorised to grant to Directors responsible for special functions (Chairman of the Board, Chairmen of the various committees) additional emoluments, equivalent to a sum of EUR 44,620 in 1999.

The total cost for the NPM/CNP Group of the emoluments and remunerations paid to Directors in the 1999 financial year was EUR 155,298 for non-executive Directors and EUR 879,389 for executive Directors.

Committees set up by the Board of Directors

APPOINTMENTS AND REMUNERATIONS COMMITTEE

Role of the Committee :

The role of the Appointments and Remunerations Committee is to propose candidates for appointment to the functions of Director and to express opinions on those presented to it. The Committee selects candidates in the interest of the Company. It ensures that the Board is composed according to the following rules :

- majority of non-executive Directors,
- sufficient number of independent Directors,
- majority of Directors representing the dominant shareholders.

It is also consulted by the Board of Directors to assist it in the matter of remunerations for the company managers.

Functioning of the Committee :

The Committee meets prior to each Board of Directors meeting that has to take a decision on one of these issues. As part of its task, it periodically resorts to outside consultants for objective overviews of remunerations to bring them into line with the market and, in particular, with other financial companies.

During 1999, this Committee met four times to analyse and make proposals on the composition of the Board of Directors and to review the remunerations of the company management.

Composition of the Committee :

Gérald FRÈRE, Chairman
 Pierre-Alain DE SMEDT
 Philippe WILMES.

AUDIT COMMITTEE

Role of the Committee :

The Audit Committee assists the Board of Directors with internal control, the drawing up of accounts, periodic financial information required by the law, the appointment of company auditors and relations with them, as well as operations that involve companies in the NPM/CNP Group (restricted consolidated) and its shareholders.

Functioning of the Committee :

The Committee meets prior to each Board of Directors meeting that has to take a decision on any of these issues. Part of its task is to meet regularly with the company auditors.

During 1999, the Committee met three times.

Composition of the Committee :

Philippe HUSTACHE, Chairman
 Henry MESTDAGH
 Jacques FOREST.

Daily management and administration

The daily management and general administration is provided by Gilles SAMYN with the support of a small, solid team made of qualified and motivated professionals.

In addition, the Managing Director analyses, prepares and makes proposals to the Board of Directors concerning strategic choices, investments, disposals and decisions concerning the long-term financing of the Company.

Auditing accounts

Auditors' mandates are for 3 years and are renewable.

Since 1988, the auditors appointed are :

KLYNVELD PEAT MARWICK GOERDELER

Revisers d'Entreprises S.C.C.

Represented by Karel M. VAN OOSTVELDT

(the mandate, renewed in 1999, expires in 2002)

DELOITTE & TOUCHE

Revisers d'Entreprises S.C.C.,

Represented by Claude POURBAIX

(the mandate, renewed in 1998, expires in 2001)

Profit distribution policy

The dividend policy of NPM/CNP is to achieve a reasonable dividend growth per share, backed by a flow of recurring restricted consolidated operating income.

Relations with dominant shareholders

No shareholders' agreement concerning NPM/CNP shares has been brought to the knowledge of the Board of Directors of NPM/CNP.

The Board has however been informed of the existence of agreements between the shareholders of the companies ERBE and FINGEN, establishing exclusive control of NPM/CNP by the FRÈRE-BOURGEOIS Group.

All transactions falling within the competence of the Board of Directors between the NPM/CNP Group and the dominant shareholders are checked by the Company Auditors and the Audit Committee. In the event of a conflict of interest, the operations or decisions are subject to the regulations in Articles 60 and 60 bis CLCC ⁽¹⁾.

(1) Coordinated Laws on Commercial Companies

PERSONNEL AND ORGANISATION



From left to right :

Jean-Pierre CAPRON, Etienne COUGNON, Pascal CLAUSE,
Jean-Marie LABRASSINE, Jean-LUC FISCHER,
Fernand MIGEOT, Michel LOIR, Jacques LAMBEAUX,
Roland BORRES, Jean-Pierre IACOPETTA, Victor DELLOYE,
Gilles SAMYN, Jean-Charles d'ASPREMONT LYNDEN,
Maximilien de LIMBURG STIRUM

MANAGING DIRECTOR

Gilles SAMYN

COMPANY SECRETARY

Victor DELLOYE

SHAREHOLDINGS AND FINANCIAL INFORMATION

Roland BORRES

Jean-Pierre IACOPETTA

Maximilien de LIMBURG STIRUM

MARKETS

Michel LOIR

Étienne COUGNON

Jean-Pierre IACOPETTA

COORDINATION CENTRE

Fernand MIGEOT

Jean-Charles d'ASPREMONT LYNDEN

Jean-Pierre CAPRON

Pascal CLAUSE

Jean-Luc FISCHER

Jean-Marie LABRASSINE

Jacques LAMBEAUX

LUXEMBURG

Geneviève PISCAGLIA

Valérie BARTHOL

NETHERLANDS

Ernst COOIMAN

Pieter SCHWENCKE

SWITZERLAND

Georges BETTERMANN

Cyril DUMITRU

Fabienne RUDAZ

Gaël BALLERY

Employee Stock Ownership Plan

NPM/CNP wished to motivate its staff by aligning their interests with the company objective of value creation. Staff members have therefore made a long-term commitment by establishing a Company (LOVERFIN) which has acquired,

with the aid of a bank loan, 700,000 NPM/CNP shares (3.4% of the capital). LOVERFIN plans to hold this stock for a period of at least five years from October 1998.

1. Application of Article 64 ter CLCC⁽¹⁾ relating to special fees paid to the Auditors

The Board of Directors informs you that in 1999, DELOITTE & TOUCHE, Company auditor, received a special fee amounting to EUR 8,478 for special tasks carried out in the context of the enlargement of the consolidation perimeter, certification of the estimated value and for various consultations.

2. Regulations relating to conflicts of interest (Articles 60 and 60 bis CLCC)

Articles 60 and 60 bis CLCC applied to the acquisition of NPM/CNP shares from ERBE, the main shareholder of NPM/CNP. These operations were approved by the Shareholders' Extraordinary General Meeting of 22 July 1999.

Legal information, as well as the conclusions of the "fairness opinion" drawn up for the occasion by BANQUE DEGROOF, appears on pages 101 and 102 of this annual report.

This information is also included in a report by the Statutory Auditors on the non-consolidated Annual Accounts to be deposited at the BANQUE NATIONALE DE BELGIQUE.

(1) Coordinated Laws on Commercial Companies

3. Application of Article 77 para. 5 CLCC relating to the Company's own shares

Own shares on 31.12.98	696 077
Stock market purchases (1 st half year)	881 340
Exercise of warrants	(739 161)
Own shares on 30.06.99	838 256
Acquisitions from ERBE	1 421 097
Cancellation of own shares	(2 259 353)
Acquisitions as part of the public buy-back offer	15 852
Stock market purchases (2 nd half year)	251 600
Own shares on 31.12.99	267 452

During the first half of 1999, the NPM/CNP Group acquired on the market 881,340 of its own shares and 750,880 NPM/CNP warrants.

After transferring 739,161 NPM/CNP shares to warrant holders exercising warrants that matured on 15 June 1999, the Group held 838,256 NPM/CNP shares.

These shares, with the 1,421,097 NPM/CNP shares acquired from ERBE at the unit price of EUR 85, totalling 2,259,353 shares, were cancelled by the Extraordinary General Meeting of 22 July 1999.

In order to ensure equal treatment of shareholders, this acquisition of NPM/CNP shares from the shareholder ERBE was followed by a Public Buy-back Offer on similar terms from 26 August to 17 September 1999. This operation was covered by a prospectus aimed at the general public. Due to the favourable trend in the stock market price of the NPM/CNP share, only 15,852 shares were contributed to the offer.

Following additional stock market acquisitions, on 31 December 1999 the NPM/CNP Group held 267,452 NPM/CNP shares.