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NPM/CNP makes public, on the one hand, **restricted consolidated accounts** fully consolidating the 100 % held financial subsidiaries and proportionally consolidating the 89.5 % held AGESCA NEDERLAND Group (and consequently its 100 % - N.F. ASSOCIATES - and 50 % - PARJOINTCO - subsidiaries) as well as CENTRE DE COORDINATION DE CHARLEROI (82,6 % held).

The Company also communicates, on the other hand, **consolidated accounts** fully or proportionally consolidating the above-mentioned companies and accounting, under the equity method, for those of PARGESA (including GBL, ELECTRAFINA and AUDIOFINA) and of the commercial and industrial companies in which the Group has a holding of at least 20 % (ACP, DISTRIPAR, EDITIONS DUPUIS, IJSBOERKE, HELIO CHARLEROI, PETROFINA, SUZY et TRANSCOR, for the year 1998). The consolidation methods have been slightly adapted for 1998 ; the financial data related to the previous years have been restated for comparison purposes. The changes made had no impact on the Group share in the equity nor on the Group share in the net profit ; the effects on the other captions of the balance sheets and of the profit and loss statements are detailed on pages 83 to 85.

Please also note the following :

- BERNHEIM-COMOFI and ROYALE BELGE were sold during the first half of 1998 and did not contribute to the 1998 consolidated profit.
- The participation of 38 % of DISTRIPAR bought by NPM/CNP before the end of the first half-year of 1998 contributed to the consolidated profit starting from 1 July 1998.
- Shareholdings purchased in November 1998 (another 38 % of DISTRIPAR, 50 % of ÉDITIONS DUPUIS, 25 % of HÉLIO CHARLEROI and 47.6 % of TRANSCOR) will contribute to the consolidated profit starting from January 1999.

**In accordance with the Royal Decree dated 15 December 1998, NPM/CNP presents, for the first time, its consolidated financial statements expressed in Euros (EUR) ; for that purpose, the 1998, 1997 and 1996 accounts initially closed in Belgian francs (BEF) have been translated in Euros (EUR) at the rate of BEF 40.3399 for 1 EUR. Since January 1999, the books of NPM/CNP and of its consolidated subsidiaries are kept in Euros.**

<i>(EUR thousand except for data per share)</i>	Consolidated accounts			Restricted consolidated accounts		
	1998	1997	1996	1998	1997	1996
EQUITY (Group share)	1,844,905	1,457,999	1,325,891	1,626,152	1,328,763	1,303,637
RESULTS (Group share)						
– operating income	105,127	119,500	97,558	83,578	70,652	64,859
– capital profit	498,007	71,349	28,438	424,588	19,995	29,989
including amortisation of goodwill (transitively) (1)	(17,497)	(16,500)	(19,068)	-	-	(20)
– total profit	603,134	190,849	125,996	508,166	90,647	94,848
GROSS DIVIDENDS	62,560	65,329	64,073	62,560	65,329	64,073
AVERAGE NUMBER OF SHARES	23,948,822	25,340,000	25,340,000	23,948,822	25,340,000	25,340,000
NUMBER OF SHARES IN ISSUE	23,000,000	25,340,000	25,340,000	23,000,000	25,340,000	25,340,000
ADJUSTED DATA PER SHARE (in EUR)						
– operating income	4.39	4.72	3.85	3.49	2.79	2.56
– capital profit	20.79	2.81	1.12	17.73	0.79	1.18
including amortisation of goodwill (transitively) (1)	(0.73)	(0.65)	(0.75)	-	-	-
– earnings per share	25.18	7.53	4.97	21.22	3.58	3.74
– gross dividend per ordinary share	2.72	2.58	2.53	2.72	2.58	2.53

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

CONSOLIDATED ACCOUNTS

BALANCE SHEETS

ASSETS (EUR thousand)

	Consolidated accounts			Restricted consolidated accounts		
	1998	1997	1996	1998	1997	1996
<b>FIXED ASSETS</b>	<b>1,165,398</b>	<b>1,216,453</b>	<b>1,103,564</b>	<b>945,980</b>	<b>1,086,552</b>	<b>1,081,310</b>
<b>I. Formation expenses</b>	-	-	-	-	-	-
<b>II. Intangible assets</b>	-	-	-	-	-	-
<b>III. Goodwill</b>	<b>70,390</b>	<b>74,402</b>	<b>57,064</b>	-	-	-
<b>IV. Tangible fixed assets</b>	<b>9,613</b>	<b>8,585</b>	<b>5,470</b>	<b>9,613</b>	<b>8,585</b>	<b>5,470</b>
A. Land and buildings	1,165	1,201	509	1,165	1,201	509
B. Plant, machinery and equipment	-	-	-	-	-	-
C. Furniture and vehicles	2,271	2,216	434	2,271	2,216	434
D. Leasing and other similar rights	-	-	-	-	-	-
E. Other tangible assets	6,177	5,168	-	6,177	5,168	-
F. Assets under construction and advance payments	-	-	4,527	-	-	4,527
<b>V. Investments</b>	<b>1,085,395</b>	<b>1,133,466</b>	<b>1,041,030</b>	<b>936,367</b>	<b>1,077,967</b>	<b>1,075,840</b>
A. Equity-accounted companies	1,017,545	877,461	749,823	-	-	-
1. Shares	1,008,869	870,644	747,964	-	-	-
2. Bonds	8,676	6,817	1,859	-	-	-
B. Other companies	67,850	256,005	291,207	936,367	1,077,967	1,075,840
1. Stocks and shares	67,466	256,005	291,207	927,307	1,071,150	1,073,981
2. Bonds and other amounts receivable	384	-	-	9,060	6,817	1,859
<b>CURRENT ASSETS</b>	<b>899,969</b>	<b>583,016</b>	<b>597,009</b>	<b>899,969</b>	<b>583,016</b>	<b>597,009</b>
<b>VI. Amounts receivable after more than one year</b>	-	-	-	-	-	-
A. Trade receivables	-	-	-	-	-	-
B. Other receivables	-	-	-	-	-	-
<b>VII. Stocks and contracts in progress</b>	-	-	-	-	-	-
A. Stocks	-	-	-	-	-	-
B. Contracts in progress	-	-	-	-	-	-
<b>VIII. Amounts receivable within one year</b>	<b>297,119</b>	<b>192,475</b>	<b>239,218</b>	<b>297,119</b>	<b>192,475</b>	<b>239,218</b>
A. Trade receivables	833	1,100	174	833	1,100	174
B. Other receivables	296,286	191,375	239,044	296,286	191,375	239,044
<b>IX. Short-term investments</b>	<b>239,474</b>	<b>228,142</b>	<b>177,752</b>	<b>239,474</b>	<b>228,142</b>	<b>177,752</b>
A. Own shares	40,809	18,518	21,619	40,809	18,518	21,619
B. Other investments and deposits	198,665	209,624	156,133	198,665	209,624	156,133
<b>X. Cash at bank and in hand</b>	<b>360,827</b>	<b>154,660</b>	<b>177,328</b>	<b>360,827</b>	<b>154,660</b>	<b>177,328</b>
<b>XI. Deferred expenses and accrued income</b>	<b>2,549</b>	<b>7,739</b>	<b>2,711</b>	<b>2,549</b>	<b>7,739</b>	<b>2,711</b>
<b>TOTAL ASSETS</b>	<b>2,065,367</b>	<b>1,799,469</b>	<b>1,700,573</b>	<b>1,845,949</b>	<b>1,669,568</b>	<b>1,678,319</b>

LIABILITIES AND EQUITY (EUR thousand)	Consolidated accounts			Restricted consolidated accounts		
	1998	1997	1996	1998	1997	1996
<b>EQUITY</b>	<b>1,844,905</b>	<b>1,457,999</b>	<b>1,325,891</b>	<b>1,626,152</b>	<b>1,328,763</b>	<b>1,303,637</b>
<b>I. Share capital</b>	<b>117,780</b>	<b>117,780</b>	<b>117,780</b>	<b>117,780</b>	<b>117,780</b>	<b>117,780</b>
A. Issued capital	117,780	117,780	117,780	117,780	117,780	117,780
B. Uncalled capital	-	-	-	-	-	-
<b>II. Share premium account</b>	<b>1,061,590</b>	<b>1,061,590</b>	<b>1,061,590</b>	<b>1,061,590</b>	<b>1,061,590</b>	<b>1,061,590</b>
<b>III. Revaluation surplus</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>IV. Consolidated reserves</b>	<b>719,148</b>	<b>324,924</b>	<b>213,867</b>	<b>447,162</b>	<b>147,906</b>	<b>122,588</b>
<b>V. Negative goodwill</b>	<b>12,986</b>	<b>5,321</b>	<b>5,603</b>	<b>1,807</b>	<b>3,705</b>	<b>3,705</b>
<b>VI. Translation adjustments</b>	<b>(66,599)</b>	<b>(51,616)</b>	<b>(72,949)</b>	<b>(2,187)</b>	<b>(2,218)</b>	<b>(2,026)</b>
<b>VII. Investment grants</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>MINORITY INTERESTS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>VIII. Minority interests</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>PROVISIONS AND DEFERRED TAXATION</b>	<b>15,047</b>	<b>942</b>	<b>1,029</b>	<b>15,047</b>	<b>942</b>	<b>1,029</b>
<b>IX. A. Provisions for liabilities and charges</b>	<b>15,047</b>	<b>942</b>	<b>1,029</b>	<b>15,047</b>	<b>942</b>	<b>1,029</b>
1. Pensions and similar obligations	-	-	-	-	-	-
2. Tax provisions	-	-	-	-	-	-
3. Major repairs and maintenance	-	-	-	-	-	-
4. Other liabilities and charges	15,047	942	1,029	15,047	942	1,029
<b>B. Deferred taxation</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>LIABILITIES</b>	<b>205,415</b>	<b>340,528</b>	<b>373,653</b>	<b>204,750</b>	<b>339,863</b>	<b>373,653</b>
<b>X. Amounts payable after more than one year</b>	<b>-</b>	<b>86,369</b>	<b>86,022</b>	<b>-</b>	<b>86,369</b>	<b>86,022</b>
A. Financial liabilities	-	86,369	86,022	-	86,369	86,022
1. Subordinated loans	-	-	-	-	-	-
2. Unsubordinated debentures	-	81,154	81,154	-	81,154	81,154
3. Finance leasing liabilities	-	-	-	-	-	-
4. Amounts due to financial institutions	-	5,215	4,868	-	5,215	4,868
5. Other loans	-	-	-	-	-	-
B. Trade payables	-	-	-	-	-	-
1. Suppliers	-	-	-	-	-	-
2. Notes payable	-	-	-	-	-	-
C. Advances received on contracts in progress	-	-	-	-	-	-
D. Other liabilities	-	-	-	-	-	-
<b>XI. Amounts payable within one year</b>	<b>199,376</b>	<b>242,758</b>	<b>281,389</b>	<b>198,711</b>	<b>242,093</b>	<b>281,389</b>
A. Current portion of long-term debt	86,303	-	-	86,303	-	-
B. Financial debts	42,599	163,093	189,807	42,599	163,093	189,807
1. Amounts due to financial institutions	11,792	41,963	36,245	11,792	41,963	36,245
2. Other loans	30,807	121,130	153,562	30,807	121,130	153,562
C. Trade payables	1,987	962	1,179	1,987	962	1,179
1. Suppliers	1,987	962	1,179	1,987	962	1,179
2. Notes payable	-	-	-	-	-	-
D. Advances received on contracts in progress	-	-	-	-	-	-
E. Taxes, salaries and social charges payable	2,956	3,264	2,902	2,956	3,264	2,902
1. Taxes	2,819	3,128	2,768	2,819	3,128	2,768
2. Salaries and social charges	137	136	134	137	136	134
F. Other liabilities	65,531	75,439	87,501	64,866	74,774	87,501
<b>XII. Accrued expenses and deferred income</b>	<b>6,039</b>	<b>11,401</b>	<b>6,242</b>	<b>6,039</b>	<b>11,401</b>	<b>6,242</b>
<b>LIABILITIES AND EQUITY</b>	<b>2,065,367</b>	<b>1,799,469</b>	<b>1,700,573</b>	<b>1,845,949</b>	<b>1,669,568</b>	<b>1,678,319</b>

CONSOLIDATED ACCOUNTS

PROFIT AND LOSS STATEMENTS

EXPENSES (EUR thousand)	Consolidated accounts			Restricted consolidated accounts		
	1998	1997	1996	1998	1997	1996
A. Interest expense	9,243	10,309	11,286	9,243	10,309	11,286
B. Other financial expense	5,673	4,670	3,886	5,056	4,670	3,886
B.bis Amortisation of goodwill	13,330	11,670	12,741	-	-	20
C. Miscellaneous goods and services	3,190	2,237	2,124	3,190	2,237	2,124
D. Payroll expenses	3,414	2,569	2,340	3,414	2,569	2,340
E. Miscellaneous operating expenses	223	251	180	223	251	180
F. Depreciation and write-off of formation expenses, tangible and intangible assets	453	423	75	453	423	75
G. Write-down on	3,011	3,159	6,259	3,011	3,159	6,259
1. long-term investments	1,116	-	6,181	1,116	-	6,181
2. current assets	1,895	3,159	78	1,895	3,159	78
H. Provisions for liabilities and charges	-	-	-	-	-	-
I. Losses on disposal of	383	3	404	383	3	404
1. tangible and intangible fixed assets	-	2	-	-	2	-
2. long-term investments	-	-	-	-	-	-
3. current assets	383	1	404	383	1	404
J. Exceptional expenses	2,892	822	2,622	2,892	822	2,622
K. Taxes	1,236	1,195	1,621	1,236	1,195	1,621
K.bis Losses of equity-accounted companies	-	-	930	-	-	-
L. Profit for the period	603,134	190,849	125,996	508,166	90,647	94,848
L.bis Minority interests in profit	-	-	-	-	-	-
L.ter Group share in profit	603,134	190,849	125,996	508,166	90,647	94,848
<b>TOTAL EXPENSES</b>	<b>646,182</b>	<b>228,157</b>	<b>170,464</b>	<b>537,267</b>	<b>116,285</b>	<b>125,665</b>

REVENUES (EUR thousand)	Consolidated accounts			Restricted consolidated accounts		
	1998	1997	1996	1998	1997	1996
A. Revenue from investments	9,167	12,603	14,263	51,799	53,011	53,521
1. Dividends	8,840	12,325	13,223	51,472	52,733	52,481
2. Interests	327	278	1,040	327	278	1,040
B. Revenue from current assets	26,435	19,212	17,262	26,435	19,212	17,262
C. Other financial revenue	4,400	3,712	4,960	4,400	3,712	4,960
D. Revenue from services rendered	2,070	1,000	686	2,070	1,000	686
E. Other operating revenue	1,333	1,332	1,099	1,333	1,332	1,099
F. Reversals of depreciation or write-off of tangible and intangible assets	-	-	-	-	-	-
G. Write-back of	2,662	1,502	10,571	2,662	1,502	10,571
1. long-term investments	1,166	985	8,043	1,166	985	8,043
2. current assets	1,496	517	2,528	1,496	517	2,528
H. Reversals of provisions for liabilities and charges	-	87	-	-	87	-
I. Profits on disposal of	419,042	35,832	26,754	427,902	36,245	34,046
1. tangible and intangible fixed assets	14	14	3	14	14	3
2. long-term investments	397,893	19,407	21,027	406,753	19,820	28,319
3. current assets	21,135	16,411	5,724	21,135	16,411	5,724
J. Exceptional revenue	20,663	-	3,377	20,663	-	3,377
K. Taxation adjustments and reversals of tax provisions	3	184	143	3	184	143
K.bis Profits of equity-accounted companies	160,407	152,693	91,349	-	-	-
L. Loss for the period	-	-	-	-	-	-
L.bis Minority interest in loss	-	-	-	-	-	-
L.ter Group share in loss	-	-	-	-	-	-
<b>TOTAL REVENUES</b>	<b>646,182</b>	<b>228,157</b>	<b>170,464</b>	<b>537,267</b>	<b>116,285</b>	<b>125,665</b>

ASSETS (EUR 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 in their net assets on the date of acquisition or initial consolidation and is analysed as follows :

	Gross amounts	Cumulative amortisation	Consolidated net amounts		
	at 31.12.1998	at 31.12.1998	1998	1997	1996
PETROFINA	56,628	25,351	31,277	35,164	39,936
IJSBOERKE Group	31,463	1,573	29,890	31,393	-
ÉDITIONS DUPUIS	9,223	-	9,223	-	-
ROYALE BELGE	-	-	-	6,596	8,228
BERNHEIM-COMOFI	-	-	-	1,249	1,351
PARGESA	-	-	-	-	7,531
ACP	-	-	-	-	18
<b>Total</b>	<b>97,314</b>	<b>26,924</b>	<b>70,390</b>	<b>74,402</b>	<b>57,064</b>

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 271. Moreover, additional amortisation is provided when appropriate.

V. Investments

A.1 Equity-accounted companies – Shares

	Percentage of ownership			Consolidated accounts		
	1998	1997	1996	1998	1997	1996
PARGESA	24.28 %	24.41 %	24.63 %	594,852	504,489	416,205
PETROFINA	6.42 %	6.41 %	6.46 %	254,744	247,810	228,171
ROYALE BELGE	-	2.05 %	2.35 %	-	41,897	39,516
BERNHEIM-COMOFI	-	21.69 %	21.69 %	-	23,929	23,801
DISTRIPAR	76.00 %	-	-	56,568	-	-
TRANSCOR	95.19 %	47.59 %	47.59 %	35,528	19,281	16,880
IJSBOERKE Group	100.00 %	100.00 %	-	21,621	5,195	-
ÉDITIONS DUPUIS	100.00 %	50.00 %	50.00 %	19,728	9,702	9,442
ACP	28.32 %	28.32 %	28.32 %	12,070	11,268	10,134
HELIO CHARLEROI	50.00 %	25.00 %	25.00 %	6,990	2,778	2,039
SUZY Group	100.00 %	100.00 %	-	3,083	2,638	-
Others	n.a.	n.a.	n.a.	3,685	1,657	1,776
<b>Total</b>				<b>1,008,869</b>	<b>870,644</b>	<b>747,964</b>

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

	Consolidated accounts			Restricted consolidated accounts		
	1998	1997	1996	1998	1997	1996
SUZY Group	4,958	4,958	-	-	-	-
HELIO CHARLEROI	3,718	1,859	1,859	-	-	-
<b>Total</b>	<b>8,676</b>	<b>6,817</b>	<b>1,859</b>	<b>-</b>	<b>-</b>	<b>-</b>

B.1 Other companies – Stocks and shares (number of shares held)

	Consolidated accounts			Restricted consolidated accounts		
	1998	1997	1996	1998	1997	1996
ACIDE CARBONIQUE PUR	-	-	-	28,316	28,316	28,316
ARTEMIS	-	-	299,592	-	-	299,592
BERNHEIM-COMOFI	-	-	-	-	640,606	640,606
COBEPA	-	877,261	1,165,435	-	877,261	1,165,435
CIE GENERALE DES EAUX (VIVENDI)	-	1,115,335	1,115,335	-	1,115,335	1,115,335
BELGIAN SKY SHOPS	-	-	-	300	-	-
DISTRIPAR	-	-	-	760,000	-	-
NATIONAL PRODUCT SHOP	-	-	-	190	-	-
SONECO	-	-	-	760	-	-
D.T.M.	38,893	-	-	38,893	-	-
EDITIONS DUPUIS	-	-	-	1,278,373	639,187	639,187
ELF AQUITAINE	1,000,000	1,000,000	1,296,695	1,000,000	1,000,000	1,296,695
ESPIRITO SANTO FINANCIAL HOLDING	-	-	263,474	-	-	263,474
HELIO CHARLEROI	-	-	-	200,000	100,000	100,000
HEXANE (L'Eventail)	420	210	210	420	210	210
IJSBOERKE I.C.I.	-	-	-	408	14	-
STARCO TIELEN	-	-	-	9,001	7,119	-
BELHOLDING	-	-	-	-	216	-
IMMO TIELEN	-	-	-	-	102	-
INNO FUND / INNO.COM	1,600	-	-	1,600	-	-
PARGESA registered shares	-	-	-	487,730	487,730	487,730
PARGESA bearer shares	-	-	-	354,810	354,810	354,810
PETROFINA	-	-	-	1,501,078	1,501,078	1,501,078
ROYALE BELGE	-	-	-	-	328,668	376,263
SOCIETE GENERALE DE BELGIQUE	-	1,680,791	1,689,185	-	1,680,791	1,689,185
SUZY	-	-	-	64,400	64,400	-
DESOBRY	-	-	-	1,250	1,250	-
DRIEHOEK	-	-	-	41	41	-
TRANSCOR	-	-	-	14,879	7,439	7,439
VIVENTURES	10,000	-	-	10,000	-	-
WALLONIE INTRANET (WIN)	117,001	-	-	117,001	-	-

B.2 Other companies – Bonds and other amounts receivable

	Consolidated accounts			Restricted consolidated accounts		
	1998	1997	1996	1998	1997	1996
SUZY Group	-	-	-	4,958	4,958	-
HÉLIO CHARLEROI	-	-	-	3,718	1,859	1,859
Other amounts receivable	384	-	-	384	-	-
<b>Total</b>	<b>384</b>	<b>-</b>	<b>-</b>	<b>9,060</b>	<b>6,817</b>	<b>1,859</b>

VIII. Amounts receivable within one year

B. Other receivables

	Consolidated accounts			Restricted consolidated accounts		
	1998	1997	1996	1998	1997	1996
Tax receivables	15,828	13,217	13,361	15,828	13,217	13,361
Loans to associated companies	183,123	172,591	217,751	183,123	172,591	217,751
Receivables related to shares sold	96,683	4,968	7,507	96,683	4,968	7,507
Others	652	599	425	652	599	425
<b>Total</b>	<b>296,286</b>	<b>191,375</b>	<b>239,044</b>	<b>296,286</b>	<b>191,375</b>	<b>239,044</b>

IX. Short-term investments

A. Own shares

At 31 December 1998, the NPM/CNP Group held 696,077 of its own shares for an amount of 40,809 ; these shares are valued at the exercise price of the warrants (BEF 2,365 or EUR 58.63) they are hedging.

B. Other investments and deposits

	Consolidated accounts			Restricted consolidated accounts		
	1998	1997	1996	1998	1997	1996
Shares and bonds	135,641	54,276	84,507	135,641	54,276	84,507
Cash deposits	63,024	155,348	71,626	63,024	155,348	71,626
<b>Total</b>	<b>198,665</b>	<b>209,624</b>	<b>156,133</b>	<b>198,665</b>	<b>209,624</b>	<b>156,133</b>

**LIABILITIES AND EQUITY (EUR thousand)**

**I. Share capital**

The Board was authorised by the Shareholders' Meeting of 12 June 1996 to increase the share capital by 49,579 and to issue debentures with conversion or subscription rights which could lead to an increase in the share capital of the same amount. The Shareholders' Meeting of 13 May 1998 authorised the Board of Directors to acquire on the stock market up to 2,534,000 own shares for a period of 18 months.

**IV. Consolidated 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		
	1998	1997	1996	1998	1997	1996
<b>Opening balance</b>	<b>324,924</b>	<b>213,867</b>	<b>151,944</b>	<b>147,906</b>	<b>122,588</b>	<b>91,813</b>
Profit of the year	603,134	190,849	125,996	508,166	90,647	94,848
Dividends	(62,560)	(65,329)	(64,073)	(62,560)	(65,329)	(64,073)
Change in accounting principles by PETROFINA	-	(14,463)	-	-	-	-
Cancellation of own shares	(146,350)	-	-	(146,350)	-	-
<b>Closing balance</b>	<b>719,148</b>	<b>324,924</b>	<b>213,867</b>	<b>447,162</b>	<b>147,906</b>	<b>122,588</b>

**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.

Upon translation in Euro, the translation adjustments related to currencies included in the Euro have remained unchanged.

**IX. Provisions for liabilities and charges**

	Consolidated accounts			Restricted consolidated accounts		
	1998	1997	1996	1998	1997	1996
Provision for investment commitments	1,884	-	-	1,884	-	-
Provision for accounting loss on hedging of warrants issued	12,221	-	-	12,221	-	-
Removal costs	-	-	496	-	-	496
Others	942	942	533	942	942	533
<b>Total</b>	<b>15,047</b>	<b>942</b>	<b>1,029</b>	<b>15,047</b>	<b>942</b>	<b>1,029</b>

**X. Amounts payable after more than one year**

	Consolidated accounts			Restricted consolidated accounts		
	1998	1997	1996	1998	1997	1996
Bonds A (1)	-	37,184	37,184	-	37,184	37,184
Bonds B (2)	-	43,970	43,970	-	43,970	43,970
50 % Group's share in PARJOINTCO's borrowing of CHF 18,500,000 (ended 14.07.1999 - 4.875 % rate)	-	5,215	4,868	-	5,215	4,868
<b>Total</b>	<b>-</b>	<b>86,369</b>	<b>86,022</b>	<b>-</b>	<b>86,369</b>	<b>86,022</b>

(1) 30,000 bonds A 6.70 % 1994-1999 each with a nominal value of BEF 50,000 (EUR 1,239.47).

(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 (EUR 58.63).

**XI. Amounts payable within one year**

*A. Current portion of long-term debt*

	Consolidated accounts			Restricted consolidated accounts		
	1998	1997	1996	1998	1997	1996
Bonds A (1)	37,184	-	-	37,184	-	-
Bonds B (2)	43,970	-	-	43,970	-	-
50 % Group's share in PARJOINTCO's borrowing of CHF 18,500,000 (ended 14.07.1999 – 4.875 % rate)	5,149	-	-	5,149	-	-
<b>Total</b>	<b>86,303</b>	<b>-</b>	<b>-</b>	<b>86,303</b>	<b>-</b>	<b>-</b>

(1) 30,000 bonds A 6.70 % 1994-1999 each with a nominal value of BEF 50,000 (EUR 1,239.47).

(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 (EUR 58.63).

*B. Financial debts*

	Consolidated accounts			Restricted consolidated accounts		
	1998	1997	1996	1998	1997	1996
Market rate loans from affiliated companies	30,807	121,130	153,562	30,807	121,130	153,562
Foreign currency loans hedging short-term investments	11,792	41,963	36,245	11,792	41,963	36,245
Others	-	-	-	-	-	-
<b>Total</b>	<b>42,599</b>	<b>163,093</b>	<b>189,807</b>	<b>42,599</b>	<b>163,093</b>	<b>189,807</b>

*F. Other liabilities*

	Consolidated accounts			Restricted consolidated accounts		
	1998	1997	1996	1998	1997	1996
Dividends for the year	62,560	65,329	64,073	62,560	65,329	64,073
Dividends relating to prior years	222	208	159	222	208	159
Liabilities related to purchases of shares	-	1,730	7,801	-	1,065	7,801
Others	2,749	8,172	15,468	2,084	8,172	15,468
<b>Total</b>	<b>65,531</b>	<b>75,439</b>	<b>87,501</b>	<b>64,866</b>	<b>74,774</b>	<b>87,501</b>

**RECONCILIATION OF BALANCE SHEET AT 31.12.1998 (RESTRICTED CONSOLIDATED ACCOUNTS - CONSOLIDATED ACCOUNTS)**

	Others companies stock and shares	Other assets and liabilities	Goodwill		Consolidated reserves	Translation adjustments	Equity-accounted companies : shares
			Positive	Negative			
<b>Restricted consolidated accounts</b>	<b>927,307</b>	<b>-</b>	<b>-</b>	<b>1,807</b>	<b>447,162</b>	<b>(2,187)</b>	<b>-</b>
<i>Equity-accounted companies :</i>							
ACP	(14,370)	-	-	65	(2,368)	3	12,070
DISTRIPAR	(46,637)	-	-	8,493	1,438	-	56,568
EDITIONS DUPUIS	(28,185)	-	9,223	530	236	-	19,728
HELIO CHARLEROI	(3,724)	-	-	564	2,702	-	6,990
IJSBOERKE Group	(51,693)	(664)	29,890	-	(846)	-	21,621
PARGESA	(344,850)	-	-	-	260,488	(10,486)	594,852
PETROFINA	(340,064)	-	31,277	-	(288)	(53,755)	254,744
SUZY Group	(1,908)	-	-	-	1,175	-	3,083
TRANSCOR	(25,518)	-	-	1,103	9,081	(174)	35,528
Others	(2,892)	-	-	424	368	-	3,685
<i>Effect of equity accounting</i>	<i>(859,841)</i>	<i>(664)</i>	<i>70,390</i>	<i>11,179</i>	<i>271,986</i>	<i>(64,412)</i>	<i>1,008,869</i>
<b>Consolidated accounts</b>	<b>67,466</b>	<b>(664)</b>	<b>70,390</b>	<b>12,986</b>	<b>719,148</b>	<b>(66,599)</b>	<b>1,008,869</b>

CONSOLIDATED ACCOUNTS

ANALYTICAL PROFIT AND LOSS STATEMENTS

(EUR thousand)

	Note	Consolidated accounts			Restricted consolidated accounts		
		1998	1997	1996	1998	1997	1996
<b>Revenue from long-term investments</b>		<b>73,965</b>	<b>101,859</b>	<b>86,220</b>	<b>51,799</b>	<b>53,011</b>	<b>53,521</b>
Dividends	1	8,840	12,325	13,223	51,472	52,733	52,481
Interests	2	327	278	1,040	327	278	1,040
Operating income from equity-accounted companies	3	64,798	89,256	72,887	-	-	-
	3	-	-	(930)	-	-	-
<b>Other financial income and expenses</b>		<b>36,272</b>	<b>21,713</b>	<b>14,820</b>	<b>36,889</b>	<b>21,713</b>	<b>14,820</b>
Revenue from current assets		26,435	19,212	17,262	26,435	19,212	17,262
Interest expense		(9,243)	(10,309)	(11,286)	(9,243)	(10,309)	(11,286)
Profits on disposal of current assets		21,135	16,411	5,724	21,135	16,411	5,724
Losses on disposal of current assets		(383)	(1)	(404)	(383)	(1)	(404)
Write-down on current assets		(1,895)	(3,159)	(78)	(1,895)	(3,159)	(78)
Write-back on current assets		1,496	517	2,528	1,496	517	2,528
Other financial revenue		4,400	3,712	4,960	4,400	3,712	4,960
Other financial expense		(5,673)	(4,670)	(3,886)	(5,056)	(4,670)	(3,886)
<b>Net overheads</b>		<b>(3,877)</b>	<b>(3,061)</b>	<b>(2,934)</b>	<b>(3,877)</b>	<b>(3,061)</b>	<b>(2,934)</b>
Miscellaneous goods and services		(3,190)	(2,237)	(2,124)	(3,190)	(2,237)	(2,124)
Payroll expenses		(3,414)	(2,569)	(2,340)	(3,414)	(2,569)	(2,340)
Depreciation		(453)	(423)	(75)	(453)	(423)	(75)
Provisions for liabilities and charges		-	87	-	-	87	-
Miscellaneous operating expenses		(223)	(251)	(180)	(223)	(251)	(180)
Revenue from services rendered		2,070	1,000	686	2,070	1,000	686
Other operating revenue		1,333	1,332	1,099	1,333	1,332	1,099
<b>Taxes on operating income</b>		<b>(1,233)</b>	<b>(1,011)</b>	<b>(548)</b>	<b>(1,233)</b>	<b>(1,011)</b>	<b>(548)</b>
<b>Minority interests</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Operating income (Group share)</b>	<b>8</b>	<b>105,127</b>	<b>119,500</b>	<b>97,558</b>	<b>83,578</b>	<b>70,652</b>	<b>64,859</b>
<b>In EUR/share</b>		<b>4.39</b>	<b>4.71</b>	<b>3.85</b>	<b>3.49</b>	<b>2.79</b>	<b>2.56</b>
<b>Revenue from long-term investments</b>		<b>95,609</b>	<b>63,437</b>	<b>18,462</b>	-	-	-
Exceptional dividends		-	-	-	-	-	-
Capital results from equity-accounted companies	4	95,609	63,437	18,462	-	-	-
	4	-	-	-	-	-	-
<b>Operations on long-term investments</b>		<b>397,943</b>	<b>20,392</b>	<b>22,889</b>	<b>406,803</b>	<b>20,805</b>	<b>30,181</b>
Profits on disposals	5	397,893	19,407	21,027	406,753	19,820	28,319
Losses on disposals		-	-	-	-	-	-
Write-down on long-term investments	6	(1,116)	-	(6,181)	(1,116)	-	(6,181)
Write-back on long-term investments	6	1,166	985	8,043	1,166	985	8,043
<b>Goodwill amortisation</b>		<b>(13,330)</b>	<b>(11,670)</b>	<b>(12,741)</b>	-	-	<b>(20)</b>
Amortisation		(13,330)	(11,670)	(12,741)	-	-	(20)
Reversals		-	-	-	-	-	-
<b>Other capital results</b>		<b>17,785</b>	<b>(810)</b>	<b>758</b>	<b>17,785</b>	<b>(810)</b>	<b>758</b>
Profits on disposal of tangible assets		14	14	3	14	14	3
Losses on disposal of tangible assets		-	(2)	-	-	(2)	-
Exceptional revenue	7	20,663	-	3,377	20,663	-	3,377
Exceptional expenses	7	(2,892)	(822)	(2,622)	(2,892)	(822)	(2,622)
<b>Taxes on capital results</b>		<b>-</b>	<b>-</b>	<b>(930)</b>	<b>-</b>	<b>-</b>	<b>(930)</b>
<b>Minority interests</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Capital results (Group share)</b>	<b>8</b>	<b>498,007</b>	<b>71,349</b>	<b>28,438</b>	<b>424,588</b>	<b>19,995</b>	<b>29,989</b>
<b>In EUR/share</b>		<b>20.79</b>	<b>2.82</b>	<b>1.12</b>	<b>17.73</b>	<b>0.79</b>	<b>1.18</b>
<b>Net profit (Group share)</b>	<b>8</b>	<b>603,134</b>	<b>190,849</b>	<b>125,996</b>	<b>508,166</b>	<b>90,647</b>	<b>94,848</b>
<b>In EUR/share</b>		<b>25.18</b>	<b>7.53</b>	<b>4.97</b>	<b>21.22</b>	<b>3.58</b>	<b>3.74</b>

**Note 1 — Revenue from long-term investments – Dividends**

	Consolidated accounts			Restricted consolidated accounts		
	1998	1997	1996	1998	1997	1996
ACP	-	-	-	702	702	-
BERNHEIM-COMOFI	-	-	-	-	1,588	1,589
COBEPA	925	2,156	1,541	925	2,156	1,541
COMPAGNIE GENERALE DES EAUX (VIVENDI)	-	2,301	2,413	-	2,301	2,413
EDITIONS DUPUIS	-	-	-	1,058	932	297
ELF AQUITAINE	2,915	2,896	3,234	2,915	2,896	3,234
ESPIRITO SANTO FINANCIAL HOLDING	-	139	800	-	139	800
PARGESA	-	-	-	17,702	17,477	17,542
PETROFINA	-	-	-	17,116	14,884	13,098
ROYALE BELGE	-	-	-	3,694	2,933	2,425
SCI & ASSOCIES	-	-	-	-	-	3,713
SOCIÉTÉ GÉNÉRALE DE BELGIQUE	5,000	4,833	4,857	5,000	4,833	4,857
TRANSCOR	-	-	-	2,360	1,714	594
Others	-	-	378	-	178	378
<b>Total</b>	<b>8,840</b>	<b>12,325</b>	<b>13,223</b>	<b>51,472</b>	<b>52,733</b>	<b>52,481</b>

**Note 2 — Revenue from long-term investments – Interests**

	Consolidated accounts			Restricted consolidated accounts		
	1998	1997	1996	1998	1997	1996
HÉLIO CHARLEROI	124	128	193	124	128	193
SUZY Group	182	150	-	182	150	-
Others	21	-	847	21	-	847
<b>Total</b>	<b>327</b>	<b>278</b>	<b>1,040</b>	<b>327</b>	<b>278</b>	<b>1,040</b>

**Note 3 — Operating income from equity-accounted companies**

	Consolidated accounts			Restricted consolidated accounts		
	1998	1997	1996	1998	1997	1996
ACP	1,509	1,802	1,313	-	-	-
BERNHEIM-COMOFI	-	1,705	(930)	-	-	-
DISTRIPAR	2,331	-	-	-	-	-
EDITIONS DUPUIS	1,146	1,219	937	-	-	-
HELIO CHARLEROI	780	1,036	503	-	-	-
IJSBOERKE Group	726	-	-	-	-	-
PARGESA (1)	26,161	34,514	32,427	-	-	-
PETROFINA	29,886	35,050	25,313	-	-	-
ROYALE BELGE (2)	-	10,319	6,558	-	-	-
SCI & ASSOCIES	-	-	3,713	-	-	-
SUZY Group	445	996	-	-	-	-
TRANSCOR	1,757	2,557	2,048	-	-	-
Others	57	58	75	-	-	-
<b>Total</b>		<b>in profit</b>				
		<b>in loss</b>				
	<b>64,798</b>	<b>89,256</b>	<b>72,887</b>	-	-	-
			<b>(930)</b>	-	-	-
	<b>globally</b>	<b>64,798</b>	<b>89,256</b>	<b>71,957</b>	-	-

(1) including NPM/CNP's share in the capital gains made in the PARGESA Group by ROYALE BELGE on BBL in 1997 for an amount of 4,652 and on TRACTEBEL in 1996 for an amount of 1,821.

(2) including profits capital gains made on BBL in 1997 for an amount of 5,808 and on TRACTEBEL in 1996 for an amount of 2,447.

**Note 4 — Capital results from equity-accounted companies**

	Consolidated accounts			Restricted consolidated accounts		
	1998	1997	1996	1998	1997	1996
PARGESA	95,609	63,437	18,462	-	-	-
Others	-	-	-	-	-	-
<b>Total</b>	<b>95,609</b>	<b>63,437</b>	<b>18,462</b>	-	-	-
		<b>in profit</b>				
		<b>in loss</b>				
	<b>globally</b>	<b>95,609</b>	<b>63,437</b>	<b>18,462</b>	-	-

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

	Consolidated accounts			Restricted consolidated accounts		
	1998	1997	1996	1998	1997	1996
SOCIÉTÉ GÉNÉRALE DE BELGIQUE / SLE	194,802	-	-	194,802	-	-
COMPAGNIE GÉNÉRALE DES EAUX (VIVENDI)	81,892	-	-	81,892	-	-
ROYALE BELGE	69,511	2,787	2,115	76,591	3,365	2,272
COBEP	26,957	3,711	-	26,957	3,711	-
BERNHEIM-COMOFI	24,082	-	-	26,403	-	-
ELF AQUITAINE	-	9,891	-	-	9,891	-
ESPIRITO SANTO FINANCIAL HOLDING	-	1,239	-	-	1,239	-
SCI & ASSOCIÉS	-	1,212	18,736	-	1,212	26,047
Others	649	567	176	108	402	-
<b>Total</b>	<b>397,893</b>	<b>19,407</b>	<b>21,027</b>	<b>406,753</b>	<b>19,820</b>	<b>28,319</b>

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

	Consolidated accounts			Restricted consolidated accounts		
	1998	1997	1996	1998	1997	1996
ARTEMIS	-	-	(6,181)	-	-	(6,181)
ESPIRITO SANTO FINANCIAL HOLDING	-	985	6,428	-	985	6,428
COMPAGNIE FINANCIÈRE DE PARIBAS	-	-	1,615	-	-	1,615
COMPAGNIE GÉNÉRALE DES EAUX (VIVENDI)	1,166	-	-	1,166	-	-
Others	(1,116)	-	-	(1,116)	-	-
<b>Total</b>	<b>(1,116)</b>	<b>-</b>	<b>(6,181)</b>	<b>(1,116)</b>	<b>-</b>	<b>(6,181)</b>
	<b>write-down</b>					
	<b>write-back</b>	<b>1,166</b>	<b>985</b>	<b>1,166</b>	<b>985</b>	<b>8,043</b>

Note 7 — Exceptional revenue and expenses

	Consolidated accounts			Restricted consolidated accounts		
	1998	1997	1996	1998	1997	1996
Anti-diluting effect from the cancellation of own shares net of the hedging costs of warrants issued (1)	20,636	-	-	20,636	-	-
Provision sur engagements d'investissements	(1,884)	-	-	(1,884)	-	-
Other expenses	(1,008)	(822)	(2,622)	(1,008)	(822)	(2,622)
Other revenues	27	-	3,377	27	-	3,377
<b>Total</b>	<b>20,663</b>	<b>-</b>	<b>3,377</b>	<b>20,663</b>	<b>-</b>	<b>3,377</b>
	<b>revenue</b>					
	<b>expenses</b>	<b>(2,892)</b>	<b>(822)</b>	<b>(2,892)</b>	<b>(822)</b>	<b>(2,622)</b>

(1) mainly includes anti-diluting effects arising on the purchase of FIBELPAR and the related restructuring for an amount of 42,789, a write-down of (11,317) on own shares, the value of which was reduced to the exercise price of the warrants and a provision of (12,221) in order to hedge the warrants not covered by own shares.

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

Direct contribution	OPERATING				CAPITAL				TOTAL	
	Restricted consolidated	Results of equity accounted companies	Dividends and others	Consolidated	Restricted consolidated	Results of equity accounted companies	Others	Amortisation of goodwill	Consolidated	Consolidated
ACP	702	1,509	(702)	1,509	-	-	-	-	-	1,509
DISTRIPAR	-	2,331	-	2,331	-	-	-	-	-	2,331
EDITIONS DUPUIS	1,058	1,146	(1,058)	1,146	-	-	-	-	-	1,146
HELIO CHARLEROI	124	780	-	904	-	-	-	-	-	904
JSBOERKE Group	-	726	-	726	-	-	-	(1,573)	(1,573)	(847)
PARGESA	17,702	26,161	(17,702)	26,161	-	95,609	-	(8,925)	86,684	112,845
PETROFINA	17,116	29,886	(17,116)	29,886	-	-	-	(2,832)	(2,832)	27,054
ROYALE BELGE	3,694	-	(3,694)	-	-	-	-	-	-	-
SUZU Group	182	445	-	627	-	-	-	-	-	627
TRANSCOR	2,360	1,757	(2,360)	1,757	-	-	-	-	-	1,757
Others	40,640	57	(617)	40,080	424,588	-	(8,860)	-	415,728	455,808
<b>Total</b>	<b>83,578</b>	<b>64,798</b>	<b>(43,249)</b>	<b>105,127</b>	<b>424,588</b>	<b>95,609</b>	<b>(8,860)</b>	<b>(13,330)</b>	<b>498,007</b>	<b>603,134</b>
<b>in EUR per share</b>	<b>3.49</b>			<b>4.39</b>	<b>17.73</b>				<b>20.79</b>	<b>25.18</b>

**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 accounts of the parent company and those of fully owned financial companies (see list at point II below) and proportionally consolidate the accounts of CENTRE DE COORDINATION DE CHARLEROI (82.6 % held) and those of the AGESCA NEDERLAND Group including its 100 % (N.F. ASSOCIATES) and 50 % (PARJOINTCO) subsidiaries.

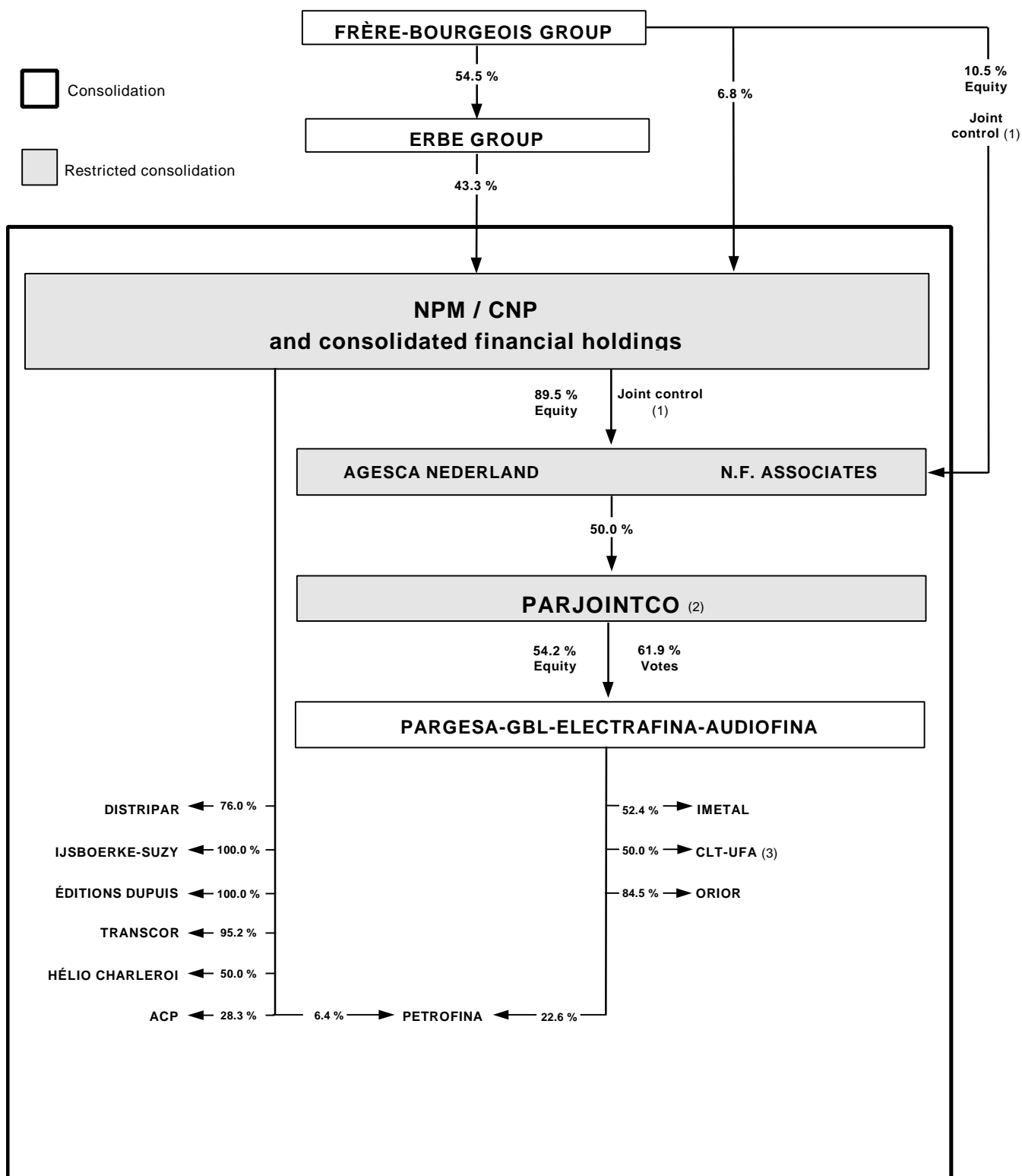
These restricted consolidated accounts are published for information purposes only ; as they have no statutory nature, no further details are provided in this Appendix.

The consolidated accounts which are analysed in this Appendix include the accounts of the companies of the restricted consolidation perimeter and consolidate by the equity method the accounts of PARGESA and those of the industrial and commercial companies in which there is a shareholding of at least 20 %.

This accounting treatment is intended to better reflect the true picture of the assets of the NPM/CNP Group, avoiding the presence of minority interests.

However, in order to give shareholders a more complete picture of the Group's influence, a summary presentation of the accounts of PARJOINTCO fully consolidating PARGESA-GBL-ELECTRAFINA-AUDIOFINA is presented on pages 90 to 95.

The Group structure at 31 December 1998 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

<b>II. Fully consolidated subsidiaries</b>	National identification or VAT number	Percentage of shares held by consolidated subsidiaries	Percentage of shares held by equity-accounted companies
CARPAR S.A. - Loverval	441.649.215	100.0	-
COMPAGNIE IMMOBILIÈRE DE ROUMONT S.A. -	455.738.167	100.0	-
GROUPE JEAN DUPUIS S.A. - Loverval	405.630.244	100.0	-
ERBE FINANCE S.A. - Luxembourg	-	100.0	-
EUROPART S.A. - Loverval	424.942.251	100.0	-
FIBELPAR S.A. - Loverval	414.752.204	100.0	-
FINGEN S.A. - Luxembourg	-	100.0	-
INVESTOR S.A. - Loverval	426.114.070	100.0	-
KERMADEC S.A. - Luxembourg	-	100.0	-
PARGESA ASSET MANAGEMENT N.V. - Rotterdam	-	100.0	-
SLP S.A. - Loverval	429.364.758	100.0	-
SWIFIN S.A. - Luxembourg	-	100.0	-
SWILUX S.A. - Luxembourg	-	100.0	-
 <b>III. Proportionally consolidated subsidiaries</b>			
	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	-
CENTRE DE COORD. DE CHARLEROI S.A. - Loverval	454.199.332	82.6	-
N.F. ASSOCIATES N.V. - Rotterdam	-	89.5 (1)	-
PARJOINTCO N.V. - Rotterdam	-	44.8 (1)	-
(1) subsidiaries respectively 100 % and 50 % held by AGESCA NEDERLAND, which is proportionally consolidated (89.5 %).			
 <b>IV. Major equity-accounted companies</b>			
	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	-
AUDIOFINA S.A. - Luxembourg	-	-	51.5
CLT-UFA S.A. - Luxembourg	-	-	49.0
DISTRIPAR S.A. - Brussels	421.479.747	76.0	-
EDITIONS DUPUIS S.A. - Marcinelle	429.160.563	100.0	-
ELECTRAFINA S.A. - Brussels	407.040.209	-	76.8
GROUPE BRUXELLES LAMBERT S.A. - Brussels	403.228.010	-	48.8
HELIO CHARLEROI S.A. - Fleurus	434.915.138	50.0	-
IJSBOERKE ICE CREAM INTERNATIONAL N.V. - Tielen	438.625.684	100.0	-
IMÉTAL S.A. - Paris	-	-	52.4
ORIOR HOLDING S.A. - Geneva	-	-	84.5
PARGESA HOLDING S.A. - Geneva	-	24.3 (1)	-
PETROFINA S.A. - Brussels	403.079.441	6.4	22.6
SUZY N.V. - Buizingen	417.942.811	100.0	-
TRANSCOR S.A. - Brussels	402.981.550	95.2	-
(1) investment of 54.2 % held by PARJOINTCO, which is proportionally consolidated for 44.8 %.			
 <b>V. Other companies in which there is a shareholding of at least 10 %</b>			
	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)	-
INNOFUND - Beerzel	463.739.677	40.0 (1)	-
NATIONAL PRODUCTS SHOP - Brussels	427.040.322	76.0 (1)	-
SONECO - Brussels	418.798.389	76.0 (1)	-
WALLONIE INTRANET (WIN) - Namur	464.163.014	13.0	-
(1) investments, which are not equity-accounted due to their 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. 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 (EUR thousand)**

<b>Opening net book value</b>	-
Movements in the year	
- additional costs incurred	62
- amounts written off	(62)
<b>Closing net book value</b>	-

**VIII. Statement of tangible fixed assets (EUR thousand)**

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

**IX. Statement of tangible fixed assets (EUR thousand)**

	Lands and buildings	Furniture and vehicles	Assets under construction	Other tangible assets
<b>a) Acquisition cost</b>				
Opening balance	1,201	3,098	-	5,282
Movement in the year				
- acquisitions	64	802	-	1,212
- disposals	(100)	(129)	-	-
Closing balance	1,165	3,771	-	6,494
<b>c) Depreciation</b>				
Opening balance	-	(882)	-	(114)
Movement in the year				
- charged	-	(239)	-	(152)
- acquired from third parties	-	(471)	-	(51)
- written back	-	92	-	-
Closing balance	-	(1,500)	-	(317)
<b>Closing net book value</b>	<b>1,165</b>	<b>2,271</b>	<b>-</b>	<b>6,177</b>

X. Statement of investments (EUR thousand)

	Companies	
	equity-accounted	others
<b>1. Shareholdings</b>		
<b>a) Acquisition cost</b>		
Opening balance	815,146	257,614
Movements in the year		
- acquisitions	110,804	16,558
- disposals and withdrawals	(66,109)	(196,836)
- transfer between items	-	-
Closing balance	<u>859,841</u>	<u>77,336</u>
<b>b) Revaluation surplus</b>		
Opening balance	-	-
Movements in the year		
- revaluations	-	-
- cancellations	-	-
Closing balance	<u>-</u>	<u>-</u>
<b>c) Amounts written-off</b>		
Opening balance	-	(1,588)
Movements in the year		
- charged	-	(1,116)
- written back	-	1,166
- transfer between items	-	-
Closing balance	<u>-</u>	<u>(1,538)</u>
<b>d) Increases or reductions resulting from consolidation under the equity method</b>		
Opening balance	55,498	-
Movements in the year		
- acquisitions	(2,714)	-
- profits	160,407	-
- dividends received	(43,886)	-
- disposals	(5,286)	-
- others	(14,991)	-
Closing balance	<u>149,028</u>	<u>-</u>
<b>e) Amounts not called</b>		
Opening balance	-	(21)
Movements in the year	-	(8,311)
Closing balance	<u>-</u>	<u>(8,332)</u>
<b>Closing net book value</b>	<b><u>1,008,869</u></b>	<b><u>67,466</u></b>
<b>2. Bonds and amounts receivable</b>		
<b>Opening net book value</b>	6,817	-
Movements in the year		
- additions	1,859	384
- repayments or disposals	-	-
- amounts written off	-	-
<b>Closing net book value</b>	<b><u>8,676</u></b>	<b><u>384</u></b>
<b>Cumulative write-offs on receivables at the end of the financial year</b>	<u>-</u>	<u>-</u>

**XI. Statement of reserves (EUR thousand)**

<b>Opening net book value</b>	324,924
Movements in the year	
- profit	603,134
- dividends paid	(62,560)
- cancellation of own shares	(146,350)
<b>Closing net book value</b>	<b>719,148</b>

**XII. Statement of goodwill (EUR thousand)**

	Subsidiaries positive	Subsidiaries negative	Equity-accounted companies positive	Equity-accounted companies negative
<b>Opening net book value</b>				
Movements in the year				
- adjustments resulting from an increase in shareholding percentage	-	-	9,223	9,727
- adjustments resulting from a decrease in shareholding percentage	-	-	(8,897)	-
- amortisation	-	-	(13,330)	-
- differences taken to results	-	-	-	-
- others	-	(1,898)	8,992	(164)
<b>Closing net book value</b>	<b>-</b>	<b>1,807</b>	<b>70,390</b>	<b>11,179</b>

**XIII. Statement of liabilities (EUR 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
<b>A. Analysis of amounts originally payable after more than one year</b>			
Financial liabilities	86,303	-	-
2. Non-subordinated debentures	86,303	-	-
		1998	
<b>C. Taxes, salaries and social charges payable</b>			
1. Taxes			
b) not overdue tax payable		268	
c) accrued tax charges		2,551	
2. Salaries and social charges			
b) other salaries and social charges		137	

**XIV. Other information regarding operating results (EUR thousand)**

	1998	1997	1996
<b>B.1. Average number of employees</b>	<b>24.0</b>	<b>18.6</b>	<b>10.7</b>
Additional Personnel (6.7, 12.1 and 20.1 in 1998, 1997 and 1996) 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>B.2. Payroll expenses</b>	<b>3,414</b>	<b>2,569</b>	<b>2,340</b>
a) salaries and direct social charges	2,620	1,902	1,741
b) employers' social insurance contributions	526	412	358
c) employers' additional insurance contributions	147 (1)	137 (1)	100
d) other employment costs	121	118	141
<b>D. Taxes on results</b>	<b>1,233</b>	<b>1,011</b>	<b>1,478</b>
<b>1. Taxes on the profit for the year</b>	<b>1,003</b>	<b>922</b>	<b>1,478</b>
a) taxes and withholdings paid or payable	7,117	6,999	5,783
b) payment of taxes or withholdings included in the balance sheet	(7,117)	(6,999)	(5,783)
c) estimated additional taxes	1,003	922	1,478
<b>2. Taxes on the profits for previous years</b>	<b>230</b>	<b>89</b>	<b>-</b>

(1) in addition, exceptional charges regarding pension expenses of respectively 868 et 620 were booked in 1998 and 1997.

**XV. Off-balance sheet rights and commitments**

- 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.
- As usual in some shareholders' agreements, NPM/CNP and/or its subsidiaries have granted to (or obtained from) third parties, under specific circumstances, tag-along rights, pre-emptive rights, rights to buy or rights to sell some shareholdings ; this mainly relates to DISTRIPAR (76 % held by NPM/CNP) and its subsidiaries. In particular, DISTRIPAR and MARKAS HOLDING (company controlled by Mr Bernard ARNAULT) acquired in November 1998, through a joint subsidiary (CARSPORT), CHÂTEAU CHEVAL BLANC, the famous Saint-Emilion estate ; regarding this shareholding, the partners granted each other reciprocal rights to sell or to purchase CARSPORT shares in case of changes in the controlling shareholders' structure.
- 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 legal term in force on fiscal and social matters. 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.
- The personnel and two executive Directors benefit from a pension scheme granting them, under the form of monthly or one-time payments, a given percentage of their salary upon retirement. This Commitment has been taken over by insurance companies ; at 31 December 1998, based on usual actuarial methods, sufficient payments had been made to cover the past services.

5. LOVERFIN (a company controlled by the personnel of NPM/CNP) purchased from the NPM/CNP Group a right to sell until 2003, 700,000 NPM/CNP shares at a price of EUR 64.45. Conversely, LOVERFIN granted to the NPM/CNP Group a barrier put option (knock-in EUR 34.70) on the same quantity of NPM/CNP shares and at the same exercise price. These options have resulted in payments of premiums at market conditions.
6. In relation with the acquisition of DISTRIPAR, TRANSCOR and GROUPE JEAN DUPUIS shareholdings from GBL, NPM/CNP could have to pay (until the year 2000) additional prices, should some specific events occur - which would result in a value increase of the said shareholdings. DISTRIPAR, when purchasing PALAIS DU VIN and CHÂTEAU RIEUSSEC from ERBE, committed itself to pay similar additional prices.
7. On 1 December 1998, the NPM/CNP Group committed itself to contribute to TOTAL a number of 1,518,218 PETROFINA shares (including 1,501,078 classified as long-term investments) ; the suspensive conditions having been lifted in 1999, this contribution actually took place in 1999 and was paid for by the issue of 6,831,981 TOTAL shares, for a value of some EUR 712.2 million according to the agreement.
8. At 31 December 1998, 1,491,332 NPM/CNP warrants were still in circulation giving the right to subscribe for the same number of shares in the company up to 1999 at a price of BEF 2,365 (EUR 58.63) per share. End 1998, the NPM/CNP Group held 696,077 own shares valued at the exercise price of the warrants with a view to covering a part of those warrants ; a provision was booked for the warrants not covered based upon the difference between the stock market price of the NPM/CNP share and the exercise price of the warrants.

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

	Associated companies			Related companies		
	1998	1997	1996	1998	1997	1996
<b>1. Investments</b>						
- shares	743,320	624,339	524,110	267,211	259,077	238,305
- receivables	8,676	6,817	1,859	198	-	-
<b>2. Receivables</b>						
- due within one year	183,123	168,162	206,486	-	-	-
<b>3. Short-term investments</b>						
- shares	2,976	12,124	-	7,335	7,377	-
- receivables	-	-	-	-	-	-
<b>4. Payables</b>						
- falling due beyond one year	-	-	-	-	-	-
- long-term liabilities due within one year	-	-	-	-	-	-
- due within one year	30,807	121,130	153,562	-	-	-
<b>7. Finance income/expense</b>						
- Income						
- from investments	306	278	193	21	-	847
- from current assets	2,614	5,852	6,745	195	470	-
- other financial income	-	-	-	-	-	-
- Expenses						
- on payables	2,874	3,080	3,828	-	3	-
- other financial costs	-	-	-	-	-	-

**XVII. Financial relations with Directors (EUR thousand)**

	1998	1997	1996
<b>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</b>	928	607	602
<b>B. Loans and advances granted to Directors</b>	174	-	-

## **Foreword**

In order to make the restricted consolidated and consolidated accounts easier to understand and in order to better reflect the content of shareholders' agreements, the NPM/CNP Group, from 1998 on, proportionally consolidates the AGESCA NEDERLAND Group on rather than fully consolidating it (for AGESCA NEDERLAND and its 100 % subsidiary, N.F. ASSOCIATES) or than equity accounting for its 50 % subsidiary PARJOINTCO, in the consolidated accounts.

## **Major effects of the changes**

Changes made to the consolidation methods in 1998 have also been reflected, for comparison purposes, in the 1996 and 1997 financial statements, which were restated. The major changes are related to the elimination of minority interests against the related amounts in the balance sheet and profit and loss statements and, in the consolidated accounts, to the replacement of the equity value of PARJOINTCO by the appropriate amounts constituting it in the balance sheet and of the part of PARJOINTCO's profit by various profit and loss captions. The Group share in the equity and in the net profit remained unchanged.

Comparative financial statements highlighting those changes are presented on pages 84 and 85.

CONSOLIDATED ACCOUNTS

CHANGES IN CONSOLIDATION METHODS

BALANCE SHEET (EUR thousand)	Consolidated accounts			Restricted consolidated accounts		
	1998 present methods	1997 present methods	1997 former methods	1998 present methods	1997 present methods	1997 former methods
<b>FIXED ASSETS</b>	<b>1,165,398</b>	<b>1,216,453</b>	<b>1,271,118</b>	<b>945,980</b>	<b>1,086,552</b>	<b>1,126,829</b>
I. Formation expenses	-	-	-	-	-	-
II. Intangible assets	-	-	-	-	-	-
III. Goodwill	70,390	74,402	74,402	-	-	-
IV. Tangible fixed assets	9,613	8,585	8,581	9,613	8,585	8,585
V. Investments	1,085,395	1,133,466	1,188,135	936,367	1,077,967	1,118,244
<b>CURRENT ASSETS</b>	<b>899,969</b>	<b>583,016</b>	<b>570,361</b>	<b>899,969</b>	<b>583,016</b>	<b>570,759</b>
VI. Amounts receivable after more than one year	-	-	-	-	-	-
VII. Stocks and contracts in progress	-	-	-	-	-	-
VIII. Amounts receivable within one year	297,119	192,475	183,170	297,119	192,475	178,463
IX. Short-term investments	239,474	228,142	225,666	239,474	228,142	230,193
X. Cash at bank and in hand	360,827	154,660	154,312	360,827	154,660	154,780
XI. Deferred expenses and accrued income	2,549	7,739	7,213	2,549	7,739	7,323
<b>TOTAL ASSETS</b>	<b>2,065,367</b>	<b>1,799,469</b>	<b>1,841,479</b>	<b>1,845,949</b>	<b>1,669,568</b>	<b>1,697,588</b>
<b>EQUITY</b>	<b>1,844,905</b>	<b>1,457,999</b>	<b>1,457,999</b>	<b>1,626,152</b>	<b>1,328,763</b>	<b>1,328,763</b>
I. Share capital	117,780	117,780	117,780	117,780	117,780	117,780
II. Share premium account	1,061,590	1,061,590	1,061,590	1,061,590	1,061,590	1,061,590
III. Revaluation surplus	-	-	-	-	-	-
IV. Consolidated reserves	719,148	324,924	324,924	447,162	147,906	147,906
V. Negative goodwill	12,986	5,321	5,321	1,807	3,705	3,705
VI. Translation adjustments	(66,599)	(51,616)	(51,616)	(2,187)	(2,218)	(2,218)
VII. Investment grants	-	-	-	-	-	-
<b>MINORITY INTERESTS</b>	<b>-</b>	<b>-</b>	<b>62,166</b>	<b>-</b>	<b>-</b>	<b>42,045</b>
VIII. Minority interests	-	-	62,166	-	-	42,045
<b>PROVISIONS AND DEFERRED TAXATION</b>	<b>15,047</b>	<b>942</b>	<b>942</b>	<b>15,047</b>	<b>942</b>	<b>942</b>
IX. A. Provisions for liabilities and charges	15,047	942	942	15,047	942	942
B. Deferred taxation	-	-	-	-	-	-
<b>LIABILITIES</b>	<b>205,415</b>	<b>340,528</b>	<b>320,372</b>	<b>204,750</b>	<b>339,863</b>	<b>325,838</b>
X. Amounts payable after more than one year	-	86,369	81,154	-	86,369	86,978
XI. Amounts payable within one year	199,376	242,758	227,556	198,711	242,093	226,891
XII. Accrued expenses and deferred income	6,039	11,401	11,662	6,039	11,401	11,969
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>2,065,367</b>	<b>1,799,469</b>	<b>1,841,479</b>	<b>1,845,949</b>	<b>1,669,568</b>	<b>1,697,588</b>

CONSOLIDATED ACCOUNTS  
CHANGES IN CONSOLIDATION METHODS

**PROFIT AND LOSS STATEMENTS** (EUR thousand)

	Consolidated accounts			Restricted consolidated accounts		
	1998 present methods	1997 present methods	1997 former methods	1998 present methods	1997 present methods	1997 former methods
Revenue from long-term investments	73,965	101,859	104,783	51,799	53,011	55,052
Other financial income and expenses	36,272	21,713	22,075	36,889	21,713	21,277
Net overheads	(3,877)	(3,061)	(2,682)	(3,877)	(3,061)	(3,126)
Taxes on operating income	(1,233)	(1,011)	(1,159)	(1,233)	(1,011)	(1,024)
Minority interests in the operating income	-	-	(3,517)	-	-	(1,527)
<b>OPERATING INCOME (GROUP SHARE)</b>	<b>105,127</b>	<b>119,500</b>	<b>119,500</b>	<b>83,578</b>	<b>70,652</b>	<b>70,652</b>
Capital income from long-term investments	95,609	63,437	61,742	-	-	-
Capital gains/(losses) on long-term investments	397,943	20,392	20,411	406,803	20,805	20,805
Amortisation on goodwill amortisation	(13,330)	(11,670)	(3,478)	-	-	-
Other capital results	17,785	(810)	(810)	17,785	(810)	(810)
Minority interests in the capital results	-	-	(6,516)	-	-	-
<b>CAPITAL RESULT (GROUP SHARE)</b>	<b>498,007</b>	<b>71,349</b>	<b>71,349</b>	<b>424,588</b>	<b>19,995</b>	<b>19,995</b>
<b>NET PROFIT (GROUP SHARE)</b>	<b>603,134</b>	<b>190,849</b>	<b>190,849</b>	<b>508,166</b>	<b>90,647</b>	<b>90,647</b>

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 1998, which have been prepared under the responsibility of the Board of Directors and which show a balance sheet total of EUR 2,065,367 (000) and an income statement resulting in a profit, for the year of EUR 603,134 (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 1998, 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 statement.

Brussels, 30 March 1999

The Statutory Auditors

KLYNVELD PEAT MARWICK GOERDELER  
Reviseurs d'Entreprises S.C.C.  
represented by  
Karel M. VAN OOSTVELDT

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

CONSOLIDATED ACCOUNTS

STATEMENTS OF CASH FLOWS

<i>(EUR thousand)</i>	<b>Consolidated accounts</b>			<b>Restricted consolidated accounts</b>		
<b>SOURCES OF LONG-TERM FUNDS</b>	<b>1998</b>	<b>1997</b>	<b>1996</b>	<b>1998</b>	<b>1997</b>	<b>1996</b>
<b>Cash flow of the year</b>	<b>632,138</b>	<b>202,855</b>	<b>138,503</b>	<b>523,840</b>	<b>90,983</b>	<b>95,478</b>
Net profit	603,134	190,849	125,996	508,166	90,647	94,848
Depreciation and net write-offs	14,899	12,093	18,998	1,569	423	6,276
Provisions for liabilities and charges	14,105	(87)	(6,491)	14,105	(87)	(5,646)
Other changes in equity	(7,318)	6,588	11,454	(1,867)	(192)	9
Long-term debt	(86,368)	347	(384)	(86,368)	347	(384)
	<b>538,452</b>	<b>209,790</b>	<b>149,573</b>	<b>435,605</b>	<b>91,138</b>	<b>95,103</b>
<b>APPLICATIONS OF LONG-TERM FUNDS</b>						
Dividends paid	62,560	65,329	64,073	62,560	65,329	64,073
Cancellation of own shares	146,350	-	-	146,350	-	-
Tangible assets	1,482	3,538	3,638	1,482	3,538	3,638
Long-term investments (including goodwill)	(37,637)	121,444	(71,511)	(140,484)	2,127	(126,200)
	<b>172,755</b>	<b>190,311</b>	<b>(3,800)</b>	<b>69,908</b>	<b>70,994</b>	<b>(58,489)</b>
<b>Net increase/(decrease) in long-term funds</b>	<b>365,697</b>	<b>19,479</b>	<b>153,373</b>	<b>365,697</b>	<b>20,144</b>	<b>153,592</b>
<b>CHANGES IN WORKING CAPITAL</b>						
<b>Increase/(decrease) in current assets</b>						
Trade receivables within one year	(267)	926	(1)	(267)	926	(1)
Other amounts receivable within one year	104,911	(47,669)	136,694	104,911	(47,669)	136,694
Short-term investments - own shares	22,291	(3,101)	21,619	22,291	(3,101)	21,619
Short-term investments - other investments and deposits	(10,959)	53,491	5,496	(10,959)	53,491	5,496
Cash at bank and in hand	206,167	(22,668)	86,461	206,167	(22,668)	86,461
Deferred charges and accrued income	(5,190)	5,028	(2,007)	(5,190)	5,028	(2,007)
	<b>316,953</b>	<b>(13,993)</b>	<b>248,262</b>	<b>316,953</b>	<b>(13,993)</b>	<b>248,262</b>
<b>Increase/(decrease) in current liabilities</b>						
Transfers from long-term debt	86,303	-	-	86,303	-	-
Financial liabilities	(120,494)	(26,714)	84,747	(120,494)	(26,714)	84,747
Trade payables	1,025	(217)	571	1,025	(217)	571
Taxes, salaries and social charges payable	(308)	362	1,570	(308)	362	1,570
Other amounts payable within one year	(9,908)	(12,062)	9,604	(9,908)	(12,727)	9,385
Accrued charges and deferred income	(5,362)	5,159	(1,603)	(5,362)	5,159	(1,603)
	<b>(48,744)</b>	<b>(33,472)</b>	<b>94,889</b>	<b>(48,744)</b>	<b>(34,137)</b>	<b>94,670</b>
<b>Increase/(decrease) in working capital</b>	<b>365,697</b>	<b>19,479</b>	<b>153,373</b>	<b>365,697</b>	<b>20,144</b>	<b>153,592</b>

NPM/CNP disposed of the following shareholdings in 1996, 1997 and 1998 :

- ROYALE BELGE  
53,425 shares in 1996 (for an amount of EUR 8.4 million) et 47,575 shares in 1997 (EUR 8.8 million), the balance, 328,668 shares, was exchanged in 1998 for AXA shares, subsequently sold on the market for EUR 114.3 million.
- ESPIRITO SANTO FINANCIAL HOLDING  
1,783,695 shares in 1996 (for an amount EUR 28.0 million) and 263,474 shares in 1997 (EUR 5.0 million).
- COBEPA  
288,174 shares in 1997 for an amount of EUR 10.7 million and 877,261 shares in 1998 for an amount of EUR 48.2 million.
- ELF AQUITAINE  
296,695 shares in 1997 for an amount of EUR 28.1 million.
- SCI & ASSOCIÉS  
The whole shareholding was sold mid-1996 for an amount of EUR 125.3 million.
- VIVENDI  
The whole shareholding was sold mid-1998 for an amount of EUR 172.5 million.
- SOCIETE GENERALE DE BELGIQUE  
The whole shareholding was exchanged mid-1998 for SUEZ LYONNAISE DES EAUX shares, which were subsequently sold on the market for an amount of EUR 278.1 million.
- BERNHEIM-COMOFI  
The whole shareholding was sold in 1998 for an amount of EUR 49.2 million.

Shareholdings meant to be sold have been classified as short-term investments : PARIBAS end 1996 (EUR 6.1 million) and ARTEMIS end 1997 (EUR 5.1 million).

In May 1998, the Group cancelled 2,340,000 own shares acquired for an amount of EUR 146.4 million.

In 1997, NPM/CNP acquired 100 % of the SUZY Group (EUR 1.9 million, increased with long-term advances for an amount of EUR 5.0 million) and 100 % of the IJSBOERKE Group (EUR 35.9 million, increased to EUR 51.7 in 1998, following a restructuring of this Group).

The NPM/CNP Group acquired, in May 1998, 38 % of the capital of DISTRIPAR, valued at EUR 11.7 million upon the take-over of FIBELPAR.

In November 1998, NPM/CNP acquired from GBL another 38 % of DISTRIPAR, 50 % of GROUPE JEAN DUPUIS (ÉDITIONS DUPUIS and HÉLIO CHARLEROI) and 47.6 % of TRANSCOR for a global amount of EUR 86 million.

## Foreword

PARJOINTCO N.V., a dutch company, was incorporated in 1990, as a joint vehicle between the FRERE-BOURGEOIS-NPM/CNP Group, on the one hand, and POWER CORPORATION OF Canada, on the other hand, to control PARGESA ; PARJOINTCO consolidates 54.2 % of the capital of PARGESA, which controls GBL ; GBL itself controls ELECTRAFINA, which controls AUDIOFINA.

## Consolidation principles

The financial statements of the above-mentioned companies are consolidated as received from their Auditors, except for the adjustments made necessary in order to comply with the Belgian accounting principles and for the full consolidation of GBL in PARGESA's accounts (rather than equity accounting). Consequently, the financial statements presented here fully consolidate the accounts of ELECTRAFINA and AUDIOFINA, those being already consolidated in GBL's.

Goodwill is amortised over a period of 20 years ; however, following the major disposals of long-term investments, which resulted in high capital gains in 1996, 1997 and 1998, exceptional amortisation of goodwill was recorded in the accounts presented in pages 92 to 95.

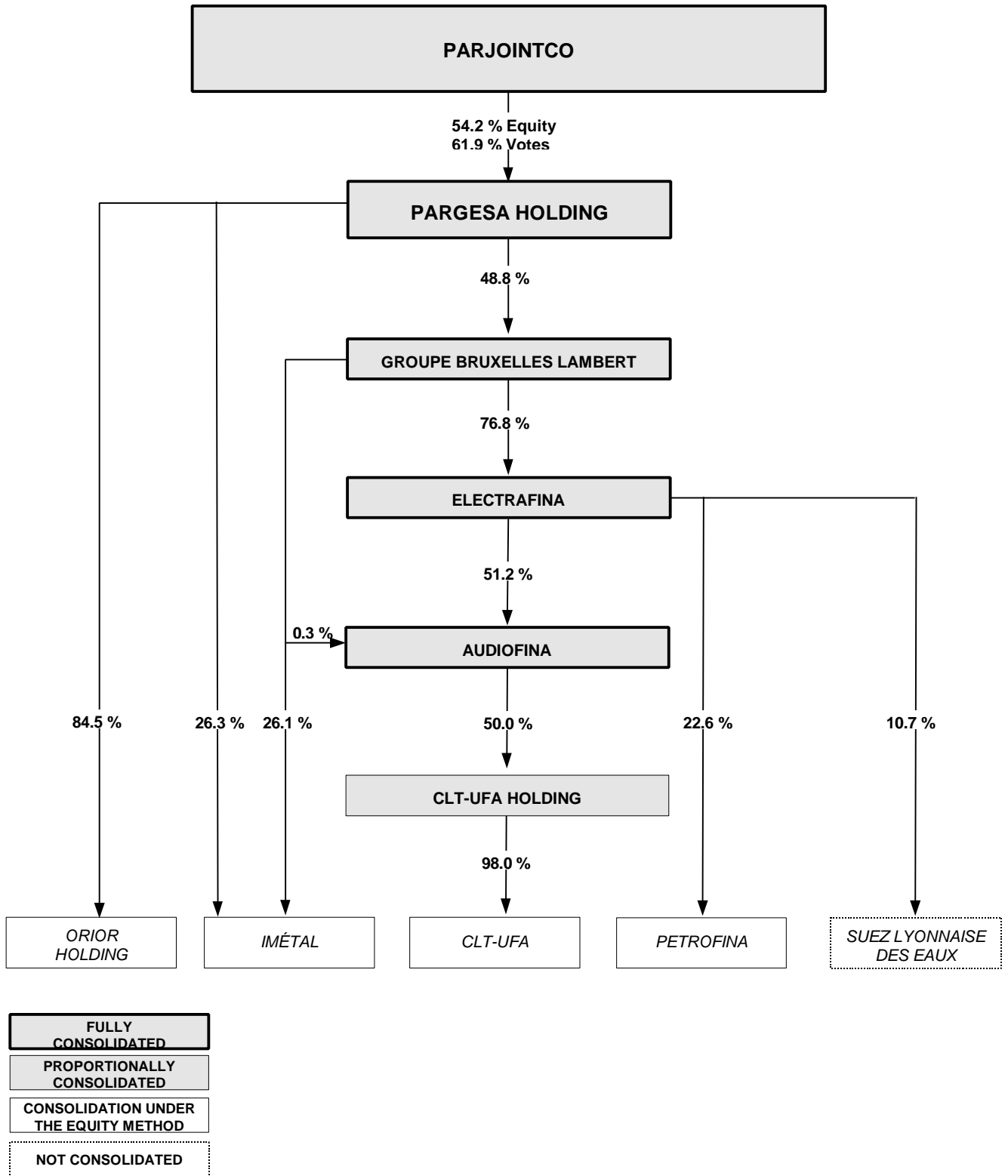
## Major events of the 1998 financial year

During the 1998 financial year, the equity of PARJOINTCO changed as follows (in EUR million) :

- equity at 31.12.1997	1,134.1
- profit for the year	238.4
- dividend	(39.9)
- translation adjustments	(16.0)
- equity at 31.12.1998	<u>1,316.6</u>

PARJOINTCO, as such, did not conduct significant financial operations during the 1998 financial year. Operations conducted by PARJOINTCO's subsidiaries (PARGESA, GBL, ELECTRAFINA and AUDIOFINA) are described in the Directors' Report of this brochure. The most significant accounting impacts result from the capital gains booked on the Public Offer for Exchange conducted by AXA on ROYALE BELGE and on the disposals of ING, PARIBAS and AXA/UAP shares. GBL, which held 48.4 % of the capital of ELECTRAFINA at the end of 1997, increased its shareholding to 76.8 % of the capital of this company in 1998.

Simplified structure at 31 December 1998



CONSOLIDATED ACCOUNTS

PARJOINTCO - BALANCE SHEETS

ASSETS (EUR million)	Group share			Minority interests			Total		
	1998	1997	1996	1998	1997	1996	1998	1997	1996
Goodwill	109.7	94.2	95.7	323.2	260.4	619.0	432.9	354.6	714.7
Equity-accounted companies	559.5	495.2	530.8	1,574.7	1,801.4	2,167.7	2,134.2	2,296.6	2,698.5
Other fixed assets and investments	303.1	341.4	291.9	1,150.0	1,475.7	888.9	1,453.1	1,817.1	1,180.8
	972.3	930.8	918.4	3,047.9	3,537.5	3,675.6	4,020.2	4,468.3	4,594.0
Current assets	746.5	429.2	218.9	2,002.3	1,400.2	785.9	2,748.8	1,829.4	1,004.8
<b>Total</b>	<b>1,718.8</b>	<b>1,360.0</b>	<b>1,137.3</b>	<b>5,050.2</b>	<b>4,937.7</b>	<b>4,461.5</b>	<b>6,769.0</b>	<b>6,297.7</b>	<b>5,598.8</b>

LIABILITIES AND EQUITY (EUR million)	Group share			Minority interests			Total		
	1998	1997	1996	1998	1997	1996	1998	1997	1996
Equity (Group)	1,316.6	1,134.1	955.1	-	-	-	1,316.6	1,134.1	955.1
Minority interests	-	-	-	4,145.4	4,612.8	4,036.8	4,145.4	4,612.8	4,036.8
Provisions for liabilities and charges	12.0	24.8	25.3	17.8	37.7	34.4	29.8	62.5	59.7
Long-term debt	99.8	72.8	109.2	278.0	254.7	296.4	377.8	327.5	405.6
Current liabilities	290.4	128.3	47.7	609.0	32.5	93.9	899.4	160.8	141.6
<b>Total</b>	<b>1,718.8</b>	<b>1,360.0</b>	<b>1,137.3</b>	<b>5,050.2</b>	<b>4,937.7</b>	<b>4,461.5</b>	<b>6,769.0</b>	<b>6,297.7</b>	<b>5,598.8</b>

RESULTS (EUR million)	Group share			Minority interests			Total		
	1998	1997	1996	1998	1997	1996	1998	1997	1996
Dividends and interests	6.7	11.0	8.1	34.3	43.8	19.7	41.0	54.8	27.8
Results of equity-accounted companies	43.8	63.8	59.8	132.2	199.8	288.9	176.0	263.6	348.7
Income from investments	50.5	74.8	67.9	166.5	243.6	308.6	217.0	318.4	376.5
Gains on disposal of current assets	11.1	5.0	2.0	37.4	8.6	2.5	48.5	13.6	4.5
Other financial revenue	28.3	28.9	21.9	95.1	100.0	59.5	123.4	128.9	81.4
Interest expenses	(10.6)	(9.4)	(8.9)	(23.4)	(22.0)	(22.2)	(34.0)	(31.4)	(31.1)
Losses, amounts written off and written back on current assets	(2.2)	(1.2)	-	(10.4)	(2.7)	-	(12.6)	(3.9)	-
Other financial expenses	(10.5)	(16.1)	(5.4)	(25.0)	(49.3)	(16.7)	(35.5)	(65.4)	(22.1)
Other expenses and operating revenue	(8.6)	(6.2)	(7.4)	(16.7)	(11.7)	(11.9)	(25.3)	(17.9)	(19.3)
<b>Operating income before taxes</b>	<b>58.0</b>	<b>75.8</b>	<b>70.1</b>	<b>223.5</b>	<b>266.5</b>	<b>319.8</b>	<b>281.5</b>	<b>342.3</b>	<b>389.9</b>
Gains, losses and amounts written off on disposal of investments	263.9	152.4	64.1	699.3	555.0	419.8	963.2	707.4	483.9
Amortisation of goodwill	(47.2)	(28.9)	(34.9)	(23.6)	(27.3)	(41.2)	(70.8)	(56.2)	(76.1)
Other extraordinary revenue/(expenses)	(35.2)	-	(6.7)	(87.5)	(0.7)	(17.9)	(122.7)	(0.7)	(24.6)
<b>Capital result before taxes</b>	<b>181.5</b>	<b>123.5</b>	<b>22.5</b>	<b>588.2</b>	<b>527.0</b>	<b>360.7</b>	<b>769.7</b>	<b>650.5</b>	<b>383.2</b>
Taxes	(1.1)	(0.9)	(0.2)	(3.8)	(4.9)	(0.4)	(4.9)	(5.8)	(0.6)
<b>Net profit</b>	<b>238.4</b>	<b>198.4</b>	<b>92.4</b>	<b>807.9</b>	<b>788.6</b>	<b>680.1</b>	<b>1,046.3</b>	<b>987.0</b>	<b>772.5</b>

CONSOLIDATED ACCOUNTS

PARJOINTCO - ANALYSIS OF THE MAJOR ITEMS

**GOODWILL**

(EUR million)

	Group share			Minority interests			Total		
	1998	1997	1996	1998	1997	1996	1998	1997	1996
PARGESA (in PARJOINTCO)	-	17.6	33.0	-	-	-	-	17.6	33.0
PETROFINA	47.1	25.1	27.0	153.8	169.2	189.1	200.9	194.3	216.1
GBL (in PARGESA)	31.1	25.6	10.3	26.2	21.4	8.5	57.3	47.0	18.8
IMÉTAL	13.2	11.0	8.2	28.0	19.6	14.6	41.2	30.6	22.8
ROYALE BELGE	-	12.4	13.3	-	33.9	37.6	-	46.3	50.9
Others	18.3	2.5	3.9	115.2	16.3	369.2	133.5	18.8	373.1
<b>Total</b>	<b>109.7</b>	<b>94.2</b>	<b>95.7</b>	<b>323.2</b>	<b>260.4</b>	<b>619.0</b>	<b>432.9</b>	<b>354.6</b>	<b>714.7</b>

**INVESTMENTS IN EQUITY-ACCOUNTED COMPANIES**

(EUR million)

	% held			Group share			Minority interests			Total		
	1998	1997	1996	1998	1997	1996	1998	1997	1996	1998	1997	1996
IMETAL	52.4	54.4	52.5	249.1	204.2	176.0	367.8	365.8	312.3	616.9	570.0	488.3
PETROFINA	22.6	22.7	22.8	182.8	110.4	100.9	717.5	765.4	705.3	900.3	875.8	806.2
ORIOR HOLDING	84.5	83.1	74.1	48.5	49.1	42.7	41.0	41.9	34.8	89.5	91.0	77.5
CLT-UFA (1)	50.0	50.0	97.1	23.4	15.7	33.3	200.4	217.9	524.1	223.8	233.6	557.4
MONUMENT	26.1	25.6	25.7	19.4	7.9	5.7	76.0	53.2	39.5	95.4	61.1	45.2
COMETRA	100.0	100.0	100.0	11.9	16.2	15.1	46.4	109.5	105.9	58.3	125.7	121.0
ROYALE BELGE	-	12.9	12.9	-	71.4	56.8	-	196.2	160.9	-	267.6	217.7
BERNHEIM-COMOFI	-	40.5	40.5	-	9.5	9.2	-	26.3	26.3	-	35.8	35.5
BBL	-	-	12.4	-	-	74.0	-	-	209.7	-	-	283.7
Others				24.4	10.8	17.1	125.6	25.2	48.9	150.0	36.0	66.0
<b>Total</b>				<b>559.5</b>	<b>495.2</b>	<b>530.8</b>	<b>1,574.7</b>	<b>1,801.4</b>	<b>2,167.7</b>	<b>2,134.2</b>	<b>2,296.6</b>	<b>2,698.5</b>

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

**PROFITS OF EQUITY-ACCOUNTED COMPANIES**

<i>(EUR million)</i>	<b>Profit (100 %)</b>			<b>Group share</b>			<b>Minority interests</b>			<b>Total</b>		
	<b>1998</b>	<b>1997</b>	<b>1996</b>	<b>1998</b>	<b>1997</b>	<b>1996</b>	<b>1998</b>	<b>1997</b>	<b>1996</b>	<b>1998</b>	<b>1997</b>	<b>1996</b>
IMETAL	106.1	94.5	93.6	21.5	17.9	17.2	34.1	32.4	30.4	55.6	50.3	47.6
PETROFINA	466.0	546.9	397.8	17.5	15.6	11.2	88.0	108.3	78.2	105.5	123.9	89.4
ORIOR HOLD. (CHF)	4.2	1.6	6.8	1.2	0.3	1.7	1.0	0.2	1.3	2.2	0.5	3.0
CLT-UFA	(20.0)	(71.4)	83.6	(2.0)	(2.2)	4.8	(7.5)	(33.0)	75.6	(9.5)	(35.2)	80.4
ROYALE BELGE	-	574.1	280.5	-	17.9	10.4	-	50.3	29.3	-	68.2	39.7
BBL	-	292.0	255.1	-	9.5	8.3	-	26.7	23.3	-	36.2	31.6
BERNHEIM-COMOFI	-	7.9	(4.0)	-	0.9	(0.4)	-	2.4	(1.3)	-	3.3	(1.7)
TRACTEBEL (1)	-	-	186.2	-	-	4.9	-	-	34.0	-	-	38.9
Others				5.6	3.9	1.7	16.6	12.5	18.1	22.2	16.4	19.8
<b>Total</b>				<b>43.8</b>	<b>63.8</b>	<b>59.8</b>	<b>132.2</b>	<b>199.8</b>	<b>288.9</b>	<b>176.0</b>	<b>263.6</b>	<b>348.7</b>

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

**GAINS, LOSSES ON DISPOSAL OF INVESTMENTS, AMOUNTS WRITTEN OFF AND BACK**

<i>(EUR million)</i>	<b>Group share</b>			<b>Minority interests</b>			<b>Total</b>		
	<b>1998</b>	<b>1997</b>	<b>1996</b>	<b>1998</b>	<b>1997</b>	<b>1996</b>	<b>1998</b>	<b>1997</b>	<b>1996</b>
ROYALE BELGE	108.1	-	-	300.9	-	-	409.0	-	-
BBL/ING	57.8	90.2	-	160.8	253.2	-	218.6	343.4	-
PARIBAS & AXA (PARFINANCE)	52.9	3.2	(4.5)	94.8	5.9	(12.1)	147.7	9.1	(16.6)
CLT	-	31.2	-	-	87.6	-	-	118.8	-
Oil assets	-	20.6	-	-	142.4	-	-	163.0	-
TRACTEBEL	-	-	58.0	-	-	407.4	-	-	465.4
CARNAUDMETALBOX	-	-	9.2	-	-	16.3	-	-	25.5
Others	45.1	7.2	1.4	142.8	65.9	8.2	187.9	73.1	9.6
<b>Total</b>	<b>263.9</b>	<b>152.4</b>	<b>64.1</b>	<b>699.3</b>	<b>555.0</b>	<b>419.8</b>	<b>963.2</b>	<b>707.4</b>	<b>483.9</b>

**AMORTISATION OF GOODWILL**

<i>(EUR million)</i>	<b>Group share</b>			<b>Minority interests</b>			<b>Total</b>		
	<b>1998</b>	<b>1997</b>	<b>1996</b>	<b>1998</b>	<b>1997</b>	<b>1996</b>	<b>1998</b>	<b>1997</b>	<b>1996</b>
PARGESA by PARJOINTCO	(37.5)	(18.2)	(20.8)	-	-	-	(37.5)	(18.2)	(20.8)
GBL by PARGESA	(4.9)	(4.5)	(8.2)	(4.0)	(3.8)	(6.7)	(8.9)	(8.3)	(14.9)
PETROFINA	(2.8)	(2.1)	(2.1)	(14.0)	(14.7)	(14.9)	(16.8)	(16.8)	(17.0)
IMETAL	(1.1)	(1.8)	(1.0)	(2.5)	(3.1)	(1.8)	(3.6)	(4.9)	(2.8)
AUDIOFINA / CLT	(0.2)	-	(1.3)	(0.7)	-	(13.1)	(0.9)	-	(14.4)
ROYALE BELGE	-	(1.2)	(1.2)	-	(3.5)	(3.5)	-	(4.7)	(4.7)
Others	(0.7)	(1.1)	(0.3)	(2.4)	(2.2)	(1.2)	(3.1)	(3.3)	(1.5)
<b>Total</b>	<b>(47.2)</b>	<b>(28.9)</b>	<b>(34.9)</b>	<b>(23.6)</b>	<b>(27.3)</b>	<b>(41.2)</b>	<b>(70.8)</b>	<b>(56.2)</b>	<b>(76.1)</b>

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

<b>L'ACIDE CARBONIQUE PUR (EUR million)</b>	<b>1998</b>	<b>1997</b>	<b>1996</b>	<b>1995</b>
Intangible assets	-	-	-	-
Tangible assets	45.9	44.6	43.7	47.7
Investments	-	-	1.1	0.3
Inventories	1.5	1.4	1.4	1.4
Receivables	12.5	10.2	17.8	16.4
Other current assets	56.0	55.4	33.4	33.7
<b>Assets</b>	<b>115.9</b>	<b>111.6</b>	<b>97.4</b>	<b>99.5</b>
Equity (before dividends)	42.6	39.8	35.8	30.8
Minority interests	-	-	-	-
Provisions for liabilities and charges	3.6	3.8	4.1	4.6
Long-term debt	32.5	32.7	18.3	23.6
Non financial short-term debt	22.0	18.3	26.9	13.1
Other short-term liabilities	15.2	17.0	12.3	27.4
<b>Liabilities and equity</b>	<b>115.9</b>	<b>111.6</b>	<b>97.4</b>	<b>99.5</b>
Turnover	28.5	27.3	26.8	26.6
Cash flow before tax	12.9	12.3	11.3	10.8
Total profit before tax	6.2	7.0	5.3	3.8
<b>Net income</b>	<b>5.7</b>	<b>6.7</b>	<b>5.0</b>	<b>3.3</b>
Dividend	2.5	2.5	2.5	36.7

<b>DISTRIPAR (EUR million)</b>	<b>1998</b>	<b>1997</b>	<b>1996</b>	<b>1995</b>
Intangible assets	80.5	7.0	0.6	-
Tangible assets	9.6	4.9	3.7	4.2
Investments	17.1	75.9	58.8	70.6
Inventories	52.5	13.4	8.3	8.0
Receivables	60.0	19.6	24.1	29.0
Other current assets	112.8	7.8	3.2	3.1
<b>Assets</b>	<b>332.5</b>	<b>128.6</b>	<b>98.7</b>	<b>114.9</b>
Equity (before dividends)	74.4	39.2	39.7	35.3
Minority interests	0.6	0.1	-	-
Provisions for liabilities and charges	4.6	3.9	3.6	3.6
Long-term debt	27.0	13.8	14.9	19.8
Non financial short-term debt	83.4	21.3	13.5	11.5
Other short-term liabilities	142.5	50.3	27.0	44.7
<b>Liabilities and equity</b>	<b>332.5</b>	<b>128.6</b>	<b>98.7</b>	<b>114.9</b>
Turnover	147.7	120.3	94.1	84.1
Cash flow before tax	53.7	18.5	13.7	8.9
Total profit before tax	48.5	12.0	11.8	7.1
<b>Net income</b>	<b>44.2</b>	<b>9.0</b>	<b>9.8</b>	<b>6.1</b>
Dividend	12.5	9.0	9.6	5.4

<b>EDITIONS DUPUIS</b> (EUR million)	<b>1998</b>	<b>1997</b>	<b>1996</b>	<b>1995</b>
Intangible assets	4.7	7.7	5.9	7.7
Tangible assets	5.1	4.7	5.0	5.3
Investments	0.5	0.7	0.3	1.1
Inventories	8.8	8.2	9.4	7.1
Receivables	25.5	15.4	18.2	11.4
Other current assets	5.2	9.9	6.6	7.3
<b>Assets</b>	<b>49.8</b>	<b>46.6</b>	<b>45.4</b>	<b>39.9</b>
Equity (before dividends)	19.7	19.4	18.9	17.2
Minority interests	-	-	-	-
Provisions for liabilities and charges	0.7	0.5	0.6	0.6
Long-term debt	0.9	1.2	1.4	1.6
Non financial short-term debt	28.5	25.5	24.5	18.1
Other short-term liabilities	-	-	-	2.4
<b>Liabilities and equity</b>	<b>49.8</b>	<b>46.6</b>	<b>45.4</b>	<b>39.9</b>
Turnover	63.3	53.9	44.6	41.5
Cash flow before tax	6.7	8.9	6.1	5.8
Total profit before tax	3.6	3.9	2.9	2.1
<b>Net income</b>	<b>2.3</b>	<b>2.4</b>	<b>1.9</b>	<b>1.5</b>
Dividend	2.2	2.1	1.9	0.9

<b>HELIO CHARLEROI</b> (EUR million)	<b>1998</b>	<b>1997</b>	<b>1996</b>	<b>1995</b>
Intangible assets	-	-	-	-
Tangible assets	12.6	16.1	21.2	26.8
Investments	5.7	0.1	0.1	0.1
Inventories	1.8	1.8	1.6	4.6
Receivables	22.2	13.2	13.6	16.4
Other current assets	2.5	3.0	3.3	4.5
<b>Assets</b>	<b>44.8</b>	<b>34.2</b>	<b>39.8</b>	<b>52.4</b>
Equity (before dividends)	14.0	11.1	8.2	5.7
Minority interests	-	-	-	-
Provisions for liabilities and charges	3.5	2.9	1.6	0.7
Long-term debt	14.1	10.8	14.8	19.9
Non financial short-term debt	13.2	9.4	10.3	19.4
Other short-term liabilities	-	-	4.9	6.7
<b>Liabilities and equity</b>	<b>44.8</b>	<b>34.2</b>	<b>39.8</b>	<b>52.4</b>
Turnover	60.3	53.0	50.0	55.3
Cash flow before tax	9.2	9.7	7.7	6.6
Total profit before tax	5.4	4.6	2.5	1.2
<b>Net income</b>	<b>3.1</b>	<b>4.1</b>	<b>2.0</b>	<b>1.2</b>
Dividend	-	-	-	-

<b>IJSBOERKE</b> <sup>(1)</sup> (EUR million)	<b>1998</b>	<b>1997</b>	<b>1996</b>	<b>1995</b>
Intangible assets	0.1	0.2	0.2	0.2
Tangible assets	14.6	14.5	18.3	20.2
Investments	0.1	0.5	0.5	0.5
Inventories	4.9	4.1	5.3	6.1
Receivables	4.5	3.4	3.4	3.6
Other current assets	10.0	1.5	1.3	1.4
<b>Assets</b>	<b>34.2</b>	<b>24.2</b>	<b>29.0</b>	<b>32.0</b>
Equity (before dividends)	21.6	5.2	5.2	4.7
Minority interests	-	-	-	-
Provisions for liabilities and charges	1.5	2.1	3.4	4.0
Long-term debt	3.4	7.6	8.8	11.6
Non financial short-term debt	5.8	5.0	6.5	8.5
Other short-term liabilities	1.9	4.3	5.1	3.2
<b>Liabilities and equity</b>	<b>34.2</b>	<b>24.2</b>	<b>29.0</b>	<b>32.0</b>
Turnover	43.5	45.1	44.5	50.0
Cash flow before tax	3.7	3.0	4.0	4.9
Total profit before tax	0.8	0.1	0.7	1.4
<b>Net income</b>	<sup>(2)</sup> <b>0.7</b>	<b>0.0</b>	<b>0.6</b>	<b>0.9</b>
Dividend	-	-	-	-

(1) Group accounts including IJSBOERKE, STARCO TIELEN, IMMO TIELEN and, until 1997, BELHOLDING

(2) after cancellation of capital gains (EUR 9.2 million) made upon restructuring of the IJSBOERKE Group

<b>SUZY</b> (EUR million)	<b>1998</b> <sup>(1)</sup>	<b>1997</b> <sup>(2)</sup>
Intangible assets	2.4	-
Tangible assets	6.6	7.7
Investments	1.9	-
Inventories	2.2	3.5
Receivables	12.1	8.0
Other current assets	-	-
<b>Assets</b>	<b>25.2</b>	<b>19.2</b>
Equity (before dividends)	3.1	1.9
Minority interests	-	-
Provisions for liabilities and charges	0.2	0.2
Long-term debt	5.5	5.0
Non financial short-term debt	9.9	7.7
Other short-term liabilities	6.5	4.4
<b>Liabilities and equity</b>	<b>25.2</b>	<b>19.2</b>
Turnover	53.7	39.0
Cash flow before tax	3.3	1.8
Total profit before tax	1.1	0.7
<b>Net income</b>	<b>1.1</b>	<b>0.6</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) 15 month financial year closed per 31 December 1998

(2) closed per 30 September 1997

<b>TRANSCOR (EUR million)</b>	<b>1998</b>	<b>1997</b>	<b>1996</b>	<b>1995</b>
Intangible assets	-	-	-	-
Tangible assets	1.6	1.5	1.2	1.5
Investments	1.3	0.6	2.0	0.5
Inventories	102.3	30.4	56.3	29.2
Receivables	56.4	56.4	57.2	53.2
Other current assets	26.9	36.8	20.9	24.0
<b>Assets</b>	<b>188.5</b>	<b>125.7</b>	<b>137.6</b>	<b>108.4</b>
Equity (before dividends)	37.3	40.5	35.5	31.1
Minority interests	-	-	-	-
Provisions for liabilities and charges	1.2	0.9	0.9	0.9
Long-term debt	-	-	-	-
Non financial short-term debt	61.4	76.6	90.8	71.5
Other short-term liabilities	88.6	7.7	10.4	4.9
<b>Liabilities and equity</b>	<b>188.5</b>	<b>125.7</b>	<b>137.6</b>	<b>108.4</b>
Turnover	1,316.6	1,216.0	1,042.4	826.1
Cash flow before tax	5.2	7.3	5.2	2.0
Total profit before tax	4.7	6.9	4.8	1.6
<b>Net income</b>	<b>3.7</b>	<b>5.4</b>	<b>4.3</b>	<b>1.1</b>
Dividend	-	5.0	3.6	1.2



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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

<b>ASSETS (BEF thousand)</b>	<b>1998</b>	<b>1997</b>	<b>1996</b>
<b>FIXED ASSETS</b>	<b>74,918,089</b>	<b>52,973,161</b>	<b>48,326,675</b>
<b>III. Tangible fixed assets</b>	<b>94,065</b>	<b>96,749</b>	<b>1,718</b>
A. Lands and buildings	4,078	4,078	-
C. Furniture and vehicles	2,707	3,583	1,718
E. Assets under construction and advance payments	87,280	89,088	-
<b>IV. Investments</b>	<b>74,824,024</b>	<b>52,876,412</b>	<b>48,324,957</b>
A. Subsidiaries			
1. Shareholdings	69,865,112	28,431,269	25,060,164
B. Related companies			
1. Shareholdings	629,361	15,342,469	15,342,469
2. Receivables	-	-	-
C. Other investments			
1. Stocks and shares	4,329,551	9,102,674	7,922,324
<b>CURRENT ASSETS</b>	<b>31,945,792</b>	<b>16,115,778</b>	<b>16,401,285</b>
<b>V. Long-term receivables</b>	<b>8,000</b>	<b>-</b>	<b>-</b>
B. Other receivables	8,000	-	-
<b>VII. Amounts receivables within one year</b>	<b>26,491,758</b>	<b>6,305,355</b>	<b>7,841,266</b>
B. Other receivables	26,491,758	6,305,355	7,841,266
<b>VIII. Short-term investments</b>	<b>3,876,233</b>	<b>6,503,957</b>	<b>5,356,005</b>
A. Own shares	-	-	28,396
B. Other investments	3,876,233	6,503,957	5,327,609
<b>IX. Cash at bank and in hand</b>	<b>1,278,762</b>	<b>3,207,265</b>	<b>3,080,752</b>
<b>X. Deferred expenses and accrued income</b>	<b>291,039</b>	<b>99,201</b>	<b>123,262</b>
<b>TOTAL ASSETS</b>	<b>106,863,881</b>	<b>69,088,939</b>	<b>64,727,960</b>

<b>LIABILITIES AND EQUITY</b> ( <i>BEF thousand</i> )		<b>1998</b>	<b>1997</b>	<b>1996</b>
<b>EQUITY</b>		<b>82,511,012</b>	<b>55,427,857</b>	<b>53,741,840</b>
<b>I. Capital</b>		<b>4,751,250</b>	<b>4,751,250</b>	<b>4,751,250</b>
A. Issued capital		4,751,250	4,751,250	4,751,250
<b>II. Share premium account</b>		<b>42,824,428</b>	<b>42,824,428</b>	<b>42,824,428</b>
<b>IV. Reserves</b>		<b>696,408</b>	<b>1,591,909</b>	<b>1,129,203</b>
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
<b>V. Profit carried forward</b>		<b>34,238,926</b>	<b>6,260,270</b>	<b>5,036,959</b>
<b>PROVISIONS AND DEFERRED TAXATION</b>		<b>80,000</b>	<b>4,000</b>	<b>23,500</b>
<b>VII. A. Provisions for liabilities and charges</b>		<b>80,000</b>	<b>4,000</b>	<b>23,500</b>
4. Other liabilities and charges		80,000	4,000	23,500
<b>LIABILITIES</b>		<b>24,272,869</b>	<b>13,657,082</b>	<b>10,962,620</b>
<b>VIII. Amounts payable after more than one year</b>		<b>-</b>	<b>3,273,750</b>	<b>3,273,750</b>
A. Financial liabilities				
2. Non-subordinated debentures		-	3,273,750	3,273,750
<b>IX. Dettes à un an au plus</b>		<b>24,057,060</b>	<b>10,065,945</b>	<b>7,190,344</b>
A. Current portion of long-term debt		3,273,750	-	-
B. Financial debts				
1. Amounts due to financial institutions		324,778	1,220,973	1,019,941
2. Other loans		17,812,025	6,050,000	3,500,000
C. Trade payables				
1. Suppliers		17,155	19,636	2,065
E. Taxes, salaries and social charges payable				
1. Taxes		95,466	80,845	77,064
2. Salaries and social charges		-	-	176
F. Other liabilities		2,533,886	2,694,491	2,591,098
<b>X. Accrued expenses and deferred income</b>		<b>215,809</b>	<b>317,387</b>	<b>498,526</b>
<b>LIABILITIES AND EQUITY</b>		<b>106,863,881</b>	<b>69,088,939</b>	<b>64,727,960</b>

NON-CONSOLIDATED ACCOUNTS

PROFIT AND LOSS STATEMENTS

<b>EXPENSES</b> ( <i>BEF thousand</i> )	<b>1998</b>	<b>1997</b>	<b>1996</b>
A. Interest expense	463,251	357,400	395,844
B. Other financial expense	72,715	85,913	143,179
C. Miscellaneous goods and services	93,439	68,083	311,465
D. Payroll expenses	22,912	27,181	34,532
E. Miscellaneous operating expenses	471	19,232	140
F. Depreciation and write-off of formation expenses, tangible and intangible assets	3,438	3,913	2,560
G. Write-off on	78,733	114,520	234
1. investments	45,000	-	-
2. current assets	33,733	114,520	234
H. Provisions for liabilities and charges	80,000	4,000	3,500
I. Losses on disposal of	78,375	4,614	650
1. tangible and intangible fixed assets	-	88	-
2. investments	5,406	90	16
3. current assets	72,969	4,436	634
J. Exceptional expenses	351	-	25,987
L. Taxes	26,415	37,216	55,716
M. Profit for the year	35,906,099	4,321,377	4,910,216
<b>TOTAL EXPENSES</b>	<b>36,826,199</b>	<b>5,043,449</b>	<b>5,884,023</b>

O. Profit for the year available for appropriation	35,906,099	4,321,377	4,910,216
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<b>PROFIT APPROPRIATION</b> ( <i>BEF thousand</i> )	<b>1998</b>	<b>1997</b>	<b>1996</b>
C. Transfer to reserves	5,403,779	462,706	362,795
2. to the legal reserve	-	-	-
3. to other reserves	5,403,779	462,706	362,795
D. Profit carried forward	34,238,926	6,260,270	5,036,959
1. Profit carried forward	34,238,926	6,260,270	5,036,959
F. Profit to be distributed	2,523,664	2,635,360	2,584,680
1. Dividends to shareholders	2,523,664	2,635,360	2,584,680
	<b>42,166,369</b>	<b>9,358,336</b>	<b>7,984,434</b>

## NON-CONSOLIDATED ACCOUNTS

## PROFIT AND LOSS STATEMENTS

<b>REVENUE (BEF thousand)</b>	<b>1998</b>	<b>1997</b>	<b>1996</b>
A. Revenue from investments	1,253,312	1,308,283	2,732,037
1. Dividends	1,253,312	1,308,283	2,697,893
2. Interests	-	-	34,144
B. Revenue from current assets	745,232	660,041	722,403
C. Other financial revenue	148,676	252,573	93,528
E. Other operating revenue	33,505	38,486	34,050
G. Write-back on	115,971	847,452	64,670
1. investments	115,971	843,909	10,091
2. current assets	-	3,543	54,579
H. Reversals of provisions for liabilities and charges	4,000	23,500	142,410
I. Profits on disposal of	34,525,459	1,910,616	2,089,104
1. tangible and intangible fixed assets	161	574	108
2. investments	33,783,937	1,302,824	1,901,008
3. current assets	741,361	607,218	187,988
J. Extraordinary revenue	44	6	60
L. Adjustment of income taxes and write-back of tax provisions	-	2,492	5,761
<b>TOTAL REVENUE</b>	<b>36,826,199</b>	<b>5,043,449</b>	<b>5,884,023</b>

N. Transfer from tax-free reserves	-	-	-
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<b>PROFIT APPROPRIATION (BEF thousand)</b>	<b>1998</b>	<b>1997</b>	<b>1996</b>
A. Profit available for appropriation	42,166,369	9,358,336	7,984,434
1. Profit for the year available for appropriation	35,906,099	4,321,377	4,910,216
2. Profit brought forward from the previous year	6,260,270	5,036,959	3,074,218
	<b>42,166,369</b>	<b>9,358,336</b>	<b>7,984,434</b>

## 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	-	(2,340,000)
- closing balance	<b>4,751,250</b>	<b>23,000,000</b>
2. Description of capital		
2.1. Types of shares		
- ordinary	4,641,110	22,466,830
- AFV 1	9,999	48,400
- AFV 2	159	770
- AFV 3	49,991	242,000
- AFV 4	49,991	242,000
2.2. Registered or bearer shares		
- registered		15,690,397
- bearer		7,309,603
<b>D. Commitments to issue shares</b>		
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	351,179	
- maximum number of shares to be issued		1,700,000
<b>E. Capital authorised but not issued</b>	<b>2,000,000</b>	

## G. Shareholding structure (law of 2 March 1989)

At 31 December 1998, based on declarations received by that date :

Shareholders	Number of shares held	Number of warrants	Percentages non diluted	Percentages fully diluted	Date
NPM/CNP	-	8,668	0.00	0.04	31.12.98
ERBE FINANCE	1,000	198,500	0.00	0.81	31.12.98
INVESTOR	-	1,500	0.00	0.01	31.12.98
FIBELPAR	695,077	-	3.02	2.81	31.12.98
<i>Sub-Group NPM/CNP</i>	<i>696,077</i>	<i>208,668</i>	<i>3.02</i>	<i>3.67</i>	<i>31.12.98</i>
ERBE	9,947,678	-	43.25	40.27	31.12.98
FRÈRE-BOURGEOIS	1,569,119	-	6.82	6.35	31.12.98
LOVERFIN	700,000 (1)	-	3.04	2.83	31.12.98
<b><i>FRÈRE-BOURGEOIS, associated companies and concerted parties</i></b>	<b><i>12,912,874</i></b>	<b><i>208,668</i></b>	<b><i>56.13</i></b>	<b><i>53.12</i></b>	<b><i>31.12.98</i></b>
AXA BELGIUM	99,770	-	0.43	0.40	29.05.98
DE KORTRIJKSE VERZEKERING	15,000	-	0.07	0.06	29.05.98
JURIS	5,000	-	0.02	0.02	29.05.98
ROYALE BELGE	1,149,382	-	5.00	4.65	29.05.98
ROYALE BELGE 1994	388,927	-	1.69	1.57	29.05.98
<b><i>AXA Group</i></b>	<b><i>1,658,079</i></b>	<b><i>-</i></b>	<b><i>7.21</i></b>	<b><i>6.70</i></b>	<b><i>29.05.98</i></b>
P&V ASSURANCES	941,255	-	4.09	3.81	11.06.98
P&V RÉASSURANCES	80,000	-	0.35	0.32	11.06.98
<b><i>P&amp;V Group</i></b>	<b><i>1,021,255</i></b>	<b><i>-</i></b>	<b><i>4.44</i></b>	<b><i>4.13</i></b>	<b><i>11.06.98</i></b>
<b><i>CIE FINANCIÈRE ET DE GESTION DU ROND POINT (Dassault Group)</i></b>	<b><i>1,204,500</i></b>	<b><i>-</i></b>	<b><i>5.24</i></b>	<b><i>4.88</i></b>	<b><i>11.06.98</i></b>

(1) pre-emptive right in favour of ERBE FINANCE

Based upon subsequent declarations :

Shareholders	Number of shares held	Number of warrants	Percentages		Date
			non diluted	fully diluted	
NPM/CNP	-	8,668	0.00	0.04	15.02.99
ERBE FINANCE	1,000	198,500	0.00	0.81	15.02.99
INVESTOR	467,689	1,500	2.03	1.90	15.02.99
FIBELPAR	1,055,509	-	4.59	4.27	15.02.99
<i>Sub-Group NPM/CNP</i>	<i>1,524,198</i>	<i>208,668</i>	<i>6.62</i>	<i>7.02</i>	<i>15.02.99</i>
ERBE	9,947,678	-	43.25	40.27	15.02.99
FRÈRE-BOURGEOIS	2,603,800	-	11.32	10.54	15.02.99
LOVERFIN	700,000 (1)	-	3.04	2.83	15.02.99
<b><i>FRÈRE-BOURGEOIS, associated companies and concerted parties</i></b>	<b><i>14,775,676</i></b>	<b><i>208,668</i></b>	<b><i>64.23</i></b>	<b><i>60.66</i></b>	<b><i>15.02.99</i></b>
<b><i>CIE FINANCIÈRE ET DE GESTION DU ROND POINT (Dassault Group)</i></b>	<b><i>1,404,500</i></b>	<b><i>-</i></b>	<b><i>6.11</i></b>	<b><i>5.69</i></b>	<b><i>15.02.99</i></b>
P&V ASSURANCES	941,255	-	4.09	3.81	11.06.98
P&V RÉASSURANCES	80,000	-	0.35	0.32	11.06.98
<b><i>P&amp;V Group</i></b>	<b><i>1,021,255</i></b>	<b><i>-</i></b>	<b><i>4.44</i></b>	<b><i>4.13</i></b>	<b><i>11.06.98</i></b>

(1) pre-emptive right in favour of ERBE FINANCE

## 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.

**Further to the information provided on page 29 of this annual report, the Company provides additional information in the context of the regulations on conflicts of interest (article 60 and 60bis CLCC).**

The Board of Directors would like to inform you that articles 60 and 60bis CLCC has applied upon the restructuring of the Charleroi Group.

In accordance with the legal prescriptions of article 60 CLCC, the extract of the minutes of the Board of Directors meeting of 13th May 1998 is set out below :

« A proposal was made to the Board of Directors meeting of 6th May 1998 that NPM/CNP should purchase all the registered capital of FIBELPAR. A detailed memo was sent to each director setting out the terms of this investment and the context in which it would be made.

As this decision may give rise to an advantage for a controlling shareholder of NPM/CNP - the companies FRÈRE-BOURGEOIS and/or ERBE - the procedure provided for by article CLCC was applied.

Three directors, chosen for their independence with respect to the decision to be taken, Messrs Marcel NICOLAÏ, Gustaaf VAN den BEMPT and Philippe WILMES, assisted by the expert, BANQUE DEGROOF, studied the investment opportunity and drew up a detailed report with the following conclusions :

"Given that :

- this acquisition of FIBELPAR shares is one of a series of operations with favourable effects for all NPM/CNP shareholders, as emerges from the special report by the Board of Directors to the NPM/CNP shareholders and from the fairness opinion report by BANQUE DEGROOF ;
- FIBELPAR has considerable equity capital likely to assist NPM/CNP in its quest to improve the financial management of its shareholdings ;
- simplification of the Charleroi Group and its structures should have a positive impact on the Stock Exchange price of the NPM/CNP share ;
- the financial conditions for purchasing FIBELPAR shares are normal and fulfil the usual criteria for this type of investment ;
- the acquisition of shares will be submitted for the approval of the shareholders at the General Meeting of 28th May 1998,

we therefore consider that this operation is in the Company's interests and those of all its shareholders and grants no particular advantage, directly or indirectly, to any individual shareholder."

Similarly, in its "fairness opinion" report, BANQUE DEGROOF concludes that the operations planned by NPM/CNP do not, as such, comprise an advantage granted to its controlling shareholders other than the anti-dilution effect from which all NPM/CNP shareholders benefit.

In accordance with articles 60 and 60bis CLCC, Miss Ségolène FRÈRE, Messrs Gilles SAMYN and Victor DELLOYE, direct or indirect shareholders of FIBELPAR, have informed the other members of the Board that they have an interest in the realisation of the above-mentioned acquisition or shareholding. That being the case, they will be unable to take part in the Board's deliberations nor in the vote on the decision regarding this acquisition. Although he has no conflict of interests in the sense of article 60, Mr Gérald FRÈRE also wishes to abstain. (Messrs Victor DELLOYE, Gérald FRÈRE and Gilles SAMYN left the meeting room - Miss Ségolène FRÈRE being absent).

Based on these conclusions, the Board of Directors decided to purchase the shareholding in FIBELPAR according to the following details :

- a) from FRERE-BOURGEOIS : 13,124,998 shares at a unit price of BEF 274.21 <sup>(2)</sup> and 13,970,760 shares at a unit price of BEF 302.39 ;
- b) from ERBE : all its shares(89,472,727 shares) at the unit price of BEF 302.39 ;
- c) from AXA : all its shares (5,992,076 shares) at the unit price of BEF 274.00 <sup>(3)</sup>.

(2) BEF 274.21 per share - value 6th April 1998 - plus interest, i.e. BEF 275.66 - value 28th May 1998

(3) BEF 274.00 per share - value 19th May 1998 - plus interest, i.e. BEF 274.28 - value 28th May 1998\*

The Board decided to make this investment subject to approval thereof by the Extraordinary General Shareholders' Meeting of NPM/CNP convened to this end for 28th May 1998. The shareholders will be informed of the various details of this operation and of the other items included on the agenda of that meeting - the main objective of which is to simplify the group - by a special report from the Board of Directors to which the "fairness opinion" report of BANQUE DEGROOF will be attached. The above-mentioned "fairness opinion" report of BANQUE DEGROOF concludes as follows :

« The operations planned by the NPM/CNP group can be summarized as, on the one hand, the purchase of 1,928,835 own shares which will be cancelled and, subsequently, of 1,403,446 own shares which will be temporarily retained, at the price of BEF 2,692 per share ex-coupon relating to the 1997 financial year and, on the other hand, the takeover at a price lower than its intrinsic value, of 100 % of FIBELPAR, a highly capitalised company, whose net asset value consists almost exclusively of treasury funds and which should enable the NPM/CNP group to extend its field of action in improving its financial management.

To conclude the detailed analysis of the operations planned by the NPM/CNP Group, BANQUE DEGROOF is of the opinion that these operations are in the interests of NPM/CNP and its shareholders. This opinion is based on the following factors :

- These operations allow the NPM/CNP Group to acquire :
  - 1,928,835 own shares which will be cancelled and, subsequently, 1,403,448 own shares which will be temporarily kept, at a discount of 29.6 % compared to their intrinsic value, of 15.8 % compared to the Stock Exchange price of 11th May 1998 and of 12.1 % compared to the latest twenty Stock Exchange prices ;
  - through FIBELPAR, of which it should purchase 100 % at an average discount of 5 % compared to its intrinsic value, of more than BEF 40 billion, including cash and equivalents for more than 97 % of the total.
- All these operations have a major, overall anti-dilutive effect for NPM/CNP, i.e. 6.6 % in intrinsic value and, according to management estimates, in the order of 9.3 % in consolidated operating income.
- In addition, they should have no negative effects on the liquidity of the NPM/CNP security, in so far as the own shares purchased by the NPM/CNP Group have been purchased from stable shareholders.

Moreover, the operations planned by the NPM/CNP Group do not, as such, comprise an advantage granted to its controlling shareholders other than the anti-dilution effect from which all the NPM/CNP shareholders benefit.

ERBE and FRÈRE-BOURGEOIS have enabled the NPM/CNP Group to acquire NPM/CNP shares from ROYALE BELGE, and NPM/CNP and FIBELPAR shares from AXA-UAP, at the prices agreed with the latter within the framework of agreements relating to the acquisition of control of ROYALE BELGE, as well as NPM/CNP shares from FIBELPAR under those same terms and conditions. They will also transfer to the NPM/CNP Group the whole of the anti-dilution effect linked to the transactions with AG 1824, ELECTRAFINA, FINOUTREMER, SOCIÉTÉ GÉNÉRALE DE BELGIQUE and the TRACTEBEL Group regarding FIBELPAR shares, and that from which they benefited by purchasing NPM/CNP shares from FIBELPAR, up to the 10 % shareholding in FIBELPAR in which a NPM/CNP subsidiary had shown an interest. »

In accordance with article 60bis CLCC, three directors (Messrs Marcel NICOLAÏ, Gustaaf VAN den BEMPT and Philippe WILMES), chosen for their independence with respect to the decision to be taken, assisted by BANQUE DEGROOF, have studied the investment opportunity and drawn up a detailed report. The conclusions of this report and the decisions reached by the Board of Directors are contained in the minutes set out above.

In addition, during the Extraordinary General Meeting of 28th May 1998, a copy of the special report by the Board of Directors and of the "fairness opinion" report by BANQUE DEGROOF was made available to all of the shareholders present. These documents were also available for perusal on the Company's Internet site.

The above-mentioned information is included in the Auditors' report on non-consolidated accounts filed with the NATIONAL BANK OF BELGIUM.

**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 relevant operations note.

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

This information will be included in the relevant 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 (Gerpennes), 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 LEFÈBVRE, public Notary in Antwerp, published in the annex to the Belgian « Official Gazette » dated 3-4 December 1906, under Number 6133.

The last time the articles of incorporation were amended was by public deed executed by Maître Hubert MICHEL, public Notary in Charleroi on the initiative of Maître Gilberte RAUCQ, public Notary in Brussels on 28 May 1998, published in the annex to the Belgian « Official Gazette » on 24 June 1998.

*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 acquisition of interests 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 other things, NPM/CNP may acquire through purchase, exchange, contribution, subscription, underwriting, option or any other means, any securities, assets, receivables or intangible assets ; 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 or 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 Charleroi under nr 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 appointments and dismissals of the representatives of NPM/CNP are published in the annex to the Belgian « Official Gazette ».

Financial notices are published in the financial press and on the Internet website ([www.cnp.be](http://www.cnp.be)). The other documents available to the public and which may be mentioned in a prospectus may be consulted at the registered office of NPM/CNP.

The annual reports are sent to the registered shareholders and to anyone who has asked 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 23,000,000 shares with no designated nominal value of which 22,466,830 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 inter alia 3,200,658 VVPR shares, 1,460,198 of which were issued by public subscription. 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 capital increases*

In the event of a 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 (CLCC), 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 Commercial Court.

In the event of a 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 bonds or exercise their subscription rights and thus participate in the new issue to the extent that this right is granted to existing shareholders.

The Board of Directors always has 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 issued 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 enjoyed by dividends 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. *Dissolution / liquidation*

Except in the event of contributions or mergers remunerated by shares, 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 shares. 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 was authorised, for a period of five years starting on 9 July 1996, to increase the 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 the relevant laws. The increase in share capital decided on with regard to this authorisation may incorporate cash or non-cash consideration or may, to the extent permitted by the CLCC, incorporate the use of reserves, including the share premium reserve.

Reserves may be transferred to capital with or without the issue of new shares. The Board of Directors is expressly authorised to proceed with share capital increases under the conditions laid down by the CLCC, in the case of a takeover bid on the shares of the Company and provided 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, in the framework of the authorisation, to increase the share capital by the issue of shares subscribed in cash, of convertible bonds, of bonds redeemable in shares, of subscription rights or other financial instruments, 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 financial instruments (whether or not attached to bonds), or other securities 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 351,179,348 (EUR 8,705,509), i.e. the maximum increase in share capital resulting from the exercising of the 1,700,000 warrants issued ; on 31 December 1998, the company and its subsidiaries held 208,668 NPM/CNP warrants.

### 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 (EUR 37,184,029).

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 (EUR 43,970,114). These bonds were accompanied by two warrants exercisable between 1 June and 15 June of the years 1994 to 1999 by subscription to one NPM/CNP share at the price of BEF 2,365 (EUR 58.63) ; this gives a total of 1,500,000 warrants. In accordance with the aim of the Company to gradually increase the number of shareholders, 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.

A breakdown of the most significant of the other debts can be found on page 71 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 pages 81 and 82 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*

Please refer to page 106 appendix VIII A.

### 3.2.6. *Persons in a position to influence the Company* .....page 31

### 3.2.7. *Shareholders holding at least 3 % of the capital*.....pages 106 and 107

The initial reporting level related to the Shareholders Disclosure Law is fixed in the articles at 3 %.

### 3.2.8. *Brief description of the Group* .....pages 32, 76 and 91

### 3.2.9. *Own shares* .....pages 15, 29 and 69

The Annual General Meeting of 13 May 1998 authorised the Board of Directors to acquire up to 2,534,000 shares of the Company on the stock market at a minimum price of BEF 1,500 and a maximum price of BEF 4,500 per share, valid for a period of 18 months. This provision applies to shares acquired by one or more of the subsidiaries of the Company in the sense of Article 52 quinquies § 1, second sub-paragraph CLCC. 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 Company shares 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.

Furthermore, the Extraordinary General Meeting of 28 May 1998 authorised the Board of Directors, for a period of 18 months, to acquire, in the framework of Article 52bis § 2-4°, a maximum of 2,280,600 shares of the Company which would be held by sub-subsidiaries with a view to delivering them, if necessary, to warrant holders exercising their right or to cancel them subject to approval by another General Meeting.

## 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 19 to 28  
 4.1.2. *Major branches and real-estate properties* ..... pages 64 and 78  
 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*.....pages 15 to 17 and 28

### 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 invest in research and development.

### 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, nor has there been any such case in the recent past (please also refer to page 81, note 3).

### 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 numbers and development .....page 81

### 4.7. Investment policy

- 4.7.0. *Major investments of the last three years and of the current financial year* .....pages 15 to 17, 87 to 89  
 4.7.1. *Major investments in progress and financing method* ..... pages 15 to 17  
 4.7.2. *Major investment commitments*  
 No significant investment commitment had been made by the Company at the going to press of this document.

## Part V : FINANCIAL INFORMATION

### 5.1. Accounts

- 5.1.0. *Balance sheets and profit and loss accounts*..... pages 102 to 105  
 5.1.1. *Consolidated balance sheets and profit and loss accounts*..... pages 64 to 67  
 5.1.2. *Net operating profit per share*

The non-consolidated net operating profit per share has been :

	1998	1997	1996
in BEF	90.70	85.80	119.37
in EUR	2.25	2.13	2.96

NPM/CNP being a holding company, the non-consolidated accounts are of little significance. The restricted consolidated and consolidated results per share are shown on page 63.

- 5.1.3. *Dividend per share*..... pages 30 and 63

**5.1.4. Half-year results**

In the case of more than nine months having 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 with the European Directives**

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

**5.1.6. Sources and application of funds** ..... pages 87 to 89

**5.2. Information on shareholdings of the Company** ..... pages 33 to 58, 77, 96 to 99

**5.3. Information on 10 % or more holdings** ..... see 5.2

**5.4. Information on the consolidated accounts** ..... pages 64 to 99

**5.5. Information required 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, Executives and Statutory Auditors** ..... pages 4 to 7

**Gérald FRERE, Chairman of the Board of Directors**

*Non-executive Director, representing a major shareholder*

Mr. Gérald FRÈRE is Managing Director of FRÈRE-BOURGEOIS, Chairman of the Executive Committee and Managing Director of GBL, as well as Director and Member of the Management Committee of PARGESA. He is also Director of ERBE, ROYALE BELGE, COBEP A and GIB. He also holds the position of Director of the NATIONAL BANK OF BELGIUM.

**Gilles SAMYN, Deputy Chairman and Managing Director**

*Executive Director*

Mr. Gilles SAMYN is Managing Director of FRÈRE-BOURGEOIS and ERBE. He is Member of the Management Committee of PARGESA and the Executive Committee 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, representing a major shareholder*

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

**Laurent DASSAULT, Director (1)**

*Non-executive Director, representing a major shareholder*

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.

**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.

(1) subject to the approval of the Shareholders' General Meeting of 12 May 1999

**Thierry DORMEUIL, Director***Non-executive Director, representing a major shareholder*

Mr. Thierry DORMEUIL is Head of the consumer goods sector of the Corporate Finance Department of the PARIBAS Group, Director of GUYORMARC'H, AXA RE FINANCE, SEMA GROUP and COBEP. He also the Permanent Representative of the SOCIÉTÉ GÉNÉRALE COMMERCIALE ET FINANCIÈRE on 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, Director of the NATIONAL BANK OF BELGIUM and Director of several companies including MULTIPHARMA.

**Ségolène FRÈRE, Director***Non-executive Director, representing a major shareholder*

Miss Ségolène FRÈRE is a student at the VESALIUS COLLEGE V.U.B. (B.A. in International Management).

**Philippe HUSTACHE, Director***Non-executive Director, representing a major shareholder*

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

**Henry MESTDAGH, Director (1)***Independent non-executive Director*

Mr Henry MESTDAGH is Managing Director of the MESTDAGH supermarket chain and Director of the GÉNÉRALE DE BANQUE, PHOTO HALL and various other companies. He is also President of the Charleroi Chamber of Commerce.

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

Mr. Thierry de RUDDER is Managing Director of GROUPE BRUXELLES LAMBERT and ELECTRAFINA. He is also Director of AUDIOFINA, PETROFINA, SOCIÉTÉ GÉNÉRALE DE BELGIQUE, TRACTEBEL, MONUMENT OIL AND GAS (U.K.) and various subsidiaries of GROUPE BRUXELLES LAMBERT.

**Pierre VAN OMMESLAGHE, Director (1)***Non-executive Director, representing a major shareholder*

Mr. Pierre VAN OMMESLAGHE is a Barrister of the Court of Cassation, partner in the COPPENS, VAN OMMESLAGHE & FAURES Association, Professor at the UNIVERSITÉ LIBRE DE BRUXELLES and the author of numerous publications on legal aspects.

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

Mr. Philippe WILMES is Chairman of the Management 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 and CODITEL.

**Statutory Auditors**

KLYNVELD PEAT MARWICK GOERDELER, Reviseurs d'Entreprises S.C.C., represented by Karel M. VAN OOSTVELDT  
Sporroeweglaan, 3 – B-2610 Wilrijk

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

(1) subject to the approval of the Shareholders' General Meeting of 12 May 1999

**6.2. Executives' interests in the Company**

**6.2.0. Salaries and fringe benefits**

Based upon the 1998 accounts (in 000 EUR) :

	paid by the Company	paid by subsidiaries of the Company (1)	paid by the equity-accounted companies (2)
To Directors of the Parent Company			
- members of the Executive Committee	474	364	-
- other Directors	90	-	-
	<u>564</u>	<u>364</u>	<u>-</u>
To Members of the Executive Committee who are not Directors	7	-	-
Advances and loans granted to Directors and Members of the Executive Committee	174	-	-

(1) in addition, the NPM/CNP Group pays an annual amount of EUR 248,(000) to the FRERE-BOURGEOIS Group for services rendered by its representatives.

(2) only concerns Executive Directors.

The fees paid to the Statutory Auditors of the Company in remuneration for their mandates amounted to EUR 8,924 for the 1998 financial year. Besides this, for additional services, DELOITTE & TOUCHE received the amount of EUR 8,825 during the 1998 financial year.

**6.2.1. Shares and options of the Company**

On 31 December 1998, no Director or Auditor was listed as a registered shareholder of the Company. LOVERFIN S.A., which is controlled by members of the NPM/CNP staff and by its two Executive Directors, held 700,000 shares in the Company on 31 December 1998.

**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 assignments**

See point 6.2.0.

**6.3. Employee motivation plan.....pages 13,14 and 82**

**Part VII : INFORMATION ON THE RECENT DEVELOPMENT AND PROSPECTS OF THE COMPANY**

Information available at the time of going to press is included in the Management Report (pages 15 to 18 and 28) included in the present Annual Report ; should a public subscription offer take place, the related information will 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
1998	1.0000	1.0000	1.0000