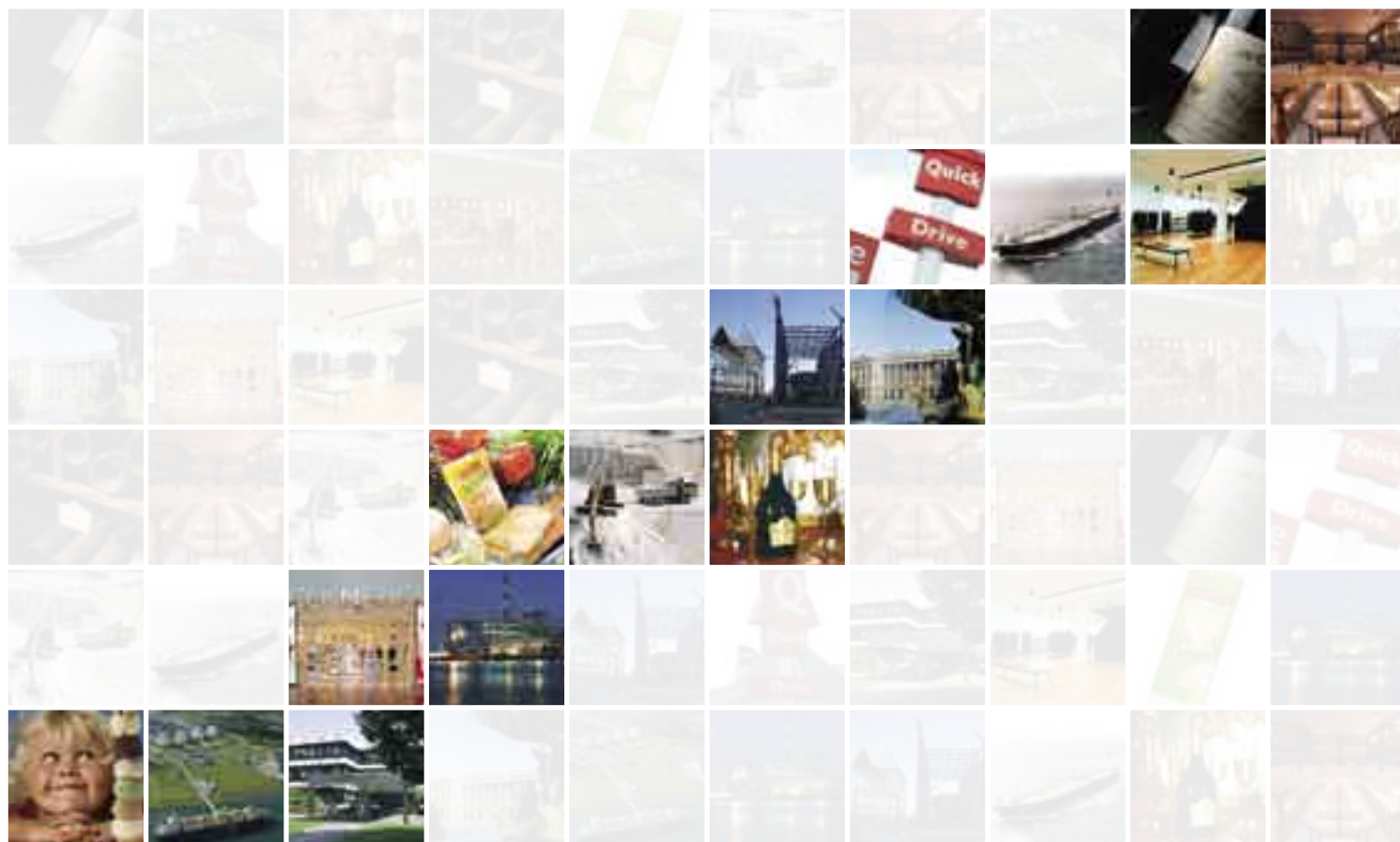


RIEUSSEC

2004



ELECTRABEL

NPM/CNP

COMPAGNIE NATIONALE À PORTEFEUILLE
NATIONALE PORTEFEUILLEMAATSCHAPPIJ

NPM/CNP: a holding company, a professional shareholder

WHAT IS NPM/CNP?

NPM/CNP is a holding company founded in Belgium, listed on

EURONEXT Brussels and controlled by the FRÈRE family.

MISSION

NPM/CNP's mission is that of a family company managed with a strong sense of responsibility: its long-term aim is balanced growth in the value of the assets entrusted to it by its shareholders and in the dividend distributed to them, with a limited risk profile. This value creation

involves the generating of net operating profits from invested capital that are greater than the weighted average cost of capital; this capital cost of course takes into account the risk connected with the activities to which the capital is dedicated.

INTENTION AND STRATEGY

Driven by big ambitions, NPM/CNP intends to play a role and be respected by investors and by its peers as a value processor contributing to the creation of business Europe. This intention is adapted to the strategy applied to a portfolio of assets held:

- either directly, including shareholdings that are consolidated (DISTRIPAR, FEM/ENTREMONT, IJSBOERKE, PROJECT SLOANE/JOSEPH and TRANSCOR), consolidated proportionally (QUICK- through GIB, RIEUSSEC /

L'EVANGILE and CHEVAL BLANC), or equity-accounted (TAITTINGER and SOCIÉTÉ DU LOUVRE), or other shareholdings that are more limited in terms of percentage but are often worth more (TOTAL, ELECTRABEL).

- or through the PARGESA / GBL Group, over which NPM/CNP exercises joint control with the POWER Group (Canada), and which controls IMERYS, applies equity accounting to BERTELSMANN and holds major shareholdings in international companies (TOTAL, SUEZ).

MANAGEMENT PHILOSOPHY

The simple, organisational and temporal strategy rests on a set of processes and projects, based on plans that are interwoven tightly enough to capture the scenario that corresponds to the reality of the moment and seize any opportunity that may present itself. This organisation by project is implemented by a multi-disciplinary team whose manager, the managing director, is responsible for its orientation, coherence, coordination and emulation, while favouring individual entrepreneurship.

This value management is process-oriented and is applied by the holding's restricted, unified management team both to the structures themselves and to the shareholdings that they hold.

NPM/CNP intends to limit its role to performing the basic roles making up its activity as a professional shareholder:

- Strategic decisions and orientations, including asset arbitrage, investments and disinvestments (based on the net operating profit on invested capital);
- Selecting and motivating of managers;
- Financial engineering and the management of financing sources (optimisation of the weighted average cost of capital).

This professional shareholder activity is exercised with a decreasing intensity according to whether the shareholdings:

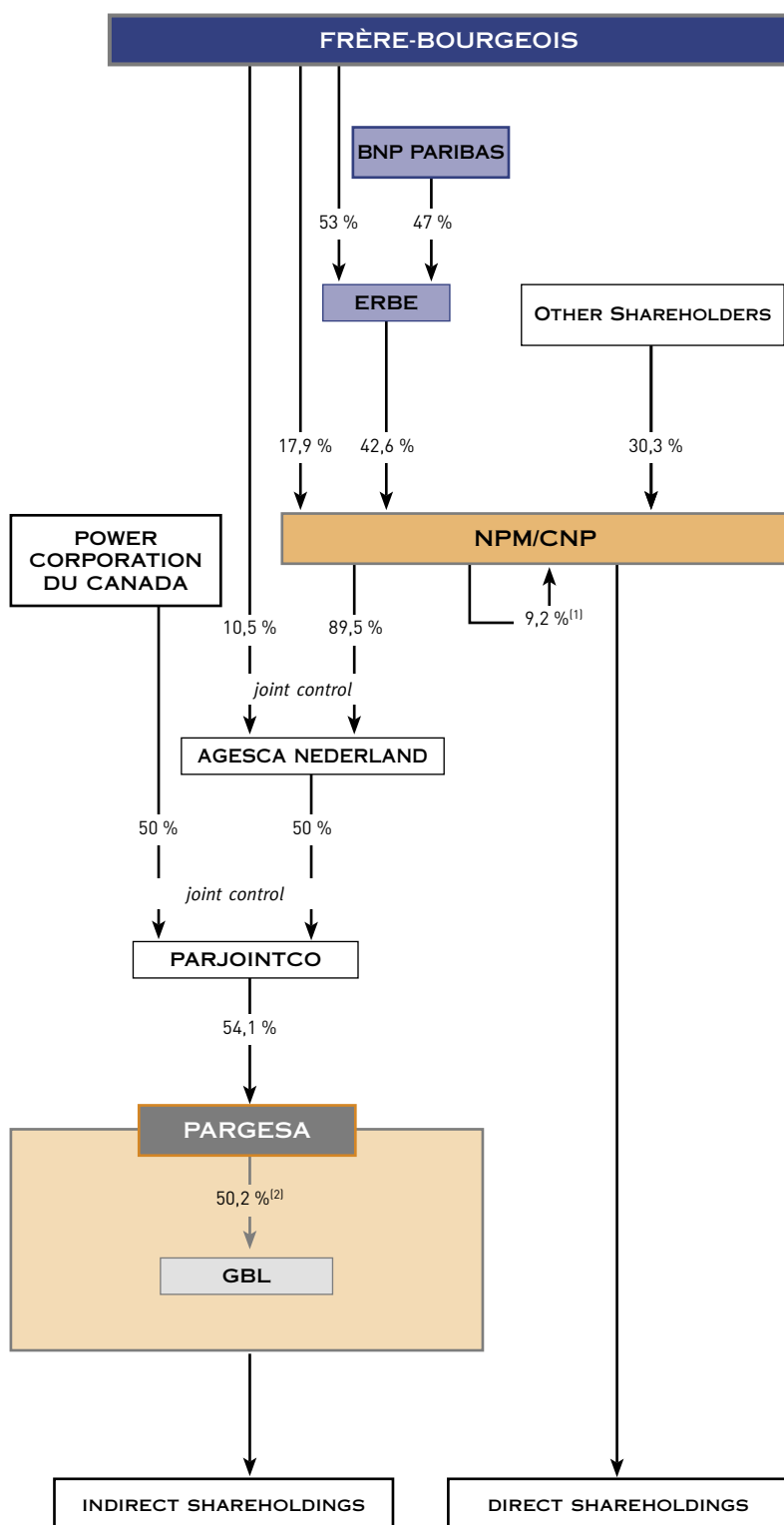
- are within the consolidation perimeter (consolidated, proportionally consolidated or equity-accounted shareholdings);
- are outside the consolidation perimeter.

Positioned as a value, volatility and risk manager, NPM/CNP tries to effectively collaborate with the management of the companies in which it has a shareholding, in order to better tackle these various aspects; this dialogue involves periodic reporting focused on the monitoring of key indicators, allowing the shareholder to follow the development of business, assess its risks and opportunities, and, with the support of a strategic monitoring process, manage the timing of major decisions.

The shareholder's role is therefore different from that of the manager, who is responsible for day-to-day management and accordingly has a great deal of independence to ensure the flexibility and speed of his actions. As trust does not exclude control, NPM/CNP's representatives reconcile the roles of supporting the management and acting as its counterbalance, within the framework of a reciprocally assumed Corporate Governance.

Structure and shareownership of the Group

This organisation chart, presented here as at 31 December 2004, is regularly updated on the NPM/CNP website (www.npm-cnp.be).



NPM/CNP is the listed entity of the Group commonly known as the "Groupe de Charleroi". Controlled by Baron FRÈRE and his family, it consists of three levels:

■ FRÈRE-BOURGEOIS, the parent company, whose capital is owned by the FRÈRE family;

■ partnership with leading Group: ERBE with BNP PARIBAS;

■ NPM/CNP, the interface with major institutional investors and the market.

Apart from its direct investment activities, the NPM/CNP Group also pursues an investment activity through PARJOINTCO/PARGESA/GBL and the companies within their Group. PARJOINTCO, set up in 1990, was used by the Group to unite its participation in PARGESA with that of POWER CORPORATION DU CANADA, a Group controlled by Mr Paul DESMARAIS Sr. and his family. This alliance is governed by an agreement binding the partners until 2014.

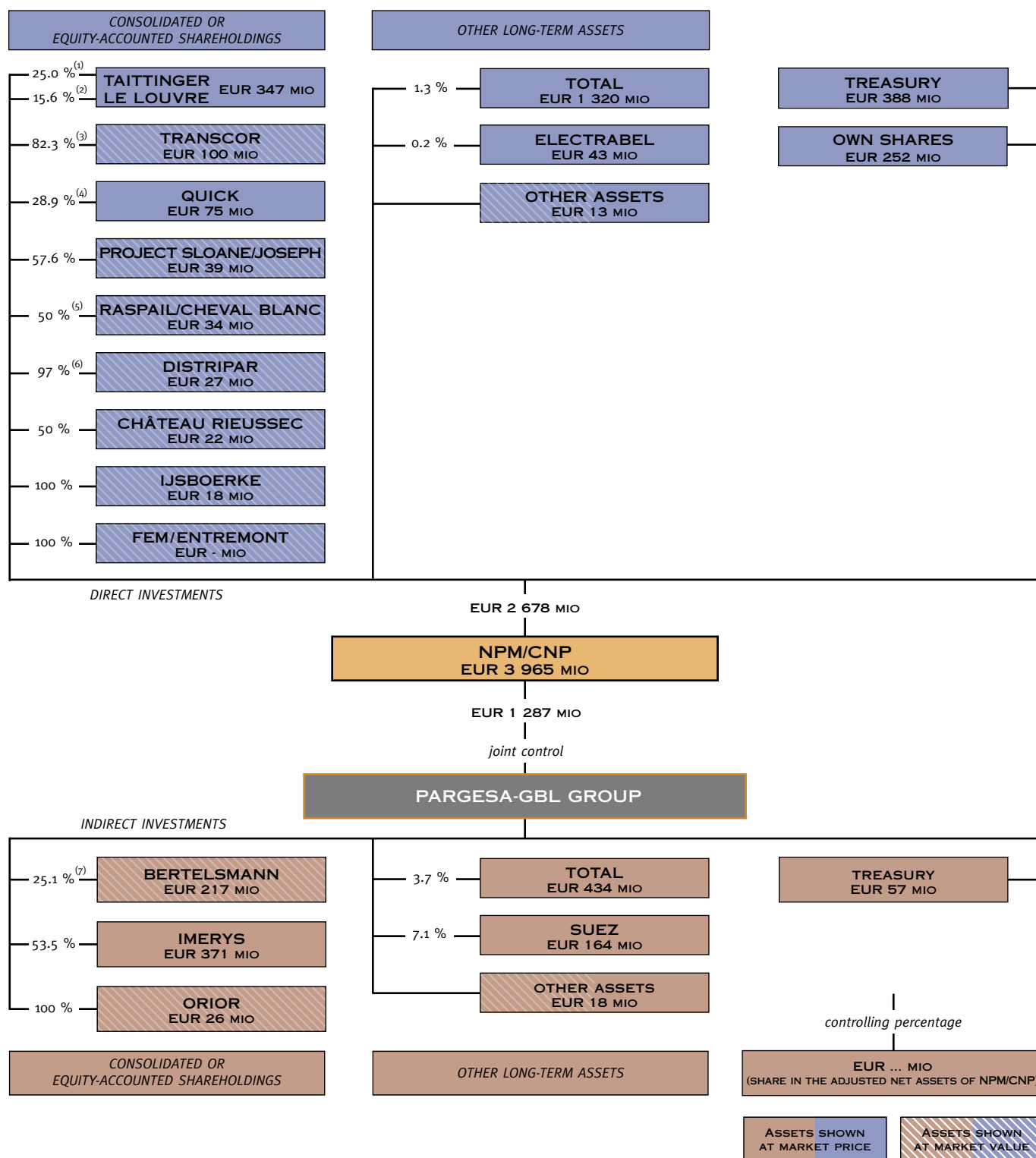
This covers PARGESA, its subsidiaries and its strategic interests.

[1] Stock option plan on 3.3% of the capital.

[2] IFRS consolidation percentage.

Group Assets as at 31 December 2004

This organisation chart is regularly updated on the NPM/CNP website www.npm-cnp.be.



(1) Including investment certificates without voting for 3.1%.
 (2) IFRS equity-accounting percentage, slightly higher than legal percentage.
 (3) Potentially 100 %.
 (4) 57.9 % through GIB, owned at 50 %.
 (5) Through an 80 %-owned company.

(6) 100 % of voting rights.
 (7) Of which 0.1 % without voting rights.

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This English version is a translation of the French version of the Annual Report as approved by the board of directors of NPM/CNP; the French version alone is therefore authoritative.

Financial highlights: value

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
adjusted net assets (EUR million)	1,508	1,740	2,172	2,514	3,186	3,601	3,452	2,999	3,292	3,965
annual TPS ⁽¹⁾	5.7%	19.6%	28.4%	33.1%	43.0%	19.0%	-2.5%	-11.3%	11.9%	22.5%
annual cumulative TPS since 1988 ⁽¹⁾	5.3%	7.0%	9.2%	10.8%	12.7%	13.0%	11.9%	10.5%	10.6%	11.1%
Number of shares (,000)	27,040	27,040	27,040	23,000	20,741	20,000	20,000	20,000	20,000	20,000
adjusted net assets per share (EUR)	59.32	67.92	83.86	109.30	153.62	180.04	172.58	149.97	164.58	198.27
annual TPS per share (EUR) ⁽¹⁾	5.5%	18.7%	27.2%	33.4%	43.0%	19.0%	-2.5%	-11.3%	11.9%	22.5%
annual cumulative TPS since 1988 ⁽¹⁾	5.3%	7.0%	9.2%	11.6%	14.0%	14.4%	13.1%	11.3%	11.4%	12.0%
stock market price (high)	50.07	50.20	71.15	92.96	95.00	118.90	127.80	133.00	109.70	157.60
(low)	43.88	43.38	48.09	58.25	72.00	85.00	91.00	92.00	85.00	105.00
(close)	47.10	49.58	60.49	74.37	93.00	103.40	118.40	106.00	105.00	156.00

(1) TPS = Total Performance for Shareholders, taking into account dividends and changes in the adjusted net assets.

Financial highlights: results

Restricted consolidated profit (EUR million)	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
operating profit	64.18	64.85	70.65	83.58	140.56	87.13	85.02	77.07	92.71	94,72
net profit	52.06	94.84	90.65	508.17	615.56	88.22	108.17	99.87	125.13	157,16
Average number of shares considered (,000)	25,340	25,340	25,340	23,949	21,997	20,223	20,000	20,000	20,000	20,000
Restricted consolidated profit per share (EUR)										
operating profit	2.53	2.56	2.79	3.49	6.39	4.31	4.25	3.85	4.64	4,74
net profit	2.05	3.74	3.58	21.22	27.98	4.36	5.41	4.99	6.26	7,86
Consolidated profit (EUR million)	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
operating profit	89.34	97.56	119.87	105.50	162.84	128.16	111.02	104.08	123.39	n.a.
net profit	58.60	126.00	190.85	603.13	759.15	145.28	169.13	61.88	166.64	n.a.
Average number of shares considered (,000)	25,340	25,340	25,340	23,949	21,997	20,223	20,000	20,000	20,000	n.a.
Consolidated profit per share (EUR)										
operating profit	3.53	3.85	4.73	4.40	7.40	6.34	5.55	5.20	6.17	n.a.
net profit	2.31	4.97	7.53	25.18	34.51	7.18	8.46	3.09	8.33	n.a.
Consolidated data (IFRS) (EUR million)									2003	2004
operating profit (Group share)									137.9	161.8
net profit (Group share)									212.3	298.8
Average number of shares considered (,000)									19,316	18,316
Diluted data per share (IFRS) (EUR)										
operating profit (Group share)									7.14	8.84
net profit (Group share)									10.99	16.31
Dividends (EUR)	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
gross dividend per share	2.48	2.53	2.58	2.72	2.80	2.94	3.09	3.24	3.40	3.57*

* Subject to approval by the annual general meeting.

Stock market data and Shareholders' calendar

STOCK MARKET DATA

Financial instruments listed on Euronext Brussels

- Shares
- WPR Strips

Average daily volumes traded (Euronext Brussels)

(number of shares)

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
shares	4 232	1 943	2 910	4 480	14 985	22 237	6 296	5 230	2 886	2 623	6 185
WPR Strips	-	-	-	-	-	1 204	1 584	814	633	326	837
Warrants	7 433	2 274	3 389	19 168	15 942	11 906	-	-	-	-	-
Total (excluding strips)	11 665	4 217	6 299	23 648	30 927	34 143	6 296	5 230	2 886	2 623	6 185

Market price and adjusted net assets per share



SHAREHOLDERS' CALENDAR

21 April 2005

28 April 2005

12 May 2005

15 September 2005 ⁽¹⁾

10 November 2005 ⁽¹⁾

Ordinary General Meeting of Shareholders at the registered office at 10 a.m.
Subject to approval by the Ordinary General Meeting, payment of dividends (EUR 3.57 gross per share).

Publication of the results at 31 March 2005.

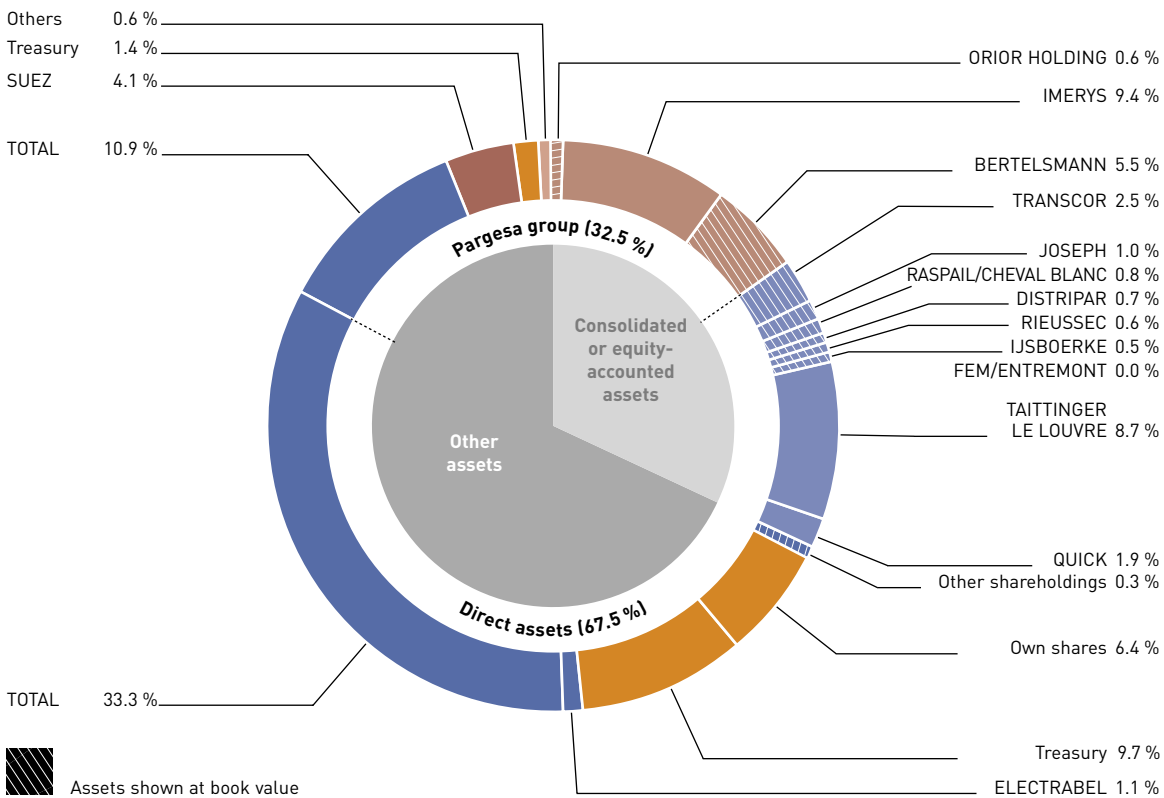
Publication of the results at 30 June 2005.

Publication of the results at 30 September 2005.

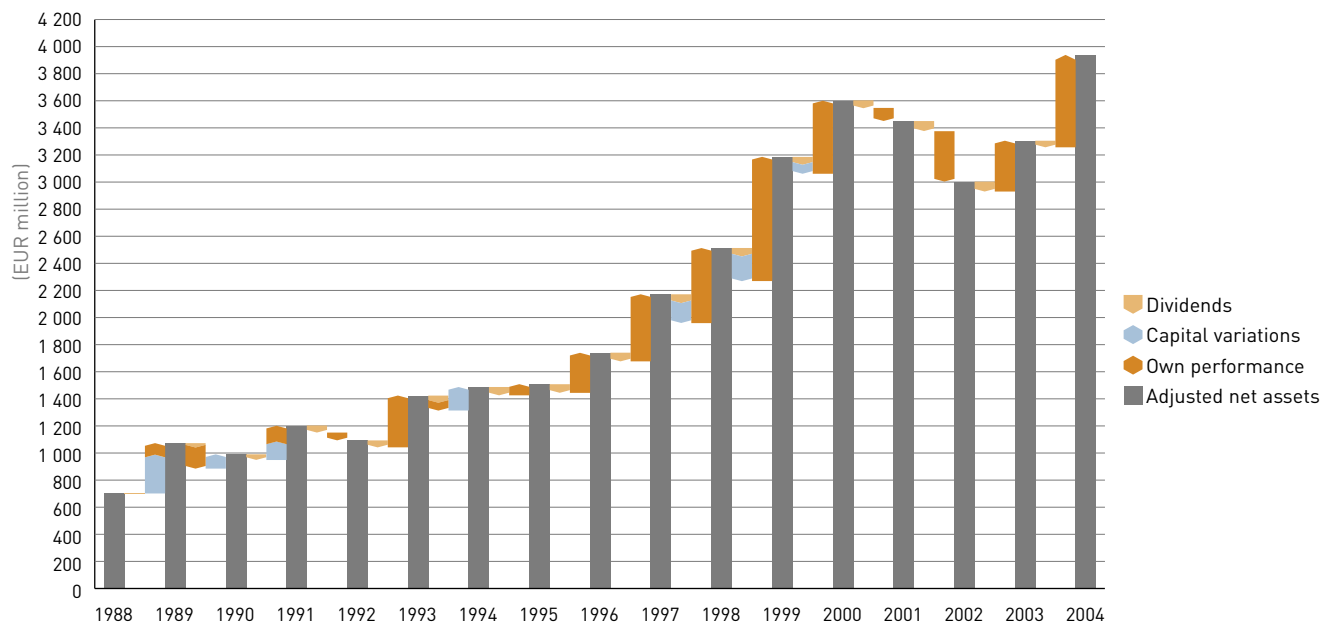
⁽¹⁾ depending on publication dates by some affiliated companies.

Breakdown and evolution of the adjusted net assets

Transitive breakdown of adjusted net assets (as at 31 December 2004)



Evolution of the adjusted net assets



Message to shareholders

Dear Shareholders,

We are pleased to present here certain events occurring during the financial year 2004 and various aspects connected with the management of your company.

On rereading last year's message, it becomes apparent that 2004 was in many ways similar to 2003, although the obsession with SARS gave way to the horror of the tsunami, which devastated the Asian coastlines.

The situation in Iraq remains confusing and terrorist threats or attacks remain a daily reality. From an economic point of view, the considerable fall in the dollar has contained the rocketing oil prices, preventing (for the moment?) the inflationary effects that might have been feared. The prospects of a noticeable upturn in economic activity remain uncertain. In such a context, the unenthusiastic behaviour of the financial markets during the previous financial year is hardly surprising (+6.9% for the Eurostoxx50 index, +7.4% for the CAC 40 and +2.4% for the Dow Jones, the Belgian market being the only one to buck the trend, with a growth of more than 30% in the BEL 20), while interest rates fell to their lowest level since the end of the Second World War.

In these conditions, your company's performances over the year may be considered satisfactory. The adjusted net assets per share grew from EUR 164 to EUR 198, after payment of a EUR 3.40 dividend, resulting in an internal rate of return for the year of more than 22%; based on the stock market price, which went from EUR 105 to EUR 156 during the year 2004, the total return for the shareholder stood at 52%.

Notwithstanding the above, the services delivered by an asset-based company such as ours are judged over the long-term; the remuneration of its shareholders rests on the flows of income effectively paid by its own shareholdings. It is in this spirit that since 1990 NPM/CNP has been publishing (and will continue to publish), in addition to the consolidated accounts, a restricted consolidation analysis; the perimeter of this analysis is limited and does not cover either PARGESA or the industrial or commercial companies in which NPM/CNP has a shareholding, even if this is a controlling shareholding. Based mainly on cash flow elements, it allows shareholders and analysts to see, on a comparable basis, the development of the profits generated by the group, as a holding company, from its portfolio of activities, independently of the equity-accounting or consolidation of one shareholding or another. It is in relation to the restricted consolidation operating profit that the level of NPM/CNP's dividend should be assessed. Furthermore, this perimeter is also used to calculate the adjusted net assets, serving as a basis on which to assess the overall performance. After 2003, a year in which the restricted consolidation-accounted operating profit per share grew by 20% and the total profit by 25%, in 2004 the former increased by 2% to reach EUR 95 million, while the latter increased to EUR 157 million, again up 25%.

Confident in the future and aware of the quality of your company's portfolio, the Board of Directors will propose to the General Meeting of Shareholders, as in previous years, a 5% increase in the dividend distributed for the financial year 2004, bringing the dividend to EUR 3.57 per share; this represents 2.3% of the stock market price at 31 December 2004.

Since our redeployment in April 1988, our performances may be summarised as follows:

- An annual compound internal rate of return of 12%, in terms of adjusted net assets per share, compared with 11.4% at the end of 2003, confirming NPM/CNP's status as a creator of value for its shareholders;
- A dividend that has grown from EUR 1.93 to EUR 3.57 over the period, representing an average annual increase of 4.6% in adjusted data, with an effective growth each year, except for a stable dividend in 1992, for which PETROFINA, which was then NPM/CNP's main asset, reduced its dividend by 50%.

We therefore have the satisfaction of knowing that we have honoured our commitment towards you. These positive past performances are, however, first and above all, a source of motivation. Our aim is to at least maintain them and preferably improve them further still. It is clearly in this mind set that the entire Loverval team is working and it is with this humility with regard to the future that this message is written.

As we like to say, we manage the value and you set the stock market price. To our thinking, any «undervaluation» of the stock should not effect our management, except to incite us to further increase our transparency, so that at all times shareholders have the elements necessary for a correct estimation of the value of NPM/CNP's shares. Since the

start of 2004, the difference between the value of the adjusted net assets per share and the stock market price has considerably reduced; this has allowed us to reduce part of the gap between the company's stock market performance and its long-term internal performance. Thus, for those of you who were shareholders on 1st April 1988 and were still shareholders on 31 December 2004, the composite average annual return expressed as stock market data was 10.5%. At 31 December 2003, it was only 8.6%. As explained above, these figures are comparable with the internal performance figures 12% and 11.4% respectively.

An annual compound
internal rate of return
of 12% since 1988...

Since 1st January 2004, NPM/CNP has applied the IFRS to its consolidated accounts. However, these are not very representative of economic reality, as only a third of the net assets are consolidated or equity-accounted. The IFRS consolidated accounts differ very significantly from the restricted consolidation accounts, in particular owing to:

- the consolidation of the industrial or commercial subsidiaries.
- the market value valuing of the financial assets, expressing, for example, unrealised capital gains;
- the recording of impairments according to strict financial flow discounting methods;
- the deduction from equity of own shares held, with the resulting impact on earnings per share.

The IFRS consolidated accounts involve a number of constraints that do not always seem compatible with our philosophy of «responsible» long-term management; the impairment recorded for FEM/ENTREMONT, explained below, is an illustration of this.

In this last regard, a distinction should first of all be made, to avoid confusion, between FEM, a holding company that is now an indirect 99.995% subsidiary of NPM/CNP, and its 100% shareholding, the ENTREMONT GROUP, which is an industrial company. What we generally refer to as the “ENTREMONT problem” is in reality the “FEM problem”.

With regard to the ENTREMONT GROUP, we hoped to see a significant operating improvement for the financial year 2004, after a very difficult 2003; however, this expectation did not take into account the increase in competitive pressure in the Emmental, lactoserum and Comté markets and the devastating effects of the inadequate sharing between manufacturers and producers of the consequences of the changes to the common agricultural policy with regard to milk. ENTREMONT also suffers from its concentration on a limited number of products (with a large preponderance of industrial products), which makes it more vulnerable than the more diversified companies within the enormous “dairy” that is France.

Although the viability of the industrial entity ENTREMONT is not in doubt, the price paid in 1999 for the acquisition of this company, through FEM, now clearly seems excessive in relation to its effective performances; in addition, this acquisition was for the most part financed through borrowing. The cash flow generated by ENTREMONT must first of all be dedicated to its investment needs, then to

the reduction of its own, and finally FEM's, indebtedness; as matters stand, we are not anticipating income - in the form of dividends or interest - from FEM in the foreseeable future. Consequently, writing off the residual investment in FEM (shareholding and subordinated shareholder's advance) and providing for all commitments in this respect seemed appropriate, in restricted consolidation terms, in accordance with the philosophy of caution prevailing within this reference system. This resulted in an expense of EUR 76.3 million in 2004 under restricted consolidation.

In the consolidated accounts, the impairment recorded by FEM, according to the IFRS, results, mechanically, from the discounting forecast financial flows at the weighted average cost of capital at 31 December 2004; the value of the ENTREMONT GROUP, determined by applying this rule, stood at EUR 145 million; however, given the bank indebtedness of more than EUR 110 million present in FEM's accounts, this latter's equity stood at EUR 34 million at 31 December 2004 (including the subordinated indebtedness of 50 million towards the NPM/CNP group), compared with EUR 49 million a year earlier, despite a capital increase of some EUR 23 million, which took place during the financial year. Aside from the financial and general costs equal to EUR 9 million paid in 2004, during the same financial year, FEM recorded an impairment on the goodwill paid for the ENTREMONT GROUP of EUR 29 million, according to IFRS norms.

As in the case of restricted consolidation, and for the same reasons, FEM will now also be included in NPM/CNP's adjusted net assets for an amount equal to zero. These adjusted net assets are calculated with caution, in accordance with our responsible approach.

At the risk of repeating ourselves, we would like to recall here that the adjusted net assets amount does not constitute an assessment of the value of our shares; it is more of a basis for valuation that shareholders and analysts can use to form their own opinions, by replacing the amount (even if this zero) for which each shareholding is included in the assets with the value that they effectively intend to assign to it.

The full write off of this shareholding decided on in the restricted consolidated accounts in no way affects NPM/CNP's intention to continue, day after day, as in the past, to do everything in its power to remove FEM/ENTREMONT from the difficult situation in which it finds itself. It is a commitment, and not, unfortunately, a guarantee of success; therefore nor does it mean that FEM/ENTREMONT's market value is zero. Some investors may see greater value in the group than we do, for example in view of the important synergies that might result from a partnership with another operator within the sector.

Thus, shareholdings such as HÉLIO CHARLEROI or ÉDITION DUPUIS were valued in the adjusted net assets, until the eve of their disposal, at EUR 13 and 33 million respectively; they were effectively sold for nearly three times these amounts.

ENTREMONT also suffers from its concentration on a limited number of products (with a preponderance of industrial products), which makes its more vulnerable than more diversified companies within

the "Dairy of France". Some of our shareholders may be surprised by the amount of space given to FEM/ENTREMONT in our message. Indeed, except for this shareholding, which represented only 1.7% of the adjusted net assets before it was written off, the majority of the others performed well, or even very well, in 2004. However, this emphasis is driven by a wish for transparency. It is also and above all a result of NPM/CNP's family-oriented, thrifty culture, which aims at treating even the smallest part of the capital that you have entrusted to us with the profoundest respect.

We would like to recall that the adjusted net assets amount does not constitute an assessment of the value of our shares...

However, the poor performance of FEM/ENTREMONT should be put into perspective with the capital gains – already referred to above – realised in 2004 (EUR 67 million on DUPUIS and an earn-out of EUR 8.5 million on HÉLIO CHARLEROI) and the profits generated within the GIB group. The acquisition of this last group with our partners de ACKERMANS & van HAAREN, a little over two years ago, has

proven to be an excellent decision; in 2004, for NPM/CNP's 50% share, EUR 3.9 million were realised in capital gains on sales of shareholdings and the releasing of provisions amounting to EUR 38.7 million was recorded following the disappearance and/or the re-estimation of certain risks connected with guarantees given on the sale of shareholdings by GIB, mainly because of an agreement concluded with one of the beneficiaries of said guarantees. In addition, the rise in QUICK's stock market price should also be mentioned, although this rise had no effect on the profit and loss account.

As for our main shareholding, TOTAL, in 2004 the group generated record profits (more than EUR 9 billion). Remember that this asset is not consolidated or equity-accounted as NPM/CNP transitively holds only 1.7% of it (1.3% held directly to which is added NPM/CNP's share in the 3.7% held by GBL). This means that the group only records the dividend from TOTAL in the accounts. This significantly increased during the financial year 2004, aside from the fact that in the course of the year, the shareholding began the practice of paying its dividend in two stages. As a result, an advance dividend payment was made for the first time in November 2004. In reality, the NPM/CNP group therefore received «a dividend and a half» from TOTAL during this financial year. The advance dividend payment amount (close to EUR 19 million under restricted consolidation and more than EUR 24 million in the consolidated accounts) must be considered in a particular way in the economic analysis as presented in the management report, in order to allow a more direct and objective comparison of the operating profit with that of the previous financial year.

We should not forget to mention the excellent performances of IMERYS and BERTELSMANN, as well as those of TRANSCOR. In 2004, this last group realised a consolidated profit up 80% (42.3 million compared with EUR 23.5 million in 2003), in particular thanks to the contribution of a production agreement with a Texan refinery, which has since been acquired by a subsidiary of this group.

Diversification has therefore borne fruit; the operating profit (IFRS) approached EUR 300 million, up more than 40% on 2003. The favourable develop-

ments have largely compensated for the difficult circumstances; this is also the reality of a holding company such as NPM/CNP.

As we have already highlighted in the past, value is in reality extremely relative. For a buyer who is better able to exploit it, a shareholding may have a greater value than that which we assign to it, whether from a «stand-alone» viewpoint, or often thanks to the effects of cost reduction or synergies. In such a case, it is our fiduciary responsibility to dispose of this shareholding. Such a transaction can only take place, of course, if the two parties are mutually satisfied with the value assigned to the asset in question.

However, neither the buyer nor the seller must forget the company itself, or its staff, who must also benefit from the operation. This is all the more true as a group or company boosted by a change in shareownership will usually create more added value and therefore jobs over the long-term than a company that is insufficiently invested in the sector in question and therefore too small to benefit from the scale effects, which was the case for DUPUIS.

Our system for valuing long-term value creation is based on the net operating profit after tax on invested capital based on the weighted average cost of this same capital. This capital cost takes into account the risk connected with the activities to which the capital is devoted. As for the profit, this is assessed over the long-term and should be put into perspective with the growth potential.

From the point of view of the risk, the fact that we have invested so strongly in the oil sector, from the start to the end of the chain (i.e. from exploration to chemistry and marketing and from refining to trading), through TOTAL and TRANSCOR, has certainly had an effect.

It is fortunate that, in recent years, these two companies have been amongst those that have produced the best performances for NPM/CNP, as they represent some 50% of the adjusted net asset value. We believe that these returns are a fair remuneration for the risks connected with the companies' activities, but also, at our level, for the risk connected with the concentration of our portfolio in the oil sector. Conversely, the sectorial diversification of the other half of our portfolio seems sufficient to ensure that this latter presents a low risk profile.

The works undertaken to improve our assessment of risks were dealt with in the message to shareholders published in the 2002 annual report. The first phase of these works has concluded with the perfecting of a risk evaluation system that is quantitative, but also leaves the necessary room for qualitative factors (which are always present when it is not merely a question of taking into account the volatility of past profits, but also and above all of estimating the risks connect-

ed with that of future profits and their growth). This methodology allows us to assign each shareholding with a coefficient varying on a continuous scale from zero to three, characterising the activity's risk, which is applied to the unitary risk premium; the risk premium for the activity is thus determined; this latter, added to the risk-free interest rate, provides the cost of the capital committed to the activity in question.

At company level, the weighted average cost of capital is independent of the financial structure adopted, except for the tax relief resulting from indebtedness. In practice, this assertion is correct, within the limits of a reasonable financial structure. The amending of the tax legislation announced in Belgium for 2006, which provides for the introduction of tax deductions generated by applying a notional interest – equal to the risk-free rate – to equity, will bring an end to the penalising of industrial and commercial companies wishing to

have healthy financial structures by granting them tax relief equivalent to companies favouring indebtedness. This will result in a fall in their weighted average cost of capital and should therefore, all things being equal, offer them more opportunities for economically profitable investments and have a positive effect on their value.

...a risk evaluation system that is quantitative, but also leaves the necessary room for qualitative factors...

Within the context of the evaluation of our shareholdings' performances, the capital employed by them is revalued each time the management team changes or, at the latest, after a period of five years. It seems logical to us that, when a capital and the activity that it finances is taken over by a new management team, the latter must be responsible for covering the long-term cost on the basis of the value of its invested capital on the transferring of responsibility. It also seems important to us that, notwithstanding the strategic orientations chosen, our managers should succeed in covering the cost of the capital entrusted to them at the end of this five year period.

The fact of giving time to time does not, of course, prevent us, on our side, as a professional shareholder, from revaluing our assets more frequently. This continuous process is necessary so that, should the case arise, we can grasp the disposal or partnership opportunities that may present themselves. What took place with DUPUIS in 2004 may happen to any of the shareholdings for which we are responsible. For the same reasons, the managers of our companies will take care to value each of their financial flow generating elements at all times, in order to allow the optimum allotting of their capital internally. However, when it comes to judging managers over the long-term in their capacities as value creators, it is not necessary for them to continuously revalue their companies. In short, it is all a question of the degree of aggregation in the responsibility for value-creation, in the optimum allotting of the capital managed, in the holding durability and in its vital flexibility.

The terms "Private Equity" and "Value Investing", which were used until now to classify our shareholdings, will no longer be used by NPM/CNP. These names were chosen to create a distinction between the different types of portfolio assets (listed and unlisted), but today, as their current use has evolved a great deal, they are no longer suited to our situation. Indeed, NPM/CNP bears no relation to a "Private Equity" fund in the way in which it deals with its unlisted shareholdings. Unlike such a fund, it has no time constraints. It differs quite significantly in the fact that, in the case of a shareholding that the team knows well, which offers an attractive return and good growth prospects, it would be more likely to keep it in the portfolio than to sell it. "Private Equity" funds often have a predetermined, and therefore limited, lifetime. NPM/CNP's lifetime is not limited, and the family-based control and management of the group in a certain way guarantees this. This strength could become a weakness and this is why we daily apply methods that are as stringent (in terms of finance, marketing, production, etc) as those used by our colleagues who manage such funds and who are, like us, professional shareholders. Like them we wish to optimise the return on our capital and take every opportunity to increase the value of our shareholdings beyond the estimated value we give them, but, at the risk of repeating ourselves, with no time constraints.

The most relevant classification criterion for us appeared to be the way in which we practice our profession in dealing with one shareholding or another. In this regard, our relations with QUICK or with the TAITTINGER GROUP / SOCIÉTÉ DU LOUVRE, which are listed entities that were therefore formerly placed in the “value investing” category, are in reality a lot closer to our dealings with our unlisted shareholdings than the type of relationship that we might have with large listed companies in which our holding percentage is smaller.

The distinction that seems the most opportune will from now on be based on whether or not we are able to exert a control or significant influence on these shareholdings. In the first case, the immediate corollary, in terms of IFRS norms, is the obligation to consolidate or equity-account these assets; in the opposite case, they do not undergo the same accounting treatment. This therefore results in two categories of shareholdings: those consolidated (where applicable, proportionally for joint control) or equity-accounted on the one hand, and those that aren't on the other.

On the subject of corporate governance, we get the impression that for many years we've been writing in prose without knowing it. Here we will limit ourselves to recalling the creation of the Audit Committee in 1996, that of the Appointments and Remuneration Committee in 1998 and the voluntary calling on auditors to validate transactions involving shareholders or related persons, well

before the introduction of any law or recommendation requiring this.

We believe that we have been groundbreakers in establishing a certain transparency in the financial information intended for our shareholders and the market: the introduction of restricted consolidation accounting fifteen years ago, the communicating, since the 1996 annual report, of the - short-term and long-term - rate of return realised on each of our shareholdings, the weekly publication of the estimated value per share since 1997, followed by the estimated value of the adjusted net assets,

and the annual communication of pro-forma IFRS data since 2002, are all milestones on the path towards transparency.

At the time when this report was written, we did not feel that we had fully tackled the way in which we will implement the principles developed in the Belgian Corporate Governance Code, which recently came into force.

Our vision was and will remain that of entrepreneurial and family capitalism. In other words, shareholders are the owners of what the managers work with from day-to-day. The Board of Directors is the collective strategic orientation and control body; the majority of its members must be shareholders. When the latter control a company, it is normal for them to control the Board, just as it seems sound and logical to us for one or several directors representing the shareholders to sit on the special committees.

On the subject
of corporate
governance, we get
the impression that
for many years we've
been writing in prose
without knowing it.

First and above all, even before independence, which is a largely subjective concept that is currently much discussed, the Board of Directors must have strong professional and entrepreneurial competencies. As it is a collective body, it is logical for each director to have particular areas of expertise or interest. Allow us a brief digression, to ask the question: is independence not relative, as a director becomes – given the principle of collective responsibility – a colleague of the other directors from his first Board meeting? Is colleague not synonymous with team; is team not synonymous with cohesion, partnership, proximity, agreement and sharing, or in other words, dependence? Does awareness of their own responsibilities not in itself give the necessary independence to each of the members of a Board of Directors?

In this regard, we believe that the balance prevailing within NPM/CNP's Board of Directors is adequate; within the board, which, following the General Meeting, if the Meeting accepts the proposals presented to it, consists of thirteen mem-

bers (the medium-term objective is to eventually reduce this number by one), the controlling family shareholders occupy four seats, including the chairmanship, the family's historical partner (BNP PARIBAS) has two representatives, the independent directors hold five seats (eventually four) and the management two. The large number of non-executive directors (eleven seats out of thirteen) is a vital element, in our opinion, for the protection of the shareholders' rights, forming a vital counter-power against the managers.

In pages 29 to 39 of the present annual report, you will find certain elements of information recommended by the Belgian Corporate Governance Code, and, on page 29, our related declaration. The financial year 2005 will be used by NPM/CNP to provide additional responses, where applicable, within this framework, and to update its corporate governance policy. We believe, however, that we have long been faithful to this spirit, as respecting the rights of minority shareholders is a tradition within the FRÈRE group.

As far as the remuneration of the top level managers is concerned, we previously informed you in our 2002 annual report of the process followed by NPM/CNP in this matter, and for many years we have published the total salaries of the two executive directors. This year, in addition, the Managing Director has accepted to publish his remuneration separately. Like those of all the other managers, they are the result of a periodic market-based benchmarking process, based on a study conducted by an outside consultant, at the request of the Appointments and Remuneration Committee,

which decides on all the aspects connected with remuneration (basic salary, bonus - not practised in our company - option plan, pension scheme and other benefits).

We couldn't end this message without thanking you for the trust that you have shown in us and without expressing our recognition to our colleagues and to the members of NPM/CNP's staff for the commitment that they have shown during the previous year.

Gilles Samyn
Managing Director




Gérald Frère
Chairman



MAIN EVENTS OF THE FINANCIAL YEAR 2004 AND THE FIRST MONTHS OF 2005

Direct shareholdings

Detailed comments on the development of each of the shareholdings during the previous financial year can be found on pages 43 to 64 of the present annual report. The following only describes events that have had a direct effect on the portfolio and/or NPM/CNP's restricted consolidation cash position.

FEM/ENTREMONT

In July 2004, FEM, ENTREMONT's parent company, carried out a capital increase equal to EUR 22.6 million, which was almost entirely subscribed by the NPM/CNP Group; following the cancelling of the old shares, NPM/CNP is now a 99.995% shareholder in FEM. The EUR 20 million advance granted by NPM/CNP to ENTREMONT during the first half of the year thus could be reimbursed. The section of the management report relating to results (pages 18 to 21) comments amply on the decision made to write off FEM in the restricted consolidation accounts and on the recording, in the consolidated accounts, of an impairment by FEM on the goodwill paid for ENTREMONT.

IJSBOERKE

During the first half of the year, the IJSBOERKE Group carried out a restructuring operation resulting in a EUR 7.6 million reduction in the capital invested by NPM/CNP.

DUPUIS

In June 2004, the NPM/CNP Group sold its shareholding in DUPUIS to MEDIA PARTICIPATIONS, realising a consolidated net capital gain of EUR 67.0 million (EUR 66.9 million in restricted consolidation); over the 11 year holding period, NPM/CNP realised a compound annual rate of return of 24%.

GIB SHAREHOLDINGS AND RELATED ELEMENTS

GIB sold some of its shareholdings during 2004 (mainly DISPORT and GECOTEC); NPM/CNP's share in the capital gains realised stood at EUR 3.9 million. At the end of 2004, GIB concluded an agreement with one of the beneficiaries of guarantees previously granted within the context of the disposal of certain other shareholdings, resulting in the releasing of provisions equal to EUR 38.7 million within the NPM/CNP Group.

OTHER SHAREHOLDINGS

At the start of 2004, NPM/CNP joined the ranks of NANOCYL's shareholders. This Belgian company operates in the field of nanotechnologies and is the leading European producer of carbon nanotubes. The funds harvested through this capital increase of EUR 3 million were used to start up a pilot plant in Sambreville. NPM/CNP's investment in this company (EUR 800,000) has allowed it to become a 12.5% shareholder.

In March 2005, NPM/CNP exercised its pre-emptive right to acquire the balance of INNOFUND/INNO.COM's capital, for an amount equal to EUR 0.4 million, thus becoming the company's sole shareholder; part of the capital could soon be sold to INNO.COM's management.

PARGESA/GBL GROUP

During the first quarter of 2004, GBL sold the balance of its shareholding in RHODIA, which resulted in an additional loss of EUR 5 million (EUR 0.6 million for NPM/CNP's share).

During the last quarter of 2004, GBL sold its shareholding in BIAC, the company that operates Brussels National Airport, to the Australian Group MACQUARIE, realising a capital gain of EUR 41 million (EUR 5 million for NPM/CNP's share).

At the end of March 2005, GBL issued convertible bonds for an amount of EUR 435 million. These bonds bear interest at the rate of 2.95% and can be converted into 5 million GBL shares until 2012.

Operations on own shares and issuing of a stock option plan

In 2004, the NPM/CNP Group acquired 42,056 NPM/CNP shares for around EUR 5 million, so that by the end of the year it held 1,836,703 own shares. 662,100 of these were intended to cover the stock option plan (presented at the end of 2003 and accepted in early 2004) aimed at staff. It should be remembered that, according to IFRS, own shares are deducted from equity and are therefore not included on the consolidated balance sheet.

Cash position

The cash actually available for NPM/CNP's holding activity (including that of its Geneva branch, whose financial capacity has been substantially reduced) is of course that present within the restricted consolidation perimeter. This is presented net of long-term indebtedness and provisions. It includes all of the current assets (of which items other than cash or

treasury funds form almost all of the cash position in NPM/CNP's case) with all debts and provisions (in particular the provision for risks that have not materialised at GIB, NPM/CNP's share of which came to EUR 67.5 million at the end of 2003 and EUR 28.8 million at the end of 2004) deducted.

At the start of the financial year 2004, the net cash position of the NPM/CNP Group's holdings, as defined above, stood at EUR 219 million, before profit appropriation and excluding own shares held. At 31 December 2004, this figure came to EUR 388 million. The improvement in the cash position mainly results from the disposal of shareholdings (around EUR 117 million, the majority of which came from DUPUIS).

The net consolidated cash position (negative by around EUR 520 million), as it appears on the consolidated IFRS balance sheet (see page 5 of the financial supplement), has little economic meaning; indeed, it is arrived at by adding up the financial position of companies that have operational independence and no other link between them than that of having a common ultimate shareholder.

RESULTS

The consolidated accounts are now established in accordance with IFRS. It should be borne in mind, however, that the consolidated or equity-accounted shareholdings represent only a small part of the adjusted net assets: less than a third at 31 December 2004.

Although its legal accounts are presented according to the schema recommended by the IFRS (see financial supplement), the Group nevertheless considered it opportune to continue publishing a restricted consolidation economic analysis, presenting the holding-specific activities.

The IFRS consolidated accounts differ very significantly, at least in their presentation, from the restricted consolidation economic analysis; the latter was produced according to Belgian accounting principles and presented in terms of the Group share; the consolidation perimeter is limited to this and does not include either PARGESA or the industrial or commercial companies in which NPM/CNP holds interests, including controlling interests. Based mainly on cash flow elements, it allows shareholders and analysts to see, on a comparable basis, the development of the profits generated by the group, as a holding company, from its portfolio of activities, independently of the equity-accounting or consolidation of one shareholding or another.

The IFRS consolidated results are produced on the basis of the restricted consolidated results, to which the following main changes are made:

- Replacing of the dividends from the various shareholdings with NPM/CNP's share of capital gains in the accounts of equity-accounted companies (TAITTINGER / LE LOUVRE) and with the details of expenses and income for globally (DISTRIPAR,

DUPUIS – until the first quarter of 2004 – , FEM / ENTREMONT, IJSBOERKE, PROJECT SLOANE / JOSEPH, TRANSCOR) or proportionally (QUICK, RASPAIL INVESTISSEMENT / CHEVAL BLANC, RIEUSSEC and PARGESA, a group that consolidates GBL and IMERYS and applies equity accounting to BERTELSMANN) consolidated shareholdings;

- Valuation of financial assets at their fair value, expressing unrealised capital gains, for example;
- Recording of impairments using strict flow discounting methods;
- Cancelling of own shares held, with the resulting impact on earnings per share.

This additional analysis is vital, given the adding, according to the IFRS schema, of expenses and income from various consolidated shareholdings that are not linked and because the Group is active in extremely diversified sectors; line by line reading of the consolidated accounts therefore makes very little economic sense and is not sufficient for a good understanding of the developments noted. It has therefore been judged opportune to present the contribution of each shareholding to NPM/CNP's share in the consolidated profit using a format comparable to that of the restricted consolidation analysis. The consolidated economic analysis that results, therefore also separately presents the capital profits connected with the disposal of (and recognition of any impairments on) shareholdings and activities or with operations of a particular kind. The restricted consolidation and consolidated economic analyses are as follows:

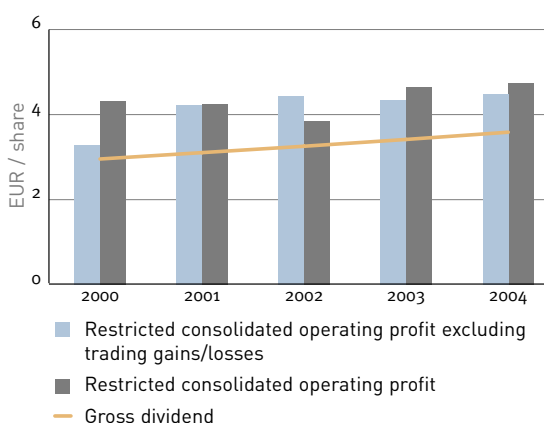
CONTRIBUTION OF THE VARIOUS SHAREHOLDINGS TO THE PROFIT, GROUP SHARE (ECONOMIC ANALYSIS) at 31 December (in thousands of EUR)	Restricted consolidation		IFRS consolidated			
	2003	2004	2003	2004		
Operating profit						
BERTELSMANN	-	-	19,461	29,337		
DISTRIPAR	321	289	4,731	3,513		
DUPUIS ⁽¹⁾	2,691	-	1,250	926,		
ELECTRABEL	1,902	1,973	1,902	1,973		
ENTREMONT (FEM)	488	-	(3,897)	(16,253)		
FOMENTO DE CONSTRUCCIONES Y CONTRATAS (F.C.C.)	5,473	-	5,473	-		
IJSBOERKE	-	625	2,285	2,354		
IMERYS	-	-	16,975	23,138		
JOSEPH (PROJECT SLOANE)	4,116	4,489	1,323	4,328		
PARGESA	23,796	23,961	-	-		
QUICK	503	559	4,092	4,127		
SUEZ	-	-	7,556	5,291		
TAITTINGER / LE LOUVRE	4,316	4,377	13,054	11,787		
TOTAL	32,005	37,061	41,953	48,431		
TRANSCOR	4,990	6,170	18,947	34,950		
Wine assets	1,521	1,761	3,132	3,817		
Other consolidated or equity-accounted shareholdings	-	-	1,817	2,083		
Other shareholdings	434	334	1,039	675		
OPERATING PROFIT FROM SHAREHOLDINGS (GROUP SHARE)	82,556	-1.2%	81,599	141,093	+13.7%	160,477
share from consolidated or equity-accounted shareholdings	-	-	83,170	104,107		
Other operating profits	10,155	13,119	(3,192)	1,357		
OPERATING PROFIT	92,711	+2.2%	94,718	137,901	+17.4%	161,834
Profit on capital operations						
Disposal of DUPUIS	-	66,944	-	67,016		
HÉLIO CHARLEROI earn-out	-	8,547	-	8,547		
Disposal of the shareholding in FCC	66,298	-	66,298	-		
Diposal of BIAC	-	-	-	4,957		
Disposal of shareholdings by GIB	301	3,880	301	3,880		
Impairment and provision on FEM/ENTREMONT	(45,000)	(76,281)	-	(29,393)		
Impairment on RHODIA	-	-	(4,979)	(600)		
Impairment on VIVENTURES	(7,053)	(293)	(7,270)	(709)		
Other net capital gains and losses	(105)	100	(705)	588		
Releasing of provisions for unmaterialised GIB risks	16,142	38,680	16,142	38,680		
Non-recurring share of the TOTAL dividend	-	18,954	-	24,759		
BERTELSMANN's capital profit	-	-	10,483	9,886		
IMERYS' capital profit	-	-	(1,481)	(166)		
ENTREMONT's capital profit	-	-	-	8,576		
Various, net	1,832	1,915	(4,388)	902		
PROFIT ON CAPITAL OPERATIONS (GROUP SHARE)	32,415	62,446	74,401	136,923		
NET PROFIT (GROUP SHARE)	125,126	+25.6%	157,164	212,302	+40.7%	298,757

(1) until 31 March 2004.

DILUTED EARNINGS PER SHARE	Restricted consolidation			IFRS consolidated		
	2003		2004	2003		2004
Operating profit	4.64	+2.2%	4.74	7.14	+23.8%	8.84
Profit on capital operations	1.62		3.12	3.85		7.47
Net profit	6.26	+25.6%	7.86	10.99	+48.4%	16.31
Average number of shares considered (in thousands of shares)	20,000		20,000	19,316		18,316

Restricted consolidation operating profit

The restricted consolidation operating profit increased by 2.2%, to EUR 94.7 million (EUR 4.74 per share), in relation to that for 2003 (EUR 92.7 million or EUR 4.64 per share); this limited growth must be put into perspective with the developments occurring within the portfolio during 2003 and 2004: the disposal of DUPUIS in 2004 and of FCC in 2003 in fact reduced the income from shareholdings by EUR 8 million; this element was almost entirely compensated for by the increase in dividends from the other shareholdings (mainly TOTAL, up EUR 5.1 million, excluding the dividend advance paid in November and classed as a capital profit, and TRANSCOR, whose contribution increased by EUR 1.2 million). The other operating profits (EUR 13.1 million, to be compared with EUR 10.2 million in 2003) benefited from the improvement in the average cash position, which more than compensated for the expiry of the bond exchangeable in TOTAL shares (which contributed EUR 2.2 million to the 2003 profits) and the decrease in the net trading gains (EUR 5.4 million compared with EUR 6.2 million in 2003).



Consolidated operating profit

The economic analysis conducted on the basis of the IFRS accounts shows an operating profit (EUR 161.8 million expressed as the Group share) up 17.4% on 2003. In (diluted) earnings per share, taking into account the favourable effect of the own share buy-back, the operating profit increased by 23.8% to EUR 8.84.

NPM/CNP's share in the operating profit from shareholdings grew by 13.7% to EUR 160.5 million. Within this globally favourable development, acknowledgement should be given to the excellent performance delivered by BERTELSMANN, IMERYS and TRANSCOR, a subsidiary of which concluded a production agreement with a Texan refinery (acquired by a sub-subsidiary of TRANSCOR at the start of 2005) in 2004, which made a very significant contribution to the profits.

This high level of performance delivery contrasts sharply with that of FEM/ENTREMONT, which had a difficult year.

For a more detailed comment on the development of each of the companies, please refer to the section in our report dealing with shareholdings (pages 43 to 64) and, for those that are consolidated, to the segment analysis of the IFRS profit and loss account (note 2 of the financial supplement).

Profit on capital operations

The write-off of the residual investment in FEM, the ENTREMONT Group's holding vehicle, and the funding of the undertakings connected with this shareholding resulted in a restricted consolidation cost of EUR 76.3 million. Indeed, as matters stand, as we do not anticipate any income – in the form of dividends or interest – from FEM in the foreseeable future, we were led to this full restricted consolidation funding in accordance with the philosophy of caution prevailing in this context. The impairment recorded, according to IFRS norms, on this same investment, resulting from the discounting of the internal cash flows at the weighted average capital cost, was limited to EUR 29.4 million.

TOTAL, whose profits were excellent in 2004 (in excess of EUR 9 billion), began the practice of paying its dividend in two stages; an advance dividend payment was made for the first time in November 2004, which meant that in practice NPM/CNP received “a dividend and a half” from TOTAL over the financial year; the advance dividend payment amount (restricted consolidation: EUR 19.0 million and consolidated: EUR 24.8 million) is therefore presented here as a capital profit, so as to allow a more direct and objective comparison of the operating result with that of the previous financial year.

The capital gain on the disposal of DUPUIS is virtually identical when consolidated (EUR 67 million) to that recorded in the restricted consolidation accounts (EUR 66.9 million). A perfect similarity was found with regard to the earn-out received on HÉLIO CHARLEROI (EUR 8.5 million) and the releasing of provisions (EUR 38.7 million) recorded following the disappearance, and/or the revaluation, of certain risks connected with guarantees given during the

sale of shareholdings by GIB, mainly because of an agreement with one of the beneficiaries of said guarantees; at 31 December 2004, NPM/CNP's consolidated balance sheet includes contingent liabilities (restricted consolidation: provisions) relating to these risks equal to EUR 28.8 million.

The capital profit from BERTELSMANN (EUR 9.9 million) mainly consists of the capital gain realised on the sale of a building in New York, on the contribution on the creation of SONY-BMG, and non-recurring restructuring costs.

Finally, ENTREMONT generated capital profits equal to EUR 8.6 million in 2004, owing to a large degree to the sale of its Italian subsidiary PARMAREGGIO.

PROSPECTS

For the year 2005, in terms of restricted consolidation, the anticipated recurring profit level should allow the company to pursue its distribution policy, excluding exceptional events; for the consolidated accounts, it is of course too soon to talk about trends, as these basically depend on the overall recovery of the economy and also of ENTREMONT's ability to bring the restructuring that it has begun to successful fruition.

APPROPRIATION OF PROFIT

In view mainly of the restricted consolidation recurring profits, at the General Meeting of Shareholders of 21 April 2005, the Board of Directors will propose a dividend of EUR 3.57 for the financial year 2004, up 5% compared with the previous financial year. Regular growth of the dividend is favoured, while over the short-term profits may be more volatile, and particularly the consolidated profits, owing to the applying of the IFRS norms.

At the end of the financial year 2004, the balance available for appropriation stood at EUR 1,325,040 (000), consisting of the profits brought forward to be appropriated for the financial year of EUR 26,894 (000), plus the profits brought forward for the previous financial year of EUR 1,298,146 (000).

The Board of Directors proposes the following appropriation of profits:

(in ,000 EUR)

Balance available for appropriation	1 325 040
Gross dividend per share of EUR 3.57 paid on 20,000,000 shares	71 400
Transfer to reserves for own shares	5 260
Profits carried forward	1 248 380

Subject to the approval of the Ordinary General Meeting of Shareholders of 21 April 2005, the net dividend made payable will be:

- EUR 2.6775 per share, after a withholding tax of 25%;
- EUR 3.0345 net per share accompanied by a VVPR strip, after a withholding tax of 15%.

The dividend will be made payable from 28 April 2005, on presentation of coupon n° 54 at the registered office or at the following financial institutions:

in Belgium	in Luxembourg
BANK DEGROOF	BNP PARIBAS LUXEMBOURG
DEXIA BANK	
FORTIS BANK	
ING BELGIUM	

ADJUSTED NET ASSETS AND TOTAL PERFORMANCE FOR SHAREHOLDERS

The Company's adjusted net assets at the end of 2004 came to EUR 3,965 million (which corresponds to EUR 198.27 per share) after the payment in April 2004 of gross dividends in the amount of EUR 68 million (EUR 3.40 per share), compared with EUR 3,292 million (EUR 164.58 per share) in the previous year. The reader's attention should be drawn to the fact that, in application of the criteria set out above, the shareholding in FEM/ENTREMONT now has zero value in the adjusted net assets and, as in the past, the 25.1% shareholding in BERTELSMANN appears for an amount equal to GBL's share in the consolidated equity of this company (EUR 7,510 million at 31 December 2004).

In addition, the residual provision of EUR 28.8 million (EUR 1.4 per share) is deducted from its book value, like all the debts and provisions, on the calculating of the adjusted net assets; it should be remembered that this provision is intended to cover certain risks – not currently materialised – connected with GIB's undertakings, mainly contracted as part of the disposal of certain shareholdings, and is subject to periodic revaluation according to the changes in the underlying risks identified.

At 5 April 2005, the adjusted net assets came to EUR 216 per share.

The criteria used by NPM/CNP to calculate the adjusted net assets are as follows:

PARGESA and GBL	Own net assets determined according to the same criteria as those applied by NPM/CNP;
Unlisted companies	Book value (acquisition value or share in the equity if this is greater; in case of impairment or write-off's, the restricted consolidation book value is applied);
Own shares	Market price, capped, however, at the exercise price for the shares intended to cover the stock option plan for staff.
Other listed assets	Market price;
Other assets and liabilities	Book value.

The adjusted net assets are published on a weekly basis in the Saturday issue of two Belgian financial newspapers (L'ÉCHO and DE TIJD); they are also available on the Company's web site (www.npm-cnp.be) from the Friday evening. The information thus published is established according to the criteria described

above, with some simplifying assumptions, however: indeed, some changes in the portfolio or in the equity of unlisted companies since the accounts were last closed cannot be taken into account; the effect of this simplification should not be greater than 2% of the adjusted net assets.

Opinion of the statutory auditor on the adjusted net assets

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

We have examined the calculation of the adjusted net assets per share of NPM/CNP as of 31 December 2004. This calculation was made by NPM/CNP based on its shareholders' equity, that of the holding companies controlled alone or jointly, and the assets held in their respective portfolio, the latter being valued according to the criteria described hereabove. This opinion does not constitute any valuation by us of the shares of the company; in particular, we do not express any opinion as far as the method and the criteria used in this calculation. In conclusion, we confirm that the use of these criteria produces a value of EUR 198.27 per NPM/CNP share cum dividend at 31 December 2004.

31 March 2005

DELOITTE & TOUCHE
Reviseurs d'Entreprises S.C. s.f.d. S.C.R.L
Represented by Michel DENAYER

EVOLUTION OF THE ADJUSTED NET ASSETS IN 2004

(EUR million)

Assets	31-Dec-03			variation			31-Dec-04		
	criteria	adjusted assets	%	share-holders	value	interest	criteria	adjusted net assets	%
	(1)	(2)		(3)	(4)	(5)	(1)	(6)	
PARGESA	ana	1 045.9	31.8 %	-	241.1	-	ana	1 287.0	32.5 %
TOTAL	sm	1 210.8	36.8 %	-	109.3	-	sm	1 320.1	33.3 %
TAITTINGER / LE LOUVRE	sm	227.3	6.9 %	-	119.6	-	sm	346.9	8.7 %
TRANSCOR	se	75.9	2.3 %	-	23.0	1.5	se	100.4	2.5 %
QUICK	sm	50.6	1.5 %	-	24.6	-	sm	75.2	1.9 %
ELECTRABEL	sm	32.8	1.0 %	-	10.3	-	sm	43.1	1.1 %
PROJECT SLOANE / JOSEPH	bv	38.9	1.2 %	-	-	-	bv	38.9	1.0 %
RASPAIL / CHEVAL BLANC	bv	33.8	1.0 %	-	-	-	bv	33.8	0.9 %
DISTRIPAR	se/bv	25.7	0.8 %	-	0.8	-	se	26.5	0.7 %
CHÂTEAU RIEUSSEC	bv	22.3	0.7 %	-	-	-	bv	22.3	0.6 %
IJSBOERKE	bv	25.7	0.8 %	-	-	(7.6)	bv	18.1	0.5 %
FEM / ENTREMONT	bv	44.1	1.3 %	-	(66.7)	22.6	bv	-	0.0 %
DUPUIS	se/bv	33.6	1.0 %	-	(4.2)	(29.4)		-	0.0 %
Other shareholdings		6.4	0.2 %	-	(0.2)	(4.2)		2.0	0.1 %
Tangible fixed assets	bv	10.5	0.3 %	-	-	0.3	bv	10.8	0.3 %
Long-term assets		2 884.3	87.6 %	-	457.6	(16.8)		3 325.1	83.9%
Deposits, cash and debt	bv	200.9	6.1 %	(68.0)	222.9	(30.9)	bv	324.9	8.2 %
Shares and bonds	sm	17.9	0.5 %	-	2.8	42.5	sm	63.2	1.6 %
Own shares	sm	188.4	5.7 %	-	58.6	5.2	sm (13)	252.2	6.4 %
Net cash Position		407.2	12.4 %	(68.0)	284.3	16.8		640.3	16.1 %
Adjusted net assets		3 291.5		(68.0)	741.9	-		3 965.4	
Adjusted net assets (EUR/action)		164.58						198.27	

- (1) Valuation criteria:
a) ana: adjusted net assets;
b) sm: stock market price;
c) se: share in equity;
d) bv: book value.
- (2) Adjusted net assets at 31.12.2003.
- (3) Flows with the shareholders: only dividends in 2004.
- (4) Value creation.
- (5) Internal allocation of funds: investments and (divestments) at book value.
- (6) Adjusted net assets at 31.12.2004: (2) + (3) + (4) + (5).

Restricted consolidated profit (group share)

with cash effect		without cash effect	Total	Assets	Performance for Shareholders	
operating	non operating				Total	%
(7)	(8)	(9)	(10)		(11)	(12)
24.0	-	-	24.0	PARGESA	265.1	25.3 %
37.1	18.9	-	56.0	TOTAL	165.3	13.7 %
4.4	-	-	4.4	TAITTINGER / LE LOUVRE	124.0	54.6 %
6.2	-	-	6.2	TRANSCOR	29.2	38.5 %
0.5	-	-	0.5	QUICK	25.1	49.6 %
2.0	-	-	2.0	ELECTRABEL	12.3	37.5 %
4.5	-	-	4.5	PROJECT SLOANE / JOSEPH	4.5	11.6 %
0.9	-	-	0.9	RASPAIL / CHEVAL BLANC	0.9	2.7 %
0.3	-	-	0.3	DISTRIPAR	1.1	4.3 %
0.8	-	-	0.8	CHÂTEAU RIEUSSEC	0.8	3.6 %
0.6	-	-	0.6	IJSBOERKE	0.6	2.3 %
-	(9.6)	(66.7)	(76.3)	FEM / ENTREMONT	(76.3)	(100.0 %)
-	66.9	-	66.9	DUPUIS	62.7	186.6 %
0.3	12.4	-	12.7	Other shareholdings	12.5	195.3 %
-	-	-	-	Tangible fixed assets	-	n.s.
81.6	88.6	(66.7)	103.5	Long-term assets	627.8	21.8 %
5.2	-	-	5.2	Deposits, cash and debt	5.2	
6.9	-	1.0	7.9	Shares and bonds	9.7	
6.1	-	-	6.1	Own shares	64.7	
18.2	-	1.0	19.2	Net cash Position	79.6	n.s.
(6.1)	40.6	-	34.5	Other revenues / (costs)	34.5	
222.9		(65.7)	157.2	Restricted consolidated profit	741.9	22.5 %
Anti-dilution effect of restructuring operations						0.0 %
After the anti-dilution effect of restructuring operations						22.5 %

- (7) Restricted consolidation operating profit (before write-downs).
(8) Restricted consolidation non-operating profit (before write-downs).
(9) Write-downs (operating and non-operating).
(10) Total restricted consolidated result (part of the group): (7) + (8) + (9).
(11) Total Performance for the Shareholders over the period: (4) + (7) + (8).
(12) Total Performance for the Shareholders over the period: (11)/(2).
(13) Exercise price for the 662,100 shares covering the stock option plan for staff.

EVOLUTION OF THE ADJUSTED NET ASSETS BETWEEN 1988 AND 2004

(EUR million)

Assets	1-Apr-88			variation			31-Dec-04		
	criteria	adjusted net assets	%	share-holders	value	interest	criteria	adjusted net assets	%
	(1)	(2)		(3)	(4)	(5)	(1)	(6)	
PARGESA		-	0.0 %	-	929.9	357.1	ana	1 287.0	32.5 %
TOTAL	sm	13.2	32.0 %	-	340.3	966.7	sm	1 320.2	33.3 %
TAITTINGER / LE LOUVRE		-	0.0 %	-	92.8	254.0	sm	346.8	8.7 %
TRANSCOR		-	0.0 %	-	77.2	23.2	se	100.4	2.5 %
QUICK		-	0.0 %	-	46.0	29.2	sm	75.2	1.9 %
ELECTRABEL		-	0.0 %	-	12.6	30.5	sm	43.1	1.1 %
PROJECT SLOANE / JOSEPH		-	0.0 %	-	-	38.9	bv	38.9	1.0 %
RASPAIL / CHEVAL BLANC		-	0.0 %	-	-	33.8	bv	33.8	0.9 %
DISTRIPAR		-	0.0 %	-	14.3	12.2	se	26.5	0.7 %
CHÂTEAU RIEUSSEC		-	0.0 %	-	-	22.3	bv	22.3	0.6 %
IJSBOERKE		-	0.0 %	-	(26.0)	44.1	bv	18.1	0.5 %
FEM / ENTREMONT		-	0.0 %	-	(111.7)	111.7	bv	-	0.0 %
DUPUIS		-	0.0 %	-	-	-		-	0.0 %
FCC		-	0.0 %	-	-	-		-	0.0 %
Other shareholdings		23.6	57.1 %	-	(73.2)	51.6	bv	2.0	0.1 %
Tangible fixed assets		-	0.0 %	-	-	10.8	bv	10.8	0.3 %
Long-term assets		36.8	89.1 %	-	1 302.2	1 986.1		3 325.1	83.9 %
Deposits, cash and debt	bv	4.5	10.9 %	49.9	2,504.8	(2,234.3)	bv	324.9	8.2 %
Shares and bonds		-	0.0 %	-	(3.5)	66.7	sm	63.2	1.6 %
Own shares		-	0.0 %	-	70.7	181.5	sm (13)	252.2	6.4 %
Net cash Position		4.5	10.9 %	49.9	2,572.0	(1,986.1)		640.3	16.1 %
Adjusted net assets		41.3		49.9	3,874.2	-		3 965.4	
Adjusted net assets (EUR/action)		53.83						198.27	

- (1) Valuation criteria:
 (a) ana: adjusted net assets;
 (b) sm: stock market price;
 (c) se: share in equity;
 (d) bv: book value.
- (2) Adjusted net assets at 01.04.1988.
- (3) Flows with the shareholders: net capital increases, less dividends and own shares.
- (4) Value creation.
- (5) Internal allocation of funds: investments and (divestments) at book value.
- (6) Adjusted net assets at 31.12.2004: (2) + (3) + (4) + (5).

Restricted consolidated profit (group share)

with cash effect		without cash effect	Total	assets	Performance for Shareholders	
operating	non operating				Total	%
(7)	(8)	(9)	(10)		(11)	(12)
262.5	1.0	-	263.5	PARGESA	1,193.4	12.2 %
335.5	515.6	-	851.1	TOTAL	1,191.4	9.4 %
15.8	-	-	15.8	TAITTINGER / LE LOUVRE	108.6	11.0 %
34.2	2.7	-	36.9	TRANSCOR	114.1	23.8 %
1.0	-	-	1.0	QUICK	47.0	48.8 %
3.9	-	1.0	4.9	ELECTRABEL	16.5	16.7 %
29.6	-	-	29.6	PROJECT SLOANE / JOSEPH	29.6	8.4 %
4.5	-	-	4.5	RASPAIL / CHEVAL BLANC	4.5	4.0 %
15.7	-	-	15.7	DISTRIPAR	30.0	10.3 %
3.5	-	-	3.5	CHÂTEAU RIEUSSEC	3.5	4.8 %
0.6	-	(26.0)	(25.4)	IJSBOERKE	(25.4)	(9.1 %)
8.6	(9.6)	(111.7)	(112.7)	FEM / ENTREMONT	(112.7)	n.s.
15.2	66.9	-	82.1	DUPUIS	82.1	24.0 %
16.4	66.3	-	82.7	FCC	82.7	10.8 %
150.8	621.1	(26.3)	745.6	Other shareholdings	698.7	13.6 %
-	-	-	-	Tangible fixed assets	-	n.s.
897.8	1 264.0	(163.0)	1 998.8	Long-term assets	3,464.0	11.1 %
156.1	-	-	156.1	Deposits, cash and debt	156.1	
213.0	-	(8.8)	204.2	Shares and bonds	209.5	
11.6	20.7	-	32.3	Own shares	103.0	
380.7	20.7	(8.8)	392.6	Net cash Position	468.6	n.s.
(72.0)	13.6	-	(58.4)	Other revenues / (costs)	(58.4)	
2 504.8		(171.8)	2 333.0	Restricted consolidated profit	3,874.2	11.1 %
				Anti-dilution effect of restructuring operations		0.9 %
				After the anti-dilution effect of restructuring operations		12.0 %

- (7) Restricted consolidation operating profit (before write-downs).
(8) Restricted consolidation non-operating profit (before write-downs).
(9) Write-downs (operating and non-operating).
(10) Total restricted consolidated result (Group): (7) + (8) + (9).
(11) Total Performance for the Shareholders over the period: (4) + (7) + (8).
(12) Total Performance for the Shareholders (compound annual rate of return).
(13) Exercise price for the 662,100 shares covering the stock option plan for staff.

DONATIONS AND ART



- Since 2000, the NPM/CNP Group has contributed to the efforts of the FONDS CHARLES-ALBERT FRÈRE, an association formed to help the physically and mentally disabled, the socially disadvantaged and victims of poverty. NPM/CNP has continued to support this organisation, paying it a sum of EUR 250,000 in 2004.
- NPM/CNP has also responded positively to the Walloon Region initiative by contributing EUR 50,000 in 2004 in support of the FREE foundation (Fondation pour la Recherche et L'Enseignement de l'esprit d'Entreprendre), aimed at bringing together a variety of schemes for developing entrepreneurship in Wallonia.
- As opportunities arise, the NPM/CNP Group is building up its own collection of contemporary works of art intended to decorate the company's offices; no acquisitions were made in 2004.

Corporate governance

DECLARATION OF CORPORATE GOVERNANCE

NPM/CNP aims towards and favours a balanced and long-lasting growth in the value of its assets and in the dividend distributed to shareholders within the framework of a well managed policy of limited risk.

As well as acting to increase the company's wealth over the long-term, NPM/CNP has established a long-term corporate project based on strong values that it wishes to consolidate.

In order to achieve this mission, over many years NPM/CNP has developed an efficient, high quality, performance-orientated corporate governance model for its shareholders and partners, that is guided and framed by carefully thought-out, appropriate processes and by the controlling and management of the potential risks connected with its various activities.

The corporate governance structure chosen by NPM/CNP meets the specific requirements of a listed holding company with a strong family grounding in accordance with the relevant legal regulations and recommendations.

The recent adopting of the Belgian Corporate Governance Code, which came into force on 1st January 2005, has led NPM/CNP to review the issue and reiterate its confidence and belief in its corporate governance policy. NPM/CNP wishes to update and adapt its operating method to the principles and directives of this new reference tool, and to the transparency and responsibility criteria in particular, without forgetting, however, to adapt them to its needs and its identity. But this means more than just obeying a code, a charter or a *modus operandi*; for NPM/CNP it is a question of pursuing and developing its culture of excellence in professional management and good conduct. *

NPM/CNP adheres to the principles and objectives set out in the Belgian Corporate Governance Code, which is based on themes that it has always advocated itself: performance, with the controlling and management of risks; responsibility and transparency.

To meet the requirements of the Code, the board of directors has included the theme of corporate governance in the agenda of its works and has created a working group, led by the director and Company's General Counsel, responsible for examining the company's

operation in the light of the Code's recommendations, and for making proposals. All of these tasks, including the corporate governance charter, must be completed and communicated to the company's shareholders and partners by the end of the year 2005.

NPM/CNP intends to comply with the Code and follow its stipulations, unless the particular characteristics of NPM/CNP, as a holding company controlled by a stable family shareholding, justify derogations, for which an explanation will always be provided.

Of course this does not mean a revolution; NPM/CNP's current operating principles are tried and tested and remain in force.

NPM/CNP is attached to the system of unitary decision-making embodied by the board of directors, which is the keystone of corporate governance and whose composition reflects a balance between directors representing the dominant shareholders, executive directors and independent directors.

The board is the ultimate decision-making body, except for matters that the law or the articles of incorporation reserve for shareholders. The company's day-to-day and general management are devolved to the managing director. He is assisted by the director and general counsel of the Company and a team of qualified and motivated professionals.

NPM/CNP will use the opportunity presented by the new Code to explain and, if necessary, improve or update its governance model and develop it in symbiosis with the changes in its environment and the markets' expectations.

Within the context of this 2004 annual report, NPM/CNP is already falling into step with the Code's philosophy, accentuating the transparency of its operating method in this section through more extensive information and the clarification of certain elements, in particular those relating to the remuneration of directors.

[1] Available on the website www.corporategovernancecommittee.be

COMPOSITION OF THE BOARD OF DIRECTORS

Following the general meeting of 21 April 2005, and subject to the approval of the proposed appointments, the board will be composed of 13 directors. The long-term aim, however, is to reduce their number to 12, whilst maintaining the current balanced distribution of directors' terms of office.

There are no specific rules in the articles of incorporation relating to the appointment of directors and the renewal of their terms. These terms last for 3 years (6 years prior to 2001) and are renewable. The appointments and remuneration committee has set an age

limit of 72. In accordance with this rule, Mr Pierre VAN OMMESLAGHE's term of office, which expires in 2005, will not be renewed, as he has reached the age limit. The board of directors would like to thank Mr VAN OMMESLAGHE for the services he has rendered in the exercising of his functions.

The exercising of the function of director is not currently regulated by any internal rules, but such a document should be drawn up by the end of 2005.

The directors are selected by the appointments and remuneration committee for their skills and qualities.

Board of directors

Directors ⁽¹⁾	Appointment	Renewal	Expiry	Main task or function
Executive directors				
Gilles SAMYN, Vice Chairman ⁽²⁾	1988	2005	2008	Managing director
Victor DELLOYE	1994	2000	2006	Director and general counsel
Non-executive directors representing dominant shareholders ⁽³⁾				
Gérald FRÈRE, Chairman	1988	2004	2007	Managing director of FRÈRE-BOURGEOIS
Jean CLAMON	1988	2000	2006	General Manager of BNP PARIBAS
Thierry DORMEUIL	1994	2004	2007	Manager of the Corporate Finance Department of the BNP PARIBAS group
Christine FRÈRE-HENNUY ⁽⁴⁾	2005	-	2008	Director of FRÈRE-BOURGEOIS
Ségolène GALLIENNE	1998	2000	2006	Director of ERBE
Thierry de RUDDER ⁽⁵⁾	1988	2000	2006	Managing director of GROUPE BRUXELLES LAMBERT
Pierre VAN OMMESLAGHE	1999	-	2005	Barrister at the Court of Cassation (Belgium)
Non-executive independent directors				
Pierre-Alain DE SMEDT	1997	2003	2006	Company director
Jacques FOREST ⁽²⁾	1992	2005	2008	Chairman of the Executive committee of P&V ASSURANCES
Philippe HUSTACHE	1995	2004	2007	Adviser to the Chairman of GROUPE DASSAULT
Henry MESTDAGH ⁽²⁾	1999	2005	2008	Chairman of the board of the MESTDAGH group
Philippe WILMES	1988	2000	2006	Managing director of SOCIÉTÉ FÉDÉRALE D'INVESTISSEMENT

(1) The directors are categorised on the basis of the nomenclature produced by the appointments and remuneration committee.

(2) The terms of office of Messrs Gilles SAMYN, Jacques FOREST and Henry MESTDAGH expire at the end of the annual general meeting of Shareholders of 21 April 2005. As they are re-electable, the general meeting will have to make a decision about the renewal of these terms of office, and the independence, in accordance with article 524 of the company Code, of Messrs Jacques FOREST and Henry MESTDAGH (cfr p.33).

If the director's term of Mr Gilles SAMYN and Jacques FOREST are renewed at the end of the general meeting of 21 April 2005, the board of directors will have to make a decision about the renewal of their appointment, for the duration of his term of office, as managing director and deputy chairman of the company for Gilles SAMYN and member of the audit committee for Jacques FOREST.

(3) This title covers the representatives of various direct or indirect shareholders that do not form a uniform group.

(4) Mrs Christine FRÈRE-HENNUY is a director of several companies within the FRÈRE-BOURGEOIS group and of the FONDS CHARLES-ALBERT FRÈRE.

(5) When he was appointed in 1988, Mr Thierry de Rudder represented GBL, which was an indirect shareholder in NPM/CNP through its shareholding in FIBELPAR. Although Mr Thierry de RUDDER is managing director of GBL, a subsidiary of NPM/CNP, it was decided not to include him as one of the executive directors, as GBL does not fall within NPM/CNP's restricted consolidation perimeter, but as one of the non-executive directors representing dominant shareholders owing to his links with the FRÈRE family.

PRESENTATION OF THE DIRECTORS

Gérald FRÈRE, Chairman of the board of directors

Non-executive director representing dominant shareholders

Mr. Gérald FRÈRE is managing director of FRÈRE-BOURGEOIS, chairman of the executive committee and managing director of GROUPE BRUXELLES LAMBERT, as well as deputy chairman of the board of directors of PARGESA. He is also chairman of the board of directors of RTL-TVi, director of ERBE, RTL GROUP, SUEZ-TRACTEBEL, as well as member of the supervisory board of GROUPE TAITTINGER. He also holds the position of member of the board of the NATIONAL BANK OF BELGIUM and member of the supervisory board for financial services.

Gilles SAMYN, Deputy Chairman of the board of directors and managing director

Executive director

Mr. Gilles SAMYN is managing director of FRÈRE-BOURGEOIS and ERBE. He is also chairman, director or member of various committees in several companies in which NPM/CNP has direct and indirect shareholdings (a.o. PARGESA HOLDING, GROUPE BRUXELLES LAMBERT, GROUPE TAITTINGER, SOCIÉTÉ DU LOUVRE, BERTELSMANN, RTL GROUP...).

Jean CLAMON, director

Non-executive director representing dominant shareholders

Mr. Jean CLAMON is General Manager of BNP PARIBAS and director of several other companies, including BNP PARIBAS LEASE GROUP, CETELEM, ARVAL SERVICE LEASE, CASSA DE RISPARMIO DI FIRENZE and ERBE.

Victor DELLOYE, director – general counsel

Executive director

Mr. Victor DELLOYE is director of PARGESA HOLDING, GROUPE BRUXELLES LAMBERT, GB-INNO-BM, FRÈRE-BOURGEOIS and related companies. He is also member of the supervisory board of GROUPE TAITTINGER.

Pierre-Alain DE SMEDT, director

Independent non-executive director

Mr. Pierre-Alain DE SMEDT is director of BELGACOM and of DECEUNINCK group.

Thierry DORMEUIL, director

Non-executive director representing dominant shareholders

Mr. Thierry DORMEUIL is head of the consumer goods, construction materials and oil and gas sectors in the Corporate Finance Department of BNP PARIBAS.

Jacques FOREST, director

Independent non-executive director

Mr. Jacques FOREST is chairman of the management committee of P&V ASSURANCES and of VIVIUM ASSURANCES, member of the board of the NATIONAL BANK OF BELGIUM and director of several companies including UNIPOL and MULTIPHARMA.

Christine FRÈRE-HENNUY, director

Non-executive director representing dominant shareholders

Mrs Christine FRÈRE-HENNUY is director of ERBE, FRÈRE-BOURGEOIS and other companies of the family group. She is also director of FONDS CHARLES-ALBERT FRÈRE and member of several charity associations.

Ségolène GALLIENNE, director

Non-executive director representing dominant shareholders

Mrs Ségolène GALLIENNE is director of PARGESA HOLDING, ERBE and of PROJECT SLOANE, the parent company of the JOSEPH group.

Philippe HUSTACHE, director*Independent non-executive director*

Mr. Philippe HUSTACHE is advisor to the Chairman of GROUPE DASSAULT and director of GROUPE INDUSTRIEL MARCEL DASSAULT, DASSAULT AVIATION and other companies.

Henry MESTDAGH, director*Independent non-executive director*

Mr. Henry MESTDAGH is chairman of the Board of the MESTDAGH supermarket chain and director of various other companies. He is also member of the Administration Committee (South-West Region) at FORTIS BANQUE and chairman of the « UNION WALLONNE DES ENTREPRISES ».

Thierry de RUDDER, director*Non-executive director representing dominant shareholders*

Mr. Thierry de RUDDER is managing director of GROUPE BRUXELLES LAMBERT. He is also director of SUEZ, of IMERYS, of TOTAL and of various subsidiaries of GROUPE BRUXELLES LAMBERT.

Pierre VAN OMMESLAGHE, director*Non-executive director representing dominant shareholders*

Mr. Pierre VAN OMMESLAGHE is a barrister of the Court of Cassation (Belgium), Partner of the company COUDERT BROTHERS LLP - COPPENS VAN OMMESLAGHE & FAURÈS. He is also Professor Emeritus of the BRUSSELS UNIVERSITY 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 the NATIONAL BANK OF BELGIUM (until 29 March 2005) and director of several companies.

Independent Directors

To qualify as an independent director, the director must at least meet the following criteria set out in article 524 §4.2, points 1 to 4 of the Belgian company Code, adapted as below to the case of NPM/CNP:

1° For a period of two years before his appointment, the director may not have held any office or position as a director, managing director or manager with the company, or a company or person related to the company, under the terms of article 11 of the company Code.

This provision is not applicable to the renewal of independent director terms of office.

2° Under the terms of article 11 of the company Code, there may be no spouse, person with whom the director is legal cohabiting, or relatives by blood or marriage within the second degree of affinity, within the company, within a related company, or working for a person related to the company, holding the office of director, managing director or manager, or with a financial interest as set out in point 3 below.

3° a) The director may not hold any membership right that represents one tenth or more of the company's share capital;

b) If the director holds membership rights that represent a share of less than 10%

- the adding of the membership rights to those held in the same company by companies controlled by the independent director may not bring the total membership rights to one tenth, or more, of the share capital;

or

- the disposal deeds relating to these shares and the exercising of the rights relating to them may not be subject to contractual provisions or unilateral undertakings entered into by the independent director.

4° The director must have no relationship with any company that would bring his independence into question. The conditions of independence described above must be met for the full duration of the independent director's term of office.

The annual general meeting of 15 April 2004 recorded, for the first time, the independence of the following directors:

- Pierre-Alain DE SMEDT, whose term of office as a director was renewed by the annual general meeting of 17 April 2003;

- Jacques FOREST, whose term of office as a director was renewed by the annual general meeting of 18 April 2002;

- Henri MESTDAGH, appointed as a director by the annual general meeting of 12 May 1999;

- Philippe WILMES, whose term of office as a director was renewed by the annual general meeting of 20 April 2000;

- Philippe HUSTACHE, whose term of office as a director was renewed by the annual general meeting of 15 April 2004;

On the renewal of the terms of office of Messrs Jacques FOREST and Henri MESTDAGH, the annual general meeting of 21 April 2005 is invited to renew the recording of these two directors' independence.

The aforementioned directors formally declared in 2004 that they have no links that might call their independence into question with the company, or with companies or persons connected with them, more specifically with regard to the criteria set out in article 524 §4.2, points 2 to 4 of the Belgian company Code. The two directors the renewal of whose terms is to be submitted to the Meeting of 21 April 2005, have reiterated their declaration of independence.

You will recall that, since January 2004, the company Code has provided for the participation of independent directors within the framework of the regulations concerning conflicts of interest within a group of companies.

OPERATION OF THE BOARD OF DIRECTORS

Competencies of the Board

The board of directors organises the management and auditing of the company. It makes strategic choices, investment, disposal and long-term financing decisions and, periodically, closes the company's accounts.

The managing director is appointed from the board of directors; he is delegated the day-to-day management of the company and is also granted specific powers, in particular allowing him to monitor the operational management of the company. The managing director regularly reports to the board of directors on his management, and in particular on the progress of shareholdings, the monitoring of subsidiaries and the management of treasury funds.

The board of directors appoints the members of the board committees (Audit committee and appointments and remuneration committee), to which it delegates specific tasks.

Frequency of meetings and decision-making method

The board of directors meets at least 4 times a year. It may also be convened in an emergency or for major operations. The most important matters discussed are the following:

- strategy, on the proposal of the managing director,
- selecting and approval of investments and disposals, on the proposal of the managing director,
- monitoring of shareholdings,
- reports from the managing director,
- reports from the various committees,
- examining and approval of the accounts (annual, half-yearly and quarterly),
- budget forecasts,
- preparation for general meetings.

The relevant documentation is made available to the board about the various items on the agenda to be discussed, at least two working days before each meeting.

For the board's decisions to be valid, more than half of its members must be present or represented; all decisions are taken by a simple majority.

Under circumstances permitted by law and the articles of incorporation, decisions may be made by written unanimous agreement of the directors. This option was not used in 2004.

In accordance with the legal regulations, the board acts together as a body, in the interests of the company, and no category of director has precedence over another.

In the event of a conflict of interests under the terms of articles 523 and 524 of the Belgian company Code, the legal regulations are implemented.

There is no formal internal procedure specific to the company enabling a director to ask the board for an independent expert opinion; it goes without saying that if a member made such a request, it would be granted. Thus, at the request of the audit committee, all of the members of the board of directors were previously invited to a briefing on the IFRS accounting norms. In the event of a conflict of interests pursuant to article 524, the Independent directors' committee calls on independent experts.

If necessary, the board committees call on outside advisers.

During 2004, the board of directors met 6 times — including once by means of a telephone conference, in accordance with article 19.3 of the company's coordinated articles of incorporation — with a director attendance rate of 70%.

Remuneration of Directors

The appointments and remuneration committee (see page 36) handles and sets the directors' remuneration.

For information about the pay policy for the Executive directors, please refer to page 41. The gross amounts received by the Executive directors, solely in return for performing their duties as directors, are given in the table below.

The directors each receive a fixed basic annual remuneration of EUR 7,436.81; non-executive directors with special duties or who are members of the board committees receive an additional payment identical to the basic gross remuneration.

The total gross remuneration and benefits in kind paid to the members of the board of directors for the financial year 2004 are given in the table below.

The amounts given in the table above do not include sums that may have been received by the company's directors for positions held in other entities belonging to the group in which they perform executive duties independent of their positions as NPM/CNP directors. The total remunerations received by Messrs Gérald FRÈRE and Thierry de RUDDER in return for the fulfilment of their functions within GBL may be consulted in GBL's annual Report.

Gross amounts (EUR)

Directors	Board of directors	Appointments and Remuneration committee	Audit committee	Total
Gérald FRÈRE, Chairman	14 873,62	7 436,81	-	22 310,43
Gilles SAMYN, Vice Chairman	7 436,81	-	-	7 436,81
Victor DELLOYE, General Secretary	7 436,81	-	-	7 436,81
Jean CLAMON	7 436,81	-	-	7 436,81
Laurent DASSAULT ⁽¹⁾	1 859,20	-	-	1 859,20
Pierre-Alain DE SMEDT	7 436,81	7 436,81	-	14 873,62
Thierry DORMEUIL	7 436,81	-	7 436,81	14 873,62
Jacques FOREST	7 436,81	-	7 436,81	14 873,62
Ségolène GALLIENNE	7 436,81	-	-	7 436,81
Philippe HUSTACHE	7 436,81	-	-	7 436,81
Henry MESTDAGH ⁽²⁾	7 436,81	-	1 859,20	9 296,01
Thierry de RUDDER	7 436,81	-	-	7 436,81
Pierre VAN OMESLAGHE	7 436,81	-	-	7 436,81
Philippe WILMES ⁽³⁾	7 436,81	7 436,81	5 577,61	20 451,23
Total	105 974,54	22 310,43	22 310,43	150 595,40

[1] The director's term of Laurent DASSAULT expired after the general meeting of Shareholders of 15 April 2004.

[2] Henri MESTDAGH was a member of the audit committee until March 2004.

[3] Philippe WILMES has been a member of the audit committee since April 2004.

COMMITTEES SET UP BY THE BOARD OF DIRECTORS

Appointments and remuneration committee

Role :

The appointments and remuneration committee is responsible for proposing candidates for directors' positions and giving its opinion on the candidates presented to it. The committee selects candidates in the company's interest and assesses the independent character of the candidate or acting director.

It ensures that the board is composed according to the following rules:

- a majority of non-executive directors,
- a sufficient number of independent directors,
- a significant number of directors representing the dominant shareholders.

Following the General Meeting, if the Meeting accepts the proposals presented to it, the board will consist of thirteen members (the medium-term objective is to eventually reduce this number by one), the controlling family shareholders occupy four seats, including the chairmanship, the family's historical partner (BNP PARIBAS) has two representatives, the independent directors hold five seats (eventually four) and the management two.

In the name of the board of directors, the committee handles and sets the remuneration of the Executive directors and the company's key figures.

Operation:

The committee meets prior to each meeting of the board of directors at which one of these subjects will be discussed. As part of its mission, it periodically calls on external consultants in order to objectify all the salaries and bring them into line with the market, and other financial companies in particular.

During 2004, the committee met once to analyse and make proposals concerning the composition of the board of directors, in particular the appointment or re-electing of directors. It also identified the first independent directors under the terms of article 524 of the company Code and decided on the remuneration of the company's management; it also recorded the result of the option plan proposed to staff in December 2003, which it decided on at the time.

Composition:

Gérald FRÈRE, Chairman
Pierre-Alain DE SMEDT
Philippe WILMES

Audit Committee

Role:

The audit committee assists the board of directors with matters regarding internal audits, periodical financial information and legally required accounts, the appointment of auditors and relations with the latter, and, if necessary, with operations involving NPM/CNP group companies and certain of its shareholders.

Operation:

The committee meets prior to each meeting of the board of directors at which one of these subjects will be discussed. As part of its mission, it periodically meets with the auditors.

During 2004, the committee met 5 times, with a member attendance rate of 93%.

Composition:

Thierry DORMEUIL, Chairman
Henry MESTDAGH (until March 2004)
Philippe WILMES (since April 2004)
Jacques FOREST (subject to renewal of his appointment as director by the general meeting of 21 April 2004 and of member of the audit committee by the board).

REPRESENTATION OF THE COMPANY

In accordance with the articles of incorporation, the company is validly bound by the signature of two directors or the signature of the managing director alone in the context of his day-to-day management.

The company has delegated this duty of representation mainly to the two Executive directors or, if necessary, the Chairman of the board of directors. The board of directors has also delegated special, limited powers to persons chosen from outside the board.

DAY-TO-DAY MANAGEMENT AND GENERAL MANAGEMENT

The day-to-day management and general management are taken care of by Gilles SAMYN. He is assisted by the director and general counsel of the Company and a team of qualified and motivated professionals.

The managing director has a great deal of independence, granted by the board of directors. He is responsible for operational management and to this end is entrusted with special tasks, in particular relating to the acquisition and disposal of securities.

The managing director also analyses, prepares and submits to the board of directors the strategic decisions, investments, disposals and long-term financing of the company and group that fall within the exclusive competence of the board of directors.

PROFIT APPROPRIATION POLICY

NPM/CNP's dividend policy consists of reasonable growth of the dividend per share, supported by a recurring flow of restricted consolidation-accounted operating profit. Since 2000, the dividend has grown by 5% each year. NPM/CNP's objective is to continue this trend, so long as this is permitted by the restricted consolidated operating profit.

ACCOUNT AUDITING

The company auditors have a renewable three-year term of office.

The following were the auditors in 2004:

KLYNVELD PEAT MARWICK GOERDELER

Company auditors S.C.C.,
Represented by Michel DE SAIVE
(term ends in 2005; its renewal will not be proposed
at the general meeting)

DELOITTE & TOUCHE

Company auditors S.C. s.f.d. S.C.R.L.,
Represented by Michel DENAYER
(term ends in 2007)

For many years NPM/CNP opted to have its accounts audited by a board composed of two auditors. One, KPMG, was the historical auditor of NPM/CNP; the other, DELOITTE & TOUCHE, was the auditor for the entire chain of holdings, from Frère-Bourgeois down to GBL, as well as of most of the industrial and commercial subsidiaries.

Within NPM/CNP, the two auditors shared out the auditing tasks; KPMG focused on the corporate financial statements, whereas DELOITTE & TOUCHE, with its overview of the group, handled the consolidated accounts.

This set up offered the advantage of working with two highly professional organisations, each with specific expertise and specialisations; this was particularly useful in the periods of significant accounting changes that NPM/CNP has undergone in recent years with the gradual transition to IFRS norms.

Paradoxically, it is this transition to IFRS that is now leading the company's board of directors to not propose the renewal of the auditor's term of office held by KPMG, in agreement with the latter, which expires at the end of the general meeting of Shareholders of 21 April 2005. Indeed, in view of the timing of the reporting by certain subsidiaries, the extending - owing to the increased complexity of the new norms - of the deadlines for processing accounting information and of the duration of the auditing mission, compliance by NPM/CNP with its publication timetable, which was already extremely difficult in the past, seems unrealistic in the

future, with two auditors having to coordinate their work schedules and each review the other's case file.

After discussion with the two auditors, and in complete agreement with them, it seemed to the audit committee that the most efficient way of conducting the auditing mission in the future would be to use a single auditor: the auditor responsible for certifying the accounts of the majority of the industrial and commercial subsidiaries, thus facilitating the coordination and liaising between the people entrusted with the auditing of the various entities and simplifying the case file reviewing procedures.

The board of directors would like to take this opportunity to thank KPMG for the diligence with which it has performed its mission in years past and for its contribution to finding a pragmatic solution to the issue of compliance with deadlines that has arisen since the IFRS norms began to be applied.

The auditors (in future the auditor) are also at the disposal of the audit committee to carry out any additional work permitted by law that it feels is necessary.

The remuneration of the auditors is based on set fees, of EUR 25,000 per year for DELOITTE & TOUCHE and EUR 13,906 per year for KPMG, according to the works allowing them to comply with the norms of their profession and in accordance with the amounts set by the general meetings during which the terms of office were renewed (2002 for KPMG and 2004 for DELOITTE & TOUCHE).

With regard to any services outside the scope of their auditing mission, additional payments are made as applicable; their amount is communicated each year in the "Legal notices" section (see page 42).

RELATIONS WITH DOMINANT SHAREHOLDERS AND/OR DIRECTORS

NPM/CNP's board of directors has not been made aware of any shareholders' agreement relating to NPM/CNP shares.

The board has been informed, however, that agreements exist between the shareholders of ERBE, establishing sole control of NPM/CNP by the FRÈRE-BOURGEOIS group.

All transactions between the companies within the NPM/CNP group and the dominant shareholders, and persons connected with them, that fall within the competency of the board of directors, are audited by the company auditors and the audit committee. In the event of a conflict of interests, any transactions or decisions are subject to the rules set out in articles 523 and 524 of the Belgian company Code.

The company's internal rules, which will be drawn up by the end of 2005, will set out the policy relating to transactions and other contractual relations between the company – and the companies connected with it – and the directors, if these transactions are not covered by the legal provisions concerning conflicts of interest referred to above. Mr Jean-Charles d'ASPREMONT LYNDEN, has been appointed Compliance Officer. In accordance with Principle 3 of the Belgian Corporate Governance Code, his mission will be to monitor the compliance, with the rules stipulated in the internal regulations, of directors and other persons whom the board of directors has named as being subject to them.

Staff and organisation



From left to right :

Victor DELLOYE, Gilles SAMYN

Etienne COUGNON, Sandro ARDIZZONE, Pascal CLAUSE,
Jean-Charles d'ASPREMONT LYNDEN, Roland BORRES,
Philippe GRUWEZ, Mathieu DEMARÉ

Jacques LAMBEAUX, Laurent COPPIETERS 'T WALLANT,
Jean-Marie LABRASSINE, Michel LOIR, Maximilien
de LIMBURG STIRUM, Frédéric POUCHAIN

Managing Director

Gilles SAMYN (*)

General Counsel

Victor DELLOYE (*)

Shareholdings

Maximilien de LIMBURG STIRUM
Roland BORRES
Laurent COPPIETERS 'T WALLANT
Philippe GRUWEZ
Frédéric POUCHAIN

Markets

Michel LOIR
Laurent COPPIETERS 'T WALLANT
Étienne COUGNON

Financial information

Roland BORRES
Sandro ARDIZZONE
Pascal CLAUSE
Mathieu DEMARÉ
Jacques LAMBEAUX

General services

Jean-Charles d'ASPREMONT LYNDEN
Pascal CLAUSE
Mathieu DEMARÉ
Jean-Marie LABRASSINE
Jacques LAMBEAUX

Compliance Officer

Jean-Charles d'ASPREMONT LYNDEN

LUXEMBOURG

Geneviève PISCAGLIA
Valérie BARTHOL

THE NETHERLANDS

Ernst COOIMAN
Pieter SCHWENCKE

SWITZERLAND

Andrew ALLENDER
Fabienne RUDAZ
Gaël BALLERY

(*) Executive directors.

LONG-TERM STAFF MOTIVATION SCHEME

The long-term motivation of staff is ensured by the NPM/CNP share option scheme proposed to staff in December 2003, who accepted 662,100 options.

The options were purchased at a unit price of EUR 4.26 and each one entitles the holder to purchase one NPM/CNP share for EUR 100 until 3 December 2013. Except

in specific circumstances (death, disability, retirement and, under certain conditions, redundancy), these rights will only be definitively vested in the holders on 30 June 2006 for the first quarter, 30 June 2007 for a second quarter and 30 June 2009 for the balance.

PAY POLICY

The pay policy is determined by the appointments and remuneration committee (see page 36). This policy consists of remunerating the two executive directors and the personnel according to the market conditions prevailing for equivalent functions and positions.

To this end, the remuneration level is periodically reviewed by an independent expert. The latest review was conducted by BOYDEN in autumn 2002. The next review is due in 2006.

The intention is to ensure the loyalty of high quality staff and motivate them according to criteria that are completely in line with the objectives of shareholders based on the long-term creation of value.

The appointments and remuneration committee has decided to allocate, starting from the financial year 2003, fixed salaries only to all personnel members.

The staff and the two executive directors also benefit from a pension scheme that will guarantee them, at age 62 and after a 35-year career (28 years for the executive directors and some management staff), a capital providing an annuity equal to a percentage of the highest fixed annual remuneration paid before the age of 57; this percentage is on a sliding scale in bands from 75% to 41.25%.

Given that Gilles SAMYN has reached since 2002 the 28-year career limit set by the pension plan, an exceptional cost resulting from adjustments were made in 2004. The standardised individual pension cost for 2005 and 2006 is estimated at around EUR 704,000 for Gilles SAMYN. This amount will be lowered from 2007, the interestee switching then to a « defined contribution » system. For 2005, the pension costs for the executive directors will be around EUR 1,130,000.

The 2004 salaries (excluding pension costs) of the two executive directors therefore break down as follows (*):

(gross EUR)

	Gilles SAMYN Managing Director	Total for Executive Directors
Fixed remuneration paid by the NPM/CNP's groups entities (1)	1 022 905	1 536 299
Breakdown of the fixed remuneration paid by:		
- NPM/CNP itself	46 786	93 572
- Proportionally or globally consolidated companies	656 947	1 108 215
- Equity-accounted companies	295 508	310 848
- Other companies	23 664	23 664
Variable remuneration	-	-
Other benefits	10 207	12 347
Total remuneration excluding pension costs	1 033 112	1 548 646
Costs present in NPM-CNP's IFRS accounts (taking into account the consolidation and equity- accounting percentages)	667 649	1 162 005

(1) Gilles SAMYN also received EUR 423,303 paid by the FRÈRE-BOURGEOIS and ERBE groups, which are NPM/CNP shareholders, for services rendered to these groups. The total amount paid to the executive directors at these levels reaches EUR 553 303.

Executive directors and all other employees benefit from some insurance coverage (accident, disability...), the total cost of which amounts to EUR 431,515 for the whole company, and which is not considered as remuneration.

Long-term value creation and profit-sharing is based on a share option scheme set up in December 2003; this covers 662,100 shares, 315,000 of which have been allocated to the two Executive Directors.

(*) Amounts presented here do not include some minor benefits in kind usually granted to all employees.

LEGAL NOTICES

1. Application of article 134 of the Company Code relating to special Auditors' fees.

The board of directors hereby informs you that the Auditors, DELOITTE & TOUCHE and KPMG, received the following special fees in 2004

(,000 EUR)

	NPM/CNP	Fully or proportionally consolidated subsidiaries	Total	Total expenses considering consolidation percentage
DELOITTE & TOUCHE				
Statutory duties	25	2 491	2 516	1 556
Other	32	652	684 ⁽¹⁾	461
Total	57	3 143	3 200	2 017
KPMG				
Statutory duties	14	169	183	183
Other	-	155	155 ⁽²⁾	155
Total	14	324	338	338

(1) Includes the works performed as part of the transition to IFRS (399), tax consultancy (87) and a special job related to the sale of DUPUIS (40)

(2) Mainly tax consultancy (136).

2. Application of article 624 of the Company Code relating to the Company's own shares purchased by the Company and by its direct subsidiaries.

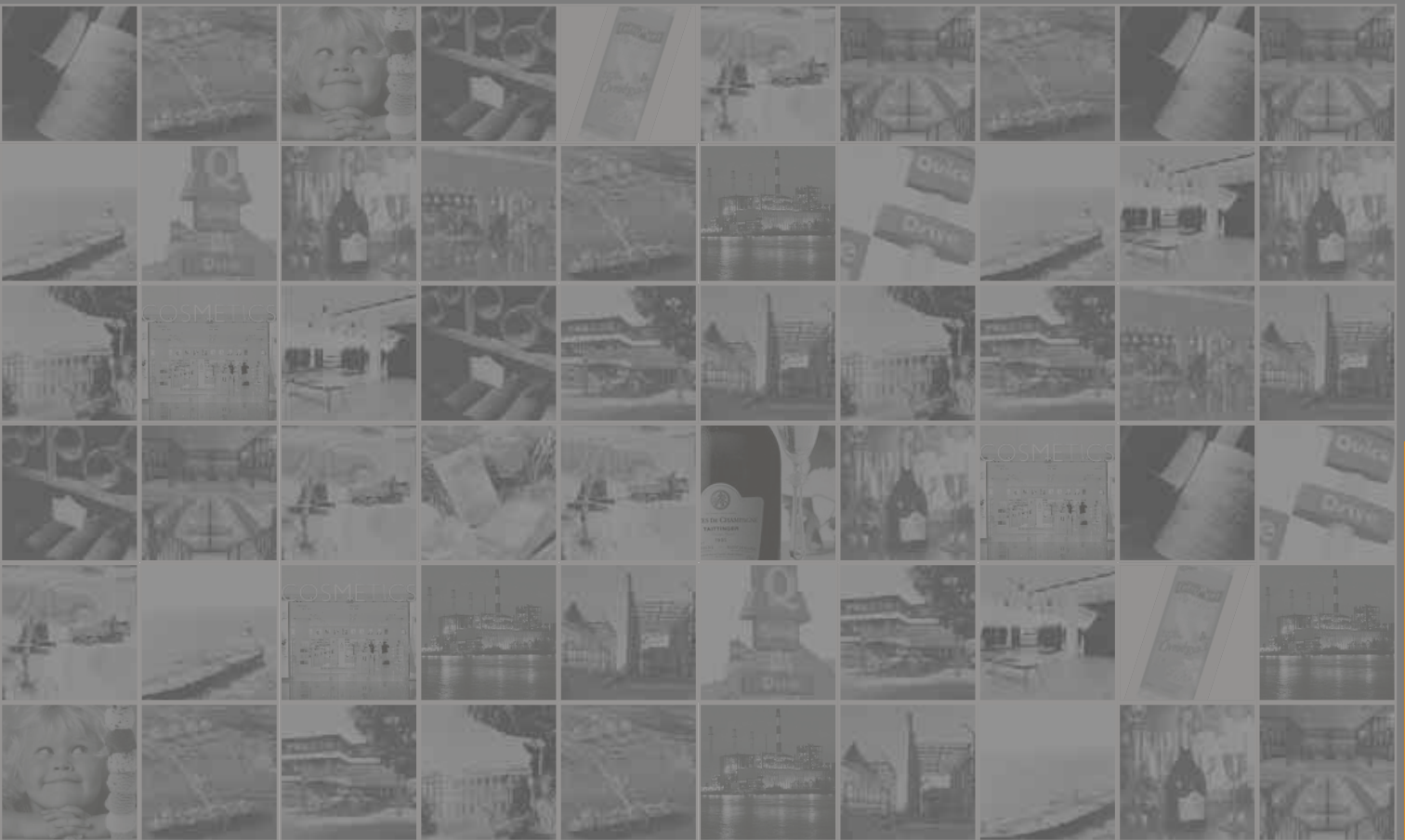
At 31 December 2003, the NPM/CNP Group (with its direct and indirect subsidiaries) held 1,794,647 own shares.

During the financial year 2004, NPM/CNP acquired 42,056 own shares for an amount equal to EUR 5.26 million (average unit price: EUR 125.07) in accordance with the authorisations that it was granted at the general meetings of 17 April 2003 and 15 April 2004. More detailed information can be found on NPM/CNP's website. The NPM/CNP group did not sell any own shares during the financial year 2004.

At 31 December 2004, the NPM/CNP group therefore owned 1,836,703 own shares (representing 9.18% of the Company's capital) restricted consolidation accounted for an amount equal to EUR 182 million, making an average price of EUR 99.1 per share. In the consolidated IFRS accounts, these own shares are deducted from the equity and therefore no longer appear on the balance sheet.

At 31 December 2004, of the 1,876,703 shares held by the group (of which 82,938 are own shares held by NPM/CNP itself), 662,100 were intended to cover the option plan issued to staff in 2003

The annual general meeting of shareholders of 21 April 2005 will have to decide upon the renewal of this authorisation to buy own shares at conditions detailed in the agenda of the meeting and on the Company's website.



MAJOR SHAREHOLDINGS

Major shareholdings

This table, shown here as at 31 December 2004, is updated periodically on the NPM/CNP web site (www.npm-cnp.be).

The percentages given in the table hereunder are, in the case of companies included in the consolidation perimeter, the percentage of IFRS consolidation or equity-accounting. They might differ from legal holding percentage.

Shareholdings of	NPM/CNP	PARJOINTCO (1)	PARGESA	GBL	Transitive percentage (2)	Consolidation type	Page
In							
PARGESA Group		54.1 %			24.1 %	P	45
GBL			50.2 %		12.1 %	P	47
<i>Fully or proportionally consolidated or equity-accounted shareholdings</i>							
BERTELSMANN				25.1 %	3.0 %	E	48
IMERYS			27.1 %	26.4 %	9.7 %	P	49
ORIOR HOLDING			100.0 %		21.1 %	P	50
<i>Non consolidated shareholdings</i>							
TOTAL				3.7 %	0.4 %	-	51
SUEZ				7.1 %	0.8 %	-	52
Direct shareholdings							53
<i>Fully or proportionally consolidated or equity-accounted shareholdings</i>							
GROUPE TAITTINGER	25.0 %	(3)			25.0 %	E	54
SOCIÉTÉ DU LOUVRE	15.6 %				15.6 %	E	55
TRANSCOR	82.3 %	(4)			82.3 %	F	56
QUICK	28.9 %				28.9 %	P	57
RASPAIL / CHEVAL BLANC	40.0 %	(5)			40.0 %	P	58
CHÂTEAU RIEUSSEC	50.0 %				50.0 %	P	59
PROJECT SLOANE / JOSEPH	57.6 %				57.6 %	F	60
DISTRIPAR	97.0 %	(6)			97.0 %	F	61
IJSBOERKE	100.0 %				100.0 %	F	62
FEM / ENTREMONT	100.0 %				100.0 %	F	63
<i>Non consolidated shareholdings</i>							
TOTAL	1.3 %				1.3 %	-	51
ELECTRABEL	0.2 %				0.2 %	-	64

(1) PARJOINTCO is 50% owned by the AGESCA NEDERLAND group, which is in turn 89.5 % owned by NPM/CNP.

(2) Transitive holding including NPM/CNP's share in the controlling holdings incorporated by the PARGESA/GBL group.

(3) Of which 3.1% in the form of certificates without voting rights.

(4) Potentially 100 %.

(5) 50% held through an 80%-owned company.

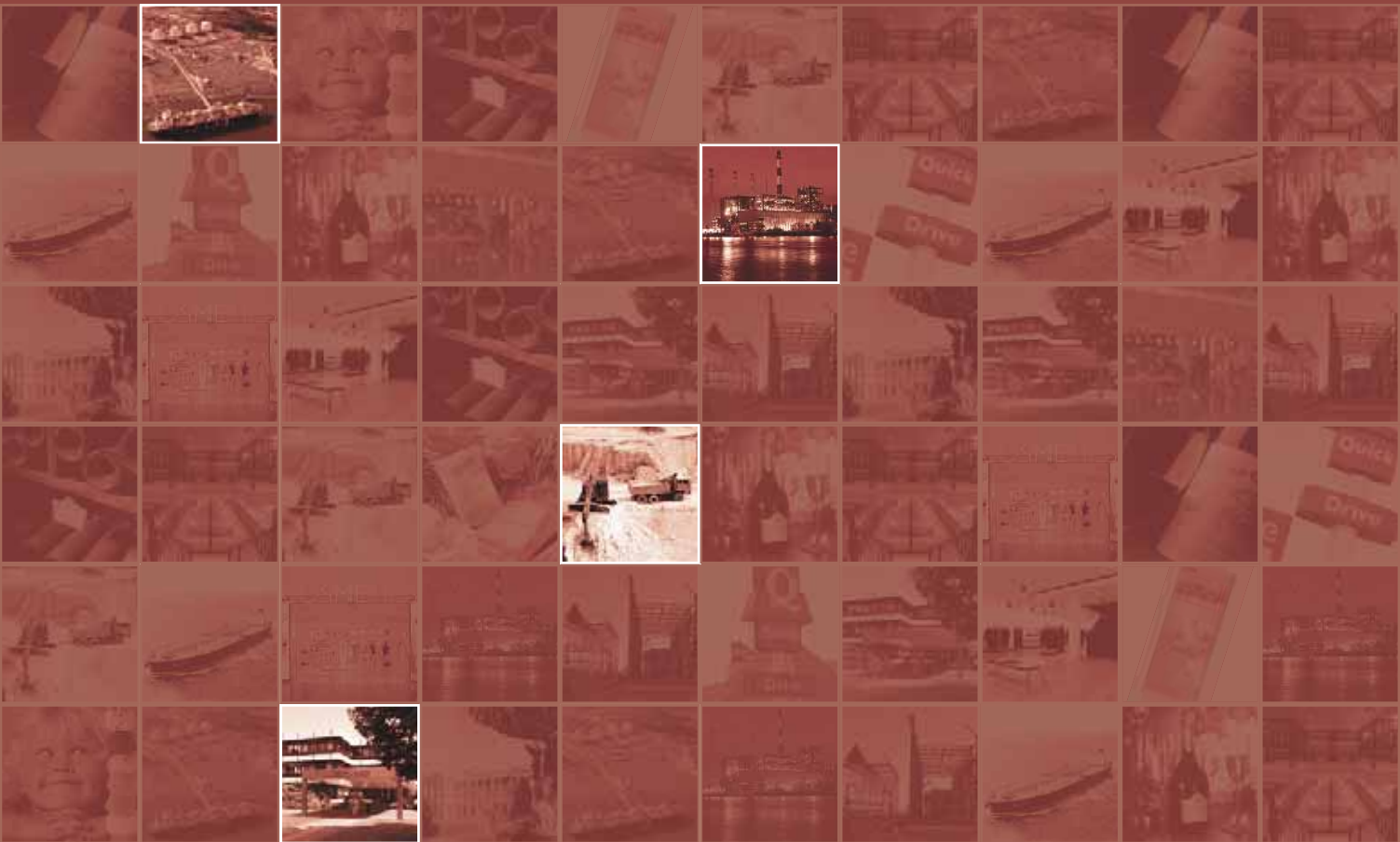
(6) 100% of voting rights.

F : fully consolidated

P : proportionally consolidated

E : equity-accounted

Some shareholdings, non-consolidated or not equity-accounted, and representing each less than 0.1% of the adjusted net assets are not shown in the table hereabove.



PARGESA GROUP

46 PARGESA

47 GBL

CONSOLIDATED OR EQUITY-ACCOUNTED SHAREHOLDINGS

48 BERTELSMANN

49 IMERYS

50 ORIOR HOLDING

OTHER SHAREHOLDINGS

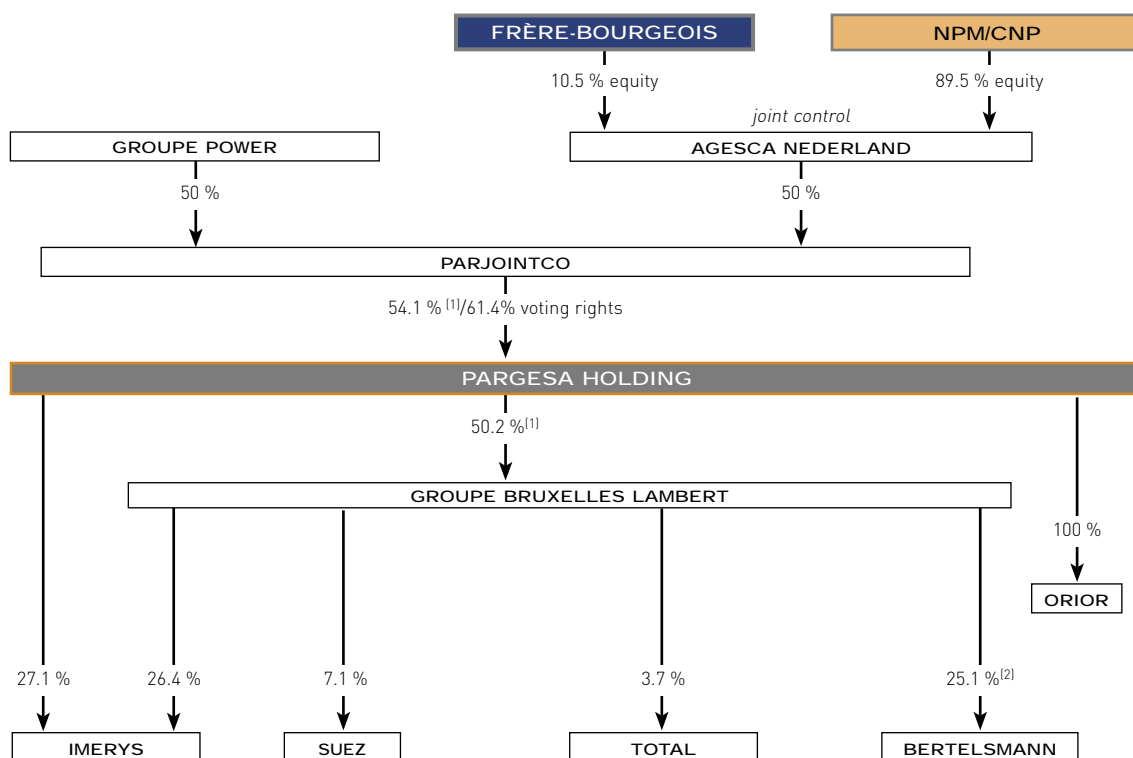
51 TOTAL

52 SUEZ

PARGESA HOLDING S.A., a company founded in Switzerland, is the PARGESA group's apex institution and holds a portfolio of industrial shareholdings in Europe, either directly, or indirectly through GBL.

PARGESA

www.pargesa.ch



(1) Consolidation percentage.
(2) 0.1% without voting right.

In 2004, the group's shareholdings recorded excellent operating performances in an economic environment that was generally more favourable than in 2003.

According to the Swiss accounting norms (RPC) applied by PARGESA, the net profit came to CHF 421 million compared with CHF 208 million in 2003.

According to the IFRS norms used by NPM/CNP, the total consolidated profit stood at CHF 559 million in

2004, under the effect of the absence of goodwill depreciation. At the General Meeting the Board of Directors will propose the payment of a gross dividend of CHF 100 per bearer share, compared with CHF 92 for the financial year 2003.

At 31 December 2004, PARGESA's adjusted net assets came to CHF 4,883 per share.

CONTRIBUTION TO:

	Restricted Consolidation		Consolidation (transitive)	
	EUR Mio	in %	EUR Mio	in %
Operating result 2004	24.0	25.3 %	-	-
Adjusted net assets on 31.12.2004	1,287.0	32.5 %	-	-

KEY CONSOLIDATED FIGURES (CHF MILLION)

Swiss accounting standards (RPC)	2002	2003	2004
Equity	4,892	6,074	6,719
Net result (Group share)	(133)	208	421
Gross dividend/share (CHF)	86	92	100*
Adjusted net assets per share (CHF)	3,345	3,989	4,883

* Subject to approval by the annual general meeting.

GBL is a holding company that owns a portfolio of holdings in a variety of sectors focused on a small number of first-rate companies towards which it can act as a professional shareholder. GBL's portfolio includes four major shareholdings: BERTELSMANN, TOTAL, SUEZ and IMERYS.

GBL

www.gbl.be

GBL's consolidated accounts (IFRS) show a net profit of EUR 594 million, against EUR 210 million in 2003.

The profit result has been favourably affected by the improvement in the operational performances of BERTELSMANN and IMERYS, the dividends from TOTAL (which, as well as its dividend payable for 2003, has paid part of its 2004 dividend in advance) and the end of the depreciation of the acquisition differences, in accordance with the group's application of IFRS 3 from 1st January 2004.

BERTELSMANN's share in GBL's capital gains is equal to EUR 259 million, compared with EUR 39 million in 2003. IMERYS' contribution to GBL's 2004 profit result stands at EUR 63 million, compared with EUR 33 million in 2003.

In 2004, the cash earnings – i.e. dividend and treasury income net of G&A expenses for GBL and its 100%-subsidiaries – stands at EUR 328 million, compared with EUR 284 million for the financial year 2003. These profit results are mainly owing to the dividends paid by TOTAL, SUEZ and BERTELSMANN.



During the year 2004, GBL sold to MACQUARIE the shares that it held in BIAC, company operating the Brussels airport, producing a capital gain of EUR 41 million.

GBL's 2004 accounts used for consolidation purposes by NPM/CNP are identical to those published by GBL ; as far as the 2003 accounts are concerned, NPM/CNP had to adapt GBL's accounts to cancel the goodwill depreciation expenses still applied by GBL; consequently,

the 2003 net profit amounts to EUR 367 millions; compared to these modified accounts, the 2004 net profit shows a 62% increase.

Taking into account the stock market price of listed shareholdings and the equity of BERTELSMANN, the adjusted net assets per GBL share stood at EUR 64.3 at 31 December 2004.

An increase in the dividend of 7.4% will be proposed at the annual general meeting on 26 April 2005, which will bring the payable dividend for the financial year 2004 to a gross EUR 1.60 per share.

KEY CONSOLIDATED FIGURES (EUR MILLION)

IFRS norms	2002	2003	2004
Equity	6,772	6,966	7,912
Net profit	(238)	210	594
Gross dividend/share (EUR)	1.42	1.49	1.60*
Adjusted net assets/share (EUR)	50.9	54.4	64.3

* Subject to approval by the annual general meeting.

The international media and entertainment group BERTELSMANN is well placed on the main world markets; its ambition is to create quality media content. The Group strives to inspire the everyday lives of people the world over through its products and services.

BERTELSMANN

www.bertelsmann.com

The 2004 turnover reached EUR 17 billion compared with EUR 16.8 billion for the previous financial year. This growth was contributed to by an organic growth of 1.9 %, by portfolio changes and by the first global consolidation of the French television station M6 (whose effect on the turnover was equal to EUR 564 million). The fluctuations in the exchange rates, in particular the devaluing of the American dollar against the Euro, reduced income by 2.3%.

The operating EBIT increased to reach EUR 1,429 million compared with EUR 1026 million for the previous year. The operating profitability came to 8.4% compared with 6.1% for 2003. The RTL GROUP, BMG and ARVATO were the main contributors to the increase in the operating profit in 2004. RANDOM HOUSE and the DIRECT GROUP both improved their profits. The launching of new magazines led to a fall in profits for GRUNER + JAHR, while the profitability of existing activities improved for the entire division. The global consolidation of M6 had a positive effect equal to EUR 92 million on the consolidated operating EBIT. Excluding this effect, the operating EBIT increased by 30.3%.

In 2004, the profits on disposals and depreciations stood at EUR 468 million; these mainly came from the merging of BMG and SONY's Recorded Music activities (EUR 180 million), the sale of the Bertelsmann building in New York (EUR 174 million) and the releasing of provisions within the context of the proceedings connected with AOL Europe (EUR 74 million). The result also includes restructuring costs amounting to EUR 150 million, mainly connected with the music activities.



In strategic terms, the creation of the joint-venture SONY BMG MUSIC ENTERTAINMENT was the key event in 2004. BERTELSMANN and the SONY CORPORATION OF AMERICA have combined their RECORDED MUSIC activity in the form of a joint-venture. Each holds 50% of the new company. This joint-venture emphasises the fact that BERTELSMANN considers music to be one of its main activities.

The net profit, before minority shareholdings, reached EUR 1,217 million compared with EUR 208 million in 2003. Aside from the improvement in the EBIT, it was favourably affected by the absence of goodwill depreciation (EUR 632 million in 2003), following the application of the new IFRS norms. The third-party share significantly increased (from EUR 54 million in 2003 to EUR 185 million in 2004) following the global consolidation of M6 from February 2004. The net profit, group share, went from EUR 154 million in 2003 to EUR 1,032 million in 2004.

As the NPM/CNP applied the IFRS norms for the first time in 2004, it had to exclude the goodwill depreciation in BERTELSMANN's 2003 profits; consequently, the 2003 restated net profit in terms of the group share stands at EUR 738 million; the 2004 net profit is therefore up 40% in relation to this figure.

The economic debt — defined as the sum of the net financial debts, the provisions for pensions and the profit sharing certificates — fell from EUR 3.2 billion to EUR 2.6 billion during the financial year 2004.

CONTRIBUTION TO:

	restricted consolidation		consolidation (transitive)	
	EUR Mio	%	EUR Mio	%
2004 operating profit	-	-	29.4	18.2%
Adjusted net assets on 31.12.2004	-	-	216.9	5.5%

KEY CONSOLIDATED FIGURES (EUR MILLION)

IFRS norms	2002	2003	2004
Equity	6,685	6,666	7,510
Turnover	18,312	16,801	17,016
Net profit, group share	928	154	1,032
Dividend	240	240	324*

* Subject to approval by the annual general meeting.

IMERYS is the world's leading Mineral Processing company. The group has strong positions in each of its four sectors of activity: Speciality Minerals (27% of the group's 2004 turnover), Pigments for Paper (26%), Building Materials (25%) and Refractories & Abrasives (22%).

IMERYS

www.imerys.com

In 2004, despite the persistent weakness of the dollar against the euro, IMERYS was able to take advantage of the upturn in activity in its main markets to continue to improve its performances: the turnover is up for the first time since 2001, the net operating profit⁽¹⁾ has grown for the 13th year in a row and the operating margin has continued to increase.

The turnover stood at EUR 2,873 million in 2004, up +5.3 % compared with 2003. With a constant consolidation perimeter and exchange rates, it was up +7.6 % (+7.2 % in the 1st half, +8.0 % in the 2nd half) due to the combined improvements in sales volumes (up +5.0%) and the price/product mix pair (up +2.6%) in the group's four sectors of activity.

Sales of Speciality Minerals came to EUR 795.1 million, representing an increase of +4.2 %. With a constant consolidation perimeter and exchange rates, they were up +5.9% due to the increase in sales volumes and the slight improvement in the price/product mix pair.

The Pigments for Paper turnover, at EUR 759.6 million, was up +1.5 % (+4.7 % with a constant consolidation perimeter and exchange rates). The printing and writing paper market showed a clear upturn over the financial year in all geographic zones. The sector's sales volumes noticeably increased and prices developed in a positive direction, which was offset, however, by the eroding of the product mix in Europe (gradual substitution of certain English kaolins with Brazilian kaolins).



Sales of Building Materials came to EUR 718.9 million, up +10.2 % (+9.0 % with a constant consolidation perimeter). The French clay tile and brick markets were very dynamic in 2004; the growth in sales reflects a large increase in volumes and the improving of the price/product mix pair.

The Refractories & Abrasives turnover increased by +6.1 % to EUR 629.8 million. With a constant consolidation perimeter

and exchange rates, sales were up by +12.3%. The sector benefited from largely favourable conditions in all its final markets, and the metallurgy industry in particular, which provides around half of the customers for refractories.

Under French GAAP's applied by the company, the net profit for 2004 stands at EUR 209,4 million (up 31% on 2003). According to the IFRS, the net profit, group share, stands at EUR 237,4 million, up 49 % compared with the previous year. The group's four sectors of activity and a lower tax rate contributed to this improvement. It translates the very positive effect on operating of the upturn in volumes, the continued improving of the price/product mix pair and the positive impact of the consolidation perimeter. These favourable elements have largely compensated for the still negative currency effect and the increase in some categories of costs (energy and transport in particular).

CONTRIBUTION TO:

	restricted consolidation		consolidation (transitive)	
	EUR Mio	%	EUR Mio	%
2004 operating profit	-	-	23.1	14.3%
Adjusted net assets on 31.12.2004	-	-	371.4	9.4%

KEY CONSOLIDATED FIGURES (EUR MILLION)

French norms	2002	2003	2004
Equity	1,472	1,410	1,475
Turnover	2,863	2,729	2,873
Net profit, group share	143	160	209
Dividend excluding tax credit/share.	1.08	1.25	1.50*

* Subject to approval by the annual general meeting.

The ORIOR Group, which is 100% owned by PARGESA, operates solely in the food industry, through its subsidiary ORIOR FOOD S.A.

ORIOR HOLDING

www.orior.ch

ORIOR FOOD S.A. realises a turnover of more than CHF 300 million in its three divisions: Cooked Meats (salamis, hams and cured meats), Fresh Products (pâtés, terrines, fresh pasta and ready meals) and Poultry and Vegetarian Food (poultry-based preparations and vegetarian products).



It owns strong brands and is the leading producer of high added-value fresh products on the Swiss market, both in the mass distribution sector and in traditional and mass-catering networks.

TOTAL is the fourth largest international oil and gas company. Its activities cover the entire oil production chain: exploration and production of oil and gas, downstream gas operations, trading, transport, refining and distribution. TOTAL is also a major player in the chemicals sector.

TOTAL

www.total.com

Thanks to the combination, in 2004, of a very high crude oil price, a marked increase in refining margins and the rebound, in the second half of the year, of the petrochemical margins, the Group posted a record EUR 9.04 billion for the adjusted net profit*, up 23% compared with 2003, despite the fall in the dollar. The good operational performance of the activity sectors, in particular the growth in hydrocarbon production, and the implementation of productivity programmes, have significantly contributed to this profit result.



The Upstream sector's net operational profit excluding non-recurring elements stood at EUR 5,834 million in 2004, compared with EUR 5,259 million in 2003, making an 11% increase. For 2004 as a whole, hydrocarbon production was up 2%. The production of liquids increased by 2% to reach 1,695 thousand barrels per day (kb/d). Gas production also grew by 2%.

Besides the many oil fields put into production over the year, in particular YUCAL PLACER in Venezuela, SKIRNE BYGGVE in Norway and PECIKO IV in Indonesia (where the operated production reached record levels), the increased importance of fields that began production in 2003, such as AMENAM in Nigeria, MATTERHORN in the United States and JASMIM in Angola, greatly contributed to the growth in production in 2004.

The proven hydrocarbon reserves established according to SEC rules stood at 11,148 Mboe (million barrel oil equivalent) at 31 December 2004. At current production levels, the lifetime of the reserves is therefore 11.8 years (nearly 20 years if the probable reserves

are included). The proven reserve renewal rate for the period 2002-2004, established according to SEC rules, was 120% for the consolidated subsidiaries and 106% for the subsidiaries as a whole.

The Downstream sector's net operational profit excluding non-recurring items was EUR 2,302 million in 2004, up 8% compared with 2003, under the effect of the increase in refining margins and

increased volumes; for the whole of 2004, the refined volumes went up by 1% to 2,496 kb/d. The refinery use rate was therefore 93% in 2004 against 92% in 2003. Product sales stood at 3,771 kb/d in 2004 against 3,652 kb/d in 2003.

The Chemistry sector's turnover stood at EUR 20,042 million in 2004 against EUR 17,260 million in 2003, representing a 16% increase.

For Chemistry, the net operational profit excluding non-recurring elements was EUR 656 million in 2004 compared with EUR 254 million in 2003.

2004 saw the creation of ARKEMA, an entity uniting 3 areas of activity (Vinyl Products, Industrial Chemistry and Performance Products). The aim is for this entity to become independent by 2006.

On the strength of its confidence in its ability to continue the profitable development of its activities over the long-term, the board of directors will propose the distribution of a EUR 5.40 dividend (of which EUR 2.40 was paid in November 2004) per share for 2004 at the annual general meeting. This represents a 15% increase compared with the previous year.

CONTRIBUTION TO:

	restricted consolidation		consolidation (transitive)	
	EUR Mio	%	EUR Mio	%
2004 operating profit	37.1	39.1%	48.4	29.9%
Adjusted net assets on 31.12.2004	1,320.1	33.3%	1,754.3	44.2%

KEY CONSOLIDATED FIGURES (EUR BILLION)

	2002	2003	2004
Equity	32.15	30.41	31.26
Turnover	102.54	104.65	122.70
Net profit, group share*	6.26	7.34	9.04
Dividend excluding tax credit/share.	4.1	4.7	5.4**

* Excluding non-recurring items and depreciation of goodwill and intangibles arising from the SANOFI-AVENTIS merge.

** Subject to approval by the annual general meeting.

The international industrial group SUEZ designs sustainable and innovative solutions in the management of public utility services as a partner of local authorities, companies and private customers. The Group's mission is to meet essential electricity, gas, energy service, water and cleaning needs. SUEZ has 160,700 employees with a 2004 turnover of EUR 40.7 billion.

SUEZ

www.suez.com

For SUEZ, 2004 was marked by a strong growth in its profits and the sales and industrial performances of its business lines. The Group exceeded all its objectives in terms of growth, profits, debt reduction, cash flow, cost reduction and return on invested capital.

SUEZ has set itself ambitious objectives for the improvement of its operating profitability and has developed its economic model to make it more effective, improve its performance and its profitability and endow it with a repeated capacity to generate liquidities. The strategic choices and management orientations put in place translated in 2004 into a strong improvement in operating profitability: The turnover experienced an organic growth of 6.2% and the gross operating profit grew by +10.5%, with the net operating profit, Group share, recording a growth of +41% excluding exchange rate and consolidation perimeter effects. The net cash flow after investments and before disposals stood at EUR 1443 million, compared with EUR 145 million in 2003, allowing the financing of the dividend.

The SUEZ balance sheet and its financing structure have been reinforced, and its financial ratios are satisfactory. The Group's net debt was brought to 11.5 billion at 31 December 2004, down 25% compared with the end of 2003. The cost reductions undertaken by the Group within the framework of the Optimax plan generated savings amounting to EUR 917 million in 2004 and exceeded the objective of EUR 900 million that was announced.



The SUEZ group's prospects are solid and sustainable over the long term. For the period 2005-2006, the Group shows favourable prospects in all its business lines. SUEZ is confirming its average organic growth objective of 4 to 7% of the turnover with a faster growth in the gross operating profit. The improvement in profitability will continue with a new savings objective of EUR 550 million within the context of Optimax, half of which should be

achieved by the end of 2005. The Group will maintain a selective but sustained investment programme, the main share of which will be devoted to development.

The SUEZ group's structure will continue to be centred around profitable, organic, simultaneous growth in electricity, gas, energy services, water, sanitation and cleaning in its basic markets: France and Benelux, which are its historic and domestic markets, where the Group intends to strengthen its positions; continental Europe, which is a priority zone for development; and North America, Brazil and China, which are three rapidly expanding zones where the Group will practice selective development from its facilities.

The Group's debt reduction, the launching of a new Optimax plan, the favourable forecasts for 2005 and, generally speaking, its capacity to reach and exceed its objectives led the Board of Directors to confirm the payment of a dividend of EUR 0.80 per share. This 13% increase for the financial year 2004 confirms the Board's confidence in the SUEZ group's profitable growth potential.

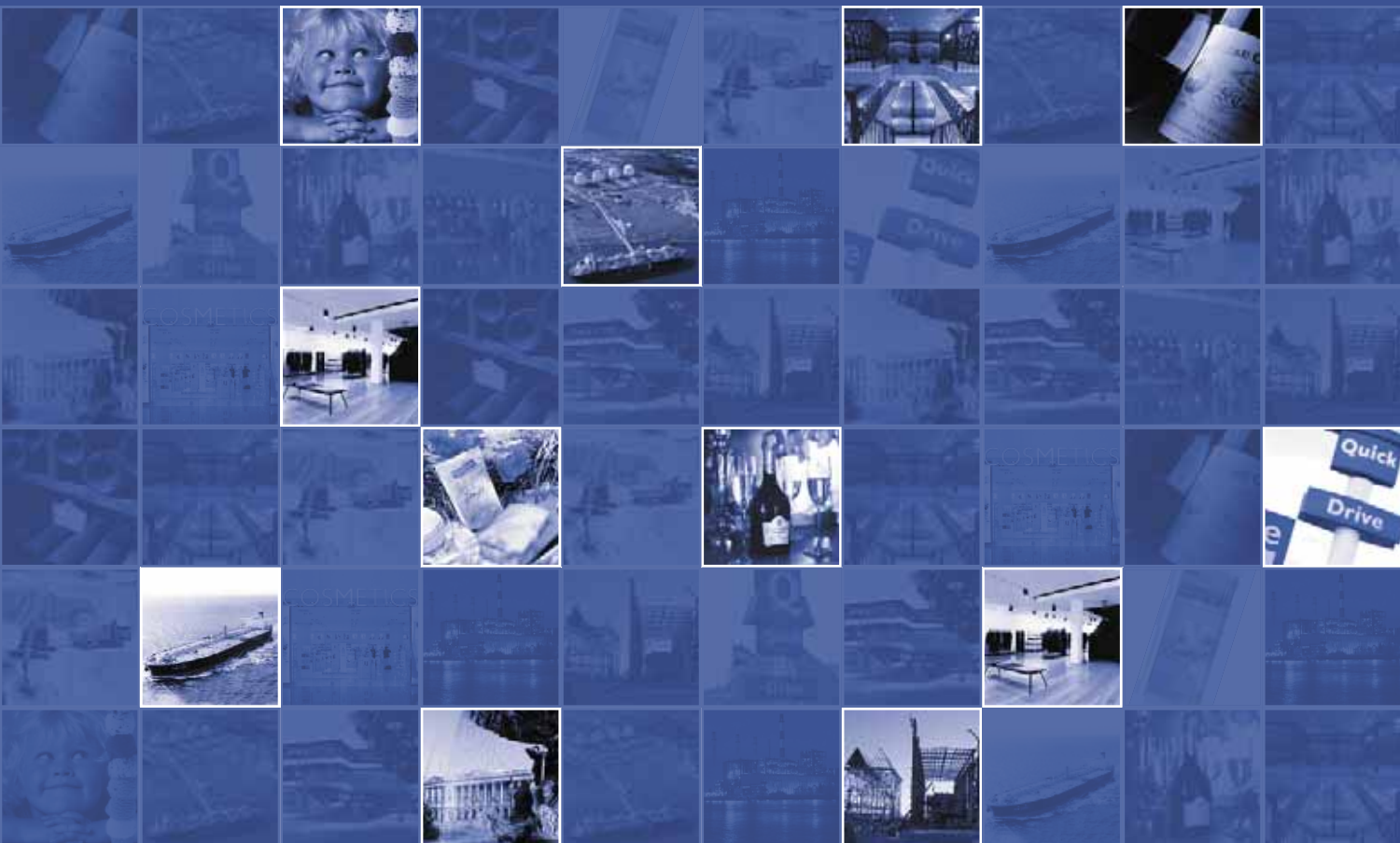
CONTRIBUTION TO:

	restricted consolidation		consolidation (transitive)	
	EUR Mio	%	EUR Mio	%
2004 operating profit	-	-	5.3	3.3%
Adjusted net assets on 31.12.2004	-	-	163.6	4.1%

KEY CONSOLIDATED FIGURES (EUR MILLION)

	2002	2003	2004
Equity	10,578	6,896	7,923
Turnover	40,784	39,622	40,739
Net profit, group share	(863)	(2,165)	1,804
Dividend excluding tax credit/share.	0.71	0.71	0.80*

* Subject to approval by the annual general meeting.



DIRECT SHAREHOLDINGS

CONSOLIDATED OR EQUITY-ACCOUNTED SHAREHOLDINGS

54	GROUPE TAITTINGER
55	SOCIÉTÉ DU LOUVRE
56	TRANSCOR
57	QUICK
58	RASPAIL / CHEVAL BLANC
59	CHÂTEAU RIEUSSEC
60	PROJECT SLOANE / JOSEPH
61	DISTRIPAR
62	IJSBOERKE
63	FEM / ENTREMONT

OTHER SHAREHOLDINGS

51	TOTAL
64	ELECTRABEL

GROUPE TAITTINGER owns the wine-producing business developed from the internationally renowned TAITTINGER Champagne brand and a 44% shareholding in SOCIETE DU LOUVRE, which operates in the hotel and luxury goods sectors.

GROUPE TAITTINGER

www.taittinger.fr

The wine-producing segment includes three main activities: TAITTINGER Champagne, DOMAINE CARNEROS in the Napa Valley (California) and BOUVET LADUBAY in the Saumur region.

The TAITTINGER vineyard, in the Champagne region, covers almost 280 hectares, giving the brand a self-supply rate of around 50%, one of the highest in the industry. Owing to excellent climatic conditions leading to a very abundant harvest in 2004, TAITTINGER Champagne has a stock representing more than 4.5 years of sales.

The volume of champagne shipments was stable compared with 2003. 62.5% of the TAITTINGER brand's sales were export sales, the United Kingdom being the largest foreign market. The turnover grew by more than 3%, owing to favourable developments in selling prices and the product mix.

In the United States, the CARNEROS ESTATE produces sparkling and still red wines.. CARNEROS shipped 573,000 bottles in 2004.

In the Val de Loire region, BOUVET LADUBAY, one of the most prestigious Saumur houses, sold 3.2 million bottles in 2004.



Wine-producing activity, which realised a turnover of EUR 104.4 million (+4.4% compared with 2003), contributed EUR 12.9 million to the Group's profits in 2004 (+17%).

For the whole TAITTINGER Group, the consolidated turnover for the financial year 2004 stood at EUR 842.8 million, EUR 738.4 of which was from the activities grouped under SOCIÉTÉ DU LOUVRE, up

9.3%. With a constant consolidation perimeter and exchange rates, the consolidated turnover was up more than 4%.

The overall net profit, as published by the company, came to EUR 40.4 million, Group share (63% increase compared with 2003), EUR 18.6 million of which came from the sale of real estate assets.

The profit equity-accounted by NPM/CNP eliminates these capital gains and also takes into account various adjustments caused by the IFRS norms; it therefore came to EUR 29.4 million for the whole TAITTINGER Group.

CONTRIBUTION TO :

	Restricted consolidation		Consolidated (transitive)	
	EUR Mio	%	EUR Mio	%
2004 operating profit	2.3	2.4%	7.4	4.6%
Adjusted net assets at 31/12/2004	183.2	4.6%	183.2	4.6%

KEY CONSOLIDATED FIGURES (EUR MILLION)

French norms	2002	2003	2004
Equity	328.7	334.3	365.5
Turnover	788.7	773.4	842.8
Net profit, group share	27.8	24.8	40.4
Dividend excluding tax credits/share (EUR)	2.53	2.60	3.50*

* Subject to the approval of the general meeting of shareholders.

SOCIÉTÉ DU LOUVRE operates in two sectors; hotels (budget and luxury through LOUVRE HÔTELS) and luxury products (BACCARAT and Parfums ANNICK GOUTAL).

SOCIÉTÉ DU LOUVRE

www.societedulouvre.fr

With 809 hotels (totalling almost 51,000 rooms) and restaurants, 32% of which are fully owned, the group is the second largest European budget hotel group through a network of three brand companies (CAMPANILE, PREMIÈRE CLASSE and KYRIAD). This division is experiencing steady growth through the opening of new hotels in France and other European countries.

This division realised a turnover of EUR 350 million in 2004, up 9.4%, and +2% with a constant consolidation perimeter and exchange rates.

In the luxury hotel business, the CONCORDE group operates 13 hotels in France, Belgium and Switzerland and runs an international network of 90 hotels located in most of the cities that are the most popular with businessmen and tourists.

CONCORDE's chain of hotels is concentrated in two of the world's most important tourist destinations: Paris, with 6 high class hotels, including the CRILLON and the LUTÉTIA, and the Côte d'Azur, with the MARTINEZ in Cannes and, since the start of 2004, the PALAIS DE LA MÉDITERRANÉE in Nice.

In 2004, although this division was affected by an unfavourable geopolitical climate, it realised a turnover of EUR 244.8 million (+10%).

The financial year 2004 was marked by the combining of the group's two hotel divisions within LOUVRE HOTELS, which from now on will be managed by a new manager, Mr Yann CAILLERE.



In recent years, BACCARAT, a worldwide player in the luxury crystal goods market, has expanded its design activities to jewellery. Through its worldwide chain of exclusive boutiques, BACCARAT has become a major international luxury goods brand, with considerable credibility in its business lines. In an unfavourable economic climate, marked particularly by the fall in the dollar, BACCARAT's consolidated turnover increased by 12.3%, and 15.9% with constant exchange rates, to EUR 124.1 million.

The turnover for Parfums ANNICK GOUTAL (EUR 8.9 million) slightly increased by 1% (1.8% with constant exchange rates).

Overall, in an especially difficult economic and monetary climate for the tourism and luxury goods sector, the GROUPE DU LOUVRE's consolidated turnover came to EUR 738.6 million, up 9.7% (4.3% with a constant consolidation perimeter and exchange rates). The net profit as published by the SOCIÉTÉ DU LOUVRE stood at EUR 66.5 million, group share, for 2004 (compared with EUR 28.6 million for the previous financial year), EUR 42.3 million of which is attributable to the sale of real estate assets.

The profit equity-accounted by NPM/CNP eliminates these capital gains and also takes into account various adjustments caused by the IFRS norms; it therefore came to EUR 28.9 million for the whole of the SOCIÉTÉ DU LOUVRE group.

CONTRIBUTION TO :

	Restricted consolidation		Consolidated (transitive)	
	EUR Mio	%	EUR Mio	%
2004 operating profit	2.1	2.2%	4.4	2.7%
Adjusted net assets at 31/12/2004	163.7	4.1%	163.7	4.1%

KEY CONSOLIDATED FIGURES (EUR MILLION)

French norms	2002	2003	2004
Equity	468.4	474.3	544.5
Turnover	692.1	673.5	738.6
Net profit, group share	76.2	28.6	66.5
Dividend excluding tax credits/share (EUR)	1.34	1.34	1.80*

* Subject to the approval of the general meeting of shareholders..

The TRANSCOR Group distributes and trades in oil products, natural gas, coal and coke. It has offices in North America, Europe and Asia and has contracted rental commitments on pipelines, storage facilities and oil tankers and, since January 2005, has owned a refinery located near Houston (Texas).

TRANSCOR

www.transcor.be

The past year was one of unprecedented volatility in all segments of the energy business. Rising energy requirements in the United States and Europe combined with remarkable increases in demand on the part of China and India to push prices to historically high levels. Concurrently, OPEC has successfully adopted a policy of production management that has permitted them to exercise more control over petroleum prices

and has kept prices in a relatively narrow, higher price band. These important fundamental aspects have been reinforced by political factors such as war in Iraq and general Middle East instability as well as uncertainties involving a key Russian player, a series of labor strikes in Nigeria etc.... With worldwide supply and demand precariously balanced, petroleum prices have had to absorb a continuing «political risk» premium. In addition, shipping rates reached levels never before seen in the industry, even in periods of crisis.

Fortunately, TRANSCOR's businesses have been able to adapt these new challenges. All divisions, except the Belgian activities, which ended the year with a EUR 3.5 million loss and underwent major management changes, performed very satisfactorily. In the traditional petroleum trading business, the gasoil trading operations were concentrated in Zug and strengthened; this initiative should have favorable impacts in the future. The Group added some vessels to its time-charter fleet during the year and continued to be very active in the freight markets overall; this activity was an important contributor to the Group's profitability. The Dallas natural gas operation achieved very good results in a difficult market situation. Likewise, the Calgary



office continued their successful track record and we began several new blending operations in Canada that are expected to become a more important part of future operations. But the most significant event of the past year was definitely the entry into a processing deal with CROWN CENTRAL's refinery located near Houston (Texas). Starting with a single cargo processing agreement in March, the TRANSCOR Group progressively developed its activities

in this business and, in the second half of the year, represented 100% of the processing capacity of the refinery.

Due to the evolution of the refining margins, this agreement resulted in very significant profits in 2004; it accounted for approximately 40% of the gross margin of the year, boosting the Group's consolidated net profit to a EUR 42.3 million all-time-high level.

This processing agreement had been entered into as part of a due diligence process which eventually led, in January 2005, to the purchase, by PASADENA REFINING SYSTEM, an indirect subsidiary of the ASTRA/TRANSCOR Group, of the refinery itself for an amount of USD 42.5 million and the associated inventories.

This refinery is capable of processing up to 117,000 barrels per day of low sulfur crude and feedstocks. It is a high conversion refinery that yields approximately 90% light products (gasoline and distillate fuels).

The Group's management is confident that PRS will become an important part of TRANSCOR's future business and will add very significant value to its trading activities.

CONTRIBUTION TO :

	Restricted consolidation		Consolidated (transitive)	
	EUR Mio	%	EUR Mio	%
2004 operating profit	6.2	6.7%	35.0	21.6%
Adjusted net assets at 31/12/2004	100.4	2.5%	100.4	2.5%

KEY CONSOLIDATED FIGURES (EUR MILLION)

	2002	2003 (IFRS)	2004 (IFRS)
Equity	90.0	96.0	122.0
Turnover	3,903	4,595	6,239
Net profit, group share	22.0	23.5	42.3
Dividend	5.0	6.2	7.5

With 399 restaurants, 287 of which are franchised, QUICK is the fast food market leader in Belgium and is number 2 in France.

QUICK

www.quick-restaurants.com

In a mediocre economic context and a slightly negative fast food market, 2004 was a record year for QUICK, with the efforts made over three years bearing fruit and resulting in a much improved operational performance.

The strategy of downsizing the network, namely by closing down unprofitable restaurants, was continued. At the end of 2004, only 4 of the restaurants affected by the initial plan of 90 closures remained.

In Belgium, a very large increase in operating profits resulted from a series of measures such as the introduction of a new management team, the accelerating of franchising operations, increased advertising pressure with a new campaign focused on taste and the launching of products that have been tried and tested in France, such as the Suprême Cheese.

In France, QUICK continued its strategy of reinforcing its core business by launching products in the burger range and expanding its range with products meeting the current dietary concerns of our consumers, such as large salads.

QUICK also acquired 50% of the SERRAC Joint Venture, which belonged to the ELIOR group, and strengthened its position in the property field by buying the property of 32 restaurants. In this context, the QUICK brand company's sales grew by 3.6% in 2004 to EUR 722 million. Sales in France and Belgium grew by 4.2% and 10.2% respectively with a constant consolidation perimeter.



Finally, QUICK's operating cash flow stood at 20.7% of its turnover, compared with 18.6% in 2003. For the third year in a row, the EBIT has very significantly improved (EUR 36.4 million compared with EUR 23.6 million in 2003). The operating profit before tax went from EUR 18.7 million to EUR 33 million during the same period. The net operating profit for the group stood at EUR 30.2 million, which is more than double the figure for the previous year (EUR 12.9 million).

Under IFRS (standards applied at NPM/CNP level), the 2004 net profit stands at EUR 14.6 million, mainly due to deferred tax impacts.

In light of this performance, at the annual general meeting the board of directors will propose the distribution of a total dividend of EUR 0.50 per share.

In 2005, QUICK will aim at increasing its profits, concentrating on developing its turnover, continuing its development strategy by opening around 10 restaurants and revamping around forty existing sites, continuing its marketing strategy in terms of new products and advertising pressure, focusing on its competitive advantage: taste, constantly looking for products that cater for considerations of dietary balance and creating a more deliberate international strategy.

CONTRIBUTION TO :

	Restricted consolidation		Consolidated (transitive)	
	EUR Mio	%	EUR Mio	%
2004 operating profit	0.6	0.6%	4.1	2.6%
Adjusted net assets at 31/12/2004	75.2	1.9%	75.2	1.9%

KEY CONSOLIDATED FIGURES (EUR MILLION)

Belgian norms	2002	2003	2004
Equity	75.1	154.6	182.9
Turnover*	256.7	263.8	286.7
Net profit, group share	(9.2)	12.9	30.2
Dividend per share (EUR)	-	0.10	0.50**

* Sales and franchise income.

** Subject to the approval of the general meeting of shareholders.

CHÂTEAU CHEVAL BLANC, which is jointly controlled by NPM/CNP and Mr Bernard Arnault, produces the prestigious Saint-Émilion of the same name.

RASPAIL / CHEVAL BLANC

www.chateau-chevalblanc.com

The CHEVAL BLANC vineyard covers approximately 37 hectares in the Saint-Émilion wine-growing region. In addition to CHEVAL BLANC, a Saint-Émilion Premier Grand Cru Classé A, the estate produces a second wine known as PETIT CHEVAL.

The current shareholders purchased the estate at the end of 1998 and they are naturally continuing the high-quality wine growing and production methods put in place by the founders of the estate, the FOURCAUD-LAUSSAC family. Their ambition is to sustain and develop their philosophy. In this context, they deemed it prudent to hold back a certain quantity when selling their wines, in order to provide the château with a stock of previous vintages to compensate for any lack of production in years when the wine produced does not meet the high quality targets that the estate has set itself.

2004 was marked by the following events at CHEVAL BLANC:

- At the beginning of the year, the blending of the product of the 2003 harvest produced a very high quality wine, at the cost, however, of a very small quantity of CHEVAL BLANC (65,000 bottles), linked to poor weather conditions during flowering in the spring of 2003 and the extreme dryness of the summer that followed;
- Given the unfavourable context that prevailed during the primeur campaign of spring 2003 (war in Iraq, low market prices, tense Franco-American relations), CHEVAL BLANC deferred the selling of its 2002 vintage to March 2004, at the price of EUR 105,



representing a limited fall of 19% compared with the 2001 vintage. The primeur campaign of April/May 2004 (2003 vintage) took place in better conditions than that of the previous year and allowed the selling of the CHEVAL BLANC 2003 at the price of EUR 160, getting back to the historically high price of the 2000 vintage;

- The 2004 grape harvest produced a quantity 25% above the average of very high quality grapes; the

blending carried out at the beginning of 2005 confirms this trend.

The 2004 profits, recording the deliveries of the entire, not very abundant, 2002 vintage, and the sales of older vintages, came to EUR 9.9 million before tax, compared with EUR 9.1 million in 2003 at CHEVAL BLANC level.

CHÂTEAU CHEVAL BLANC is jointly held by the NPM/CNP group through a structure which calls on bank loans of EUR 50 million at the level of RASPAIL INVESTISSEMENTS.

After deduction of the financial and tax burden, the net profit of the acquisition holding, RASPAIL INVESTISSEMENTS, stood at EUR 3.9 million, after payment of interests (EUR 2.3 million) on advances granted by shareholders.

CONTRIBUTION TO :

	Restricted consolidation		Consolidated (transitive)	
	EUR Mio	%	EUR Mio	%
2004 operating profit	0.9	1.0%	2.5	1.5%
Adjusted net assets at 31/12/2004	33.8	0.9%	33.8	0.9%

KEY CONSOLIDATED FIGURES (EUR MILLION)

RASPAIL INVESTISSEMENTS	2002	2003 (IFRS)	2004 (IFRS)
Equity	7.1	10.2	14.1
Turnover	11.2	12.4	14.2
Net profit, group share	2.0	3.1	3.9
Dividend	-	-	-

CHÂTEAU RIEUSSEC is jointly owned by NPM/CNP and DOMAINES BARONS DE ROTHSCHILD (LAFITE); the company operates the RIEUSSEC vineyard, which produces a Sauternes Premier Grand Cru. It also fully owns CHÂTEAU L'ÉVANGILE (Pomerol) and 55% of QUINTA DO CARMO, one of the leading Portuguese vineyards.

CHÂTEAU RIEUSSEC

CHÂTEAU RIEUSSEC produces the famous Premier Grand Cru Classé of the same name and a second wine, CARMES DE RIEUSSEC, on its 90-hectare vineyard in the Sauternes appellation. The spring 2004 «primeur» campaign, marketing the 2003 vintage, was very dynamic, thanks to the wine's exceptional quality. A record volume was sold due to an abundant harvest. The Grand Vin's primeur exit price of EUR 22 was slightly less than that of the previous vintage, owing to the doubling of the quantities sold. The 2004 harvest marked a return to a more traditional vintage both quantitatively and qualitatively, as the climatic conditions were not ideal for the production of sweet, strong wines. It is worth noting that the 2001 vintage has just been named "Wine of the Vintage" by Wine Spectator.

CHÂTEAU L'ÉVANGILE, which has a 14-hectare vineyard in the Pomerol appellation, produces a first wine, L'ÉVANGILE, and a second wine named BLASON DE L'ÉVANGILE. The 2003 vintage of L'ÉVANGILE was sold en primeur in spring 2004 at a stable price of EUR 60 in small volumes owing to particularly restricted production.



The building of the new cellar was completed. It contains all the property's technical facilities, including a fermenting room facilitating parcel selection and an underground barrel cellar.

The 2004 harvest, which is abundant and of an excellent quality, was vinified in this new cellar, operational since harvest, and is showing great potential.

QUINTA DO CARMO, whose vineyard has now reached maturity (150 hectares), felt the effects of international competition, and in particular the weakness of the dollar, despite its unanimously acknowledged high quality. The company also suffered from the sharp fall in bulk selling prices. The volumes sold increased, however, owing to the stepping up of sales actions.

CHÂTEAU RIEUSSEC's consolidated net profit stood at EUR 2.4 million in 2004 (compared with EUR 1.4 million a year earlier); this includes the recording in the accounts of sales of the RIEUSSEC 2001 and L'ÉVANGILE 2002 vintages.

CONTRIBUTION TO :

	Restricted consolidation		Consolidated (transitive)	
	EUR Mio	%	EUR Mio	%
2004 operating profit	0.8	0.9%	1.3	0.8%
Adjusted net assets at 31/12/2004	22.3	0.6%	22.3	0.6%

KEY CONSOLIDATED FIGURES (EUR MILLION)

	2002	2003 (IFRS)	2004 (IFRS)
Equity	38.0	38.7	39.7
Turnover	8.6	4.5	8.3
Net profit, group share	3.5	1.4	2.4
Dividend	0.7	1.4	n.a.

The JOSEPH group is held by PROJECT SLOANE and has its head office in London. It creates luxury, innovative ready-to-wear garments and accessories, distributed in 62 owner-managed sales outlets in Europe, Asia and the United States and through an international network of specialised distributors

PROJECT SLOANE / JOSEPH

www.joseph.co.uk

In financial terms, 2004 was marked, for the JOSEPH group, by the restoring of its profitability; this took a turn for the worst in 2003, owing mainly to the considerable fall in the Pound against the Euro, which is the main production supply currency.

The new sourcing for production, without compromising the quality of the products, which has always been a factor in JOSEPH's success, and the benefits of a new computer system ensuring better management and closer monitoring of stocks, have led to a considerable improvement in the gross margin, which went from 56.1% to 58.3% in the course of the financial year.

Par ailleurs, des efforts de rationalisation des points de vente, réduits de 66 à 62, ont permis de maintenir les coûts d'exploitation quasiment stables.



In addition, rationalisation operations reducing the number of sales outlets from 66 to 62 helped to keep operating costs more or less stable.

This did not prevent the turnover from growing by 1.4% to GBP 69.4 million, in particular owing to the well received autumn/winter collection.

After application of the IFRS norms, the profit before financial and tax burdens for 2004 came to GBP 10.6 million, compared with GBP 6.7 million a year earlier; at the same time, the net profit, Group share, grew from GBP 1.4 million to GBP 4.6 million.

At the end 2004, JOSEPH's management drew up a medium-term plan whose aim is to continue improving the Group's profitability over the years to come.

CONTRIBUTION TO :

	Restricted consolidation		Consolidated (transitive)	
	EUR Mio	%	EUR Mio	%
2004 operating profit	4.5	4.7%	4.3	2.7%
Adjusted net assets at 31/12/2004	38.9	1.0%	38.9	1.0%

KEY CONSOLIDATED FIGURES (GBP MILLION)

PROJECT SLOANE	March 03	2003 (IFRS)	2004 (IFRS)
Equity	34.8	36.2	35.6
Turnover	63.7	68.4	69.4
Net profit, group share	(0.8)	1.4	4.6
Dividend	4.7	4.7	4.7

DISTRIPAR operates airport shops through its subsidiary BELGIAN SKY SHOPS and has an 80% shareholding in VANPARYS, a chocolate producer/distributor, and a 50% stake in PLANET PARFUM, a company dedicated to the selective distribution of perfume and cosmetics.

DISTRIPAR

BELGIAN SKY SHOPS

BELGIAN SKY SHOPS' turnover was up 3.4% on the financial year 2003. In general, the turnover has been negatively affected by the fall in the sale of cigarettes, whose consumption is decreasing throughout Europe. BELGIAN SKY SHOPS has strengthened its BRUSSELS SOUTH CHARLEROI AIRPORT (2 million passengers in 2004) activity. The end of 2004 saw the acquiring by the Australian company MACQUARIE of 70% of BIAC's capital, BIAC being the company that operates Brussels National Airport.

The arrival of MACQUARIE as the operator of Brussels National Airport should have a doubly positive effect on BSS' activity, owing to the increase in passenger numbers and the importance attached by MACQUARIE to retail activity within the airport.

VANPARYS

VANPARYS produces and distributes CORNE PORT-ROYAL own-brand products through exclusive sales outlets in Belgium and France. Its turnover fell by 22% following the loss of an important customer. 2004 therefore saw a focus on rationalisation and improving the turnover.



2005 will see the completion of the plan of investment in the production tool, which, coupled with a new growth in turnover, will put the company back on the track of normal profitability.

PLANET PARFUM

The PLANET PARFUM brand company covers the whole of Belgium, with 61 points of sale

and a turnover of EUR 75 million. The company has moved its administrative and logistics headquarters to the Anderlecht site, which is better suited to its activities.

Globally, the net consolidated profit of DISTRIPAR amounts to EUR 3.2 million (under IFRS), after payment of EUR 0.3 million of interest expenses on advances granted by shareholders.

CONTRIBUTION TO :

	Restricted consolidation		Consolidated (transitive)	
	EUR Mio	%	EUR Mio	%
2004 operating profit	0.3	0.3%	3.5	2.2%
Adjusted net assets at 31/12/2004	26.5	0.7%	26.5	0.7%

KEY CONSOLIDATED FIGURES (EUR MILLION)

	2002	2003 (IFRS)	2004 (IFRS)
Equity	3.2	8.6	14.8
Turnover	134.2	144.0	144.7
Net profit, group share	(2.5)	4.3	3.2
Dividend	-	-	n.a.

IJSBOERKE is the leading Belgian ice cream brand and is the leader or challenger in all Belgium's sales channels. At European level, it is becoming increasingly established as the preferred supplier for developing and producing sophisticated, innovative and customised private label products.

IJSBOERKE

www.ijsboerke.be

IJSBOERKE's activities include:

- The production of IJSBOERKE and private label ice cream;
- Homes sales of its products using 130 lorries that operate daily throughout Belgium and Luxembourg, making deliveries to private individuals (180,000 families), hotels, restaurants and catering companies (7,000 establishments) and local authorities.



2004 was an excellent year, despite the weather, which may be described as «normal», especially compared with the year 2003, which was exceptional in this respect:

- The sales volume increased by 6% to cross the 20 million litre mark;
- The turnover, up 3%, was close to EUR 50 million, thanks to a growth in private label sales and a quasi status quo in the other channels;
- The operating profit reached EUR 2.9 million, down 14% compared with 2003, mainly because of the increase in marketing expenditure;

- The net profit stood at EUR 2.8 million, a 34% decrease compared with the previous year, in the absence of exceptional profit.

For the first time in many years, IJSBOERKE has halted the decline in the number of customers in the homes sales channel. These sales even grew by 1.8% compared with 2003, despite the significant effect of that year's heat wave.

In mass distribution, IJSBOERKE increased its market share in Belgium and strengthened awareness of its brand.

Now that the various restructuring operations and changes carried out in recent years have borne fruit and improved the company's long-term health, in 2005 IJSBOERKE will be concentrating on internal, and even external, growth, if advantageous opportunities arise.

CONTRIBUTION TO :

	Restricted consolidation		Consolidated (transitive)	
	EUR Mio	%	EUR Mio	%
2004 operating profit	0.6	0.7%	2.3	1.5%
Adjusted net assets at 31/12/2004	18.1	0.5%	18.1	0.5%

KEY CONSOLIDATED FIGURES (EUR MILLION)

	2002	2003 (IFRS)	2004 (IFRS)
Equity	15.0	22.6	17.1
Turnover	42.7	47.6	49.1
Net profit, group share	0.3	2.9	2.3
Dividend	-	0.6	n.a.

The ENTREMONT Group is the world's leading producer and maturer of French hard pressed cheeses (Emmental, Comté and Beaufort). Through its subsidiary EUROSERUM, it has become the world's largest producer of demineralised lactoserum for infant and health food.

FEM/ENTREMONT

www.entremont.fr

The intense competition and the revising of the Common Agricultural Policy have had a strong impact on the ENTREMONT Group's profits, although the effects of its strategic plan intended to adapt the company to this environment will not be fully felt until 2005.

The effects of the revising of the CAP began to be felt in 2002 with the fall in the value of industrial products (butter and powdered milk). Through the domino effect, this had repercussions in 2004 on the UHT milk and Emmental markets, which were both hit by a price war.

Negotiations with milk producers led to a fall in its purchase price of 3% compared with 2003, which partially compensates for the losses experienced on the industrial products market over the last two years, but not those resulting from the fall in Emmental prices.

It is in this context that the Group implemented its strategic plan, whose objectives are to reduce costs and refocus on added-value products through:

- The reduction of its milk procurement (200 million litres for the last 2 years) in order to limit butter/powdered milk activity as much as possible;
- The starting up of its new cheese dairy in Montauban;
- The rationalising and automating of its packaging tools;
- The closing down of workshops and sites;
- The reduction of logistics costs;



- The relaunching of the ENTREMONT brand;
- The sale of the Italian subsidiary PARMAREGGIO and of a German cheese dairy;
- The creation of BEURALIA, for butter activity, with UNICOPA and SODIAAL.

These measures have not yet had the anticipated effect on the company's operating profit; this fell by 30% to EUR 11.3 million out a turnover of EUR 1.1 billion. Thanks to the capital gains on disposals, the net profit has refound its equilibrium, with a profit of EUR 2 million compared with a loss of EUR 4.7 million last year.

The ENTREMONT Group's net indebtedness fell very significantly, going from EUR 278 million to EUR 196 million, owing to the sale of assets, the reduction of stocks and the capital increase of EUR 20 million realised by the shareholder FEM.

In 2005, ENTREMONT will pursue its industrial optimisation plan and maintain sustained investment in its brand. The crisis caused by the CAP in many dairy markets will make certain operators more receptive to forming alliances. The Group will be prepared to grasp those partnership opportunities that will allow the rationalising of the sector.

At the level of FEM, the holding company which owns 100% of ENTREMONT, the net profit (IFRS) consolidated into NPM/CNP's accounts shows a loss of EUR 39.9 million after an impairment of EUR 29.4 million booked on the acquisition goodwill of ENTREMONT.

CONTRIBUTION TO :

	Restricted consolidation		Consolidated (transitive)	
	EUR Mio	%	EUR Mio	%
2004 operating profit	-	-	(16.2)	(10.0)%
Adjusted net assets at 31/12/2004	-	-	-	-

KEY CONSOLIDATED FIGURES (EUR MILLION)

FEM	2002	2003 (IFRS)	2004 (IFRS)
Equity	42.6	1.1	(15.8)
Turnover	1,219.7	1,134.7	1,060.9
Net profit, group share	(0.8)	(7.6)	(39.9)
Dividend	-	-	-

Electrabel belongs to the leading group of European power companies and is the biggest on the Benelux market. Supporting its sales, in Europe Electrabel manages a diversified generation system and is involved in trading on all the energy markets. In Belgium it operates electricity and natural gas networks for distribution system operators.

ELECTRABEL

www.electrabel.com

ELECTRABEL confirmed its position as one of the foremost European power companies. For the first time, more than half of its electricity sales came from outside Belgium. Total electricity sales stood at 155 terawatt-hours (TWh). Its objective of doubling the 1999 sales volume (74 TWh), which was set in 2000, has therefore been largely exceeded. Total natural gas sales increased to 112 TWh, up 20%.



The company has set itself two major challenges: stabilising its market shares in Belgium and developing its positions in Europe. In Belgium, its position remains heavily dependent on a complex and unstable institutional and regulatory environment. In Europe, the gradual emergence of a real «internal energy market» and the price increases in the electricity, natural gas and other fuel markets are decisive factors in its continued

deployment. However, ELECTRABEL has already largely demonstrated its ability to manage risks and grasp the opportunities presented by the market, in accordance with strict profitability criteria and sustainable development principles.

The net operating profit (group share) stood at EUR 1,019 million in 2004, up 15.5%. The changes imposed by the law of 11 April 2003 concerning provisions created for the dismantling of nuclear power stations and for the management of irradiated fissile material translated into an exceptional cost. The consolidated net profit stood at EUR 945 million, down 6.2%.

Her aim is to grow at a faster pace than the market. By 2009, it should have a 35,000 MW production capacity and bring its electricity sales volumes to 200 TWh. To achieve this, it plans to invest EUR 4 to 5 billion in new production capacity projects in Benelux, but also in France, Italy and the Iberian Peninsula.

ELECTRABEL's activities comply with the objectives of the Kyoto Protocol. It has a generation system producing 28,200 MW, 41% of which does not generate any carbon dioxide emissions. In addition, renewable energy represents around 15% of its production resources. ELECTRABEL is the leading producer of green energy in Belgium.

Belgium is now one of the most dynamic energy markets in Europe. Since the liberalisation of the residential market in Flanders in July 2003, more than half of the eligible consumers actively chose an electricity supplier. Nearly 80% of these "active" customers opted for ELECTRABEL. This confirms the soundness of its business strategy.

CONTRIBUTION TO :

	Restricted consolidation		Consolidated (transitive)	
	EUR Mio	%	EUR Mio	%
2004 operating profit	2.0	2.1%	2.0	2.1%
Adjusted net assets at 31/12/2004	43.1	1.1%	43.1	1.1%

KEY CONSOLIDATED FIGURES (EUR MILLION)

	2002	2003	2004
Equity	5,110	5,179	5,282
Turnover	9,390	10,845	12,148
Net profit, group share	1,101	1,007	945
Dividend / share (EUR)	14.50	15.00	15.76*

* Subject to the approval of the general meeting of shareholders.

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Glossary

Restricted consolidation

As a supplement to the consolidated accounts, since 1990, NPM/CNP has been publishing (and will continue to publish) a restricted consolidation analysis; this is based on Belgian accounting principles and is presented as the Group share; the consolidation perimeter is limited and does not include either PARGESA or the industrial or commercial companies in which NPM/CNP has a shareholding, including controlling shareholdings. Based mainly on cash flow elements, it allows shareholders and analysts to see, on a comparable basis, the development of the profits generated by the group, as a holding company, from its portfolio of activities, independently of the equity-accounting or consolidation of one shareholding or another.

The shareholdings contribute to the profits in an amount equal to the dividends paid to the NPM/CNP Group.

Consolidated

Perimeter within which, unlike restricted consolidation, the PARGESA Group and the industrial or commercial shareholdings are consolidated, globally in the case of control (DISTRIPAR, IJSBOERKE, FEM/ENTREMONT, PROJECT SLOANE/JOSEPH and TRANSCOR) and proportionally in the case of joint control (PARGESA and its subsidiaries, QUICK, RASPAIL / CHEVAL BLANC and RIEUSSEC), or are equity-accounted in the case of significant influence (TAITTINGER/LOUVRE, held directly, and BERTELSMANN, through PARGESA). The consolidated accounts are prepared according to IFRS norms.

I.F.R.S. (International Financial Reporting Standards)

New accounting principles applicable to NPM/CNP Group's consolidated accounts since 2004; NPM/CNP also publishes comparative figures for the financial year 2003.

Operating profit

Portion of the net profit (Group share) resulting from an economic analysis, excluding the capital profit.

Capital profit

Portion of the net profit (Group share) resulting from an economic analysis that includes the capital gains or losses and impairments on shareholdings and activities or operations of a particular kind.

Adjusted net assets per share

Net book assets per share adjusted according to the principles described on page 23.

This is in no way a valuation of NPM/CNP's shares, but a basis for evaluation in which only the listed assets are revalued at their fair value; it is therefore up to the market to estimate the value of NPM/CNP's shares on this basis, by replacing the book value of the unlisted assets (including BERTELSMANN) with the value that it intends to assign to them.

Total Performance for Shareholders

Cumulated annual internal rate of return realised both in the form of a dividend and an increase in the adjusted net assets. Used as an internal performance measuring instrument (see pages 24 to 27).

Non diluted earnings per share

Earnings per share excluding the potential effect of the exercising of the stock option plans.

Fully diluted earnings per share

Earnings per share taking into account outstanding stock options.



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