PARGESA
GBL
IMERYS
TOTAL
SUEZ
LAFARGE
PERNOD RICARD
TRANSCOR ASTRA GROUP
M6
GRUPPO BANCA LEONARDO
GROUPE FLO
DISTRIPAR
ENTREMONT ALLIANCE

Annual Report 2006

CHEVAL BLANC
ARKEMA
TIKEHAU
RIEUSSEC
IJSBOERKE
TRASYS

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 incorporated in Belgium, listed on EURONEXT Brussels and controlled by the FRÈRE family.

Mission statement

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 (TRANSCOR ASTRA GROUP, DISTRIPAR, UNIFEM / ENTREMONT ALLIANCE, IJSBOERKE), consolidated proportionally (TRASYS and FLO through GIB, RIEUSSEC / L'EVANGILE and CHEVAL BLANC), equity accounted (GRUPPO BANCA LEONARDO, TIKEHAU) or other shareholdings that are more limited in terms of percentage but are often worth more (TOTAL, M6, ARKEMA);
- or through the PARGESA / GBL Group, over which NPM/CNP exercises joint control with the POWER Group (Canada), which controls IMERYS and holds major shareholdings in international companies (TOTAL, SUEZ, LAFARGE, PERNOD RICARD).

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:

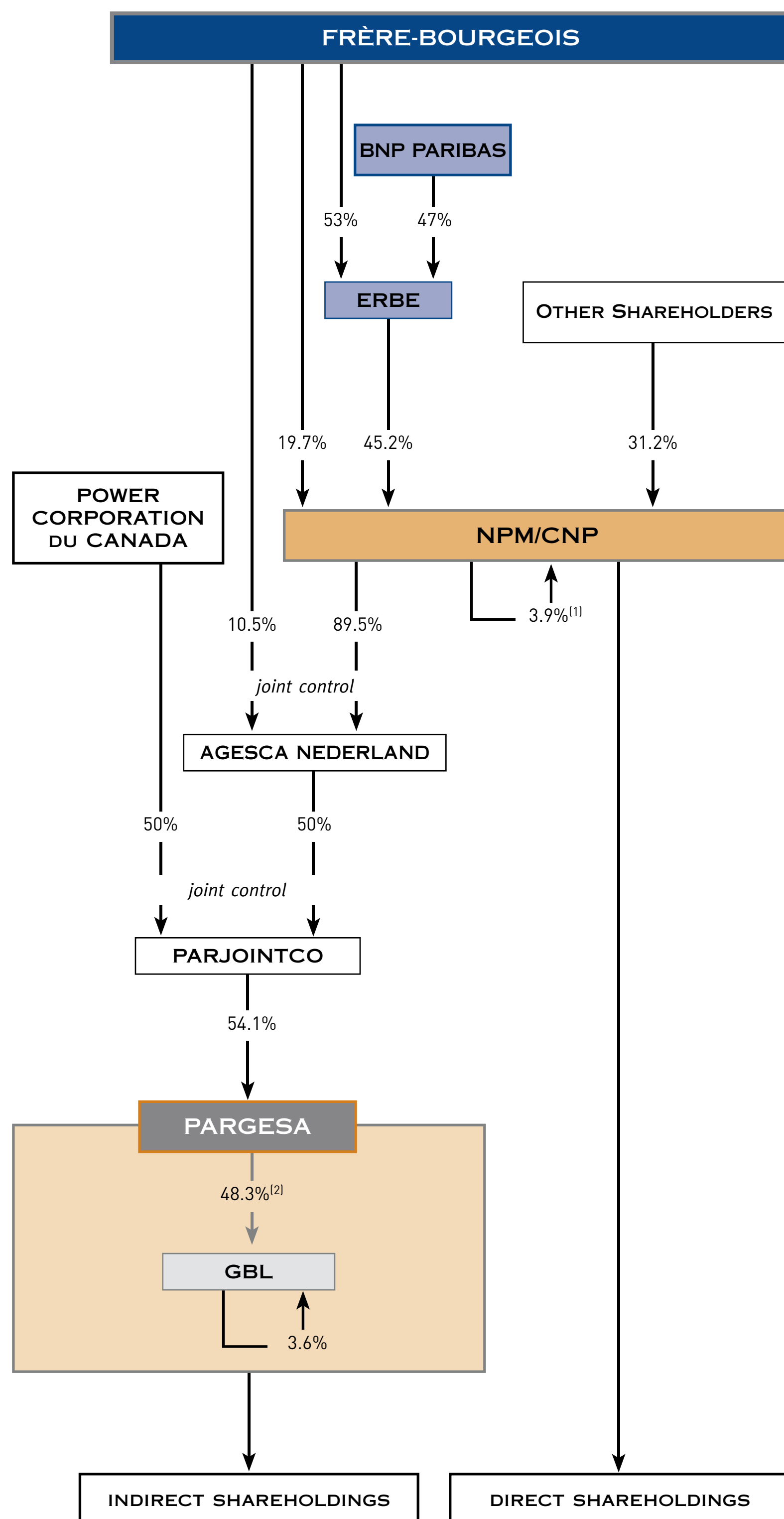
- are within the consolidation perimeter (consolidated, proportionally consolidated or equity-accounted shareholdings);
- are outside the consolidation perimeter.

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.

GROUP STRUCTURE AND SHAREHOLDERS

This organisation chart, presented here as at 31 December 2006, is regularly updated on the NPM/CNP website (www.npm-cnp.be).



(1) Stock option plan on 3.5% of the capital.
(2) More than 50% of the voting rights.

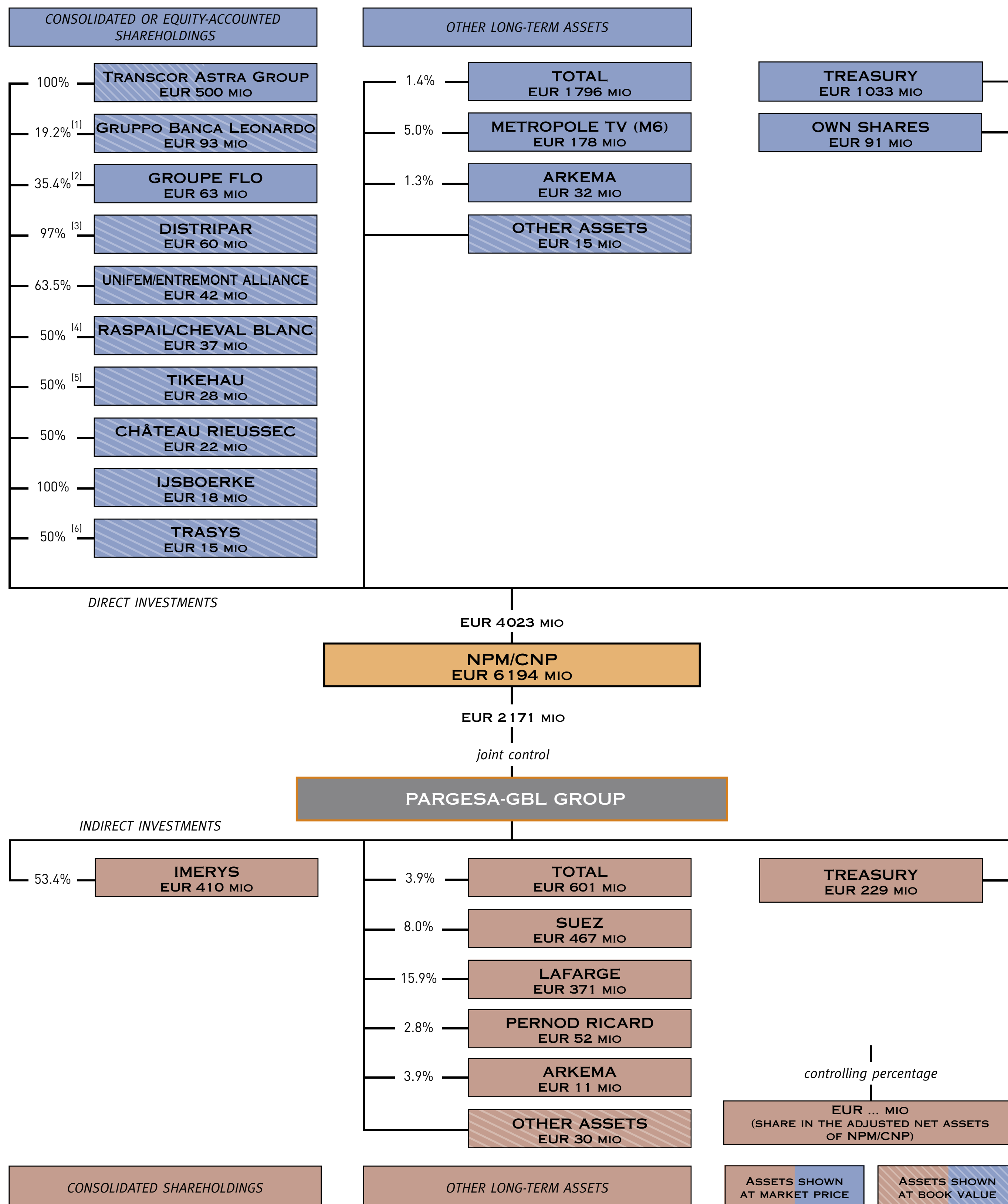
NPM/CNP is the listed entity of the Group commonly known as the 'Groupe de Charleroi'. Controlled by Baron FRÈRE and his family, it consists of three levels:

- FRÈRE-BOURGEOIS, the parent company, whose capital is owned by the FRÈRE family;
- partnership with leading Group: ERBE (and its 100% subsidiary FINGEN) 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.

GROUP ASSETS AS AT 31 DECEMBER 2006

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



(1) 15% voting rights.

(2) FINANCIÈRE FLO, 66% controlled by GIB, owns 70.8% of GROUPE FLO; economic percentage: 23.4%.

(3) 100% of voting rights.

(4) Through an 80% subsidiary; economic percentage: 40%

(5) NPM/CNP owns 50% of TIKEHAU CAPITAL ADVISORS and 20.9% of the investment company, TIKEHAU CAPITAL PARTNERS.

(6) FINANCIÈRE TRASYS, 92% held by GIB, owns 100% of TRASYS; economic percentage: 46%.

CONTENTS

Report submitted to the Ordinary General Meeting of 19 April 2007

Annual Report

Group Structure and Shareholders . . . . . under front cover
Group Assets . . . . . under front cover
Financial highlights 2
Stock market data and Shareholders' calendar 4
Breakdown and evolution of the adjusted net assets 5
Message to shareholders 6
Main events of the past ten years 14
Directors' report
- Main events of the 2006 financial year and the first months of 2007 16
- Results 19
- Prospects and dividend policy 22
- Appropriation of profit 22
- Adjusted net assets and Total Performance for Shareholders 23
- Main risk factors 28

General Meeting 32
Corporate governance
- Composition of the Board of Directors 34
- Presentation of the directors 36
- Independent directors 38
- Report on the activities of the Board of Directors, and of the committees 39
- Remuneration of directors 41
- Executive Management 43
- Other elements 45

Account auditing 47
Societal and environmental policy 48
Staff and organisation 49
- Long-term staff motivation scheme 51

Legal notices 52
Major shareholdings 55
PARGESA Group 57
- Consolidated shareholdings 60
- Other shareholdings 61

Direct shareholdings 66
- Consolidated or equity-accounted shareholdings 67
- Other shareholdings 77

Consolidated annual accounts 79
Non consolidated annual accounts 137
General information about the company 140
Glossary . . . . . under back cover

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 (available upon request or on the Company website www.cnp.be) alone is therefore authoritative.

Value

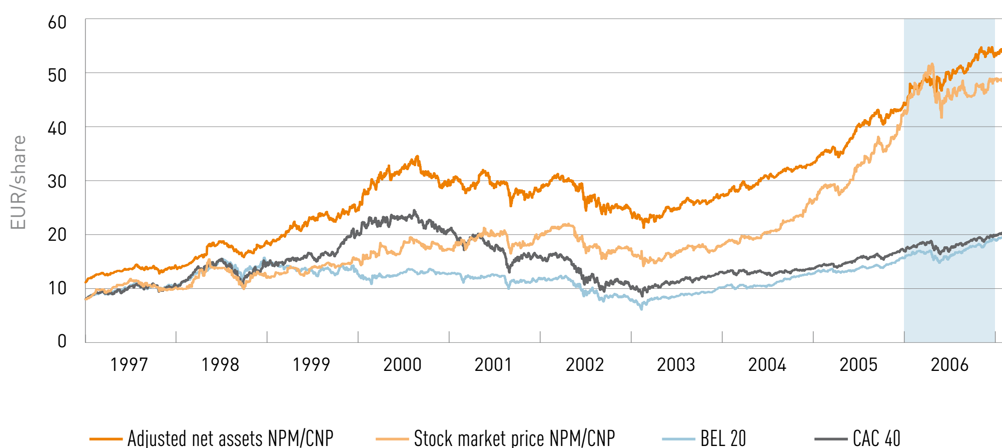
The data shown in the table hereunder take into account the split of the NPM/CNP securities decided by the General Meeting of shareholders of 20 November 2006; the historical data have been recalculated and are expressed as new share equivalents.

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Adjusted net assets (EUR million)	2,172	2,514	3,186	3,601	3,452	2,999	3,292	3,965	4,909	**6,194**
Annual TPS[1]	28.4%	33.1%	43.0%	19.0%	-2.5%	-11.3%	11.9%	22.5%	33.1%	**27.6%**
Number of shares (,000)	162,240	138,000	124,446	120,000	120,000	120,000	120,000	120,000	113,180	**113,180**
Adjusted net assets per share (EUR)	13.98	18.22	25.60	30.01	28.76	25.00	27.43	33.05	43.38	**54.73**
Annual TPS [1] per share (adjusted net assets)	27.2%	33.4%	43.0%	19.0%	-2.5%	-11.3%	11.9%	22.5%	33.1%	**27.6%**
Stock market price (+ high)	11.86	15.49	15.83	19.82	21.30	22.17	18.28	26.27	40.53	**51.98**
(+ low)	8.02	9.71	12.00	14.17	15.17	15.33	14.17	17.50	25.45	**40.33**
(close)	10.08	12.40	15.50	17.23	19.73	17.67	17.50	26.00	40.38	**48.86**
Annual TPS [1] per share (stock market price)	27.1%	27.2%	28.7%	14.2%	17.1%	-7.9%	2.1%	52.8%	57.8%	**22.6%**

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

Evolution over the last 10 years

(Base = price at 01/01/1997)



Results

The data shown in the table hereunder take into account the split of the NPM/CNP securities decided by the General Meeting of shareholders of 20 November 2006; the historical data have been recalculated and are expressed as new share equivalents.

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Restricted consolidated profit (EUR million)										
operating profit	70.7	83.6	140.6	87.1	85.0	77.1	92.7	94.7	123.7	**135.3**
net profit	90.7	508.2	615.6	88.2	108.2	99.9	125.1	157.2	464.6	**417.9**
Average number of shares considered (,000 shares)	152,040	143,694	131,982	121,338	120,000	120,000	120,000	120,000	119,570	**113,180**
Restricted consolidated profit per share (EUR)										
operating profit	0.47	0.58	1.07	0.72	0.71	0.64	0.77	0.79	1.03	**1.19**
net profit	0.60	3.54	4.66	0.73	0.90	0.83	1.04	1.31	3.89	**3.69**
Consolidated profit (Belgian GAAPs) (EUR million)										
operating profit	119.9	105.5	162.8	128.2	111.0	104.1	123.4	n.a.	n.a.	**n.a.**
net profit	190.9	603.1	759.2	145.3	169.1	61.9	166.6	n.a.	n.a.	**n.a.**
Average number of shares considered (,000 shares)	152,040	143,694	131,982	121,338	120,000	120,000	120,000	n.a.	n.a.	**n.a.**
Consolidated profit (Belgian GAAPs) per share (EUR)										
operating profit	0.79	0.73	1.23	1.06	0.93	0.87	1.03	n.a.	n.a.	**n.a.**
net profit	1.26	4.20	5.75	1.20	1.41	0.52	1.39	n.a.	n.a.	**n.a.**
Consolidated data (IFRS) (EUR million)										
operating profit (group share)							137.9	161.8	243.5	**321.2**
net profit (group share)							212.3	298.8	600.6	**912.4**
Average diluted number of shares considered (,000 shares)							115,896	109,896	110,893	**111,568**
Diluted earnings per share (IFRS) (EUR)										
operating profit							1.19	1.47	2.20	**2.88**
net profit							1.83	2.72	5.42	**8.18**
Dividends (EUR)										
gross dividend per share	0.43	0.45	0.47	0.49	0.51	0.54	0.57	0.60	0.64	**0.68***

* Subject to approval by the annual general meeting of 19 April 2007.

Stock market data

Financial instruments listed on Euronext Brussels

- shares

  ISIN Code: BE0003845626
  Ticker: NAT
  Number of shares: 113,179,782

- VVPR Strips

  ISIN Code: BE0005603742
  Ticker: NATS
  Number of VVPR strips: 8,761,188

NPM/CNP is part of BEL20 index since 01 March 2006.

The NPM/CNP securities (shares and VVPR strips) have been split in 6 following a decision by the Extraordinary Shareholders' Meeting of 20 November 2006.

Consequently, the number of shares representing the capital of the NATIONALE PORTEFEUILLEMAATSCHAPPIJ/ COMPAGNIE NATIONALE À PORTEFEUILLE and the number of existing strips were multiplied by 6 on the same date.

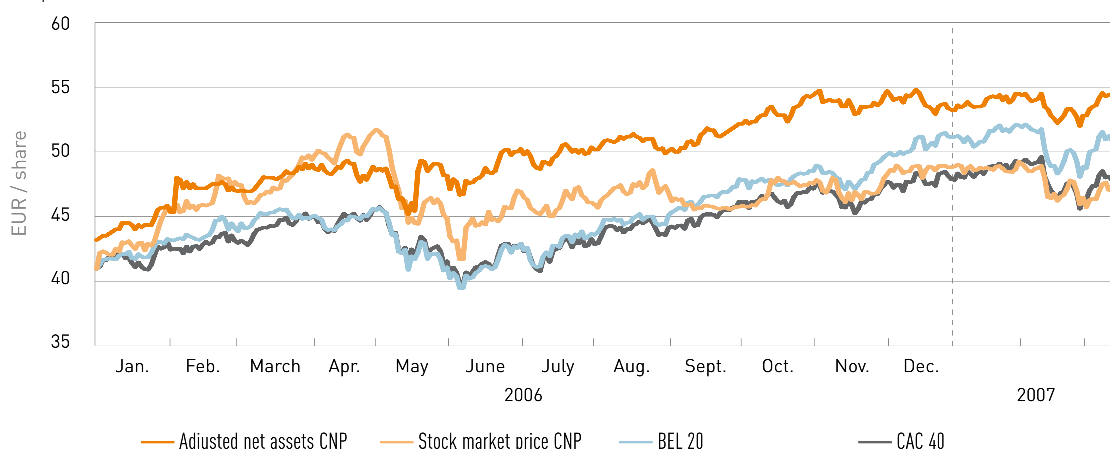
The data included in this report takes this stock-split into account. The historical data have been recalculated and are expressed as new share equivalents.

Average daily volumes traded (Euronext Brussels)

(number of shares, after the split by 6 of the NPM/CNP securities)	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
shares	26,880	89,910	133,422	37,776	31,380	17,316	15,738	37,110	50,910	**58,930**
VVPR Strips	-	-	7,224	9,504	4,884	3,798	1,956	5,022	2,466	**3,842**

Evolution since 1st January 2006

(Base = stock market price at 01/01/2006)

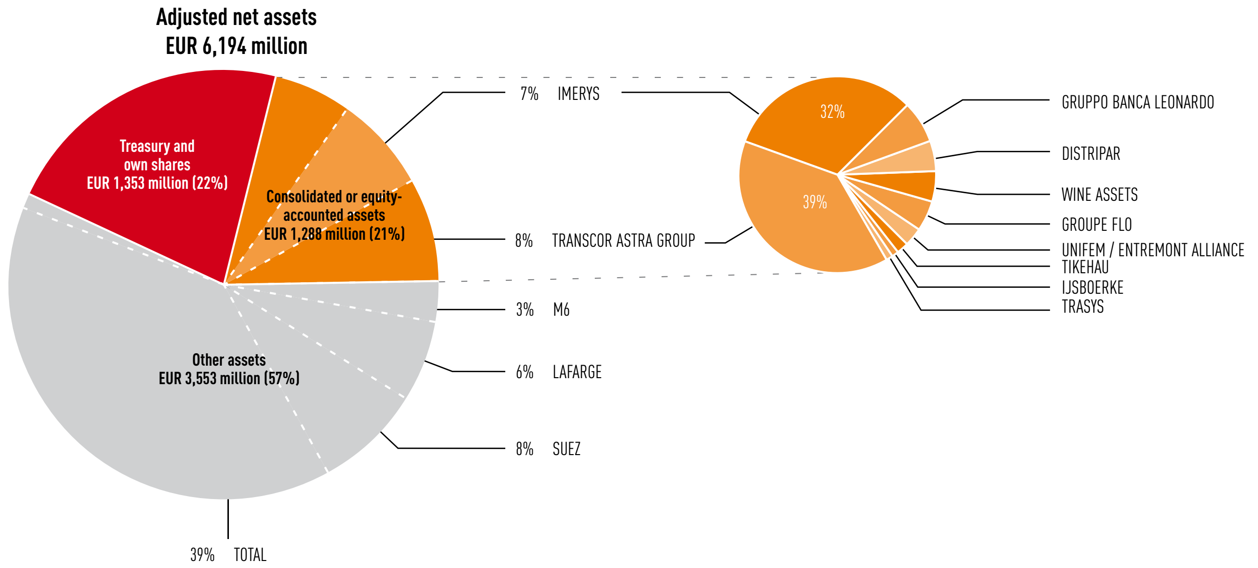


Shareholders' calendar for the year 2007

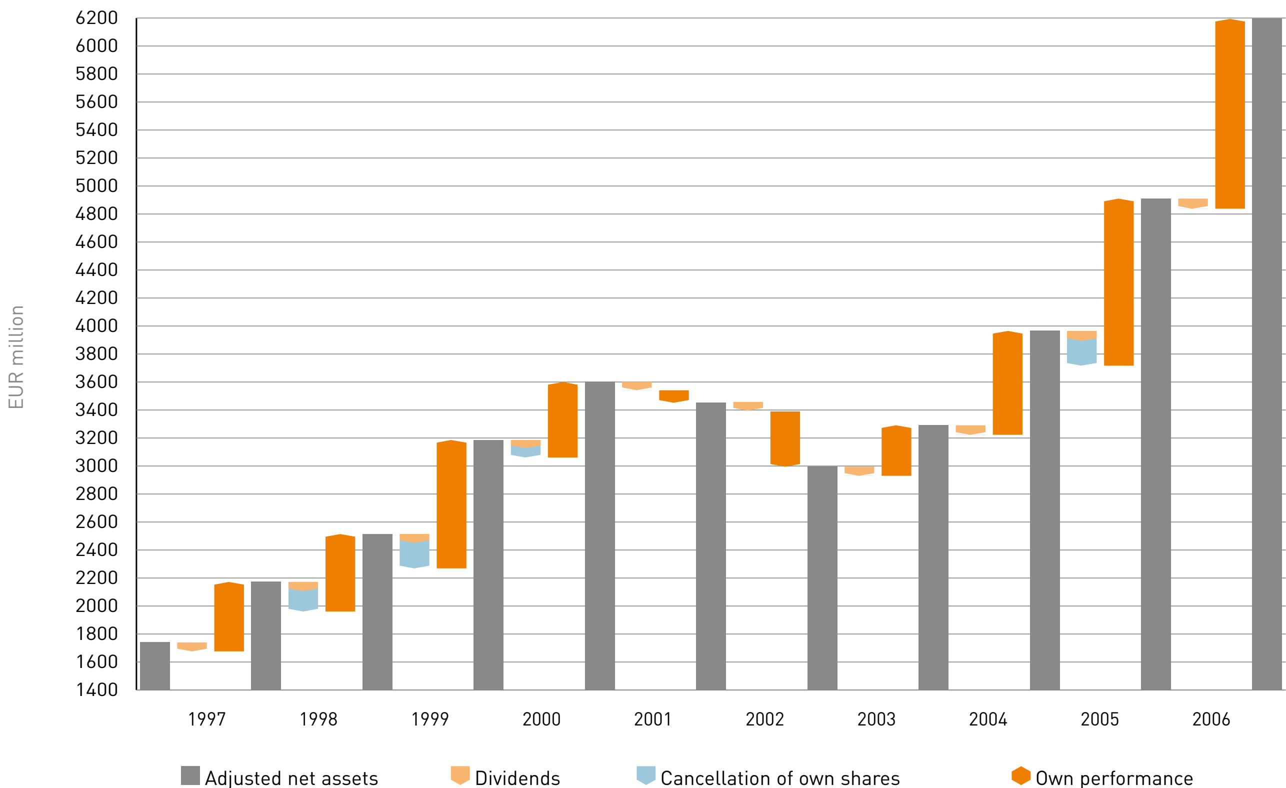
19 April	Ordinary General Meeting of Shareholders at the registered office at 10 a.m.
20 April	Subject to approval by the Ordinary General Meeting, payment of dividends (EUR 0.68 gross per share).
10 May	Publication of the results at 31 March 2007
2 August	Publication of the restricted consolidated accounts and of the first estimate of the consolidated accounts at 30 June 2007
30 August	Publication of the consolidated results at 30 June 2007
8 November	Publication of the results at 30 September 2007

BREAKDOWN AND EVOLUTION OF THE ADJUSTED NET ASSETS

Transitive breakdown of adjusted net assets (as at 31 December 2006)



Evolution of the adjusted net assets over the past ten years



MESSAGE TO SHAREHOLDERS

Ladies, Gentlemen,
Dear Shareholders,

This time last year, we told you that the favourable returns posted by your Company over the past few years made it possible to look back over the achievements, but, first and foremost, constituted a major challenge to repeat them in the future.

However, we will not deny ourselves the pleasure of proudly reporting to you on the past financial year, during which stock market performance amounted to 22.6% and the adjusted net assets increased by 27.6%*. Over a ten year period, this results in a compound average annual return of around 20%. Over and above the capital gains generated and the favourable results achieved by almost all of our shareholdings, a special mention goes to the performances of TRANSCOR ASTRA GROUP, as well as to the recovery of ENTREMONT ALLIANCE which, for the first time in five years, reached its budget goals and recorded a tangible hike in profits compared with the 2005 figures, even if, in this sector, nothing can be taken for granted and the situation remains precarious.

That being said, the pressure that weighs on our shoulders is also increasing and the situation of the financial markets, carried not only by low interest rates and buoyant growth but also by the high level of the cash available in the economy, will not facilitate the task, especially when it comes to making the right investments.

On 20 November 2006, NPM/CNP celebrated its centenary by splitting its share by six, which brought the price to its level at the beginning of 1988 when the Charleroi team took over responsibility. This multiplication of the stock market price by 6 and the dividends that were distributed to you in the course of these 19 years, represent the overall stock market performance for the Shareholder.

This must be put in perspective with our mission, which is that of a family company, managed responsibly, whose aim is the growth of the value of the assets entrusted by the Shareholders and of the dividend, while maintaining a limited risk profile.

One of the risks linked to our activities and to our structure is the succession planning of the key executives within the team, particularly so in view of its limited size.

In practice, when team members retire or decide to head towards new pastures, we never "replace" them as such by someone who would fill an identical function. Each time, the team as a whole reviews its organisational structure and makes the most of this constraint to adapt to the evolution of its businesses. The succession process is therefore resolved by the team itself, which comes out of it stronger at a time when it could have been weakened by the departure of one of its members. Our challenge is also to attract professionals who are on the same wavelength as us, profiles that will be our future entrepreneurs and value creators, despite the very tempting opportunities offered to potential candidates by an ever-growing number of competitors, often located in attractive cities such as London, New York or Paris. We can only overcome this strong draw by highlighting our very "typical" characteristics, among which membership of an entrepreneurial family group plays a central role. It goes without saying that the enthusiasm and the passion for making "good" investments must go hand in hand with an appropriate remuneration policy, to which we will come back at a later point.

Obviously, what is true for a member of the team will be even truer for Albert FRÈRE on the day he decides to retire. We hasten to add that this is not on the agenda, nor can we say with any certainty that he will take his retirement before us! That being said, if that were to be the case, we can confirm to you that the structures have been set up, both in terms of the NPM/CNP's shareholders and within the Group in the broadest sense, to face up to this situation whenever it arises. When it comes to human resources, we (Gérald, as Chairman, and Gilles, as CEO) will carry on the work of the Group's founder, by encouraging entrepreneurship and delegating the responsibilities to dynamic and flexible team managers, as we have been doing for several years at his sides.

* The real performance is probably higher, as the Fair Value of our consolidated assets is higher than the value attributed to them in the adjusted net assets.

But beyond the structures, continuity is guaranteed by the existence of a dense network of partnerships and associations that will live on, capitalising on the brand the FRÈRE Group represents today. Indeed, this brand and these networks, woven over time, will also survive us, because they are the lynchpin of the Group's management.

If the emphasis is put on this aspect of things, it is because this has made a decisive contribution to the Group's success. The challenge consists and will continue to consist of maintaining them, of adding to them, of prolonging them by perpetuating the entrepreneurial spirit that drives them, without fearing emulation between them and within them, of creating an ever tighter and finer mesh, so as to allow all of the Group's companies to make the most of the opportunities the market offers them.

... enthusiasm and passion for making the right investments are the key words of our team...

The family partnerships, as well as the historic partnership with BNP PARIBAS, dating back to the 1960s, are one of the keystones of the Group.

Our shareholder ERBE, an alliance between BNP PARIBAS and the family holding FRÈRE-BOURGEOIS, has ensured the long-term stability of the control of our company by Albert FRÈRE. We, who often offer companies or groups a stable controlling shareholding, are well aware of the possibility of creating long-term value through an effective association between the shareholders and the managers.

The alliance which, since 1990, unites FRÈRE-BOURGEOIS and NPM/CNP to the Group POWER CORPORATION DU CANADA, controlled by the DESMARAIS family, is equally strategic, as it offers the PARGESA/GBL Group a controlling shareholder with long-term visions, which also makes it possible to deploy its resources towards companies that create value by guaranteeing them a durable shareholding structure.

As regards the ownership of shareholdings, our network of partnerships has spread further over the past few years.

Alongside ACKERMANS & van HAAREN, we have been able to implement our respective competences, whether at QUICK, with the entrepreneurial and financial success that was reflected in the 2006 results, at FLO, at TRASYS, or, more recently, at DI, PLANET PARFUM and CLUB.

The association between our Group and GROUPE ARNAULT is based on a friendship of almost 30 years between Albert FRÈRE and Bernard ARNAULT. This guru of the international luxury industry, is also our partner in CHÂTEAU CHEVAL BLANC since 1998. Over the years, the teams have got to know each other, have learned to work together and to get on together. These excellent relations could serve as a foundation for one or several joint investments as from 2007.

We have broadened our geographical horizons in Europe (with Gerardo BRAGGIOTTI's GRUPPO BANCA LEONARDO in Italy) and we have nurtured closer ties in France (TIKEHAU CAPITAL ADVISORS, together with Antoine FLAMARION and Mathieu CHABRAN). In view of the dynamism of both LEONARDO and of TCA, we have every reason to believe that these two initiatives, beyond their strategic contribution, will prove to be excellent financial investments in the long term.

Finally, with a view to gaining a direct foothold on the German market, a parity partnership has been concluded with the Private Bank Sal. OPPENHEIM. Moreover, you will be invited to vote on the appointment of Siegfried LUTHER, former CFO of the BERTELSMANN Group, as director.

We are convinced that, based on our structures, our processes and our networks, strategically implemented under the FRÈRE brand, our shareholders can view the future with calm, as far as the future evolution of the senior management and of the Company team is concerned.

We have already mentioned that enthusiasm and passion for making the right investments are the key words of our team, but that, naturally, if we want to retain our colleagues and employees and attract new talents, we have to adopt a competitive remuneration policy.

This concern is what prompted the Nominations and Remunerations Committee, in the second half of 2006, to call on the services of external consultants, TOWERS PERRIN and BOYDEN, to help the Committee to evaluate our policy

in the field and to adapt it to the market conditions. Pages 43 and 44 of this annual report describe both this policy and its evolution. The emphasis is put here on the proposal that will be made to the General Meeting to attribute, every year, a given number of call options on NPM/CNP shares to members of executive management and staff. The individual annual amount of options granted will be equal to a percentage, identical for all - with exceptions -, that can amount to a maximum of 125% of an individual basic level, set according to the responsibilities of each. The common percentage rule will be adjusted upwards for young employees demonstrating a high potential and will be adjusted downwards as a signal for those who have not entirely fulfilled the expectations placed in them.

In doing so, we therefore confirm the following fundamental principles:

- the absence of an annual cash bonus, this being replaced by an entrepreneurial long-term motivation system, in line with the objectives of NPM/CNP, and therefore your objectives;
- the primacy of the team over individuals (as the strength of the chain is limited by its weakest link), while managing the exceptions.

The basic salaries and their alignment on the market conditions have always been objectivised by a recruitment firm. At the end of 2006, this review was entrusted to BOYDEN.

Employees are of course free to leave the Group but we believe that it is a pity to lose good people because of salary considerations.

We consider this kind of periodic revision as a duty towards our staff, on each level, and we apply the same logic within the remunerations committees on which we sit.

The concomitant but more "statistical" work of TOWERS PERRIN have allowed us to specify our comparison basis (BEL 20 and CAC 40) and a simple ranking criterion within them (the total return for shareholders over the past ten years).

Over the last ten years before the review, NPM/CNP would have been ranked second in the BEL 20 and eighth in the CAC 40 had it been part of these indexes over the reference period. The total return for the shareholder of over 20% per annum (compound average annual rate over the years 1996-2005) would have very favourably compared with that realised on average by the companies of the CAC 40 and of the BEL 20 (around 12%). This good ranking led us to set our remunerations in reference to those applied for equivalent functions by the companies that are part of the upper quartile of the two chosen reference indexes.

If our Company still features in the upper part of this classification over the period 2000-2009, this reference will continue to be used for the subsequent period starting in 2010.

It was necessary to highlight in this message a concept: the evaluation support.

Our objective is of course to stay among the best in relative terms, but also to realise a positive return during difficult periods (2000-2002).

Annual returns such as those observed (of around 20% over the past 10 year period) are only obtained over the long term when all the years (or almost) post growth. They are the result of investments that quickly lead to a positive growth curve and the remainder over a long period.

The evolution of the results and of the composition of our portfolio over the past five years allows us to illustrate this statement, even if this calls for a longer comment, which is unfortunately more technical than usual.

As far as our consolidated results are concerned, the fact that only a low percentage of the portfolio of assets is effectively consolidated (21% at 31.12.2006 or 25% excluding cash and equivalents) means that their analysis is complex and has no real meaning.

That is why we introduced, back in 1990, the concept of restricted consolidated results, including the cash flows from our shareholdings (dividends) as well as the treasury income, net of general costs.

This analysis, for those who reason in terms of multiples, therefore represents the yield of our portfolio of assets. It has, by definition, the disadvantage of not taking into account certain elements linked to the profitability of the shareholdings such as the very low pay-out of some of them such as TRANSCOR ASTRA GROUP, whose profits were reinvested to finance the growth of this Group, thus under-evaluating the potential level of the restricted consolidated operating profits.

We therefore believed that it was necessary to highlight in this message a concept that we have been explaining for several years during the General Meeting of Shareholders (whose presentation is of course available on our Web site): **the evaluation support**.

This is necessary for a good understanding of the valuation of your Company.

Indeed, our published consolidated accounts are insignificant because they have a hybrid content: 21% of our assets contribute to it in terms of profits and the other 79 percent in terms of dividends (shareholdings) or interests (cash and equivalents). Any conclusion that we could draw from this on the basis of stock market multiples is therefore irrelevant, as one fifth of it is comprised of price/earnings and four fifths of yield.

The evaluation support, including NPM/CNP's underlying share of the profits of all of the shareholdings owned, regardless of the holding percentage, is in a way, the other extreme compared with the restricted consolidated accounts. The latter give a 100% "yield" vision, including the dividends paid by the shareholdings (even those that we have a right to consolidate). The evaluation support is, for its part, 100% "profits", adding together all the underlying profits, including those of the companies that we have no right to consolidate.

The IFRS consolidated profit include the dividends of the non consolidated companies and the profits of the consolidated or equity-accounted companies, as requested by the accounting principles but it cannot be used to draw any stock market comparison based on multiples, as it depends fundamentally on the type of shareholdings owned (consolidated, equity-accounted, or not)

	2002		2006		Annual compound average growth rate	
	EUR million	pay-out	EUR million	pay-out	total	per share
Dividend paid for the financial year	64.8	n.a.	77.0	n.a.	4.4%	5.9%
Restricted consolidated operating profit	77.1	84%	135.3	57%	15.1%	16.8%
Consolidated operating profit	104.1	62%	321.2	24%	32.5%	35.0%
Evaluation support	194.5	33%	540.3	14%	29.1%	31.0%

The comparison above highlights a growth in the evaluation support and in the consolidated accounts that far exceeds that of the restricted consolidated accounts (indicating that our shareholdings invest for the future, by only distributing an increasingly lower share of their profits to us, the shareholders). Despite this, the restricted consolidated operating profit has increased by almost 17% per annum in data per share during the period under review, whereas the dividends that we distribute to our own shareholders (in data per share), are up by 7% per annum over the past two years and by 5.9% on average over the period. This leads to a very tangible drop in the pay outs, which is relatively reassuring for the future growth of the dividend and of the NPM/CNP's results.

It should be borne in mind that these data only concern the operating profits and do not take into account the capital profits generated in the course of this period and that exceed one billion euros consolidated.

A more detailed analysis of the various components of the portfolio makes it possible to declare, rather counter-intuitively, that despite the exceptional growth of profits in the energy sector, their evolution does not differ significantly from those notched up by our portfolio as a whole. This betrays the excellent performance of the other assets that make up the NPM/CNP portfolio.

NPM/CNP is therefore a long term growth value – most of which generated in the field of energy.

However, we do not want to be accused of lacking modesty. Others have probably done better. We are also aware that this growth was facilitated by a buoyant international economic context for all of the assets – in particular those that we hold – and propitious to the realisation of capital gains thanks to the favourable stock market context, and well as by the low long term interest rate and by the availability of cash on the market.

Our fair value is, by definition, higher than the adjusted net assets...

Since 1988, we have insisted on our objective of a reasonable increase in the dividend.

Over time and our good business transactions, this annual growth rate increased from 3% to 5% before reaching 7% today.

This evolution has not – fortunately – been achieved at the expense of the growth of our profit, as explained above, and was not realised by an increase in the pay-out. To the contrary. The proposed gross unit dividend of EUR 0.68 only represents 57% of the restricted operating profit (against 84% in 2002) and 14% of the evaluation support (compared with 33% in 2002).

That being said, we have always set out to compare the restricted operating profit with the distributed dividend. We deem it normal that a holding company passes on all of its restricted operating profit towards to its shareholders so as not to put up a screen between them and the companies held in portfolio.

There is no denying that the dividend that is proposed to you today is tangibly lower, not only than the restricted operating profit but also than the dividends that we receive from our shareholdings (even after deducting general costs).

Why, therefore, have we not chosen to increase very significantly this dividend?

For the simple reason that the current situation would allow us, if considered appropriate, to invest all or part of our cash and equivalents in assets that do not generate an immediate return while not affecting our capacity to distribute a higher dividend every year.

Acquiring shareholdings without a dividend return is of course not the objective, as we prefer investments that are immediately remunerating but we want to keep this flexibility if this proved to be necessary one day for the creation of greater value.

In order to reconcile these two a priori contradictory approaches, we will propose to the Ordinary General Meeting of 19 April, a plan to buy back own shares that will cover, among others, a programme of around EUR 58 million, corresponding precisely to the difference between the restricted operating profit 2006 and the dividend that will be distributed for this financial year.

If the future performances of your Company remain satisfactory and, as long as these buybacks, are performed at a price lower than the fair value of NPM/CNP (which, under equal market conditions, will be the case), they will have a favourable effect on the value of the NPM/CNP share.

We intentionally use the term "fair value" in opposition to the concept of adjusted net assets, which though objective, result only from the revaluation at their stock market price of the listed shares of our portfolio, held directly or indirectly, while the non listed securities continue to be valued at their (acquisition or consolidated) book value. It is important to mention an exception relating to TRANSCOR ASTRA GROUP, for which we have made the choice of taking into account the transaction with PETROBRAS to revaluate the shares still held in the Pasadena refinery on the same bases, given the possibility the Group has, under certain conditions, of selling the balance of this shareholding to PETROBRAS.

It is essential for our shareholders to understand and accept that the adjusted net assets are not the fair value but that, to remain objective and factual, we refuse to put a value on this latter ourselves, leaving the task of carrying out this evaluation exercise to you and to the analysts.

Our fair value is, by definition, higher than the adjusted net assets, as, by virtue of the accounting principles, the values would be adapted by the recording of write-down or impairments in the event that a shareholding loses value.

A first rather "static" way of approaching the difference between fair value and the adjusted net assets is to remind ourselves of the percentage of unlisted shares in the adjusted net assets and to compare it with the evaluation support.

Financial year 2006 (EUR million)	Adjusted net assets	multiple	Evaluation support
Unlisted shareholdings	**840.1**	**6.0**	**140.5**
Other long-term assets	4,529.4	12.4	365.4
Average treasury	825.0	17.0	48.6
General costs and taxes	-	n.a.	-14.2
Total at 31.12.2006	**6,194.5**	**11.5**	**540.3**

Compared with the evaluation support, the adjusted net assets come out at a multiple of 11.5. On the basis of the share price in March 2007, this multiple is slightly lower than 10. It falls below 9 if we exclude the cash and equivalents and the income that it generates. Some – we included – may see this as a sign of under-evaluation (or at least of strong support) of the share price. Others, considering that the market is always right, will prefer to stress the consideration for the risk factors that weigh on the results as well as the multiples, particularly weak, it is true, that the market currently assigns to the energy companies.

The value for which the non listed shareholdings are included in the adjusted net assets (EUR 840 million) corresponds to a multiple of 6 times their results, which we could consider as the demonstration of the under-evaluation of the adjusted net assets in the case of cash. These assets include in particular wine assets, whose multiples observed during recent transactions are much higher than this figure.

This static vision of fair play and of the adjusted net assets concerning the non listed securities can be supplemented by two dynamic approaches, but unfortunately both very subjective.

The first would be to try to evaluate one by one the shareholdings to take into account their market value within the framework of negotiations with (what we have called) the best holder for each of them.

We have to refuse this, as this would be tantamount to unveiling at what price we would, if the case arose, sell such or such an asset, which would be bound to weaken our position in a negotiation.

A second dynamic approach would be to compare our returns with those of the best specialised funds and, in particular, those whose management company is listed. The value allocated to it by the market is often high and is added to that of the managed assets.

Within a holding company such as NPM/CNP, the two aspects (assets and management) are grouped together in one single entity. The management costs are modest (per annum, around 0.2% of the managed assets, and moreover, over the past ten years, these have been covered more than twice by trading profits), and there is no carried interest if performances are higher than a given hurdle rate, which is often very low compared with the risk taken and the financial leverage involved. To sum up, the performance posted (as a reminder, around 20% a year over the period 1997-2006) includes all the costs of the Company, even the dilution cost linked to the stock option plan.

... the quest for transparency helps us to put ourselves into question, which is the only way of progressing.

As mentioned on page 48 of the annual report, your Company has decided to increase the annual budget devoted to corporate sponsorship and, more generally, to "Corporate Social Integration".

The annual budget allocated to the FONDS CHARLES-ALBERT FRÈRE will be increased as from 2007 from EUR 250,000 to EUR 265,000, confirming our concern for those less privileged than ourselves.

Donations in favour of universities, on the one hand, and primary schools in the Charleroi region, on the other hand, demonstrate the importance that a financial group such as yours grants to education and therefore to its support at a time when the budgets devoted to them by the public authorities are insufficient. I am sure that you need no reminder of the necessity for our country and our region to develop its human potential.

Eager to show our commitment to environmental issues, we have decided that the entities that are part of the restricted consolidation circle would become "zero CO2 emission", if possible within 2 years. This will clearly depend on the granting of certain administrative authorisations.

In doing so, we are not just following a trend or inflating the impact of this kind of measure. To the contrary. We are convinced that every effort counts when it comes to reducing the greenhouse effect. Naturally, we can only commit ourselves at the level of the companies that we manage directly but would like to underline the efforts made in this same direction both by SUEZ and by TOTAL.

TRANSCOR ASTRA GROUP, for its part, is associated, as a founding partner, in the Antarctic Station set up by the International Polar Foundation headed by Alain HUBERT, thus contributing to this initiative that sets out, among others, to analyse the harmful effects of pollution on the environment and to thus help to resolve it.

You know that our traditional message contributes, in our view, to the quest for transparency that we undertake to offer you every year. Many of you appreciate it and do not hesitate to tell us so. Remember that this exercise is also very useful for us, as it forces us to analyse, to explain and to conceptualise what, very often, we do intuitively or through force of habit. It helps us to put ourselves into question, which is the only way of progressing.

We are aware that it is always possible to do better and more, but we are also convinced that too much information kills the information. In other terms, there is only a very fine line between comprehensive information and excessive information. We hope that we have not crossed this line in this message.

This being said, you will discover for the first time in this annual report (pages 14 and 15) a summarised table of the important events of the past ten years, classified in chronological order, making up to a certain extent for the dryness of the statistical information with a reminder of the concrete matters dealt with.

You will also find, in a very short summary on page 51, the profile of the members of executive management as well as that of the members of personnel that have outside contacts for acquisitions, for the follow-through or for the disposal of investments. The Web site will include this information, extended to the entire team.

As is our custom, it is with great pleasure that we conclude this message by thanking our colleagues and employees in Charleroi for the achievements of these past few years and of 2006 in particular.

Our equally heartfelt thanks go to the managers of the companies in which we own or have owned shareholdings and whose entrepreneurship and motivation have made the fine performances of our Group possible.

Gilles Samyn
Managing Director

Gérald Frère
Chairman of the Board of Directors

MAIN EVENTS OF THE PAST TEN YEARS

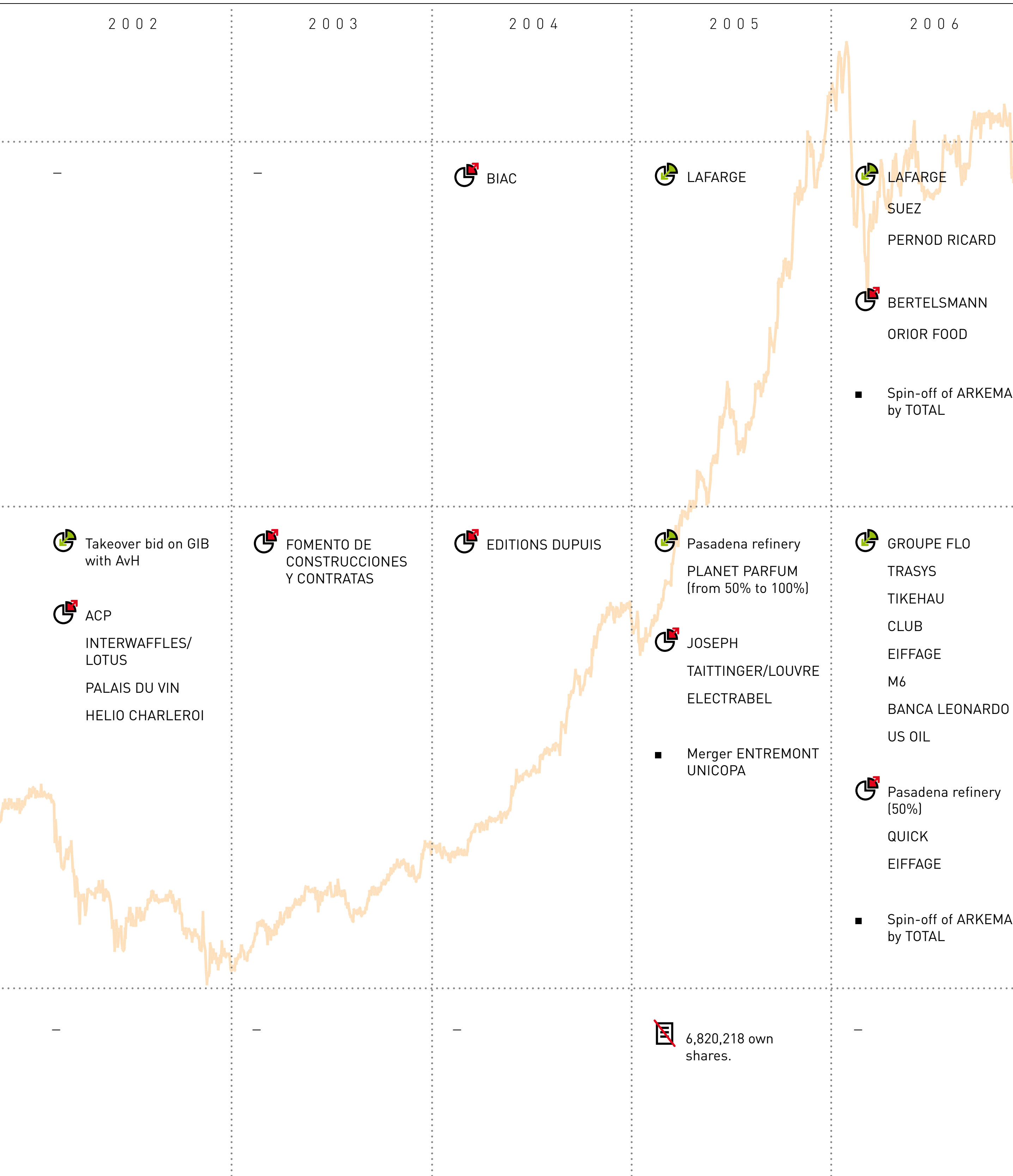
	1997	1998	1999	2000	2001
PARGESA-GBL GROUP					
	SUEZ ■ Takeover bid on BBL shares by ING ■ Creation of CLT-UFA with BERTELSMANN	DUPUIS, HELIO CHARLEROI, DISTRIPAR, TRANSCOR (sold to NPM/CNP) ING BERNHEIM-COMOFI ROYALE BELGE	■ PETROFINA shares brought to TOTAL	■ Merger of AUDIOFINA, CLT-UFA and PEARSON TELEVISION and creation of RTL GROUP	■ 30% of RTL GROUP exchange with 25,1% of BERTELSMANN ■ Merger by absorption of GBL by ELECTRAFINA
DIRECT SHAREHOLDINGS					
	IJSBOERKE	DUPUIS, HELIO CHARLEROI, DISTRIPAR, TRANSCOR (from GBL) CHEVAL BLANC VIVENDI BERNHEIM-COMOFI COBEPA SOCIÉTÉ GÉNÉRALE DE BELGIQUE ROYALE BELGE	ENTREMONT JOSEPH ■ PETROFINA and ELF AQUITAINE shares brought to TOTAL	FOMENTO DE CONSTRUCCIONES Y CONTRATAS SAINT LOUIS SUCRE	TAITTINGER/LOUVRE SAINT LOUIS SUCRE
STRUCTURAL DEVELOPMENTS					
	–	14,040,000 own shares ■ Absorption of FIBELPAR	13,556,118 own shares	4,443,882 own shares	–

Acquisition of shareholdings

Shareholdings disposal

Cancellation of own shares (after split by 6 of the shares)

Stock market price of NPM/CNP shares



2002	2003	2004	2005	2006
–	–	BIAC	LAFARGE	LAFARGE SUEZ PERNOD RICARD BERTELSMANN ORIOR FOOD ■ Spin-off of ARKEMA by TOTAL
Takeover bid on GIB with AvH ACP INTERWAFFLES/ LOTUS PALAIS DU VIN HELIO CHARLEROI	FOMENTO DE CONSTRUCCIONES Y CONTRATAS	EDITIONS DUPUIS	Pasadena refinery PLANET PARFUM (from 50% to 100%) JOSEPH TAITTINGER/LOUVRE ELECTRABEL ■ Merger ENTREMONT UNICOPA	GROUPE FLO TRASYS TIKEHAU CLUB EIFFAGE M6 BANCA LEONARDO US OIL Pasadena refinery (50%) QUICK EIFFAGE ■ Spin-off of ARKEMA by TOTAL
–	–	–	6,820,218 own shares.	–

Main events of the financial year 2006 and the first months of 2007

Direct shareholdings

TOTAL

At the end of January 2006, KERMADEC, a fully owned subsidiary of NPM/CNP, issued call options on 1,250,000 TOTAL shares that may be exercised until the end of January 2009 at a unit price of EUR 285. Following the splitting of the TOTAL share by 4 and the spin-off of ARKEMA, each of these options now relates to a basket comprised of 4 TOTAL shares and 0.1 ARKEMA share.

TRANSCOR ASTRA GROUP

At the end of March 2006, ASTRA OIL TRADING, a subsidiary of the TRANSCOR ASTRA GROUP, acquired US OIL REFINING CO for an amount of around USD 200 million. US OIL is active mainly as the owner and operator of a refinery with a capacity of around 38,000 barrels a day in the Tacoma region, close to Seattle in the North West of the United States. In accordance with a previously concluded agreement, on the 1st of September, ASTRA sold 50% of its shareholding in the capital of the companies that own and operate the Pasadena refinery; this sale also includes the connected trading activities.

EIFFAGE

In March 2006, the NPM/CNP Group acquired a 6.1% shareholding in EIFFAGE, the European number 6 in construction and concessions with an investment of EUR 307 million. This shareholding was sold in December 2006, generating a capital gain of some EUR 90 million.

DISTRIPAR

In 2006, DISTRIPAR acquired a 100% shareholding in CLUB, a company active in Belgium in the distribution of stationery and books. Subject to the approval of the competition authorities, DISTRIPAR will transfer this shareholding as well as the PLANET PARFUM Group to a joint venture with the ACKERMANS & van HAAREN Group, which will acquire the DI beauty/perfumery chain from the DELHAIZE Group (turnover of EUR 95 million through 130 stores in Belgium).

M6

At the end of June 2006, NPM/CNP acquired from the SUEZ Group, 6,594,435 shares in METROPOLE TELEVISION (M6), representing 5% of the capital, for an amount of EUR 163 million.

GRUPPO BANCA LEONARDO

In April 2006, NPM/CNP acquired a 20% shareholding in the capital (19.2% of the capital at the end of 2006, capped at 15% of the voting rights) of GRUPPO BANCA LEONARDO, alongside other European institutional investors under Gerardo BRAGGIOTTI's leadership. This investment initially amounts to EUR 93 million, but could represent up to EUR 180 million in the medium term.

TIKEHAU

NPM/CNP acquired a 50% shareholding in the capital of the French company TIKEHAU CAPITAL ADVISORS, which manages and presides over the investment company TIKEHAU CAPITAL PARTNERS, in which it has a shareholding of around 13%. At the same time, NPM/CNP proceeded with a capital increase in the company TIKEHAU CAPITAL PARTNERS, taking a shareholding of 21%. These two operations represented a total investment of EUR 28 million for NPM/CNP.

Partnership with GROUPE ARNAULT

During October 2006, NPM/CNP and the GROUPE ARNAULT announced the setting up of a partnership that could lead to joint investments (listed and unlisted) representing up to EUR 1 billion in equity (EUR 500 million for each of the partners).

Partnership with Sal. OPPENHEIM

Early April 2007, NPM/CNP and Sal. OPPENHEIM signed a letter of intent regarding the creation of a joint entity that will invest on the German, Austrian and Swiss financial markets, primarily in listed shares. Each partner intends to commit capital of up to EUR 150 million in this joint-venture.

GIB, a company jointly controlled by the ACKERMANS & van HAAREN and NPM/CNP Groups, has continued its development:

GROUPE FLO

All of the capital of FINANCIERE FLO has been acquired by GIB (66%) and TIKEHAU CAPITAL (34%); with more than 70% of the capital, FINANCIERE FLO is the controlling shareholder of GROUPE FLO, active in the restaurant industry, with different top of the range brasseries and the HIPPOPOTAMUS, BISTRO ROMAIN, PETIT BOFINGER and, more recently, TABLAPIZZA restaurant chains. The share of the NPM/CNP Group in the investment in GROUPLE FLO amounts to around EUR 46 million.

TRASYS

GIB has acquired, alongside management, all of the capital of TRASYS, a company specialising in IT consultancy and services.

QUICK

In December 2006, GIB sold its shareholding in QUICK to FINANCIERE GALLOP, a company related to the CAISSE DES DEPOTS ET CONSIGNATIONS; the NPM/CNP share in the capital gain amounts to around EUR 180 million in restricted consolidation and EUR 150 million in consolidated.

PARGESA/GBL Group

In April 2006, GBL proceeded with a EUR 709 million capital increase, by issuing one new share for every 15 existing shares at a unit price of EUR 80. In order to finance its investment in this capital increase, the PARGESA Group issued convertible bonds for an amount of CHF 660 million (including CHF 60 million reserved for registered shareholders, of which some 70% for PARJOINTCO). These bonds mature in 2013, bear interest at a rate of 1.7%, and are convertible into PARGESA shares at a unit price of CHF 159.72 per bearer share (CHF 15.972 per registered share).

BERTELSMANN

At the end of June 2006, following an agreement with the MOHN family and BERTELSMANN, GBL sold its 25.1% shareholding in this Group. The sale price amounted to EUR 4.5 billion, resulting in a capital gain of almost EUR 2.4 billion (of which EUR 283 million for NPM/CNP).

LAFARGE

During the year 2006, GBL built up its position in LAFARGE from 3.4 to some 15.9% of the capital, thus making an additional investment of around EUR 2.1 billion. At the beginning of March 2007, GBL held 16.1% of the capital of LAFARGE.

ORIOR FOOD

In October 2006, PARGESA sold its shareholding in ORIOR FOOD without a significant effect on the result and on the adjusted net assets.

PERNOD RICARD

On 26 January 2007, GBL announced that it had exceeded the 5% threshold in PERNOD RICARD. This takes the investment made to date by GBL to some EUR 800 million.

SUEZ

During the year 2006, GBL acquired SUEZ shares, taking its shareholding from 7.3% to 8%.

In January 2007, GBL increased its shareholding in SUEZ from 8 to 9.6%.

Own shares

At the beginning of the financial year, the NPM/CNP Group held at 31 December 2005, 680,000 (4,080,000 shares after the splitting of the share by six in November 2006), mainly intended to cover its commitments with regard to its staff stock option scheme 2003-2013.

During the financial year, the NPM/CNP Group acquired 334,918 own shares (quantity expressed after the division of the share by six) for an amount of EUR 17,078,796. These acquisitions include a net balance of 5,908 shares resulting from the contract – concluded with an independent broker – intended to improve the liquidity of NPM/CNP's shares.

At the end of 2006, the Group held 4,414,918 own shares.

The General Meeting of Shareholders of 19 April 2007 will be called on to decide whether or not to renew the authorisation to acquire own shares on the stock market under conditions specified in the agenda of the Ordinary General Meeting given on page 32.

This resolution will make it possible in particular for the Company to set up an own share buy-back programme – which will be entrusted to an independent financial intermediary – financed up to the share of the restricted consolidated profit not distributed in the form of a dividend, amounting to around EUR 58.3 million for the year 2006.

It should be remembered that, according to IFRS rules, own shares are deducted from equity and are therefore not included on the consolidated balance sheet.

Treasury

The treasury available for financial investments by NPM/CNP is, naturally, the one of the parent company and of its subsidiaries included in the restricted consolidation perimeter. The cash position considered here is net of all financial debt and provisions.

At the end of the financial year 2006, the net liquid assets for the NPM/CNP Group's financial holdings, as defined above, from an economic viewpoint, stood at some EUR 1,050 million before profit appropriation and excluding own shares held. Adding the loan (maturing in October 2013) of an amount of EUR 650 million concluded by KERMADEC, with the NPM/CNP guarantee, the liquid assets available in the short term therefore amounts to some EUR 1,7 billion, a level that is almost identical to that at the beginning of the year.

The Group's net consolidated cash position as it appears on the consolidated balance sheet produced according to IFRS accounting norms (see page 81) is also positive but 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

Since 2004, the consolidated accounts have been established in accordance with the IFRS. These accounts appear on pages 80 to 136.

According to the IFRS, the costs and proceeds from various consolidated shareholdings active in extremely diversified sectors are added together. For example, the consolidated turnover amounts in the IFRS accounts to some EUR 13.2 billion for the financial year 2006 (up 18% compared with the previous financial year) and mainly includes that of the TRANSCOR ASTRA GROUP (EUR 9.8 billion compared with EUR 8.6 billion one year previously, accounting for most of the increase, of ENTREMONT ALLIANCE (EUR 1.4 billion) and NPM/CNP's share in that of IMERYS (EUR 1.5 billion). These groups have no other link between them than that of having a common ultimate shareholder. Line by line reading of the consolidation accounts therefore makes very little economic sense and is not sufficient for a good understanding of the developments noted.

These accounts must be completed with an economic analysis. This presents, as a Group share, the contribution of each shareholding to the Group's results and isolates the "capital" profits connected with the disposal of (and the recognition of any impaiment loss on) shareholdings and activities or with operations of a particular kind. This analysis is performed both on the basis of the consolidated accounts and the restricted consolidation accounts. For the latter, the consolidation perimeter is limited and does not include either PARGESA or the industrial or commercial companies in which NPM/CNP holds interests, regardless of their control. The restricted consolidation accounts reflect the financial flows towards NPM/CNP, its Swiss branch and the holding companies included in this perimeter; they allow shareholders and analysts to see, on a comparable basis, the development of the profits generated by the 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 the NPM/CNP's dividend should be considered.

It should be borne in mind, also that the consolidated accounts have little economic significance as only some 21% of the net assets at the end of 2006 are the subject of consolidation or equity accounting.

These analyses that contribute to the profit, group share, are presented as follows:

Contribution of the various shareholdings to the profit, group share (economic analysis)	Restricted consolidation			IFRS consolidated		
At 31 December (in thousands of EUR)	2005		2006	2005		2006
Operating profit						
BANCA LEONARDO	-		-	**-**		**4,211** [1]
BERTELSMANN	-		-	**30,646**		**13,470** [2]
DISTRIPAR (BSS / PLANET PARFUM / CLUB / VANPARYS)	284		737	**5,725**		**8,485**
EIFFAGE	-		3,506	-		3,506
ELECTRABEL	2,129		-	2,129		-
ENTREMONT ALLIANCE (UNIFEM)	210		-	**3,200**		**15,190**
GROUPE FLO	-		-	**-**		**4,442**
IJSBOERKE	1,500		1,600	**2,840**		**1,921**
IMERYS	-		-	**27,870**		**29,986**
JOSEPH (PROJECT SLOANE)	2,443		-	**(338)**		**-**
LAFARGE	-		-	-		4,716
PARGESA	26,239		28,330	-		-
QUICK	2,796		3,355	**7,890**		**7,778** [3]
SUEZ	-		-	5,942		9,478
TAITTINGER / LOUVRE	5,885		-	**4,178**		**-**
TOTAL	48,164		56,136	62,622		72,983
TRANSCOR ASTRA GROUP	6,601		7,033	**63,911**		**100,777**
Wine assets	1,719		1,898	**3,505**		**4,084**
Other consolidated or equity-accounted shareholdings	-		-	**2,152**		**5,605**
Other shareholdings	365		988	428		187
Operating profit from shareholdings (group share)	**98,335**	**5%**	**103,583**	**222,700**	**29%**	**286,819**
share from consolidated or equity-accounted shareholdings	**-**		**-**	**151,579**		**195,949**
Other financial results	31,573		42,614	33,966		48,599
Other operating profits	(6,255)		(10,939)	(13,140)		(14,191)
Operating profit (group share)	**123,653**	**9%**	**135,258**	**243,526**	**32%**	**321,227**
Profit on capital operations						
Disposal of QUICK	-		180,660	-		150,378
Disposal of EIFFAGE	-		90,725	-		90,137
Disposal of BERTELSMANN	-		-	-		283,076
Disposal of TAITTINGER / LOUVRE	289,693		-	274,979		-
Disposal of PROJECT SLOANE / JOSEPH	24,234		-	42,261		-
Disposal of ELECTRABEL	22,972		-	22,972		-
Release of provisions for unmaterialised GIB risks	2,048		10,117	2,048		10,117
TRANSCOR ASTRA GROUP's capital profit	-		-	-		75,086
UNIFEM ENTREMONT ALLIANCE's capital profit	-		-	121		(10,043)
IMERYS' capital profit	-		-	2,122		(11,759)
Various, net	2,004		1,130	12,620		4,167
Profit on capital operations (group share)	**340,951**		**282,632**	**357,123**		**591,159**
Net profit (group share)	**464,604**	**-10%**	**417,890**	**600,649**	**52%**	**912,386**
Diluted earnings per share						
Operating profit	**1.03**	**16%**	**1.19**	**2.20**	**31%**	**2.88**
Profit on capital operations	2.86		2.50	3.22		5.30
Net profit	**3.89**	**-5%**	**3.69**	**5.42**	**51%**	**8.18**
Average number of shares considered (in thousands of shares)	119,570		113,180	110,893		111,568

(1) As from 1 May 2006

(2) Until 30 June 2006

(3) Until 30 September 2006

Restricted consolidation operating profit

The restricted consolidation operating profit increased by 9.4% to EUR 135.3 million compared with EUR 123.7 million in 2005. Expressed in terms of data per share, the increase is even bigger (+15.6% at EUR 1.19), due to the cancellation of own shares in December 2005.

The operating profits from long-term investments are up by 5.3% at EUR 103.6 million, despite significant developments that have influenced the profits of the portfolio (sales of TAITTINGER/LOUVRE, JOSEPH and of ELECTRABEL, whereas, among the acquisitions of the financial year 2006, M6, GROUPE FLO, GRUPPO BANCA LEONARDO, TRASYS and EIFFAGE, only the last two have generated a dividend). At a constant portfolio, the increase comes to around 14%.

The other financial results amounted to EUR 42.6 million (EUR 31.6 million as at 31 December 2005), thanks to the favourable influence (around EUR 7.5 million) of the 2005-2013 loan of EUR 650 million and the call options on TOTAL shares issued within this framework, and of the increase in interest rates and in the average cash position over the period (whose combined effect is estimated at around EUR 9 million), making it possible to largely offset the lower level of dividends on own shares (EUR 2.6 million against EUR 6.6 million, due to the aforementioned cancellation) and the trading results (EUR 14.1 million compared with EUR 15.5 million a year earlier).

Consolidated operating profit

The consolidated operating profit increased by 32% at EUR 321.2 million (EUR 2.88 per share). It is worth noting the performance of TRANSCOR ASTRA GROUP (operating contribution of EUR 100.8 million against EUR 63.9 million in 2005), whose two refineries (the Pasadena refinery, 100%-held (80% group share) until August and 50%-held (40% group share) as from September, and the Tacoma refinery, acquired at the end of March) benefited from a particularly favourable economic climate during the spring and the beginning of the summer, and supplied almost half of the operating profit of this Group. UNIFEM / ENTREMONT ALLIANCE has recovered its operating profitability (EUR 15.2 million for NPM/CNP's share) but it is partially offset by exceptional losses resulting from the restructuring plans in progress, included in the capital profit.

For more detailed information on the development of each of the companies, please refer to the section in our report dealing with shareholdings (pages 55 to 77) and, for those that are consolidated, to the segment reporting of the IFRS profit and loss account (pages 102 and 103).

Profit on capital operations

The profit on capital operations for the financial year 2006 comes to EUR 283 million in restricted consolidation and to EUR 591 million in consolidated. It mainly includes capital gains realised on the sale of QUICK (some EUR 180 million in restricted consolidation and EUR 150 million in consolidated) and of EIFFAGE (over EUR 90 million), as well as, in consolidated, NPM/CNP's share in the disposal of BERTELSMANN by GBL (EUR 283 million) and the effects of the transaction realised with PETROBRAS by TRANSCOR ASTRA GROUP on the Pasadena refinery (EUR 75 million).

Prospects

For the year 2007, the operating profit under restricted consolidation will depend on the level of the dividends that will be distributed by each of the shareholdings. At a constant portfolio, NPM/CNP is expecting a significant increase in these dividends. The income generated by cash and equivalents will, for its part, be influenced by the average treasury level (and, consequently, by the size of the investments that will be made in 2007), by interest rates levels and by the share trading profit.

In consolidated terms, it is too early to anticipate the evolution that the consolidated or equity-accounted shareholdings can expect in the course of 2007. These results will depend to a large degree on the economic conditions that will prevail in the various sectors in which NPM/CNP's shareholdings operate, in particular the energy and refining product trading sector, TRANSCOR ASTRA GROUP being the biggest contributor to the consolidated operating profit of NPM/CNP. The consolidated results will also be influenced up until the end of August 2008 at TRANSCOR ASTRA GROUP by the recognition of a guaranteed preferential special allocation in excess of its share in the joint venture set up with PETROBRAS for the Pasadena refinery. This effect can be estimated at around EUR 25 million for the year 2007 and at EUR 17 million for the first eight months of 2008. These amounts are however subject to fluctuation depending on the exchange and tax rates.

With regard to the dividend policy, a continued annual growth of 7% is anticipated in the foreseeable future, excluding major and unexpected changes in the economic and financial environment.

Appropriation of profit

At the General Meeting of Shareholders of 19 April 2007, the Board of Directors will propose the distribution of a unit dividend of EUR 0.68 for the financial year 2006, up 7% compared with the previous financial year.

At the end of the financial year 2006, the balance available for appropriation stood at EUR 4,107,312,552.02, representing the profit to be appropriated for the financial year of EUR 1,602,224,219.81 plus the balance carried forward of EUR 2,505,088,332.21.

The Board of Directors proposes the following appropriation of profits:

(EUR)	
Profit available for appropriation	4,107,312,552.02
Gross dividend per share of EUR 0.68 paid on 113,179,782 shares	76,962,251.76
Allocation to the reserve for own shares	287,660.52
Profits carried forward	4,030,062,639.74

Subject to the approval of the Ordinary General Meeting of Shareholders of 19 April 2007, the net dividend made payable will be:

- EUR 0.51 per share, after a 25% withholding tax;
- EUR 0.578 per share accompanied by a VVPR strip, after a 15% withholding tax.

The dividend will be made payable from 20 April 2007, on presentation of coupon n°1 at the registered office or at the following financial institutions:

In Belgium	in Luxembourg
BANQUE DEGROOF	BNP PARIBAS LUXEMBOURG
DEXIA BANQUE	
FORTIS BANQUE	
ING BELGIUM	

Adjusted net assets and Total Performance for Shareholders

Your Company's adjusted net assets at the end of 2006 came to EUR 6,194 million (corresponding to EUR 54.73 per share) – after the payment in April 2006 of dividends in the amount of EUR 72 million (EUR 0.64 per share) – compared with EUR 4,910 million (EUR 43.38 per share) in the previous year. At 29 March 2006, the adjusted net assets stood at some EUR 55 per share.

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

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 to the portfolio or 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.

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 equity accounted value if this is greater); at TRANSCOR ASTRA GROUP, however, the Pasadena refinery is valued at the price chosen for the transaction with PETROBRAS;
Own shares	Market price, capped, however, at the exercise price for the shares intended to cover the staff stock option plan;
Other listed assets	Market price;
Other assets and liabilities	Book value.

THE AUDITOR'S OPINION ON THE ADJUSTED NET ASSETS

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

We have examined the calculation of the adjusted net assets per NPM/CNP share at 31 December 2006. This calculation was performed by NPM/CNP based on its own capital, that of the holding companies controlled, solely or jointly, and the shareholdings that they hold in their portfolios, the latter being valued according to the criteria described above. The present opinion is in no way related to any valuation made by us of the Company or its assets and does not imply any judgement of the relevance of the method used or the criteria applied. In conclusion, we confirm that the mathematical application of the criteria mentioned above gives an amount of EUR 54.73 per NPM/CNP share at 31 December 2006.

28 March 2007

DELOITTE
Reviseurs d'Entreprises S.C. s.f.d. S.C.R.L.

Represented by Michel DENAYER

Evolution of the adjusted net assets over the past ten years

(EUR MILLION)

Assets	31 December 1996			variation			31 December 2006		
	criteria	adjusted net assets	%	share-holders	value	interest	criteria	adjusted net assets	%
	(1)	(2)		(3)	(4)	(5)	(1)	(6)	
PARGESA	ana	579.4	33.3%		1,568.7	22.9	ana	2,171.0	35.0%
TOTAL / ELF AQUITAINE / PETROFINA	sm	468.6	26.9%		909.0	418.1	sm	1,795.7	29.0%
TRANSCOR ASTRA GROUP	se	16.9	1.0%		446.0	37.1	se	500.0	8.1%
M6		-	0.0%		15.6	162.9	sm	178.5	2.9%
GRUPPO BANCA LEONARDO		-	0.0%		0.0	93.2	bv	93.2	1.5%
GROUPE FLO		-	0.0%		17.4	46.0	sm	63.4	1.0%
DISTRIPAR		-	0.0%		32.3	27.7	se	60.0	1.0%
UNIFEM / ENTREMONT ALLIANCE		-	0.0%		(111.7)	154.0	bv	42.3	0.7%
RASPAIL / CHEVAL BLANC		-	0.0%		3.2	33.8	se	37.0	0.6%
ARKEMA		-	0.0%		8.6	23.4	sm	32.0	0.5%
TIKEHAU		-	0.0%		0.0	28.1	bv	28.1	0.5%
CHÂTEAU RIEUSSEC		-	0.0%		0.0	22.3	bv	22.3	0.4%
IJSBOERKE		-	0.0%		(26.0)	44.1	bv	18.1	0.3%
VIVENDI	sm	108.7	6.2%		(18.7)	(90.0)		-	0.0%
SOCIÉTÉ GÉNÉRALE DE BELGIQUE	sm	104.3	6.0%		(20.5)	(83.8)		-	0.0%
ROYALE BELGE	sm	61.1	3.5%		(17.9)	(43.2)		-	0.0%
ÉDITIONS DUPUIS	se	9.4	0.5%		(2.0)	(7.4)		-	0.0%
TAITTINGER / LOUVRE		-	0.0%		-	-		-	0.0%
QUICK RESTAURANTS		-	0.0%		-	-		-	0.0%
EIFFAGE		-	0.0%		-	-		-	0.0%
FCC		-	0.0%		-	-		-	0.0%
Other shareholdings		91.5	5.3%		(23.0)	(49.3)		19.2	0.3%
Tangible fixed assets	bv	5.5	0.3%		-	7.1	bv	12.6	0.2%
Long-term assets		1,445.4	83.0%		2,780.9	847.2		5,073.5	81.9%
Deposits, cash and debt	bv	179.8	10.3%	(1,143.1)	2,823.6	(907.9)	bv	952.4	15.4%
Shares and bonds	sm	91.5	5.3%		(9.8)	(3.8)	sm	77.9	1.3%
Own shares	sm	23.8	1.4%		2.3	64.5	sm[13]	90.6	1.5%
Net cash position		295.1	17.0%	(1,143.1)	2,816.1	(847.2)		1,121.0	18.1%
Adjusted net assets		1,740.5		(1,143.1)	5,597.0	0.0		6,194.5	
Adjusted net assets (EUR/share)		11.32						54.73	

(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 31.12.1996.
(3) Flows with the shareholders: dividends and cancellation of own shares.
(4) Change in value.
(5) Internal allocation of funds: investments and (divestments) at book value.

Restricted consolidated profit (group share)				Assets	Performance for shareholders	
with cash effect		without cash effect	Total			
operating	non operating				global	%
(7)	(8)	(9)	(10)		(11)	(12)
217.6	-	-	217.6	PARGESA	1,786.3	16.3%
313.0	504.6	-	817.6	TOTAL	1,726.6	19.3%
36.6	2.7	-	39.3	TRANSCOR ASTRA GROUP	485.3	38.1%
-	-	-	-	M6	15.6	9.6%
-	-	-	-	GRUPPO BANCA LEONARDO	-	0.0%
-	-	-	-	GROUPE FLO	17.4	37.7%
16.7	-	-	16.7	DISTRIPAR	49.0	14.5%
8.8	-	(111.7)	(102.9)	UNIFEM / ENTREMONT ALLIANCE	(102.9)	(28.9%)
6.5	-	-	6.5	RASPAIL / CHEVAL BLANC	9.7	5.2%
-	-	-	-	ARKEMA	8.6	36.8%
-	-	-	-	TIKEHAU	-	0.0%
5.2	-	-	5.2	CHÂTEAU RIEUSSEC	5.2	4.4%
3.7	-	(26.0)	(22.3)	IJSBOERKE	(22.3)	(6.5%)
2.3	81.9	-	84.2	VIVENDI	65.5	38.1%
9.8	195.0	1.2	206.0	SOCIÉTÉ GÉNÉRALE DE BELGIQUE	184.3	100.0%
6.6	80.0	-	86.6	ROYALE BELGE	68.7	72.7%
14.0	66.9	-	80.9	ÉDITIONS DUPUIS	78.9	24.6%
16.6	289.7	-	306.3	TAITTINGER / LOUVRE	306.3	20.5%
7.2	180.7	-	187.9	QUICK RESTAURANTS	187.9	66.5%
3.5	90.7	-	94.2	EIFFAGE	94.2	30.6%
16.3	66.3	-	82.6	FCC	82.6	10.8%
63.9	195.3	(5.7)	253.5	Other shareholdings	236.1	31.9%
-	-	-	-	Tangible fixed assets	-	n.s.
748.3	1,753.8	(142.2)	2,359.9	Long-term assets	5,283.0	21.0%
113.8	-	-	113.8	Deposits, cash and debt	2,937.4	
173.7	-	(5.9)	167.8	Shares and bonds	163.9	
19.8	-	-	19.8	Own shares	22.1	
307.3	-	(5.9)	301.4	Net cash position	3,123.4	n.s.
(60.4)	74.6	-	14.2	Other revenues / (costs)	14.2	
2,823.6		(148.1)	2,675.5	Restricted consolidated profit	8,420.6	18.8%
				Anti-dilution effect of restructuring operations		0.9%
				After the anti-dilution effect of restructuring operations		19.7%

(6) Adjusted net assets at 31.12.2006: (2) + (3) + (4) + (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 (compound annual rate of return).

(13) Exercise price for the 3,972,600 shares covering the stock option plan for staff.

Evolution of the adjusted net assets in 2006

(EUR MILLION)

Assets	31 December 2005			variation			31 December 2006		
	criteria	adjusted net assets	%	share-holders	value	interest	criteria	adjusted net assets	%
	(1)	(2)		(3)	(4)	(5)	(1)	(6)	
PARGESA	ana	1,550.2	31.6%		609.0	11.8	ana	2,171.0	35.0%
TOTAL	sm	1,743.2	35.5%		76.0	(23.4)	sm	1,795.7	29.0%
TRANSCOR ASTRA GROUP	se	200.0	4.1%		300.0	0.0	se	500.0	8.1%
M6	sm	-	0.0%		15.6	162.9	sm	178.4	2.9%
GRUPPO BANCA LEONARDO	bv	-	0.0%		-	93.2	bv	93.2	1.5%
GROUPE FLO	sm	-	0.0%		17.4	46.0	sm	63.4	1.0%
DISTRIPAR	se	38.1	0.8%		6.4	15.5	se	60.0	1.0%
UNIFEM / ENTREMONT ALLIANCE	bv	45.4	0.9%		-	(3.0)	bv	42.3	0.7%
RASPAIL / CHEVAL BLANC	se	33.8	0.7%		3.3	0.0	se	37.1	0.6%
ARKEMA	sm	-	0.0%		8.6	23.4	sm	32.0	0.5%
TIHEHAU	bv	-	0.0%		-	28.1	bv	28.1	0.5%
CHÂTEAU RIEUSSEC	bv	22.3	0.5%		-	0.0	bv	22.3	0.4%
IJSBOERKE	bv	18.1	0.4%		-	0.0	bv	18.1	0.3%
TRASYS	bv	-	0.0%		-	15.2	bv	15.2	0.2%
QUICK RESTAURANTS	sm	126.6	2.6%		(97.4)	(29.2)		-	0.0%
EIFFAGE	sm	-	0.0%		-	-		-	0.0%
Other shareholdings		3.1	0.1%		-	0.9		4.0	0.1%
Tangible fixed assets	bv	10.9	0.2%		-	1.7	bv	12.6	0.2%
Long-term assets		3,791.7	77.2%		938.8	343.1		5,073.5	81.9%
Deposits, cash and debt	bv	965.9	19.7%	(72.1)	415.1	(356.5)	bv	952.4	15.4%
Shares and bonds	sm	78.7	1.6%		1.0	(1.8)	sm	77.9	1.3%
Own shares	sm[13]	73.4	1.5%		2.1	15.2	sm[13]	90.6	1.5%
Net cash position		1,118.0	22.8%	(72.1)	418.2	(343.1)		1,121.0	18.1%
Adjusted net assets		4,909.7		(72.1)	1,357.0	(0.0)		6,194.5	
Adjusted net assets (EUR/share)		43.38						54.73	

(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 31.12.2005.
(3) Flows with the shareholders: dividends.
(4) Change in value.
(5) Internal allocation of funds: investments and (divestments) at book value.

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)
28.3	-	-	28.3	PARGESA	637.3	41.1%
56.1	-	-	56.1	TOTAL	132.1	7.6%
7.0	-	-	7.0	TRANSCOR ASTRA GROUP	307.0	153.5%
-	-	-	-	M6	15.6	9.6%
-	-	-	-	GRUPPO BANCA LEONARDO	-	0.0%
-	-	-	-	GROUPE FLO	17.4	37.7%
0.7	-	-	0.7	DISTRIPAR	7.2	18.8%
-	-	-	-	UNIFEM / ENTREMONT ALLIANCE	-	0.0%
1.1	-	-	1.1	RASPAIL / CHEVAL BLANC	4.3	12.7%
-	-	-	-	ARKEMA	8.6	36.6%
-	-	-	-	TIHEHAU	-	0.0%
0.8	-	-	-	CHÂTEAU RIEUSSEC	0.8	3.8%
1.6	-	-	1.6	IJSBOERKE	1.6	8.8%
1.0	-	-	1.0	TRASYS	1.0	6.5%
3.4	180.7	-	184.0	QUICK RESTAURANTS	86.6	68.4%
3.5	90.7	-	94.2	EIFFAGE	94.2	30.6%
0.0	2.2	-	2.2	Other shareholdings	2.2	70.4%
-	-	-	-	Tangible fixed assets	-	0.0%
103.6	273.6	-	377.2	Long-term assets	1,315.9	34.7%
23.4	0.0	-	23.4	Deposits, cash and debt	23.4	
15.5	0.0	1.1	16.6	Shares and bonds	16.5	
2.6	0.0	-	2.6	Own shares	4.7	
41.5	0.0	1.1	42.6	Net cash position	44.6	n.s.
(10.9)	7.4	1.7	(1.8)	Other revenues / (costs)	(3.5)	
415.1		2.8	417.9	Restricted consolidated profit	1,357.0	27.6%
				Anti-dilution effect of restructuring operations		0.0%
				After the anti-dilution effect of restructuring operations		27.6%

(6) Adjusted net assets at 31.12.2006: (2) + (3) + (4) + (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 3,972,600 shares covering the stock option plan for staff.

Main risk factors connected with the company's activities

Risks are understood to mean elements likely, in the short or longer term, to have an effect on the value of the Company's shares.

The market value of any industrial or financial assets depends on the discounted value of the cash flows that these assets may generate. This therefore depends on general, economic and market conditions (interest rates and risk premiums, currency exchange rates, price of certain raw materials and growth rate) and on elements specific to the company (customers, products, staff, legal and environmental aspects, and so on).

Market risks and economic influences

Interest rates and risk premiums

Given the existence of a positive net cash position (both in restricted consolidation terms and consolidated terms), an increase in the interest rates should not have a direct negative effect on the profits of the NPM/CNP Group.

On the other hand, the interest rates and the level of the risk premiums required by the market have an influence on market multiples or, for unlisted assets, on their market value, owing to the impact that these factors have on the discount rates. They therefore have a considerable effect on the value of NPM/CNP's shares.

Economic climate

The economic climate has a direct effect on the level of the profits from shareholdings and, therefore, on the cash flows they generate, which are discounted to determine the market value of financial assets or the underlying real assets.

Stagflation, combining an increase in the interest rates connected with a rise in inflation and a depressed economic climate, is the worst case scenario for shareholders. A similar undesirable situation would be a major recession causing deflation affecting the entire economy, including the oil sector, to which NPM/CNP is particularly exposed.

Exchange rate

A distinction should be made here between the direct effects that exchange rate fluctuations may have on the profit and loss accounts and the indirect effects that these may have on the value of the various investments. Excluding the TRANSCOR ASTRA GROUP and, to a lesser degree, IMERYS, these two companies representing some 15% of the adjusted net assets at 31 December 2006, almost all the assets of the companies within the NPM/CNP Group have a book value denominated in euros and make their sales mainly within the Euro zone. In reality, and contrary to these appearances, the risk in terms of value for NPM/CNP shareholders differs greatly, mainly owing to the high degree of sensitivity of the value of TOTAL's shares to the value of the dollar. According to our estimate, the value of NPM/CNP's shares is positively correlated by up to around 55%[1] (confidence interval of 50 to 60%) with fluctuations in the value of the USD against the EUR. In other words, a 1% variation in the value of the dollar over the long-term would cause a fluctuation in the same direction in the value of NPM/CNP's shares of between 0.50 and 0.60%.

Apart from the dollar, fluctuations in other currencies, within reasonable and foreseeable limits, are not likely to have a significant effect on the value of NPM/CNP's shares.

Price of raw materials

Given the composition of NPM/CNP's portfolio, the value of the shares offers a certain degree of sensitivity to the price of oil. According to our estimates, the correlation with the fluctuations in the oil price per barrel is positive by up to around 0.20[1] and comes mainly from TOTAL.

With regard to the risks connected with other raw materials, which differ from one activity to the next, the reader is invited to refer to the specific risks analysed below.

(1) The correlation coefficients indicated above were estimated in particular based on information regarding the sensitivity of the results communicated by TOTAL, to which were applied the market price/net profit multiple at 31 December 2006 and, with regard to the sensitivity to the dollar exchange rate, on TRANSCOR ASTRA GROUP's net assets. The estimated correlation coefficients (and the fluctuation margin taken into account) should cover the effects (none of which is individually significant) on the NPM/CNP Group's other assets.

Specific risks

Beyond the general elements described above, as a holding company, NPM/CNP is of course subject to the specific risks to which its shareholdings are exposed, mainly relating to industrial, commercial, technological, financial, organisational, environmental and legal aspects. These risks are highly diversified in terms of the type and number of shareholdings making up NPM/CNP's portfolio.

Adequacy of risk monitoring and management procedures

In the holding companies that come under restricted consolidation, in view of the very small size of the team and the relatively limited number of transactions, the Group has opted for the setting up of simple principles such as the widespread use of the double signature for each operation, frequent and detailed budget follow-up and the reconciliation of accounts, rather than the development of heavy and complex procedures more adapted to the situation of large groups. The high degree of staff stability, the frequent exchanges of information between them, as well as the existence of central databases shared by all, also plead in favour of this solution.

The listed or leading international companies in which the Group holds shares have developed specific internal risk monitoring and management systems such as may be expected from such organisations. Each of them is exposed to specific risks that are described and analysed in their management reports or other documents made public in accordance with the current regulations, to which the reader is invited to refer.

Smaller companies, in whose shareholding structure NPM/CNP often holds a more important place, have also developed their own risk assessment systems appropriate to the specific nature of their activities and to their scale, based on the principle that the risks of an activity are best known by the management of the entity responsible for it, the various subsidiaries having a large degree of independence in this regard. In particular, each of them has taken insurance policies that provide them with the cover that they consider necessary. NPM/CNP's role as a shareholder is limited to making sure that the system put in place is appropriate to the situation (in other words, does not allow the existence of risks that are unacceptable for the shareholder or includes the processes needed to limit the likelihood of such risks occurring) and operates adequately.

For example, we believed that the structure and systems existing within TRANSCOR ASTRA GROUP, which were previously found to be satisfactory, needed to be reinforced. Indeed, the major development undergone by this Group over the past few years following its acquisition of refining facilities, had led to a highly significant increase in the transaction volume and the appearance of new types of operations, in particular relating to the covering of buying and selling commitments. A major step was therefore taken within TRANSCOR ASTRA GROUP in 2006, with the hiring of two high level managers, one entirely dedicated to risk monitoring and management, and the other in charge of various organisational and financial aspects, mainly in the fields of mergers and acquisitions. Their first tasks are to reinforce the controls within the group's various entities, to develop information systems more appropriate to its new situation and to ensure the coordinated and harmonious integration of the acquisitions.

The industrial and environmental aspects

The various industrial companies that the Group controls rely on both internal and external expertise to detect, analyse and manage the various industrial and environmental risks. The efforts devoted to the management of these risks of course depend on the type of activity and are, for example, more considerable for activities such as refining at TRANSCOR ASTRA GROUP, which involves more significant risks in terms of accidents and pollution. Particular attention is also paid within this Group to aspects relating to the storage and transporting of materials: in this last case, the use of recent, double hull, oil tankers is preferred.

Owing to their location, some of the Group's activities are exposed to risks connected with natural events, in particular the refinery in Pasadena (near Houston, Texas) which is a region that often experiences hurricanes coming from the Gulf of Mexico at the end of the hot season. Such events are covered by specific insurance policies with certain limits (intervention ceiling, excess, minimum and maximum activity stoppage time for the covering of damages resulting from operating losses).

The fact that TRANSCOR ASTRA GROUP only owned one single refinery until the beginning of 2006, and that it was, by definition, located on one single site, represented a risk factor. It was deemed preferable to carry out an economic arbitrage operation on this asset with the purchase of a second small refinery, situated several thousands of kilometres from there, in Washington State.

Risks connected with products

Procedures aimed at ensuring product safety and traceability (HACCP) are in force for products within the food industry. Some sectors of activity are also more exposed than others to epidemics or pandemics and to their psychological consequences for consumers (mad cow disease, bird flu, and so on). Special precautions have also been taken to prevent the risk of the counterfeiting of certain top-of-the-range products (CHÂTEAU CHEVAL BLANC).

Other operational risks

Generally speaking, the companies that make up NPM/CNP's portfolio are exposed to the risk of rises in the price of the materials used to make their products. The effect of these factors on their profitability depends on their ability to compensate for these increases through their selling prices. In particular, ENTREMONT ALLIANCE has suffered greatly over recent years from its inability to compensate for the milk price fixed locally in France by increasing the price of its industrial products (serum, butter, powder, etc.) affected by international markets. The changes, effective from 2006, to the fixing of the price of milk take more account of the international price levels of these industrial products (with a time lag however), which has reduced the volatility of the Group's profits.

Any company is of course subject to the risks of competition within its sector; the only instruments able to combat these risks are innovation, the delivery of high quality products and services and the making of appropriate investments so that these can be offered at the right price.

A company's risk is greater if it concentrates on a single activity, sector, geographic location or customer, which increases its vulnerability to the occurrence of a given event. The vulnerability to the competition from the newly industrialised countries, often with lower production costs, is still being analysed with a view to the realisation of an industrial investment.

Excluding its declared and intentional concentration in the energy sector, NPM/CNP tends to limit this risk by having a diversified portfolio of shareholdings. Within each of these, however, sectorial concentration is the order of the day, while geographic diversification and expansion are encouraged.

The TRANSCOR ASTRA GROUP, which operates in the energy product trading sector, deserves a particular comment. This group mainly conducts its activities through product arbitrage based on quality, location and provisioning timetable. These arbitrage operations are made possible by the business skills of a team of traders and the use of processing (refining and blending), transport (ships and pipelines) and storage facilities, owned by the Group or rented. The divergence on the concluding of buying and selling operations between the various aspects of quality, time and location requires recourse to coverage instruments, mainly listed on liquid and organised markets (NYMEX for example). The commitments made are covered as effectively as possible, but this cover is not perfect, given the factors specific to each situation. In particular, the failure of one of the elements (shutdown of refining facilities, delivery delay, defaulting counterparty, etc.) of the whole that constitutes a transaction may result, if there is a significant change in the markets, in a considerable loss or lack of profit, which is not however, likely to endanger the Company.

The risks connected with the credit granted to customers are analysed by each company and, where applicable, covered through insurance according to the factors specific to each sector. The counterparty risks are taken into account and analysed whenever any significant business deal is concluded.

Political risks

Excluding a few exceptions, the shareholdings consolidated by NPM/CNP have few operations in politically unstable countries. However, when such situations exist, specific measures are taken that are appropriate to each situation (limiting of the amounts invested, credit limit, recourse to franchising, etc.) to reduce the risks in question.

Liquidity risk

Readers are reminded that, at the end of 2006, the cash position of the Group was positive, both in restricted consolidation and consolidated. While a situation of indebtedness cannot be excluded, as a holding company, NPM/CNP does not wish to be significantly indebted. As mentioned several times, the net indebtedness should not exceed, at restricted consolidation holding company level, 10 to 15% of your Company's value. Alongside this, the PARGESA/GBL Group and each of its industrial and commercial shareholdings regularly has recourse to independent, reasonable indebtedness, by obtaining credit lines on their own merits. As a general rule, they do not benefit from any guarantee from NPM/CNP as a shareholder. The objective pursued is to avoid any risk of a potential liquidity crisis at holding company level, an event which, if it occurred, might force the company to dispose of investments under unfavourable conditions.

The case of the TRANSCOR ASTRA GROUP calls for a specific comment: as this Group realises certain hedging operations in the form of futures operations on raw materials or products whose prices can be very volatile, it can, in some circumstances, be faced with significant margin calls. This was the case in particular in September 2005. On this occasion, a company included in the restricted consolidation was required to loan an amount of up to EUR 150 million to TRANSCOR ASTRA GROUP over several weeks in order to allow the latter to meet temporary calls for funds on operations whose outcome was nevertheless beneficiary at maturity. Since then, the terms and conditions governing the setting up of these hedging operations have been adapted in order to limit this risk, in such a way that TRANSCOR ASTRA GROUP's own resources and credit lines are sufficient to allow it to deal with such situations on its own.

Staff risks

Any company depends on the know-how of an entrepreneur or on that of the employees that he hires. A company's inability to attract and retain talented managers is an element of risk which, if it transpired, would, without a doubt, destroy value. In this respect, the group is eager to ensure the motivation of its employees by providing pleasant working conditions, by involving them in decision-making and by setting up fair, motivating remuneration systems that have a long-term motivation component for the key personnel.

The organisation of successful successions at all levels is a decisive factor that is indispensable when it comes to securing the long term future of the company. This point is addressed specifically in the Message to Shareholders on pages 6 to 13.

Any operation carries with it the risk of human error. This can be limited by giving staff appropriate training before taking up a position as well as periodic refresher courses throughout working life. The negative consequences of errors are, generally speaking, much less damaging when they are detected quickly and when they can be remedied as quickly as possible, which is why procedures are set up that are specific to each type of operation. As it considers, furthermore, that the most rapid method of detecting an error is by obtaining the admission of the person who committed it in the first place, the Group has adopted a culture of "forgiveness". As an individual error of judgement is always possible, we come together within the holding, to work as a team on investments. This "process" does not, by definition, avoid the risk of collective error by the team or even by the Board of Directors. In order to limit them, in every investment study, we designate an opponent to the project, whose role will be to highlight the weaknesses and the risks of the case in question.

Legal risks

Any group is subject to a number of legal risks relating to disputes of varying importance arising in the course of its activities. To the best of the Board of Directors' knowledge, any disputes involving the Company and its consolidated subsidiaries that have reasonable risk to result in financial consequences have given rise to adequate provisions in the accounts or a detailed description in the notes attached to them.

NPM/CNP undertakes to comply with the relevant regulations in all matters. The Board has no knowledge of any violation of such regulations that would be likely to have a significant effect on the Company's financial statements.

Resolutions proposed to the shareholders

The shareholders are invited to attend the Ordinary General Meeting that will be held on Thursday, 19 April 2007 at 10 a.m., at the Company's head office, located at 6280 Gerpinnes (Loverval), rue de la Blanche Borne, 12.

1. Annual reports and accounts

- Discussion of the Board of Directors' management report and the Auditor's report for the financial year 2006
- Discussion of the consolidated annual accounts for the financial year 2006
- Discussion and proposal for the approval of the Company' annual accounts closed at 31 December 2006, including the appropriation of the Company's profits and the distribution of a gross dividend of EUR 0.68 per share.

2. Discharging of the directors

Proposal for the discharging of the directors for the exercising of their mandate during the financial year 2006.

3. Discharging of the Auditor

Proposal for the discharging of the Auditor for the exercising of its mandate during the financial year 2006.

4. Directors' mandates

4.1. Expiry of the mandate of Mr Philippe HUSTACHE as director at the end of this General Meeting.

4.2. Proposal for the renewal of the mandate of Mr Gérald FRÈRE that expires at the end of this meeting for a period of 4 years ending with the Ordinary General Meeting of 2011.

Mr Gérald FRÈRE (1951) is Managing Director of the family company FRÈRE-BOURGEOIS, Vice Chairman of the Board of Directors of PARGESA HOLDING and Chairman of the Permanent Committee and Managing Director of GROUPE BRUXELLES LAMBERT. He is also Chairman of the Board of Directors of RTL TVi, a director of ERBE, SUEZ-TRACTEBEL, as well as of CORPORATION FINANCIÈRE POWER. In addition, he is a Member of the Board of BANQUE NATIONALE DE BELGIQUE and member of the Supervisory Board for Financial Services (Belgium).

4.3. Proposal for the renewal of the mandate of Mr Thierry DORMEUIL that expires at the end of this meeting for a period of 4 years ending with the Ordinary General Meeting of 2011.

Mr Thierry DORMEUIL (1960) is a graduate of the Institut National Agronomique (Paris) and of the Institut d'Etudes Politiques (Paris).

Since 1998, Mr Thierry DORMEUIL is the manager of the consumer goods, construction materials and oil and gas sectors of the BNP PARIBAS group's Corporate Finance Department and is a permanent representative of BNP PARIBAS on the COFIROUTE Board of Directors.

4.4. Proposal for appointing Mr Siegfried LUTHER as director for a 4 year period. His mandate will expire following the Ordinary General Meeting of 2011.

Mr Siegfried LUTHER (1944) graduated as a doctor of Law from the University of Münster (Germany).

In 1974, he joined the BERTELSMANN group and was its Chief Financial Officer until 2005. He is currently Chairman of the Board of Directors of RTL GROUP (Luxembourg) and is also a member of the supervisory board and of various committees within several German companies (GRÜNER+JAHR, INFINEON TECHNOLOGIES, WINTERSHALL HOLDING, WESTLB). He is also Director of the REINHARD MOHN VERWALTUNGSGESELLSCHAFT.

4.5. Declaring of Director independance, in accordance with article 524 of the Code on Companies and the criteria of NPM/CNP's Corporate Governance Charter.

Proposal for declaring the independence, in accordance with article 524 of the Code on Companies and the criteria of NPM/CNP's Corporate Governance Charter, of Mr Siegfried LUTHER subject to his appointment as director referred to above.

Grounds for the resolution:

The abovementioned director does not have any links with the Company, or with any companies or people connected with it, likely to bring his independence into question, with regard, more specifically, to the criteria given in article 524 §4, paragraph 2, 1st to 4th of the Code on Companies and appendix 1 of NPM/CNP's Corporate Governance Charter.

5. Auditor's mandate

The mandate of the cooperative company DELOITTE, represented by Mr Michel DENAYER, expires following the Ordinary General Meeting of 19 April 2007.

Proposal for appointing the cooperative company DELOITTE as Auditor, represented by Mr Eric NYS, for a 3 year period ending with the Ordinary General Meeting of 2010 and for the setting of its fees at a total of EUR 45,000 per year, non index-linked and exclusive of VAT.

Mr Eric NYS is 41 years old. He is a graduate in Commercial and Financial Sciences (ICHEC – Brussels) and holds a Master in Fiscal Sciences (ESSF – Brussels). He joined DELOITTE in 1990 and is a Company Auditor since 1998.

6. Temporary authorisation to be given to the Company to acquire its own shares

Proposal for authorising the Board of Directors, for a new eighteen (18) month period, taking effect on the date of the General Meeting that will decide on the granting of this authorisation, to acquire on the Stock Exchange a maximum number of 11,317,978 (eleven million, three hundred and seventeen thousand, nine hundred and seventy eight) of the Company's shares, at a unit price that may not be less, by more than twenty percent (20%), than the lowest closing price for the last twenty (20) trading days preceding the operation, or greater, by more than twenty percent (20%), than the highest closing price for the last twenty (20) trading days preceding the operation and proposal for authorising the Company's subsidiaries, in accordance with article 627 of the Code on Companies, to acquire the Company's share under the same conditions.

Consequently, a proposal for the terminating, on the effective date of the authorisation referred to above, of the temporary authorisation to acquire the Company's shares on the Stock Exchange granted by the Ordinary General Meeting of the twentieth of April two thousand and six.

7. Annual stock option plan under the terms of which the two executive directors and the staff members of NPM/CNP and of related companies can acquire existing NPM/CNP S.A. shares

7.1. Proposal for approving the principle of an annual share option plan under the terms of which the two executive directors and the staff members of NPM/CNP and of related companies can acquire existing NPM/CNP S.A. shares.

7.2. Proposal for capping the number underlying NPM/CNP shares to be attributed in 2007 at 200,000.

8. Early exercise of share options in the event of change of control over the company

Proposal for approving, in accordance with article 556 of the Code on Companies, any clause granting the beneficiaries of the company's share options the right to acquire Company shares without having to respect the share exercise period in the event of a change of control over the company, included in the stock option plan that the company would like to establish in the course of 2007 and in any agreement concluded between the company and the beneficiaries relating to the share option plan referred to above.

9. Miscellaneous

The applicable documents related to the annual general meeting of shareholders are available on the Company's website www.npm-cnp.be or can be obtained from the Company.

Non-renewal of authorisations

Authorised capital in the event of a takeover bid: acquisition of own shares in the event of serious and imminent damage

The Board of Directors did not believe it opportune to ask the General Meeting of Shareholders to renew, on the one hand, the authorisation to use the authorised capital in accordance with article 607 of the Code on Companies, in the event of the launch of a takeover bid on NPM/CNP and, on the other hand, the authorisation to acquire or alienate own shares when these are necessary to avoid serious and imminent damage.

As FRÈRE-BOURGEOIS controls 64.94% of the shares and of the voting rights of NPM/CNP, the perspective of a takeover bid seems to be highly improbable.

These authorisations had been granted by the Extraordinary General Meeting of 15 April 2004 and expire on 15 April 2007 and 14 May 2007 respectively.

The present section describes the relevant elements regarding the corporate governance of your Company. NPM/CNP's Corporate Governance Charter (CG Charter) is applicable since 1st January 2006. An update of the CG Charter* was approved by the Board of Directors on 8 March 2007 and is made available to the public on the Company's website (www.npm-cnp.be).

Composition of the Board of Directors

Following the General Meeting of 19 April 2007, and subject to the appointment of Mr Siegfried LUTHER and the proposed renewal of the expired mandates, 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' mandates.

In accordance with the rules enacted by the CG Charter, the distribution of the thirteen seats is as follows: four seats, including the chairmanship, allocated to controlling family shareholders, two seats reserved for the family's historical partner, BNP PARIBAS, two for the executive directors and five seats allocated to non-executive directors, including four with independent status.

The rules relating to the appointment and renewal of the directors' mandates and the performance of their duties are set out in the terms of references of the Board of Directors and the Nominations and Remunerations Committee, presented in the appendices of the CG Charter.

These mandates last for 3 years (6 years prior to 2001) and are renewable. The Board of Directors, on the proposal of the Nominations and Remunerations Committee, has however decided to review the term of the directors' mandate and to propose to the General Meeting to extend it to 4 years, as authorised by the Belgian Code on Corporate Governance. The age limit has currently been set at 72 years by the Nominations and Remunerations Committee.

Mr Philippe HUSTACHE, whose mandate expires in 2007, did not wish to seek a new term. The Board of Directors would like to thank him for his faithfulness and his loyalty towards NPM/CNP and for the eminent services rendered to the Company, in particular as Chairman of the Audit Committee for several years.

* The main changes to the Charter are described in the section "Compliance with the provisions of the Belgian Code on Corporate Governance" on p. 45.

BOARD OF DIRECTORS

Directors [1]	Nomination	Renewal	Expiry	Main mandate or function
Executive directors				
Gilles SAMYN, Vice Chairman	1988	2005	2008	Managing Director (Chief Executive Officer)
Victor DELLOYE	1994	2006	2009	Director and General Counsel
Non-executive directors representing dominant shareholders [2]				
Gérald FRÈRE, Chairman [3]	1988	2007	2011	Managing Director of FRÈRE-BOURGEOIS
Jean CLAMON	1988	2006	2009	General Manager at BNP Paribas
Thierry DORMEUIL [3]	1994	2007	2011	Manager of the Corporate Finance Department of the BNP PARIBAS Group
Christine FRÈRE-HENNUY	2005	-	2008	Director of FRÈRE-BOURGEOIS
Ségolène GALLIENNE	1998	2006	2009	Director of ERBE
Thierry de RUDDER [4]	1988	2006	2009	Managing Director of GROUPE BRUXELLES LAMBERT
Non-executive independent directors				
Pierre-Alain DE SMEDT	1997	2006	2009	Company Director
Jacques FOREST	1992	2005	2008	Chairman of the Executive Committee of P&V ASSURANCES
Siegfried LUTHER [5]	2007	-	2011	Chairman of the Board of Directors of RTL Group
Henri MESTDAGH	1999	2005	2008	Chairman of the Board of Directors of the MESTDAGH Group
Non-executive director				
Philippe WILMES [6]	1988	2006	2009	Managing Director of BELGIAN CORPORATION FOR INTERNATIONAL INVESTMENT

(1) The directors are categorised on the basis of the nomenclature produced by the Board of Directors on the proposal of the Nominations and Remunerations Committee.

(2) This category includes representatives of different direct or indirect shareholders who do not make up a uniform group.

(3) The directors' mandates of Messrs. Gérald FRÈRE and Thierry DORMEUIL will expire at the end of the Ordinary General Meeting of Shareholders of 19 April 2007. As these directors are re-electable, the Board, on the proposal of the Nominations and Remunerations Committee and in accordance with the rules of the CG Charter will propose that the Meeting rules on the renewal of these directors' mandates.

During its meeting of 8 March 2007, the Board of Directors decided to renew Thierry DORMEUIL's mandate as Chairman of the Audit Committee and Gérald FRÈRE's mandate as Chairman of the Nominations and Remunerations Committee as well as his function as Chairman of the Board of Directors, subject to their re-election by the General Meeting of 19 April 2007.

(4) 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 (at the time a shareholder of NPM/CNP). 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 (cfr p. 38).

(5) The Board of Directors, on the proposal of the Nominations and Remunerations Committee, will propose that the Ordinary General Meeting of 19 April 2007 rules on the appointment, as a director, of Mr Siegfried LUTHER. If the General Meeting approves this appointment, it will also be asked to rule on the independence of Mr LUTHER, the Board of Directors having deemed that he satisfies the condition of independence in accordance with article 524 of the Belgian Code on Companies and the rules of the CG Charter (cfr p. 38). If the General Meeting of 19 April 2007 ratifies this appointment, the Board of Directors has the intention of appointing Mr LUTHER as a member of the Nominations and Remunerations Committee and of the Audit Committee.

(6) As he no longer satisfies the rules of independence of the CG Charter, since the General Meeting of 20 April 2006, Mr Philippe WILMES is no longer included in the list of independent directors. Indeed, Mr WILMES has been a non-executive director since 1988 and has held three successive non-executive director mandates of 6 years each.

Presentation of the directors

Gérald FRÈRE, Chairman of the Board of Directors

Non-executive director representing dominant shareholders

Born on 17 May 1951, Belgian

After studying in Switzerland, Mr Gérald FRÈRE joined the family company, the FRÈRE-BOURGEOIS group, of which he is currently Managing Director. He is also the Vice Chairman of the Board of Directors of PARGESA HOLDING, as well as the Chairman of the Permanent Committee and Managing Director of GROUPE BRUXELLES LAMBERT. He is also Chairman of the Board of Directors of RTL TVi, a director of ERBE, SUEZ-TRACTEBEL, and of CORPORATION FINANCIÈRE POWER. In addition, he is a Member of the Board of BANQUE NATIONALE DE BELGIQUE and of the Supervisory Board for Financial Services (Belgium).

Gilles SAMYN, Vice Chairman of the Board of Directors and Managing Director (CEO)

Executive Director

Born on 2 January 1950, holds dual Belgian and French nationality

Mr Gilles SAMYN graduated in Commercial Engineering from the Solvay Business School (Université Libre de Bruxelles) where he has held scientific and academic functions since 1970.

He started his career with the MOUVEMENT COOPÉRATIF BELGE in 1972 before joining the GROUPE BRUXELLES LAMBERT at the end of 1974. After branching out on his own for one year, in 1983 he joined the FRÈRE-BOURGEOIS group.

Mr Gilles SAMYN is currently Managing Director of FRÈRE-BOURGEOIS and ERBE. He is also the Chairman, a Director and/or a member of various committees in a number of companies in which the NPM/CNP Group holds direct or indirect shareholdings (PARGESA HOLDING, GROUPE BRUXELLES LAMBERT, TRANSCOR ASTRA GROUP, GROUPE FLO, ENTREMONT ALLIANCE, GRUPPO BANCA LEONARDO, etc.).

Jean CLAMON, director

Non-executive director representing dominant shareholders

Born on 10 September 1952, French

Mr Jean CLAMON is an engineer, a graduate of the Ecole Centrale in Paris. Having started with Paribas in 1976, he has spent most of his career within the Group's Management Division and headed up this division until July 1994. He has gone on to fill various management positions including that of Chief Financial Officer of PARIBAS, and of BNP PARIBAS as from 1999.

Mr Jean CLAMON is currently General Manager at BNP PARIBAS and a Director of various other companies including the BNP PARIBAS LEASE GROUP, CETELEM, ARVAL SERVICE LEASE, CASSA DE RISPARMIO DI FIRENZE and ERBE. He is also a member of GALERIES LAFAYETTE's supervisory board.

Victor DELLOYE, Director and General Counsel

Executive Director

Born on 27 September 1953, Belgian

Mr Victor DELLOYE graduated in Law from the Catholic University of Louvain and holds a Masters in Fiscal Sciences (ESSF- Brussels). Since the academic year 1989-1990, he is guest lecturer for the Masters in Fiscal Management at Solvay Business School (ULB).

He joined the FRÈRE-BOURGEOIS group in 1987. Mr Victor DELLOYE is a Director of PARGESA HOLDING, GROUPE BRUXELLES LAMBERT, GB-INNO-BM, FRÈRE-BOURGEOIS and other companies within the Group.

Pierre-Alain DE SMEDT, Director

Independent non-executive director

Born on 4 April 1944, Belgian

Mr Pierre-Alain DE SMEDT graduated in Commercial Engineering from Solvay Business School (Université Libre de Bruxelles). He was President of AUTOLATINA, the joint-venture between VAG and FORD in Latin America, as well as of Volkswagen in Brazil and in Argentina, before taking over the Presidency of SEAT. He was the Deputy Managing Director of RENAULT between 1999 and 2004.

Mr Pierre-Alain DE SMEDT is currently a Director of BELGACOM, VALEO, DECEUNINCK and ALCOPA and Chairman of FEBIAC (Fédération belge de l'Industrie de l'Automobile et du Cycle).

Thierry DORMEUIL, Director

Non-executive director representing dominant shareholders

Born on 2 January 1960, French

Mr Thierry DORMEUIL is a graduate of the Institut National Agronomique (Paris) and of the Institut d'Etudes Politiques (Paris). He has spent his entire career at PARIBAS, which has since become BNP PARIBAS. He first held the position of Deputy Manager within the Internal Financial Services of the PARIBAS Group (Group Management) before heading up the Group's Management.

Since 1998, Mr Thierry DORMEUIL is the manager of the consumer goods, construction materials and oil and gas sectors of the BNP PARIBAS Corporate Finance Department and is a permanent representative of BNP PARIBAS on the COFIROUTE Board of Directors.

Jacques FOREST, Director

Independent non-executive director

Born on 12 April 1944, Belgian

Mr Jacques FOREST is a graduate in Physics from the Université Libre de Bruxelles.

He started his professional career as an assistant at the Faculté Polytechnique of the Université Libre de Bruxelles and then held various functions within the FEBECOOP. In 1980, he joined the PREVOYANCE SOCIALE group, renamed "P&V" in 1993. He has held various positions within this Group and is currently Chairman of the Executive Committee of P&V Assurances and of VIVIUM Assurances.

He is also a Member of the Board of BANQUE NATIONALE DE BELGIQUE and a director of several companies, including UNIPOL and MULTIPHARMA.

Christine FRÈRE-HENNUY, Director

Non-executive director representing dominant shareholders

Born on 1st July 1946, Belgian

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

Ségolène GALLIENNE, Director

Non-executive director representing dominant shareholders

Born on 7 July 1977, Belgian

Mrs Ségolène GALLIENNE holds a Bachelor of Arts Degree in Business and Economics from the Vesalius College in Brussels.

She has served as Public Relations Manager with BELGACOM and DIOR FINE JEWELRY. She is a Director of PARGESA HOLDING and ERBE.

Siegfried LUTHER, Director

Independent non-executive director

Born on 5 August 1944, German

Mr Siegfried LUTHER graduated as a doctor of Law from the University of Münster (Germany).

In 1974, he joined the BERTELSMANN group and was its Chief Financial Officer until 2005. He is currently Chairman of the Board of Directors of RTL GROUP (Luxemburg) and is also a member of the supervisory board and of various committees within several German companies (GRÜNER+JAHR, INFINEON TECHNOLOGIES, WINTERSHALL HOLDING, WESTLB). He is also Director of the REINHARD MOHN VERWALTUNGSGESELLSCHAFT.

Henri MESTDAGH, Director

Independent non-executive director

Born on 12 January 1940, Belgian

Mr Henri MESTDAGH graduated in Commercial Engineering from the Université Catholique de Louvain. He has spent his career within the family group.

Mr Henri MESTDAGH is the Chairman of the Board of Directors of the MESTDAGH supermarket chain and a Director of a number of other companies. He was also Chairman of the UNION WALLONNE DES ENTREPRISES until the end of 2006.

Thierry de RUDDER, Director

Non-executive director representing dominant shareholders

Born on 3 September 1949, holds dual Belgian and French nationality

Mr Thierry de RUDDER graduated in Mathematics from the University of Geneva and the Université Libre de Bruxelles and holds an MBA from the Wharton School in Philadelphia.

He started his career in the United States, joining CITIBANK in 1975. He held various functions with the company in New York then in Europe. In 1986, he joined the GROUPE BRUXELLES LAMBERT and became its managing director in 1993. He is also a Director of SUEZ, IMERYS, TOTAL and of various subsidiaries of GROUPE BRUXELLES LAMBERT.

Philippe WILMES, Director

Non-executive director

Born on 4 March 1938, Belgian

Mr Philippe WILMES graduated as a doctor of Law from the Université Libre de Bruxelles and as a Doctor in Applied Economics from the Université Catholique de Louvain. During his career, he has held various management positions mainly in the field of finance and investments both in Belgium and abroad, both in the private and public sector.

Mr Philippe WILMES is currently Chairman of the BELGIAN CORPORATION FOR INTERNATIONAL INVESTMENT. He is also an Honorary Member of the Board of BANQUE NATIONALE DE BELGIQUE and a Director of various companies.

Family ties

Mrs Christine FRÈRE-HENNUY is the wife of Baron FRÈRE who has two children, Mr Gérald FRÈRE and Mrs Ségolène GALLIENNE (cfr section "Group Structure and Shareholders" at the beginning of this report).

Mr Thierry de RUDDER is Mr Gérald FRÈRE's brother in law.

Independent directors

The Ordinary General Meeting of 19 April 2007 will be invited to rule on the appointment of Mr Siegfried LUTHER as a Director and to acknowledge his independent status.

Mr Siegfried LUTHER was Chief Financial Officer of BERTELSMANN and left his executive functions at the end of 2005. GBL, a company related to NPM/CNP held a 25.1% shareholding in BERTELSMANN, which was sold mid-2006.

The Board of Directors has ruled that Mr LUTHER satisfies the rules of independence in accordance with article 524 of the Code on Companies and the rules of the CG Charter.

On this same basis, Mr Siegfried LUTHER formally declared his independence in a letter sent to the Company in 2007.

Consequently, subject to the decisions made by the Ordinary General Meeting of 19 April 2007, the following Directors shall be considered as independent:

- Pierre-Alain DE SMEDT;
- Jacques FOREST;
- Siegfried LUTHER;
- Henri MESTDAGH.

Report on the activities of the Board of Directors

During 2006, the Board of Directors met 8 times with a 69.23% attendance rate by the directors.

During its meetings, the Board of Directors' main tasks were:

- the closing of the interim accounts;
- the monitoring of the Company's strategy and the evolution of shareholdings;
- the discussion and/the approval of several acquisition or disposal proposals, including the acquisition of a shareholding in EIFFAGE, BANCA LEONARDO, M6, TIKEHAU and TRASYS, and the disposal of the shareholdings in EIFFAGE and QUICK RESTAURANTS*;
- preparation for the Ordinary and Extraordinary General Meetings, and in particular, the Extraordinary General Meeting of 20 November 2006 which decided on the splitting of the NPM/CNP share by six;
- the discussing and approval of the proposals of the Nominations and Remunerations Committee relating to the remunerations of the Company's directors and executive management **;
- corporate governance issues, in particular the discussing and approval of the proposals of the Nominations and Remunerations Committee concerning the appointment or the renewal of the mandate of certain Directors.

During 2007, the Board of Directors and the Committees shall carry out an evaluation of their size, their composition, their operation and their interaction with executive management.

* The operations referred to are described in the management report (cf. pp. 16 and 17).

** The changes to the remunerations policy are described on pp. 51, 53 and 54 of this report.

INDIVIDUAL DIRECTORS' ATTENDANCE RATES

Directors	Board of Directors	Nominations and Remunerations Committee	Audit Committee
Gérald FRÈRE, Chairman	87.5%	100%	-
Gilles SAMYN, Vice Chairman Chief Executive Officer	100%	-	-
Victor DELLOYE, Director - General Counsel	100%	-	-
Jean CLAMON	50.0%	-	-
Pierre-Alain DE SMEDT (1)	75.0%	100%	100%
Thierry DORMEUIL	62.5%	-	100%
Jacques FOREST	87.5%	-	100%
Christine FRÈRE-HENNUY	50.0%	-	-
Ségolène GALLIENNE	62.5%	-	-
Philippe HUSTACHE (2)	62.5%	100%	-
Henry MESTDAGH (3)	12.5%	-	-
Thierry de RUDDER	75.0%	-	-
Philippe WILMES (4)	75.0%	100%	100%
TOTAL	**69.23%**	**100%**	**100%**

(1) Mr Pierre-Alain DE SMEDT has been a member of the Audit Committee since 30 March 2006.

(2) Mr Philippe HUSTACHE has been a member of the Nominations and Remunerations Committee since 30 March 2006.

(3) Mr Henri MESTDAGH was unable to attend several meetings of the Board of Directors due to health reasons.

(4) Mr Philippe WILMES was a member of the Nominations and Remunerations Committee and of the Audit Committee up until 30 March 2006.

Report on the activities of the Audit Committee

The Audit Committee meets prior to each meeting of the Board of Directors ruling on issues relevant to its duties and reports on its work to the Board. As part of its mission, it periodically meets with the Auditors.

During 2006, the Committee met 5 times.

The Audit Committee ruled on the following points:

- the review of the draft accounts and, in particular, the need to record any impairment loss on the Group's assets;
- the content of the documents relating to the communication of the financial results;
- the monitoring of risks.

The Auditors participated three times in the meetings of the Audit Committee within the framework of the review of annual accounts (both restricted consolidated and IFRS) and of the half-yearly accounts.

As the mandate of the Auditors, DELOITTE, expires in 2007, the Committee examined its renewal. It proposed to renew the mandate of the DELOITTE auditors for a further 3 year period, to replace its representative and to set the amount of the fees paid for its audit duties at EUR 45,000 per annum, non index-linked and exclusive of VAT. The Board of Directors will propose this to the General Meeting of 19 April 2007 (cfr p. 33).

The Audit Committee did not entrust additional work to the Auditors in the course of 2006.

Composition:

- Thierry DORMEUIL, Chairman (during its meeting of 8 March 2007, the Board of Directors decided to renew Thierry DORMEUIL's mandate as Chairman of the Audit Committee, subject to his re-election by the General Meeting of 19 April 2007).
- Jacques FOREST
- Pierre-Alain DE SMEDT (since 30 March 2006)
- Siegfried LUTHER (subject to the approval of his appointment as an independent director by the General Meeting of 19 April 2007 and his appointment by the Board of Directors as a member of the Audit Committee)

The individual rate of the members' attendance at the Committee's meetings is given in the table on page 39.

At the beginning of 2007, the Audit Committee evaluated the effectiveness of its own rules as well as its own effectiveness. It reported on the results to the Board of Directors. No recommendations were made as to the need to modify its working methods.

Report on the activities of the Nominations and Remunerations Committee

During 2006, this Committee met twice and reported on its work to the Board of Directors.

During its meetings, the Committee's main tasks were:

- to analyse the studies conducted by the consultants, TOWERS PERRIN and BOYDEN, relating to the remunerations policy of the Group's directors and executive managers and to submit its conclusions to the Board of Directors (cfr pp. 53 and 54);
- to analyse and make proposals on the composition of the Board of Directors, in particular on the appointment of Mr Siegfried LUTHER as independent director and on the renewal of the mandate of Messrs. Gérald FRÈRE and Thierry DORMEUIL as directors.

Composition:

- Gérald FRÈRE, Chairman (during its meeting of 8 March 2007, the Board of Directors decided to renew Gérald FRÈRE's mandate as Chairman of the Nominations and Remunerations Committee, subject to his re-election by the General Meeting of 19 April 2007).
- Pierre-Alain DE SMEDT
- Philippe HUSTACHE (until 9 April 2007)
- Siegfried LUTHER (subject to the approval of his appointment as an independent director by the General Meeting of 19 April 2007 and his appointment by the Board of Directors as a member of the Nominations and Remunerations Committee)

The individual rate of the members' attendance at the Committee's meetings is given in the table on page 39.

The Nominations and Remunerations Committee will analyse in 2007 the adequacy of its own rules and will propose any necessary modifications to the Board of Directors.

Remuneration of directors

Concomitantly with the realisation of a study on the remunerations of the executive management, the Nominations and Remunerations Committee proposed to adjust the remuneration of the non-executive directors, which had been unchanged for many years, and to adapt it to the market conditions. Consequently, the Board of Directors decided during its meeting of 5 December 2006 to increase the gross annual remuneration of the directors, taking it from EUR 7,436.81 to EUR 15,000.

The directors each annually receive a fixed basic gross remuneration of EUR 15,000; non-executive directors who are members of Board Committees receive an additional gross remuneration of EUR 10,000 (EUR 7,436.81 previously). The Chairman of the Board of Directors annually receives an additional gross remuneration of EUR 15,000 (EUR 7,436.81 previously).

The gross remuneration granted to the Board members for the financial year 2006 is presented in the table below.

(GROSS EUR)

Directors	Board of Directors	Nominations and Remunerations Committee	Audit Committee	Total
Gérald FRÈRE, Chairman	30,000	10,000	-	40,000
Gilles SAMYN, Vice Chairman –Chief Executive Officer	15,000	-	-	15,000
Victor DELLOYE, Director - General Counsel (1)	15,000	-	-	15,000
Jean CLAMON	15,000	-	-	15,000
Pierre-Alain DE SMEDT (2)	15,000	10,000	6,667	31,667
Thierry DORMEUIL	15,000	-	10,000	25,000
Jacques FOREST	15,000	-	10,000	25,000
Christine FRÈRE-HENNUY	15,000	-	-	15,000
Ségolène GALLIENNE	15,000	-	-	15,000
Philippe HUSTACHE (3)	15,000	6,667	-	21,667
Henri MESTDAGH	15,000	-	-	15,000
Thierry de RUDDER	15,000	-	-	15,000
Philippe WILMES (4)	15,000	3,333	3,333	21,666
Total	**210,000**	**30,000**	**30,000**	**270,000**

(1) This table only gives the emoluments received by the executive directors for the fulfilment of their functions as directors. The remuneration received by the executive directors may be consulted on pages 43 and 44.

(2) Mr Pierre-Alain DE SMEDT has been a member of the Audit Committee since 30 March 2006.

(3) Mr Philippe HUSTACHE has been a member of the Nominations and Remunerations Committee since 30 March 2006.

(4) Mr Philippe WILMES was a member of the Nominations and Remunerations Committee and of the Audit Committee until 30 March 2006.

Remuneration and other benefits granted in 2006 to the non-executive directors by other companies belonging to the Group

The amounts shown 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 duties independently from their duties as NPM/CNP directors. Mr Gérald FRÈRE received a gross remuneration from AGESCA NEDERLAND in the amount of EUR 12,500. The remuneration received by Mrs Ségolène GALLIENNE and Mr Gérald FRÈRE as payment for their duties within PARGESA equalled CHF 55,000 and CHF 165,000. The total remuneration received by Messrs Gérald FRÈRE and Thierry de RUDDER for the fulfilment of their functions within GBL may be consulted in this company's Annual Report. The other non-executive directors do not receive remuneration or other benefits from companies belonging to the NPM/CNP Group.

Executive Management

Composition of the Executive Management

The Executive Management is composed of the executive members of the Board of Directors and of three officers.

Members of the Executive Management

Gilles SAMYN Managing Director	Chief Executive Officer
Victor DELLOYE Director	General Counsel
Roland BORRES	Chief Financial Officer
Maximilien de LIMBURG STIRUM	Officer in charge of Shareholdings
Michel LOIR	Officer in charge of Treasury and Market Operations

Remuneration of the Executive Management

The remuneration policy of the executive directors and of the executive management is described in the CG Charter and in particular appendix 7 thereof.

To summarise, the remuneration of the Group's executive directors and executive managers is based on 7 pillars:

- a fixed basic remuneration being the fundamental element of the remuneration;
- a variable remuneration linked to long-term performances;
- long-term incentive schemes (stock option plan);
- a pension scheme;
- severance pay;
- various benefits, mainly a company car and health insurance;
- as well as training and education "credits".

In accordance with the CG Charter, the Nominations and Remunerations Committee has made recommendations relating to the remuneration of executive directors and executive management and the remuneration policy for the Company's staff according to the market conditions prevailing for equivalent positions and situations. As the last study on this subject was conducted in 2002, the Committee entrusted the firm TOWERS PERRIN with the performing up of a benchmark of all of the remunerations of the persons concerned and BOYDEN with the performing up of a study to assess these remunerations and related functions within the framework of the appropriate market.

During its meeting of 5 December 2006, the Board of Directors took various decisions in the field of remuneration and decided in particular to set the remunerations for the period between 2006-2009 with reference to the top remuneration bracket of the comparables chosen, in view of the long-term performance of the NPM/CNP share, compared with the evolution of the other companies making up the BEL 20 or the CAC 40.

In 2010, the "benchmarking" study will be updated on the basis of similar criteria to determine the remunerations for the period 2010-2013. The performances of the NPM/CNP share over 10 years will be once again compared with the BEL 20 and the CAC 40.

The remuneration system remains basically fixed, with an appropriate share linked to long-term performance. Indeed, the principle chosen for the future is to set the minimum remuneration in line with the market average, the top remuneration bracket being chosen only if the performances of NPM/CNP over 10 years in 2009 are in the top third (CAC 40) or quartile (BEL 20) of the comparables. The NPM/CNP does not grant any annual variable remuneration.

These decisions are described in greater detail on pages 53 and 54 of this report.

The remuneration received by the executive directors solely for fulfilling their duties as directors is presented in the section "Remuneration of Directors" (cfr page 42) and in the table on page 44.

The staff and the executive managers also benefit from a pension scheme that will guarantee them, at the age of 62 and after a 35 year career (28 years for the executive directors and some officers), a capital providing an annuity equal to a percentage of the highest fixed annual remuneration allocated before the age of 57. This percentage is on a sliding scale in bands.

As two members of executive management have reached the 28 year ceiling fixed by the pension scheme, they benefit, for the subsequent years, from a supplementary defined contribution system.

The remuneration for 2006 of the CEO, the executive directors and the executive managers breaks down as follows:

(GROSS EUR)	Gilles SAMYN Chief Executive Officer	Total for the executive directors	Total for the executive management
Fixed remuneration paid by the entities of the NPM/CNP Group	**1,230,228**	**1,877,664**	**2,742,474**
Breakdown of the fixed remuneration paid by:			
- NPM/CNP itself	56,209	112,418	186,281
including remuneration received in return for the position as director	15,000	30,000	30,000
- companies consolidated proportionally or globally	1,005,816	1,597,043	2,387,990
- equity-accounted companies	168,203	168,203	168,203
Variable remuneration	-	-	-
Other benefits	8,176	12,628	23,191
Total remuneration excluding pension and insurance	1,238,404	1,890,292	2,765,665
taking into account the consolidation and equity-accounting percentages	998,778	1,618,930	2,479,162
Pension costs*	346,731	567,436	791,937
Insurance (accident - disability – medical care- death)	236,863	308,386	371,374

* These amounts include the payments made in the course of the financial year to fund pension schemes but do not take into account actuarial adjustments accounted for globally and not individually at the end of the year.

The amount of the remuneration received directly or indirectly by the members of executive management includes the remuneration in return for mandates held in the companies where they represent NPM/CNP.

In December 2006, GBL decided to award several of its directors and executive managers an exceptional remuneration linked to the disposal of its shareholding in BERTELSMANN. Within this framework, in return for the services rendered in the course of this operation, Mr Gilles SAMYN received, in January 2007, a gross bonus of EUR 1 million, which he retroceded in full to NPM/CNP in accordance with the policy followed by the executive directors of NPM/CNP in relation to remunerations paid to them by GBL for their duties as director.

Long-term value creation and profit sharing was based on a stock ownership plan set up in 1998 and was converted in December 2003 into a stock option scheme within the meaning of the law of 26 March 1999. This covers 3,972,600 shares*, 2,805,000* of which have been allocated to the Executive Management (and 1,890,000* of which to the two executive directors).

Since then, and until the end of 2006, the Executive Management was not offered any shares, options or other rights to acquire shares.

An annual stock option scheme allowing the allocation of options to the 2 executive directors and to the members of staff will be submitted for the approval of the Annual General Meeting on 19 April 2007 (cfr p. 51).

* After the splitting of the NPM/CNP shares by 6 by the Extraordinary General Meeting of Shareholders of 20 November 2006.

Main contractual provisions relating to the hiring and departure of executive directors

On the proposal of the Nominations and Remunerations Committee, the Board of Directors of 5 December 2006 decided that in the event of early departure, except in the case of gross negligence or fraud, the executive directors shall receive severance pay. This is described in detail on page 53 of this report.

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 of the Board of Directors, or if necessary, the Chairman of the Board of Directors. The Board of Directors has also delegated special, limited grants of authority to persons chosen from outside the Board, in particular to members of the executive management.

Day-to-day management and General Management

As indicated by the CG Charter, the Board of Directors has delegated responsibility for the general and operational management of the Company to the CEO. The latter has a great deal of independence, granted by the Board of Directors, and is responsible for the implementation, monitoring and coordination of the Company's strategic orientations, in the operational, financial, administrative, and legal, human resource and investment fields.

The CEO is assisted in the fulfilment of his mission by the Director and General Counsel and by one or several officers depending on the tasks to be accomplished.

Compliance with the provisions of the Belgian Code on Corporate Governance

NPM/CNP has adopted its CG Charter in compliance with the Belgian Code on Corporate Governance. It is applicable since 1st of January 2006. In accordance with the "Comply or Explain" approach, it respects the Code and complies with its prescriptions, except when the specific characteristics of NPM/CNP, a holding company controlled by a stable shareholder, justify deviations which are duly explained.

One year after the application of the CG Charter, the Board of Directors of 8 March 2007 decided to make a few modifications to it without however departing from the spirit of the Belgian Code on Corporate Governance.

The following modifications have been made in particular to the CG Charter, whose full text, thus modified is available on the Company's website:

As regards the CG Charter itself:

- Updating of certain factual elements (structure of the Group, etc.)

As regards appendix 1 (Terms of reference of the Board of Directors):

- modification of the duration of the mandate of the directors from 3 to 4 years, thus allowing the Company to benefit from the expertise and competence of an independent director for a maximum of 12 years, in line with the CG Charter (a maximum of 3 mandates) and the Belgian Code on Corporate Governance (the duration of the mandates should not exceed 4 years).
- increase of the frequency of evaluation by the Board of Directors of its size, composition and operation. This will take place every 2 years, instead of the 3 years initially planned.

As regards appendix 6 (Measures to prevent insider dealing and market manipulation):

- Modification of the duration of the Closed Periods during which the People Concerned are presumed to possess Inside Information, bringing it down to fifteen days preceding the announcement of NPM/CNP's half yearly and quarterly results, the period of one month preceding the announcement of the annual results remaining unchanged.
- Suppression of the reporting, in the annual report and on the Company's website, of all of the NPM/CNP share operations carried out by People Concerned, the Board considering that transparency was ensured by the publication by the CBFA of the notices on NPM/CNP share operations carried out, in application of the Royal Decree of 5 March 2006.

It is further brought to your attention that NPM/CNP has deviated from article 8.9. of the Belgian Code on Corporate Governance, by virtue of which "the threshold beyond which a shareholder may submit proposals to the General Meeting may not exceed 5% of the capital". NPM/CNP complies with the spirit of the Belgian Code on Corporate Governance by allowing shareholders to ask any questions regarding the accounts and strategy at the General Meeting. It believes that the General Meeting of Shareholders, owing to the restricted number of shareholders who participate, is a privileged forum allowing discussion and dialogue between managers and shareholders.

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, however, been informed 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 Auditor and the Audit Committee. In the event of a conflict of interests, transactions or decisions are subject to the rules set out by articles 523 and 524 of the Belgian Code on Companies and by the CG Charter.

Policy relating to conflicts of interest

The Company has published, in appendix 5 of the CG Charter, the policy established by the Board of Directors with regard to transactions and other contractual relationships between the Company and its directors and executive managers.

These provisions, in particular article 523 of the Belgian Code on Companies, were applied during the meeting of the Board of Directors of 5 December 2006. In accordance with this provision, the Company Auditor was informed of this situation and the minutes are published in the annual report on pages 53 and 54.

The FRÈRE-BOURGEOIS Group and NPM/CNP have common directors and a joint-subsidiary, in particular the Dutch company AGESCA NEDERLAND. The two Groups are parties to shareholder agreements with third parties relating to certain shareholdings, in particular an agreement with the POWER Group regarding the joint control of PARGESA HOLDING.

Since some of the two groups' companies share personnel and premises, some costs are shared or reinvoiced.

Measures aimed at preventing insider trading and market manipulation

Appendix 6 of the CG Charter presents the measures applicable since 1st of January 2006 that express the Company's internal policy with regard to preventing market abuses, as defined by the law of 2 August 2002 relating to the monitoring of the financial sector and financial services.

The Compliance Officer ensured that the people affected by these measures were informed of the existence and content of these regulations and has been entrusted with making sure that these rules are followed.

ACCOUNT AUDITING

The Company Auditor's mandate, which lasts for three years, expires in 2007 and is renewable.

The Board of Directors, on the suggestion of the Audit Committee, will propose that the General Meeting of Shareholders of 19 April 2007 renews the mandate of the current Company Auditor:

DELOITTE Reviseurs d'Entreprises

S.C. s.f.d. S.C.R.L.

Mr Michel DENAYER, who currently represents the Company Auditor, will be replaced in his representation mission by Mr Eric NYS.

Mr NYS is 41 years old. He is a graduate in Commercial and Financial Sciences (ICHEC- Brussels) and holds a Masters in Fiscal Sciences (ESSF- Brussels). He joined DELOITTE in 1990 and is a Company Auditor since 1998.

The firm DELOITTE is the auditor of the entire chain of holdings, from FRÈRE-BOURGEOIS down to GBL, as well as of most of the industrial and commercial subsidiaries.

The Auditor is also at the disposal of the Audit Committee to carry out any additional works permitted by law that it considers necessary.

The Board of Directors, on the basis of the recommendations of the Audit Committee, will propose that the General Meeting of 19 April 2007 sets the basic annual remuneration of the Auditor, allowing it to comply with the standards of its profession, at EUR 45,000 per annum non index-linked and exclusive of VAT.

This amount does not include the fees paid by NPM/CNP's subsidiaries, nor those relating to any additional services outside the scope of the audit mission. This amount is communicated in the "Legal Notices" section (see page 52).

SOCIETAL AND ENVIRONMENTAL POLICY

Society

The NPM/CNP Group wished to increase the annual budget allocated to support various projects, associations or institutions within the framework of its "Corporate Social Integration".

In particular, convinced of the essential role played by education in the development of the human potential, the Group decided to focus on offering its backing to several educational establishments.

The NPM/CNP Group has decided to support, a. o., the S.B.S.A. (Solvay Business School Alumni) and the Solvay Business School (Université Libre de Bruxelles) for 3 years and within this framework, granted a subsidy of EUR 262,325 in 2006.

The NPM/CNP Group made various donations (in particular to the Lycée Jean Monnet in Brussels, to the COIB, etc.) amounting to a total of around EUR 99,000 in 2006.

Since 2000, the NPM/CNP Group has been supporting the initiatives of the FONDS CHARLES-ALBERT FRÈRE, an association formed to help the physically and mentally disabled, the socially disadvantaged and victims of poverty. The NPM/CNP Group has continued to support this association with a EUR 250,000 donation in 2006. This sum will be increased to EUR 265,000 from 2007 onwards.

Environment

Eager to show our commitment to environmental issues, the NPM/CNP Group has decided that the entities that are part of the restricted consolidation perimeter would become "zero CO_2 emission", if possible within 2 years.

Several projects (wind turbines, photovoltaic cells, etc.) are currently being examined.

MESA (an 86% subsidiary of NPM/CNP) and AIR ENERGY have concluded an agreement with the aim of developing a park of 11 wind turbines on the commune of Fosses-la-Ville generating 22 MW of power. This park should be up and running by December 2007 at the latest and make it possible to supply green electricity to 11,000 homes.

Convinced that every effort makes a contribution to the reduction of the greenhouse effect, the NPM/CNP Group invites the companies it controls to participate in this effort.

TRANSCOR ASTRA GROUP, for its part, is associated, as a founding partner, in the "Princess Elisabeth" Antarctic Station set up by the International Polar Foundation headed by Alain HUBERT, thus contributing to this initiative that sets out, among others, to analyse the harmful effects of pollution on the environment and to thus help to resolve it. The Group made a contribution of EUR 200,000 to this initiative in 2006 and will make the same contribution in 2007.

Arts

Building up its own collection, in 2006 the NPM/CNP Group acquired contemporary works of art of a value of EUR 1,016,180.41.

STAFF AND ORGANISATION

Chief Executive Officer
Gilles SAMYN *

General Counsel
Victor DELLOYE *

Shareholdings
Gilles SAMYN *
Maximilien de LIMBURG STIRUM *
Sandro ARDIZZONE
Roland BORRES *
Gauthier DE POTTER (from 08/05 to 31/12/2006)**
Philippe GRUWEZ ***
Xavier LE CLEF (since 01/06/2006)
Frédéric POUCHAIN
Nicolas VAN BRANDT (from June 2007)

Markets
Michel LOIR *
Sandro ARDIZZONE
Étienne COUGNON

Finance and 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

NETHERLANDS
Ernst COOIMAN

SWITZERLAND
Andrew ALLENDER
Gaël BALLERY

(*) Members of the executive management.
(**) Today Executive Vice-President of TRANSCOR ASTRA GROUP.
(***) Managing Director of DISTRIPAR

From left to right: Roland BORRES, Mathieu DEMARÉ, Étienne COUGNON, Gauthier DE POTTER, Xavier LE CLEF, Jacques LAMBEAUX, Jean-Charles d'ASPREMONT LYNDEN, Maximilien de LIMBURG STIRUM.

Gilles SAMYN (cfr p. 36).

Victor DELLOYE (cfr p.36).

Sandro ARDIZZONE

Born on 19 December 1975, Belgian.

A graduate in Commercial Engineering from Solvay Business School (Université Libre de Bruxelles), he holds a Masters in Fiscal Sciences (ESSF- Brussels) and a diploma in Financial Analysis (ABAF).

He started his career with ARTHUR ANDERSEN and ELECTRABEL and joined NPM/CNP in 2004. He is responsible for the consolidation of the IFRS accounts and for the supervision of certain industrial operations.

Jean-Charles d'ASPREMONT LYNDEN

Born on 5 May 1957, Belgian

A graduate in Law from the Université Catholique de Louvain, he holds a degree in Economic Law from the Université Libre de Bruxelles and a diploma from the Ecole Supérieure des Sciences Fiscales (ICHEC). He started his career with COOPERS & LYBRAND (1984-91) as a tax specialist. In 1991, he joined NPM/CNP as a legal and fiscal adviser. Since 2006, he is also the Company's Compliance Officer.

Roland BORRES

Born on 3 July 1961, Belgian

A graduate in Commercial Engineering from Solvay Business School (Université Libre de Bruxelles), he started his career with ARTHUR ANDERSEN (1984-1987), then held the positions of International Auditor and Controller of the Belgian subsidiary with the pharmaceutical group MERCK & Co (1987-1989).

In 1989, he joined NPM/CNP, where he has filled various financial and industrial monitoring positions. Since 2000 he is the company's Chief Financial Officer.

Philippe GRUWEZ

Born on 22 February 1960, Belgian

After graduating in civil engineering from the Catholic University of Louvain and obtaining an MBA from the University of Chicago, Philippe GRUWEZ started his career at BEHERMAN AUTO TRANSPORT (1986-1987).

Between 1989 and 1991, he was a Manager at A.T. KEARNEY, MANAGEMENT CONSULTANTS and joined the FRÈRE Group in 1991, first of all with GBL where he held the function of director of shareholdings and since January 1999 with the NPM/CNP Group, in charge of the supervision of the shareholdings held by DISTRIPAR, of which he is the Managing Director.

Gauthier DE POTTER

Born on 24 January 1968, Belgian

A civil engineer in electro-mechanics (Université Libre de Bruxelles), Gauthier de POTTER is a graduate in Management (Solvay Business School) and holds a Masters in Science from the Institut Von Karman (Belgium).

Gauthier DE POTTER started his career as a trader with JP MORGAN in Brussels before being put in charge of financial reorganisations and mergers and acquisitions in the energy sector, mainly in the United States (TRACTEBEL then BECHTEL between 1996 and 2003). He then took over the management of InterGen's activities in the United States, in charge in particular of the management of over 3,000 MW of electrical capacity. In 2006, he joined NPM/CNP with the main task of ensuring the follow-through of the investments in the field of energy and in particular of TRANSCOR ASTRA GROUP, of which he is a Director. He joined this Group at the beginning of 2007 as Executive Vice President.

From left to right: Michel LOIR, Gilles SAMYN, Sandro ARDIZZONE, Victor DELLOYE, Pascal CLAUSE, Jean-Marie LABRASSINE, Frédéric POUCHAIN, Nicolas VAN BRANDT.

Xavier LE CLEF

Born on 4 August 1976, Belgian

A graduate in Economics from the Université Libre de Bruxelles, he holds an MBA from the Vlerick Leuven Ghent Management School.

Xavier LE CLEF started his career with the consultancy firm ARTHUR D. LITTLE and joined NPM/CNP in 2006, where he is responsible for the supervision of various industrial operations.

Maximilien de LIMBURG STIRUM

Born on 29 April 1971, Belgian

A graduate in Commercial Engineering from Solvay Business School (Université Libre de Bruxelles), he started his career in 1995 at NPM/CNP where, after being entrusted with the supervision of various industrial operations, he was made Officer in charge of Shareholdings in 2003.

Michel LOIR

Born on 28 October 1950, Belgian

Michel LOIR joined the FRÈRE Group in 1974 where he has spent his entire career, first of all with FRÈRE-BOURGEOIS COMMERCIALE and, since 1983, within the financial group then at NPM/CNP, where he held various positions before being appointed Officer in charge of Treasury and Market Operations.

Frédéric POUCHAIN

Born on 17 December 1971, Belgian

A graduate in Commercial Engineering from the Institute of Administration and Management (Université Catholique de Louvain), he holds of a Master of Community of European Management Schools and an MBA from the Graduate School of Business, University of Chicago.

He started his career with EXXON CHEMICAL in Germany. He joined McKINSEY & COMPANY in 1998 before moving to NPM/CNP in 2001, where he is entrusted with the supervision of various industrial operations.

Nicolas VAN BRANDT

Born on 24 January 1969, Belgian

A Doctor in Pharmacy, he holds a graduate of the Université Catholique de Louvain and a Special Degree in Management from the Solvay Business School (Université Libre de Bruxelles).

After starting his career as a University assistant and researcher in clinical pharmacokinetics, Nicolas VAN BRANDT then worked within the marketing division of an American pharmaceutical company, before being made general manager of the German subsidiaries of L'OREAL. He then became the chief financial officer of QUICK RESTAURANTS before joining, in June 2007, the NPM/CNP team where he will be in charge of several industrial investments.

Long-term staff motivation scheme

The long-term motivation of staff is ensured by the NPM/CNP stock option scheme that covers 3,972,600 NPM/CNP shares*.

Each option entitles the holder to purchase one NPM/CNP share for EUR 16.667* until 3 December 2013.

In accordance with the provisions of this plan, these rights were definitively vested in the holders on 30 June 2006 for the first quarter.

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

On a proposal of the Nominations and Remunerations Committee, the Board of Directors decided during its meeting of 8 March 2007 to submit for the approval of the Ordinary General Meeting of 19 April 2007 the setting up of an annual option plan. Within this framework, it is proposed to cap the underlying number of NPM/CNP shares attributed in 2007 at 200,000.

* After the splitting of the NPM/CNP shares by 6 by the Extraordinary General Meeting of 20 November 2006.

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

The Board of Directors hereby informs you that the Auditor, DELOITTE, received the following special fees in 2006:

(,000 EUR) EXCLUDING VAT	NPM/CNP	Fully or proportionally consolidated subsidiaries	Total	Total expenses considering consolidation percentage
Statutory duties	25	3,960	3,985	2,363
Other	71	538	609 *	342
Total	**96**	**4,498**	**4,594**	**2,705**

(*) Mainly concerns additional audit work (170), fiscal advice (106), work carried out within the framework of acquisition operations (93) and miscellaneous missions (240).

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

At 1 January 2006, the NPM/CNP Group held 4,080,000* own shares (representing 3.60% of the Company's capital), including the shares held by indirect subsidiaries.

During the financial year 2006, 329,010* shares were acquired by indirect subsidiaries. Moreover, in accordance with the authorisations granted to it by the General Meetings of 21 April 2005 and 20 April 2006, NPM/CNP acquired 2,599,972* and sold 2,594,064* own shares within the framework of a liquidity contract, which was entrusted to an independent financial broker. Within the framework of this contract, the average unit price of these acquisitions and disposals was EUR 46.01.

At 31 December 2006, the NPM/CNP Group held 4,414,918* own shares (representing 3.90% of the Company's capital) recorded in the restricted consolidation accounts for an amount equal to EUR 86.11 million which comes to an average unit price of EUR 19.50. In the consolidated accounts, according to IFRS methods, these own shares are deducted from the equity and therefore no longer appear on the balance sheet.

At 31 December 2006, out of the 4,414,918 own shares held by the Group:

- 3,972,600 were intended to cover the staff stock option scheme issued in 2003;
- 5,908 own shares were held by NPM/CNP itself. An amount of EUR 287,660.52 is held in a restricted reserve in the statutory accounts of NPM/CNP corresponding to an average unit price of EUR 48.69.

The General Meeting of Shareholders of 19 April 2007 will be called on to decide whether or not to renew the authorisation to acquire own shares on the stock market under conditions specified in the agenda of the Ordinary General Meeting given on page 32.

This resolution will make it possible in particular for the Company to set up an own share buy-back programme – which will be entrusted to an independent financial intermediary – financed up to the share of the restricted consolidated profit not distributed in the form of a dividend, amounting to around EUR 58.3 million for the year 2006.

The thus acquired shares will be the subject of cancellation at maturity or will be used to allow the Company to honour obligations with regard to third parties (for example, share option plan, etc.).

* After the split of the NPM/CNP shares by 6 by the Annual General Meeting of 20 November 2006.

As soon as this authorisation has been granted by the General Meeting and the Board of Directors has adopted this own share buy-back programme, its details will be divulged in accordance with the regulations in force.

3. Application of article 523 of the Code on Companies relating to conflicts of interest between the company and its directors

Article 523 of the Code on Companies had to be applied during the meeting of the Board of Directors of 5 December 2006. In accordance with this provision, the minutes of this meeting are published below.

" 1. Gérald FRÈRE, as Chairman of the Nominations and Remunerations Committee, reports to the members of the Board on the work performed by the Committee on the remuneration of the executive directors and managers of the Group. The following subjects were dealt with:

1.1. Pay policy

As the last study on this subject was conducted in 2002, the firm TOWERS PERRIN was entrusted with the performing of a benchmark of all of the remunerations of the persons concerned and BOYDEN with the performing of a study to assess these remunerations and related functions within the framework of the appropriate market.

After analysing these documents and following meetings with the consultants, the Committee decided to set the remunerations for the period between 2006-2009 with reference to the top remuneration bracket of the comparables chosen, in view of the long-term performance of the NPM/CNP share, compared with the evolution of the other companies making up the BEL 20 or the CAC 40.

In 2010, the benchmarking study will be updated on the basis of similar criteria to determine the remunerations for the period 2010-2013. The performances of the NPM/CNP share over 10 years will be once again compared with the BEL 20 and the CAC 40.

The remuneration system remains based on a fixed salary, with the introduction of an appropriate portion linked to long-term performance. Indeed, the principle chosen for the future is to set the minimum remuneration in line with the market average, the top remuneration bracket being chosen only if the performances of NPM/CNP over 10 years in 2009 are in the top third (CAC 40) or quartile (BEL 20) of the comparables.

It is proposed to increase the remuneration of the 2 executive directors, unchanged since 2002, by 15% as from 2006 and up to the end of 2009

1.2. Long-term motivation scheme for the executives and staff

It is proposed to set up an annual NPM/CNP stock option scheme. The number of options will be allocated according to the responsibilities of the beneficiary and compared with comparable market criteria. The performance and achievements of each beneficiary on an annual basis will also be taken into consideration.

The major conditions of the plan will be determined by the Board of Directors meeting on 8 March 2007; the principle of an annual option plan and the number of underlying shares will be put on the agenda of the next General Meeting of Shareholders for approval.

1.3. Pension scheme

The Chairman summarises the outlines of the pension scheme applicable to the executive directors and managers of NPM/CNP.

1.4. Severance pay

The Committee proposes to award executive directors, in the event of early departure, except in the event of gross negligence or fraud, severance pay that corresponds to X/12ths of the total annual remuneration according to the grid below:

1,5 / 12th per year of service for the first 18 years

1,0 / 12th per year as from the 19th year

The total limited to 36 / 12th or three times the annual gross remuneration.

1.5. Benefits in kind and miscellaneous bonuses

The Chairman lists the accessory components of the remuneration paid to the beneficiaries.

1.6. Remuneration of the non executive directors

It is proposed to award directors, in return for duties performed as a member of the Board of Directors or member of a Committee, an increase in their remuneration, taking it from EUR 7,500* to EUR 15,000 for a director and from EUR 7,500* to EUR 10,000 for a member of a Committee.

Gérald FRÈRE finally informs his colleagues that he is at their disposal should they require any further information on this subject or to provide them with the minutes of the Committee and the related documents.

2. Deliberations and resolutions

Before allowing the Board of Directors to deliberate and decide on the different points dealt with by the Nominations and Remunerations Committee, Gilles SAMYN and Victor DELLOYE, executive directors declare that if the Board of Directors is required to take a decision on their individual remunerations, they believe that they have a direct patrimonial interest within the meaning of article 523 of the Code on Companies. In accordance with the legal procedure, they will also inform the Company Auditor of this conflict of interest.

Gilles SAMYN and Victor DELLOYE cannot participate in the deliberation and in the decision-making process concerning the remuneration of the directors and leave the meeting.

On the basis of the recommendations of the Nominations and Remunerations Committee and after discussion, the Board of Directors approves:

- The NPM/CNP remuneration policy.
- The annual amount of the remunerations and other benefits granted to each executive director, as proposed by the Nominations and Remunerations Committee. It is furthermore reminded that the different elements of the remuneration of the directors will be listed in the "Corporate Governance" chapter of the 2006 Annual Report, in accordance with the NPM/CNP Corporate Governance Charter.
- The increase in the remuneration of the non executive directors for the fulfilment of their functions as members of the Board of Directors and of the Audit Committee or Nominations and Remunerations Committee.
- Although the individual remuneration paid to the members of management, other than the executive directors, is the competence of the CEO, ratifies the decisions adopted on this matter.

The patrimonial consequences of these decisions, in line with the remuneration policy pursued by NPM/CNP for several years, are very limited and will have only a slight impact on the Company's revenues and assets. The total remunerations supported by NPM/CNP represents in the restricted consolidated accounts 65% of the overheads, which are themselves limited to under 0.2% of the managed assets in terms of the adjusted net assets. ”

* Rounded-up amount.

MAJOR SHAREHOLDINGS

MAJOR SHAREHOLDINGS

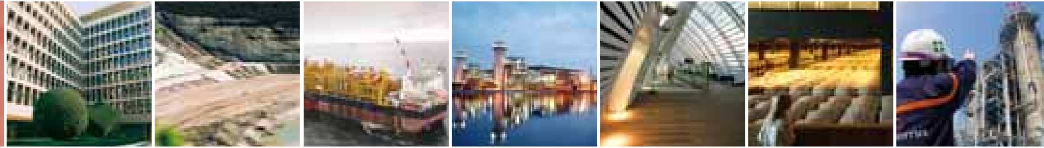
Situtation as at 31 December 2006.

The percentages given below are economic holding percentages, which may slightly differ from the percentages applied for the consolidation of the accounts (in particular owing to the cancellation of own shares in the IFRS accounts)

Shareholdings of	NPM/CNP	PARJOINTCO[1]	PARGESA	GBL	Transitive percentage [2]	Consolidation method	Page
PARGESA GROUP							57
PARGESA		54.1%			24.2%	P	58
GBL			48.3%[3]		11.7%	P	59
CONSOLIDATED SHAREHOLDINGS							
IMERYS			27.0%	26.4%	9.6%	P	60
OTHER SHAREHOLDINGS							
TOTAL				3.9%	0.5% [9]	-	61
SUEZ				8.0%	0.9%	-	62
LAFARGE				15.9%	1.9%	-	63
PERNOD RICARD				2.8%	0.3%	-	64
ARKEMA				3.9%	0.5% [9]	-	65
DIRECT SHAREHOLDINGS							66
CONSOLIDATED OR EQUITY-ACCOUNTED SHAREHOLDINGS							
TRANSCOR ASTRA GROUP	100.0%				100.0%	F	67
GRUPPO BANCA LEONARDO	19.2%				19.2%	E	68
GROUPE FLO	23.4% [4]				23.4%	P	69
DISTRIPAR	97.0% [5]				97.0%	F	70
UNIFEM / ENTREMONT ALLIANCE	63.5%				63.5%	F	71
RASPAIL / CHEVAL BLANC	40.0% [6]				40.0%	P	72
TIKEHAU	50.0% [7]				50.0%	E	73
CHÂTEAU RIEUSSEC	50.0%				50.0%	P	74
IJSBOERKE	100.0%				100.0%	F	75
TRASYS	46.0% [8]				46.0%	P	76
OTHER SHAREHOLDINGS							
TOTAL	1.4%				1.4% [9]	-	61
ARKEMA	1.3%				1.3% [9]	-	65
M6	5.0%				5.0%	-	77

(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 held by the PARGESA/GBL group.
(3) More than 50% of the voting rights.
(4) FINANCIÈRE FLO, 66% controlled by GIB, owns 70.8% of GROUPE FLO; economic percentage: 23.4%.
(5) 100% of voting rights.
(6) 50% held through an 80%-owned company.
(7) NPM/CNP owns 50% of TIKEHAU CAPITAL ADVISORS and 20.9% of the investment company, TIKEHAU CAPITAL PARTNERS.
(8) FINANCIÈRE TRASYS, 92% held by GIB, owns 100% of TRASYS; economic percentage: 46%.
(9) Total transitive percentage of 1.9% in TOTAL and 1.8% in ARKEMA.

F: fully consolidated
P: proportionnally consolidated
E: equity-accounted



PARGESA GROUP

58 PARGESA

59 GBL

CONSOLIDATED SHAREHOLDINGS

60 IMERYS

OTHER SHAREHOLDINGS

61 TOTAL

62 SUEZ

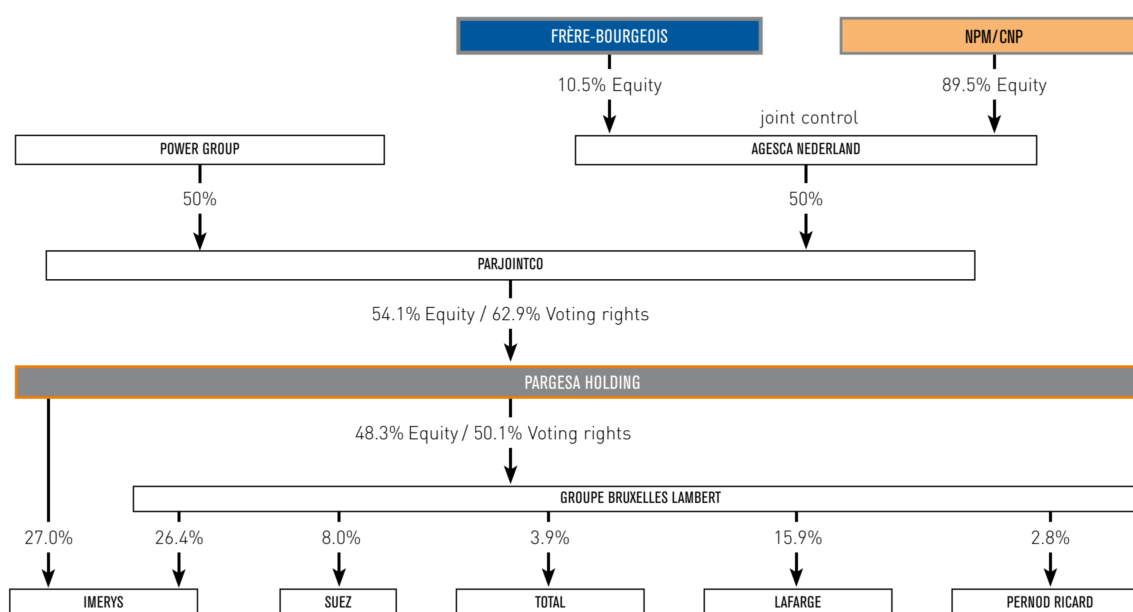
63 LAFARGE

64 PERNOD RICARD

65 ARKEMA

PARGESA

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



In January 2005, the Group crossed the 5% threshold, and on 22 May 2006, the 10% threshold in the capital of LAFARGE SA. As at 31 December 2006, the Group held 15.9% of the capital and 14.8% of the voting rights in LAFARGE.

The sale of the 25.1% shareholding in BERTELSMANN held by GBL was concluded on 28 June 2006. The sale amounted to EUR 4.5 billion, cashed by GBL on 4 July 2006. The consolidated capital gain came to EUR 2.4 billion, PARGESA's share amounting to CHF 1.8 billion.

On 31 August 2006, PARGESA announced the disposal by its ORIOR HOLDING SA subsidiary of all of the capital of ORIOR FOOD SA. This disposal has not had a significant impact on the PARGESA Group's profits.

On 27 January 2007, the Group announced a shareholding of 5%, on this date, in the capital of PERNOD RICARD. As at 31 December 2006, the shareholding in the capital of PERNOD RICARD stood at 2.8%.

All of the Group's shareholdings posted growth in their operating performances in 2006.

PARGESA's consolidated accounts recorded a net profit, Group share, of CHF 2,293.3 million, compared with CHF 533.0 million in 2005, mainly under the effect of the capital gain realised on the disposal of BERTELSMANN.

An increase in the dividend of 10% will be proposed at the General Meeting of Shareholders on 3 May 2007, which would bring the 2006 dividend to CHF 2.37 per share.

CONTRIBUTION TO:

	Restricted Consolidation		Consolidation (transitive)	
	EUR Mio	%	EUR Mio	%
2006 operating profit	28.3	20.9%	-	-
Adjusted net assets on 31/12/2006	2,171	35.0%	-	-

KEY CONSOLIDATED FIGURES (CHF MILLION)

	2004	2005	2006
Equity	6,768	8,755	12,965
Net profit, group share	561	533	2,293
Gross dividend/share (CHF)	2.00	2.15	2.37*
Adjusted net assets per share (CHF)	97.7	118.0	169.5

* Subject to approval by the annual general meeting of shareholders of 3 May 2007.

GBL

GBL is a holding company that owns a portfolio of shareholdings in a variety of sectors, focused on a small number of companies towards which it is able to act as a professional shareholder. At the end of 2006, GBL's portfolio contains five major shareholdings: TOTAL (3.9% of the capital), SUEZ (8.0%), IMERYS (26.4%), LAFARGE (15.9%) and PERNOD RICARD (2.8%).

During the financial year 2006, GBL increased its equity and redeployed its portfolio of shareholdings in line with its vocation as a professional long-term shareholder.

At the beginning of April 2006, GBL carried out a capital increase of EUR 709.4 million relating to 8.8 million shares issued at a price of EUR 80.

At the end of May, GBL disposed of its 25.1% shareholding in BERTELSMANN, in agreement with the MOHN family not to list the Group. This disposal of EUR 4.5 billion, which made it possible to generate a capital gain of EUR 2.4 billion, brings to an end a long history of value creation since the acquisition of AUDIOFINA in the 1970s that led to the constitution of one of the leaders of the European media industry.

GBL continued to step up its stake in LAFARGE, which was increased, in the course of the financial year, from 3.4% to 15.9% of the capital, while the performances of this company were boosted by the Excellence Plan implemented by its new Managing Director Bruno LAFONT.

GBL increased its stake as the main shareholder in SUEZ from 7.1% at the beginning of 2005 to 8.0% (and 11.9% of the voting rights) at the end of 2006, to reach 9.6% during the first quarter of 2007 (13.4% of the voting rights). GBL thus strengthens its role as a stable shareholder, supporting the industrial strategy defined with the Company's Management and Board of Directors.

During the last quarter of 2006, GBL built up a friendly shareholding in the PERNOD RICARD group, in full transparency with the Chairman Patrick RICARD. At the end of December, GBL held 2.8% of the capital, which was increased to over 5% at the end of January 2007.

Finally, within the framework of its "private equity" activity, carried out via ERGON and SAGARD funds, GBL undertook to invest in the ERGON CAPITAL PARTNERS II and SAGARD II funds.

GBL's performances are still strongly supported by its two investments in TOTAL and IMERYS, whose shareholding level remained identical in the course of the financial year.

GBL holds 3.9% of the capital and 4% of the voting rights in TOTAL, which once again generated brilliant results in 2006. Furthermore, in the course of May, TOTAL realized the ARKEMA spin-off in favour of its shareholders, which led to a 3.9% GBL shareholding in ARKEMA.

GBL's stake in IMERYS remains stable at 26.4% of the capital, while the net operating profit of this shareholding is up for the fifteenth consecutive year (by over 7% in 2006).

GBL's consolidated accounts recorded a net profit of EUR 2,883 million, compared with EUR 523 million in 2005. This significant increase mainly reflects the capital gain realised during the first half year on the disposal of the shareholding in BERTELSMANN.

In 2006, the cash earnings – results that give rise to a cash movement within GBL and its fully-owned subsidiaries and that come mainly from the dividends paid by TOTAL, SUEZ, BERTELSMANN, IMERYS and LAFARGE – stood at EUR 441 million against EUR 324 million for the financial year 2005.

Taking into account the market price of listed shareholdings, the adjusted net assets per GBL share stood at EUR 113.91 at 31 December 2006.

An increase in the dividend of some 10% will be proposed at the General Meeting of Shareholders on 24 April 2007, bringing the dividend to EUR 1.90 gross per share, payable as from 25 April 2007.

KEY CONSOLIDATED FIGURES (EUR MILLION)

	2004	2005	2006
Equity	7,912	10,160	15,682
Net profit	594	523	2,883
Net profit/share (EUR)	4.50	3.94	20.76
Gross dividend/share (EUR)	1.60	1.72	1.90*
Adjusted net assets/share (EUR)	64.27	80.33	113.91

* Subject to approval by the annual general meeting of shareholders of 24 April 2007.

IMERYS

IMERYS is the world's leading Mineral Processing company. Present in 45 countries and on 250 sites, the Group has strong positions in each of its sectors of activity: Speciality Minerals (26% of the Group's 2006 turnover), Pigments for Paper (23%), Materials & Monolithics (27%), Refractories, Abrasives & Filtration (24%).

Throughout the 2006 financial year, IMERYS' markets offered a contrasting picture. The Pigments for Paper and Specialty Minerals segments were affected by restructuring measures in the paper and ceramic industries. On the other hand, activity held up in Construction Materials in France and in the Refractories. The Abrasives markets were stable and the Filtrations markets up slightly. The inflation in variable costs, particularly strong during the first half of 2006, levelled off during the 2nd half of the year. Finally, the 4th quarter was affected by the tangible slowdown in the construction markets in the United States.

Turnover came to EUR 3,288 million in 2006, up 8.0% on 2005. This development is partly attributable to the significant effects of the change to the perimeter (+ EUR 161 million, or + 5.3%), the contribution of the strategic acquisitions made in 2005 and since the start of the financial year, having largely offset the impact of the disposals. With a comparable perimeter and exchange rates, sales are up by 3.2%, thanks to the positive change in the price/product mix couple (+ 4.0%) in the Group's four segments of activity. The sales volumes were down slightly compared with 2005.

Sales of **Speciality Minerals** came to EUR 892 million, representing an increase of 10.2%, with a positive impact of the consolidation perimeter of 8.9% and an almost neutral currency effect. With a comparable perimeter and exchange rates, sales are up by 1.0% over the financial year, the improvement in the price/product mix couple having offset the downturn in sales volumes recorded over the second part of the year.

The **Pigments for Paper** turnover, at EUR 763 million, is up by 1.0% (+ 1.4% with a comparable perimeter and exchange rates). The significant improvement in the price/product mix couple more than offset the reduction in sales volumes linked to factory closures operated by certain large paper clients in Europe and by industrial disruptions that affected North American clients.

Sales of **Materials & Monolithics** came to EUR 893 million, down 3.2% taking into account a significant change in the consolidation perimeter (- 8.8%). With a comparable perimeter, the sales are up by 6.4% with an improvement in the price/product mix couple and the increase in sales volumes.

The **Refractories, Abrasives & Filtration** turnover rose by 30.5% to EUR 788 million. With a comparable perimeter and exchange rates, sales grew by 3.6% thanks to an improvement in the price/product mix couple and a global stability of the volumes over the period.

The Group's operating profit grew by 5.7% to EUR 459 million thanks to the improvement in the price/product mix couple and the contribution of the financial year's acquisitions. Combined with the effective management of fixed costs, these positive elements absorbed the high inflation of external costs - mainly energy – and a slightly negative currency effect and the slightly unfavourable volume effect. Overall, the operating margin stayed at a high level (14.0% in 2006, compared with 14.3% in 2005).

The net operating profit, Group share rose by 7.2% to EUR 308 million compared with EUR 288 million in 2005 with a stable financial result compared with the previous financial year (EUR 47 million) and a tax burden of EUR 106 million compared with EUR 101 million in 2005, which results in an effective tax rate of 25.8%.

The net profit, Group share, is down at EUR 187.4 million compared with EUR 309 million in 2005. This includes a negative net amount of around EUR 121 million for other non current proceeds and expenses against a positive amount of EUR 22 million in 2005 (which included the capital gain on the disposal of the LARIVIÈRE distribution network).

CONTRIBUTION TO:

	Restricted Consolidation		Consolidation (transitive)	
	EUR Mio	%	EUR Mio	%
2006 operating profit	-	-	30.0	9.3%
Adjusted net assets on 31/12/2006	-	-	410	6.6%

KEY CONSOLIDATED FIGURES (EUR MILLION)

	2004	2005	2006
Equity	1,363	1,686	1,646
Turnover	2,871	3,045	3,288
Net profit, group share	240	309	187
Dividend per share (EUR)	1.50	1.65	1.80*

* Subject to approval by the annual general meeting of 2 May 2007.

TOTAL

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TOTAL is one of the leading oil and gas groups in the world, carrying out its activities in over 130 countries. Its 95,000 employees develop their know-how at all levels of this industry: exploration and production of oil and natural gas, refining and distribution, trading and gas-electricity as well as chemicals.

2006 was marked by ongoing conditions that were favourable for the oil industry as a whole.

The net profit (group share) came out at EUR 11.8 billion, down by 4% compared with 2005. Excluding the after tax effect of inventory, of non-recurring items and the amortisation of the intangibles resulting from the SANOFI-AVENTIS merger, the adjusted net profit stands at EUR 12.6 billion, up 5% compared with 2005. TOTAL's adjusted net profit per share, expressed in dollars, grew by 8%, illustrating the Group's capacity to make the most of the environment, despite the pressures on the costs and the 5% reduction in quantities produced.

For 2006 as a whole, the adjusted net operating profit for **UPSTREAM** activity came to EUR 8,709 million compared with EUR 8,029 million in 2005, representing an 8% increase.

During the financial year 2006, hydrocarbon production came to 2,356 thousand barrels per day (kbep/d) against 2,489 kbep/d in 2005, a fall of 5% due mainly to the impact of the high prices of hydrocarbons in 2006 on the volumes coming from the production sharing and buyback contracts (-2%), to the impact of the production stoppages in the Nigerian delta region (-2%) and the effects of the consolidation perimeter (-1%). Outside these elements, the positive impact of the entry into production of new fields was offset by the natural decline and production stoppages in the North Sea.

The proven hydrocarbon reserves established according to the SEC rules stood at 11,120 Mbep at 31 December 2006. In 2006, the reserve replenishment rate came, according to the SEC rules, to 102% for the group (consolidated subsidiaries and equity accounted companies). Excluding the effect of price variations (stable Brent price at EUR 40/barrel), the reserve replenishment rate over the period 2004-2006 came out at 110% for the Group.

At the end of 2006, TOTAL has a solid and diversified portfolio of proven and probable reserves representing 20.5 Gbep, some 23 years of production at the current level.

For 2006, the adjusted net operating profit for **DOWNSTREAM** activity came to EUR 2,784 million compared with EUR 2,916 million in 2005, representing a drop of 5%. Expressed in dollars, it amounted to USD 3.5 billion in 2006, down by USD 0.1 billion compared with 2005.

The volumes refined are up by 2% at 2,454 kb/d. The refinery utilisation rate therefore equalled 88% in 2006.

For 2006, the adjusted net operating profit for **CHEMICALS** activity stood at EUR 884 million compared with EUR 967 million in 2005, representing a 9% decrease.

The implementation of the Group's growth strategy rests on a sustained investment programme. The budget for 2007 stands at around USD 16 billion (excluding acquisitions and based on EUR 1 = USD 1.25), 75% of which is invested in upstream activity.

The Board of Directors has decided to separate the function of Chairman and of Chief Executive Officer. It has appointed Christophe de MARGERIE as Chief Executive Officer of the Company, with Thierry DESMAREST continuing as Chairman of the Board of Directors.

After closing the accounts, the Board of Directors decided to propose the distribution of a dividend of EUR 1.87 per share for 2006, up 15% in relation to the previous year, at the General Meeting of Shareholders of 11 May 2007.

CONTRIBUTION TO:

	Restricted Consolidation		Consolidation (transitive)	
	EUR Mio	%	EUR Mio	%
2006 operating profit	56.1	41.5%	73.0	22.7%
Adjusted net assets on 31/12/2006	1,796	29.0%	2,397	38.7%

KEY CONSOLIDATED FIGURES (EUR BILLION)

	2004	2005	2006
Equity	31.61	40.65	40.32
Turnover	116.8	137.6	153.8
Adjusted net profit (group share)	9.13	12.00	12.59
Net profit (group share)	10.87	12.27	11.77
Dividend per share (EUR)	1.35	1.62	1.87*

* Subject to approval by the annual general meeting of 11 May 2007.

SUEZ

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The international industrial and services 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 services, water and cleaning needs.

For SUEZ, 2006 was characterised by the accelerated growth of its performances, the Group's net profit, Group share, reaching its highest historical level at EUR 3.6 billion. The organic growth in the gross operating profit (+11.2%) and in the net profit (+15.9%) is greater than that of the turnover (+8.2%) and reflects the sustained and constant improvement in the Group's profitability as well as its on-going cost cutting efforts. The organic growth rates, both of the activity and of the gross operating profit (GOP), are higher than the objectives that the Group had set itself in the mid term (2004-2006).

The turnover comes to EUR 44.3 billion, after a EUR 1.7 billion impact of disposals. The Group recorded an organic growth (excluding the positive effect of the price of gas) of 8.2%, higher than the announced objective of + 7% and picking up speed compared with the previous year. The Return on Capital Employed (ROCE) is up by 13% compared with 10.7% at the end of 2005. It can be compared with an average capital cost of 6.8%.

The Group's excellent operating performances released EUR 5.4 billion in cash in 2006, which make it possible to finance the dividend and the Group's industrial growth. Investments amounted to EUR 3.8 billion with, in particular, the buyback of the remaining capital in SHEM (France), the acquisition of BRISTOL WATER (Great Britain), the setting up of a hot and cold network in Saragossa (Spain) and the power station developments in Italy and in Spain in particular.

The net financial debt at 31 December 2006 stood at EUR 10.4 billion, against EUR 13.8 billion at the end of 2005. In view of the parallel reinforcement of the equity, the net debt/equity ratio stands at 46.3%, compared with 72% at 31 December 2005.

The Group enjoys excellent prospects and intends to accelerate its industrial development. The investments, excluding major acquisitions, will be increased to EUR 15 billion over the period 2007-2009, against EUR 10.2 billion over the period 2004-2006 (excluding the takeover bid on ELECTRABEL). They will be realised while maintaining the Group's financial discipline, based in particular on an A financial rating and of the investment criteria. SUEZ will continue the efforts undertaken to increase the operating profitability and the generation of cash in all its businesses. It will also benefit from operational synergies within the framework of the full integration of ELECTRABEL and should benefit from reinforced financial synergies.

For 2007, the operating performance objectives targeted by the Group are: a growth in the gross operating profit of over 10%, growth in the operating profit of over 15% and a ROCE above the 2006 level.

In view of the performances achieved and the Group's prospects, the Board of Directors has confirmed the ongoing dynamic and competitive distribution policy. For the year 2006, an ordinary dividend of EUR 1.20 per share will be proposed to the General Meeting, up by 20% on the 2005 figures. For the following years, a distribution of over 50% of the net earnings will be implemented.

In March 2007, SUEZ announced the launch of a buy back offer for ELECTRABEL shares that it does not yet hold.

CONTRIBUTION TO:

	Restricted Consolidation		Consolidation (transitive)	
	EUR Mio	%	EUR Mio	%
2006 operating profit	-	-	9.5	3.0%
Adjusted net assets on 31/12/2006	-	-	467	7.5%

KEY CONSOLIDATED FIGURES (EUR MILLION)

	2004	2005	2006
Equity	7,838	16,256	19,504
Turnover	38,058	41,489	44,289
Net profit, group share	1,696	2,513	3,606
Dividend per share (EUR)	0.80	1.00	1.20*

* Subject to approval by the annual general meeting of shareholders of 4 May 2007.

LAFARGE

WWW.LAFARGE.COM

LAFARGE enjoys a leading position in each of its activities: it is the world leader in the Cement industry, the second world-wide producer of Aggregates & Concrete and the third largest world-wide producer of Plaster.

2006 was a year of transformation for LAFARGE, with the buy-back of the minority interests in LAFARGE North America, the disposal of the Roofing branch and the launch of the Excellence 2008 strategic plan. It was also a year that witnessed a significant increase in LAFARGE's profits with a favourable economic climate on its market, strong organic growth and cost control.

The activity of the Cement branch was played out to the backdrop of a strong increase in the cost of energy, transport and raw materials, largely offset by the increases in prices on most of its markets.

The volumes sold were up by 123 million tonnes to 132 million tonnes, essentially in emerging countries, whose contribution to the operating profit now represents 49% against 47% in 2005.

The turnover of the **Cement** branch increased by 16.0% at EUR 9,641 million (+13.9% with a constant perimeter and exchange rate). The impact of the increase in prices and in the product mix (+8.6%) remains the main cause of this evolution. The growth in volumes of 5.3% accelerated (2.2% in 2005), particularly in Europe and in the emerging countries, while North America witnessed a slowdown.

The increase in the **Aggregates & Concrete** division's turnover was also largely influenced by the repercussions of the cost increases. The growth is based mainly on the strong improvement of the prices of all of the product lines combined with a very good orientation of the volumes on certain markets, in particular in Western Europe and in Central Europe.

The investments made on the growth markets also contributed to the increase in turnover.

The Aggregates & Concrete division's turnover stood at EUR 6,449 million, which translates as an increase of 19.6% compared with 2005 (+14.2% with a constant perimeter and exchange rate).

The increase in turnover is to a large degree due to the favourable evolution of prices in North America until the end of July and the good market conditions in Western Europe. The financial year 2006 was also marked by the inauguration of new production lines in Vietnam and in Morocco.

The turnover of the **Plaster** branch increased by 10.3% at EUR 1,632 million against EUR 1,479 million in 2005 (+11.5% with a constant perimeter and exchange rate).

The **Roofing** branch, whose disposal should be finalised in the course of the first quarter of 2007, is presented in the group's accounts under the activities being disposed of. Its turnover is up by 7.3% at EUR 1,624 million in 2006, thanks in particular to the positive overall orientation of the market in Western Europe.

Overall, LAFARGE's turnover came to EUR 16,909 million, up by 16.7% compared with 2005 (+13.9% with a constant perimeter and exchange rate) under the positive influence of globally favourable market conditions and an active management of sales prices in order to offset the significant increase in costs observed on most of its markets.

The operating profit came to EUR 2,772 million, up by 23.4% and 23.1% with a constant perimeter and exchange rate, all the branches having recorded vigorous growth.

The net profit from the activities stood at EUR 1,593 million (+20.0%). This increase takes into account the restructuring provision of EUR 99 million relating to the Excellence 2008 plan, a financial result that reflects the increase in the financial costs related to the buy back of the minority interests in LAFARGE North America and the increase in the effective tax rate by 28.3% in 2006 against 26.2% in 2005.

The net profit, Group share, is up by 25.2% at EUR 1,372 million, against EUR 1,096 million in 2005.

It will be proposed that the General Meeting of Shareholders of 3 May 2007 distributes a net dividend per share of EUR 3.00 (up by 17.6% compared with 2005). The company has announced its intention of using its share buy-back authorisation for an amount of EUR 500 million in 2007.

CONTRIBUTION TO:

	Restricted Consolidation		Consolidation (transitive)	
	EUR Mio	%	EUR Mio	%
2006 operating profit	-	-	4.7	1.5%
Adjusted net assets on 31/12/2006	-	-	371	6.0%

KEY CONSOLIDATED FIGURES (EUR MILLION)

	2004	2005	2006
Equity	7,782	9,758	10,403
Turnover	14,436	15,969	16,909
Net profit, group share	1,046	1,096	1,372
Dividend per share (EUR)	2.40	2.50	3.00*

* Subject to approval by the annual general meeting of shareholders of 3 May 2007.

PERNOD RICARD

WWW.PERNOD-RICARD.COM

PERNOD RICARD is the second biggest wines and spirits operator in the world. With a firm foothold on all continents, the Group produces and distributes a range of wines and spirits divided into 15 strategic brands, 30 local brands that are leaders on their markets and a large number of regional brands.

The financial year 2006 was marked by the integration of ALLIED DOMECQ, acquired in 2005 with the backing of FORTUNE BRANDS for EUR 10.7 billion.

In January 2006, the assets were distributed between the two companies in accordance with their agreements. Consequently, PERNOD RICARD transferred to FORTUNE BRANDS several of the ALLIED DOMECQ brands (notably CANADIAN CLUB, COURVOISIER, SAUZA and MAKER'S MARK) as well as certain brands that belong to it such as LARIOS gin, for a total value of EUR 4.3 billion.

The cash flow generated by its operations and by the disposals of non strategic assets or assets that were subject to competition proceedings (DUNKIN' BRANDS Inc., BRITVIC, BUSHMILLS, GLEN GRANT) made it possible to reduce the net debt at 30 June 2006 to EUR 6.4 billion.

Moreover, PERNOD RICARD integrated the brands acquired from ALLIED DOMECQ in its organisation while maintaining its decentralised model, which is based on the co existence of a management per brand and per distribution subsidiary. The speed of integration of ALLIED DOMECQ made it possible to realise over 60% of the synergies as from the financial year 2005/2006 (all of the EUR 270 million of synergies will appear in 2006/2007) while the integration costs of between EUR 350 and 400 million remained below forecasts.

They made it possible to reinforce the group positions through a:

- rebalancing of the portfolio towards strong growth products (liquors, white alcohols, New World wines) as well as a reinforcement of the PREMIUM products (whiskies, cognac, champagne with MUMM / PERRIER JOUËT);
- a concentration of the efforts over the 15 strategic brands;
- an extension of the distribution network towards countries where PERNOD RICARD had a lower market share (Mexico, South Korea, Canada, New Zealand and Central Europe) as well as a reinforcement of the structures in countries witnessing strong growth (United States, China, Russia).

As at 30 June 2006, the closing date of the financial year 2005/2006, the turnover of the new group stood at EUR 6,066 million, up by 68% (+ 4.4% with a constant perimeter and exchange rate).

The historic portfolio of the group, which includes, among others, the brands RICARD and the Australian wines, JACOB's CREEK, benefited from a vigorous growth in volume, in particular on the Premium brands (CHIVAS REGAL + 11%, MARTELL + 11%, JAMESON + 12%, HAVANA CLUB + 13% or THE GLENLIVET + 10%). These international brands continue to be the driving force behind the Group's organic growth, which is also supported by local successes (ROYAL STAG in India, RUAVIEJA in Spain, MONTILLA in Brazil).

The brands included in the portfolio of ALLIED DOMECQ, in particular BALLANTINE'S and BEEFEATER, were affected during the financial year by a non-recurrent phenomenon of a decrease in stocks on certain markets on which stock levels were abnormally high.

In these conditions, the operating profit stood at EUR 1,255 million (+ 72%) and the net profit, Group share, amounted to EUR 639 million (+ 32.1%). The General Meeting of Shareholders of 7 November 2006 approved the distribution of a net dividend per share of EUR 2.52 (up by 17% compared with 2005).

In January 2007, the Company distributed one new share for five old shares held. These new shares will grant a right to the dividends paid for the 2006-2007 financial year.

At 31 December 2006 (first half of the financial year 2006-2007), the turnover is up by 7.3% at EUR 3,507 million (+ 9.7% with a constant perimeter and exchange rate).

CONTRIBUTION TO:

	Restricted Consolidation		Consolidation (transitive)	
	EUR Mio	%	EUR Mio	%
2006 operating profit	-	-	-	-
Adjusted net assets on 31/12/2006	-	-	52	0.8%

KEY CONSOLIDATED FIGURES (EUR MILLION)

As of 30June	2004	2005	2006
Equity	2,278	2,530	5,700
Turnover	3,550	3,611	6,066
Net profit, group share	471	484	639
Dividend per share (EUR)	1.96	2.15	2.52

ARKEMA

A global chemical player, ARKEMA consists of three coherent and related business segments, Vinyl Products, Industrial Chemicals and Performance Products. Present in over 40 countries, ARKEMA holds international or European leadership positions in most of its product lines and develops internationally recognised brands.

For ARKEMA, 2006 marked its independence from TOTAL with the listing of its shares on Euronext starting 18 May 2006.

Throughout this year, ARKEMA actively pressed on with the implementation of its strategy, focusing on turning around profits through a combination of productivity improvement measures and development projects targeting its strengths.

Six new restructuring plans were launched over the year in addition to those already announced, including one project for the evolution of its headquarters that sets out to simplify the organisations and to reduce the real estate costs by transferring its offices to another site. The five other plans (shutdowns of the loss-making production units of Villers-Saint-Paul and Loison in France, merger of the Additives and Organic Peroxides divisions, etc.) concerned all the divisions of the Performance Products business segment, one of the main priorities of 2006 being its restored competitiveness.

Moreover, the extension of its best sites in Europe and in the United States, the acceleration of innovation and new industrial plants in Asia allow ARKEMA to hinge its growth on targeted development projects. In this context, in 2006, ARKEMA extended its acrylic acid unit in Carling (France) and boosted its fluoride production capacity on its Chinese site in Changshu by 50%. ARKEMA has also announced an increase in production at its hydrogen peroxide unit in Bécancour (Canada) and the development of a new fluoride production unit on its American site in Calvert-City.

Furthermore, in September 2006, ARKEMA set out its strategy with regard to the selective management of its portfolio of activities. ARKEMA is thus planning to dispose of non strategic assets worth a total of EUR 300 to 400 million expressed in terms of turnover and to make targeted acquisitions in its core business. This policy took shape at the end of 2006 when it announced its plans to sell the agrochemicals business (CEREXAGRI) to the Indian group UNITED PHOSPHORUS Ltd, which was finalised on the 1st of February 2007 and its intention to sell off its Urea Formaldehyde Resins business in Leuna, Germany.

All these measures will make a significant contribution to ARKEMA's transformation and turnaround.

Turnover came to EUR 5,866 million, up by 2.7%, thanks to the sustained growth of the Industrial Chemicals and Performance Products business segments, despite the shutdowns of the loss-making product lines.

For 2006, the consolidated EBITDA of the Group is up by 20% at EUR 425 million and the net profit amounts to EUR 45 million, thus exceeding the financial targets, after three years of losses. The free cash-flow is positive at EUR 79 million, excluding pre spin-off non recurring items.

These good results have been achieved thanks to the strong improvements of the Performance Products segment, the effects of restructuring and the ability to develop new products.

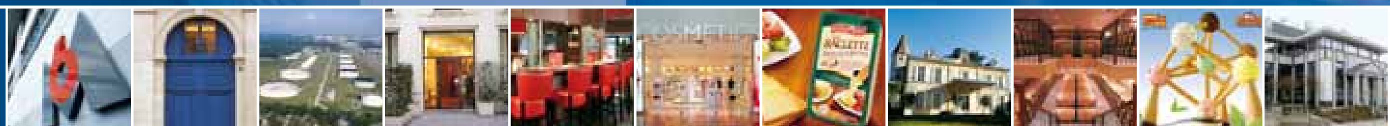
In the coming years, the emphasis should be put on industrial excellence, an increased presence in Asia and product innovation. This strategy should allow ARKEMA to post in 2010 an ambitious EBITDA margin of 12% (economic cycle average), to show a reduction of the working capital to 18% of the turnover and to limit its debt level to 40%, illustrating the Group potential of value creation.

CONTRIBUTION TO:

	Restricted Consolidation		Consolidation (transitive)	
	EUR Mio	%	EUR Mio	%
2006 operating profit	-	-	-	-
Adjusted net assets on 31/12/2006	32	0.5%	43	0.7%

KEY CONSOLIDATED FIGURES (EUR MILLION)

	2004	2005	2006
Equity	1,738	1,449	1,923
Turnover	5,318	5,515	5,664
Net profit, group share	-618	-427	45
Dividend per share (EUR)	-	-	-



DIRECT SHAREHOLDINGS

CONSOLIDATED OR EQUITY-ACCOUNTED SHAREHOLDINGS

67	TRANSCOR ASTRA GROUP
68	GRUPPO BANCA LEONARDO
69	GROUPE FLO
70	DISTRIPAR
71	UNIFEM / ENTREMONT ALLIANCE
72	RASPAIL / CHEVAL BLANC
73	TIKEHAU
74	CHÂTEAU RIEUSSEC
75	IJSBOERKE
76	TRASYS

OTHER SHAREHOLDINGS

61	TOTAL
65	ARKEMA
77	M6

TRANSCOR ASTRA GROUP

TRANSCOR ASTRA GROUP distributes and trades in oil products, natural gas, coal and coke, in conjunction with the rental of pipelines, storage facilities and oil tankers. Since 2005, it is also active in the refining business. It operates on a worldwide basis, with offices in North America, Europe and Asia.

In 2006, TRANSCOR ASTRA GROUP has again delivered a record year. Both the traditional physical trading business and the refining business had a very successful year leveraging the developments initiated in 2004 and 2005. The oil markets have experienced high prices and high volatility and TRANSCOR ASTRA GROUP has continued to apply its business model and its overall business philosophy which is well suited for such a volatile environment. In particular, the asset strategy aimed at creating synergies with the traditional arbitrage activities, the global reach, the conservative risk approach, the decentralized management structure and the entrepreneurial culture have all contributed to the 2006 success.

TRANSCOR ASTRA GROUP closes its accounts with a EUR 175.9 million net profit (group share) vs EUR 63.9 million in 2005.

This profit includes the first effects of the transaction with PETROBRAS for an amount of EUR 75.1 million. On September 1st, a partnership (PRSI) was created with the Brazilian state energy company, whereby TRANSCOR ASTRA GROUP sold to its partner a 50% interest in the Pasadena (Texas) refinery and created a joint-venture for the related trading activities. As part of the partnership, TRANSCOR ASTRA GROUP provides its trading expertise and access to its global trading network (for which it will receive additional special allocation payments spread over the years 2007 and 2008) while PETROBRAS provides the technical expertise to upgrade the Pasadena refinery to process heavier crude from Brazil. After completion of the revamp project, the refinery will be fully EPA qualified and its competitive position will improve substantially. PRSI is currently contemplating additional investment opportunities in order to expand the capacity and broaden the spectrum of crude oils processed by the refinery. Should these expansion investments be considered suitable by PETROBRAS and should TRANSCOR ASTRA GROUP not be willing to participate in these, PETROBRAS has the power to force the investment decision and the Group will then be in a position to exercise a put option on its remaining shareholding in PRSI at conditions which, in the worst case, do not significantly differ from the initial transaction.

In April, the Group acquired 100% of the capital of US OIL AND REFINING CO (USOIL), which owns and operates a 38,000 bbl/d. refinery in Tacoma, near Seattle (Washington state); it is a fully EPA qualified facility that has operated at high capacity rates for many years and has been historically profitable; the acquisition price, including inventory, amounted to some EUR 150 million.

Excluding any impact of the PETROBRAS transaction, both refineries together represented almost 50% of the net operating profit of the Group.

It is reminded that all results figures mentioned above are Group share contributions presented after short-term personnel and management motivation schemes (based on trading profits) and long-term partnerships with them (20% at the TRANSCOR ASTRA GROUP and at the refineries level; this latter includes 4% subscribed by the Chairman of TRANSCOR ASTRA GROUP who is also the CEO of NPM/CNP). For legal reasons due to the contacts made with PETROBRAS, very soon after the acquisition of PRSI, and due to the lengthy negotiations with this group, the special purpose vehicles for these partnership will only be set up in 2007; for the years 2005 and 2006, the related commitments resulted either in provisions (for the existing constructive obligation) or in minority interests in the consolidated accounts; consequently this delay did not have any impact on the net profit – group share for NPM/CNP.

During the first part of 2006, despite the absence of significant weather pattern, increasing demand, speculation from hedge funds, political instability and precarious supply/demand balance have continued to propel oil prices and refining margins to record highs. Under those circumstances, both refineries have shown strong gross margins while they have experienced very different operational situations. The last four months of the year have shown a short-term trend with downward pressure on both crude prices and refining margins.

The traditional global physical trading businesses maintained a high level of profitability for 2006. All the offices and business lines have contributed to this very successful year. In particular, the European trading operations based in Zug had an excellent year, having successfully found new niches to play the prudent physical arbitrage trading model. Zug renewed the agreement to process crude with an Egyptian state associated refinery and also successfully entered the gasoline blend stock business. The Dallas natural gas group has suffered from a lack of volatility, which was mainly due to the weather, and the coal activity continues to adapt itself to new market structure but, once again, the offices in Canada, Singapore and Brussels have proved capable of generating very good margins in an extremely volatile environment. All offices have embraced the asset-based strategy and are busy generating opportunities to develop their markets.

CONTRIBUTION TO:

	Restricted consolidation		Consolidated (transitive)	
	EUR Mio	%	EUR Mio	%
2006 operating profit	7.0	5.2%	100.8	31.4%
Adjusted net assets at 31/12/2006	500	8.1%	500	8.1%

KEY CONSOLIDATED FIGURES (EUR MILLION)

	2004	2005	2006
Equity	122	200	339
Turnover	6,239	8,603	9,839
Net profit, group share	42.3	63.9	175.9
Dividend	7.5	6.6	7.0

GRUPPO BANCA LEONARDO

WWW.BANCALEONARDOSPA.COM

GRUPPO BANCA LEONARDO is an independent private-equity merchant bank that was acquired and recapitalised in April 2006 by a group of European investors headed by Gerardo BRAGGIOTTI, and including in particular NPM/CNP, EURAZEO, IFIL, FONDIARIA-SAI, TORREAL and ALLIANZ. The Group's strategy is focused on three sectors of activity: financial consultancy (mergers/acquisitions and corporate finance), private equity and asset management. The Group also provides brokerage services and operates a research and financial analyses department.

GRUPPO BANCA LEONARDO S.p.A, in which NPM/CNP holds 19.2% of the capital, acquired in April 2006 BANCA LEONARDO S.p.A via a very experienced group of European banking and financial players who immediately took over operating control. The new Board of Directors was set up on 28 April 2006 and Gerardo BRAGGIOTTI was appointed the Group's Managing Director.

GRUPPO BANCA LEONARDO increased its capital (from EUR 215 million to EUR 480 million) and has pursued its historical activities (trading on behalf of third parties, analysis of shares and asset management).

The Group has developed its financial base and its field of action, granting particular attention to the renewal of the organisation and of its internal control system. It has also developed its financial consultancy (mergers and acquisitions and corporate finance) and private equity activities.

Thanks to the available financial resources, it has acquired 100% of LEONARDO Italia Srl, a company specialising in financial consultancy, 75.73% of LEONARDO France Sas (previously QUADRATURE Sas) operating in France in the same field and 34% in DNCA, a French asset management company.

EURALEO Srl, a private equity management company that is not yet operational, has been set up following a joint venture agreement (50%-50%) concluded with one of its shareholders, EURAZEO. An agreement was signed in December 2006 for the acquisition, subject to the granting of the necessary authorisations, of a fund management company. Furthermore, a brokerage firm, pooling the brokerage and research activity is currently being set up, as well as a speculative fund.

GRUPPO BANCA LEONARDO is undertaking the ambitious task of reinforcing its advisory, private equity management and asset management and positions itself as a clearly defined multifunctional banking group that sets out to optimise its results according to its objectives of efficiency and profitability.

The acquisition of an additional 16.5% shareholding in the capital of DNCA was concluded in mid February 2007 and takes the Group's shareholding in the company to 50.5%.

The Board of Directors has authorised the finalisation by April 2007 of the second phase of the recapitalisation: a capital increase approved by the shareholders in April 2006 taking the Group's capital to around EUR 800 million.

In 2006, the mergers and acquisitions division dealt with 20 transactions worth a total of EUR 80 billion. The assets under management increased from EUR 1.8 billion at the end of 2005 to EUR 3.4 billion at the end of 2006. The Group made three investments in the field of private equity for a total of EUR 35 million and the research and brokerage activities have enjoyed strong growth.

The Group generated a net profit of around EUR 20 million in 2006.

CONTRIBUTION TO:

	Restricted consolidation		Consolidated (transitive)	
	EUR Mio	%	EUR Mio	%
2006 operating profit	-	-	4.2	1.3%
Adjusted net assets at 31/12/2006	93	1.5%	93	1.5%

KEY CONSOLIDATED FIGURES (EUR MILLION)

	2004	2005	2006
Equity	-	-	469
Turnover	-	-	87.4
Net profit, group share	-	-	19.7
Dividend	-	-	17.0

* Subject to approval by the annual general meeting of shareholders of 19 April 2007.

GROUPE FLO

WWW.GROUPEFLO.COM

With a consolidated turnover for 2006 of almost EUR 350 million generated through its 173 restaurants, 146 under own management, GROUPE FLO is the French leader in the restaurant business.

GROUPE FLO has based its strategy on a portfolio of complementary themed restaurants chains and concepts on growth market segments.

FLO currently operates four different restaurant concepts:

- **HIPPOPOTAMUS**, which generates a turnover of EUR 158 million, positioned in the top-of-the-range meat restaurant market with a network of 88 restaurants (65 under own management).
- **The BRASSERIES**, which are real flagships (FLO, LE BŒUF SUR LE TOIT, LA COUPOLE, BOFINGER...) or small brasseries under the PETIT BOFINGER chain, with a turnover for the 23 restaurants (20 under own management) that amounts to EUR 82 million.
- **BISTRO ROMAIN**, whose turnover (EUR 71 million) makes it the leader in the Italian restaurant segment with 40 restaurants (39 under own management).
- **TABLAPIZZA**: a recently acquired chain of six pizzerias generating a turnover of around EUR 10 million, symbolising the entry of GROUPE FLO into the economic segment (average bill of under EUR 20).

GROUPE FLO has also historically developed a pole of concessions that has allowed it to develop its know-how as a restaurant-operator in captive areas, leisure parks (DISNEYLAND PARIS) and offices (La Défense). This activity represents a consolidated turnover of EUR 32 million, generated in around twenty different restaurants.

This diversified strategy of restaurant concepts gives GROUPE FLO a real competitive edge with regard to know how and the development potential in a commercial restaurant market that remains very dispersed and that is undergoing consolidation.

After a restructuring phase, the repositioning of its offers and the standardisation of its development models, GROUPE FLO recorded a growth in its turnover of 12% in 2006 compared with 2005. All of the Group's brands saw their turnover increase. With a constant perimeter, growth stood at 5.6% thanks to a commercial dynamism stimulated by the redevelopment of a more qualitative offer.

The most significant event of the year will remain the renewed development activity with the successful opening of around twenty new restaurants, including fifteen HIPPOPOTAMUS, three BISTRO ROMAIN, one brasserie and the strategic acquisition of TABLAPIZZA.

The efforts made over the past few years also allow the consolidation and improvement of the operating performance by over 23% compared with the previous year with a consolidated operating profit of EUR 27.2 million, which accounts for 7.8% of turnover. The net profit amounted to EUR 19 million, up by 57% compared with 2005.

In 2007, GROUPE FLO intends to consolidate its leadership position with the implementation of a dynamic marketing plan destined to increase the national recognition of its brands and to gain the loyalty of its clients and with the acceleration of its development (opening of around thirty restaurants, mainly in the HIPPOPOTAMUS and TABLAPIZZA chain). GROUPE FLO will continue to pursue its objective of excellence with the permanent improvement of the culinary quality and service of its offers by means of a vast training and integration plan for its teams. These are seen as the keys to the success of the Group's controlled development.

CONTRIBUTION TO:

	Restricted consolidation		Consolidated (transitive)	
	EUR Mio	%	EUR Mio	%
2006 operating profit	-	-	4.4	1.4%
Adjusted net assets at 31/12/2006	63	1.0%	63	1.0%

KEY CONSOLIDATED FIGURES (EUR MILLION)

	2004	2005	2006
Equity	101	113	134
Turnover	296	310	349
Net profit, group share	9.3	12.1	19.0
Dividend per share (EUR)	-	-	n.a.

DISTRIPAR

DISTRIPAR operates airport shops through its subsidiary BELGIAN SKY SHOPS, which holds an 80% shareholding in VANPARYS CHOCOLATIER, a producer of luxury chocolates. DISTRIPAR also owns PLANET PARFUM, which is active in the selective distribution of perfumes and cosmetics in Belgium and in Luxembourg. In March 2006, DISTRIPAR also acquired CLUB, which distributes books and stationery items.

BELGIAN SKY SHOPS

BELGIAN SKY SHOPS' 2006 turnover was up by 6% compared with 2005, a welcome performance after the stagnation that the company has witnessed over the past few years. This increase was achieved despite the new European laws governing sales of liquids and gels in European airports.

At BRUSSELS SOUTH CHARLEROI AIRPORT (2.2 million passengers in 2006, up by 15% on 2005), BELGIAN SKY SHOPS intends to increase its sales surface in 2007. The shops are due to open in September, taking the sales surfaces in the transit zone from the 120 m² in use today to 700 m².

PLANET PARFUM

The PLANET PARFUM shops cover the whole of Belgium and Luxembourg, with 68 sales outlets and a turnover standing at EUR 82 million for 2006, up by 9% on 2005.

VANPARYS CHOCOLATIER

VANPARYS produces and distributes luxury own-brand CORNÉ PORT-ROYAL chocolates through exclusive sales points in Belgium and France, and also in major cities worldwide (London - Madrid - Tokyo - New-York). The activity in 2006 increased by 17% following the sales efforts undertaken in particular in the duty free sector as well as in the distribution sector under the distributor's own brand. In 2007, all efforts will be concentrated on commercial expansion.

CLUB

In March 2006, DISTRIPAR acquired 100% of the capital of CLUB.

In 2006 CLUB generated a stable turnover in the books and stationery distribution sector, through its network of 26 sales points in Belgium and its e-commerce Website PROXIS.

On the whole, the consolidated net profit amounted to EUR 8.0 million against EUR 11.2 million in 2005. The previous year's net profit had been influenced mainly by the capital gain of EUR 5.6 million realised on the sale of the MARIONNAUD shares.

In 2007, subject to the agreement of the competition authorities, DISTRIPAR and ACKERMANS & van HAAREN will create a 50/50 joint-venture on PLANET PARFUM and CLUB; DISTRIPAR should book a capital gain of some EUR 28 million (depending on the net profit realised by these entities until effective sale date). The partners would then buy together from the DELHAIZE GROUP the chain of beauty and care shops DI (EUR 95 million turnover through a network of some 130 stores) for an amount of around EUR 33 million.

CONTRIBUTION TO:

	Restricted consolidation		Consolidated (transitive)	
	EUR Mio	%	EUR Mio	%
2006 operating profit	0.7	0.5%	8.5	2.6%
Adjusted net assets at 31/12/2006	60	1.0%	60	1.0%

KEY CONSOLIDATED FIGURES (EUR MILLION)

	2004	2005	2006
Equity	14.8	25.3	33.3
Turnover	144.7	166.5	245.6
Net profit, group share	3.2	11.2	7.6
Dividend	-	-	n.a.

UNIFEM / ENTREMONT ALLIANCE

WWW.ENTREMONT-ALLIANCE.COM

ENTREMONT ALLIANCE is one of the leading European producers of hard cheese, with a full range that includes French and German Emmental, Raclette cheese, French AOC cheeses and Fontal, which are sold to consumers and distributors, restaurants and food processing industries. The group is also a major international player in the field of composite dairy ingredients and solutions intended for infant and dietetic foods.

2006 was a busy year for all the ENTREMONT ALLIANCE teams, who succeeded in integrating the dairy activities of UNICOPA with those of ENTREMONT in record time. After having spent three years modernising the industrial tools, optimising the manufacturing processes and extending the range of products, the group is now in a competitive position to participate in the growth of the various markets on which it operates.

The cheese activity maintained its volume at around 185,000 tonnes. Sales of the ENTREMONT brand reached 19,000 tonnes and saw their market shares increase both in terms of traditional products (Emmental portions and grated Emmental) and specialities (Comté, Light, Dégustation, grated cheese mixes, raclette cheese).

2006 was marked by the sky rocketing price of serum that practically doubled compared with 2005. While this increase improved the profitability of the cheese activity, serum being a by-product derived from the manufacturing process, it had a temporary impact on the EUROSERUM margin when the hike in the purchase price was not reflected in the selling price. Despite this negative scissor effect, this subsidiary recorded an operating profit of EUR 7 million thanks, in particular, to the dynamism of sales in Asia.

The other industrial products followed the same trend as serum but only from the second part of the year onwards. The price of fat ended the year at a level that was slightly down on that of the end of 2005 whereas the price of milk powder ended the year at a much higher level. This favourable evolution in quotations combined with the new system of fixing the price of milk in France, which introduces a differentiated price for milk intended for Consumer Products and for that intended for Industrial Products ("butter-powder") made it possible for the first time since 2001 to book a balanced profit on these by-products derived from the collection of milk and the manufacture of cheese.

However, 2006 was not a good year for the formulated product subsidiary COFRANLAIT, which ended the year with an operating loss of EUR 6.3 million due to the total absence of activity in Iraq, which still accounted for half of volumes in 2005. To cope with the slump in turnover (-34%), a far-reaching restructuring was carried out both in terms of reduction in costs and relaunch of sales.

ENTREMONT ALLIANCE ended the year with a profit before special items of EUR 23.1 million. The net profit amounted to EUR 8.1 million under the impact of restructuring charges. The net financial debt is stable at EUR 278 million.

As regards UNIFEM, a holding that owns 100% of ENTREMONT ALLIANCE, the consolidated profit before special items amounted to EUR 18.7 million and the net profit to EUR 10.1 million after taking into consideration the remuneration of shareholders advances and tax consolidation.

CONTRIBUTION TO:

	Restricted consolidation		Consolidated (transitive)	
	EUR Mio	%	EUR Mio	%
2006 operating profit	-	-	15.2	4.7%
Adjusted net assets at 31/12/2006	42	0.7%	42	0.7%

KEY CONSOLIDATED FIGURES (EUR MILLION)

UNIFEM	2004	2005	2006
Equity	-15.8	72.2	85.1
Turnover	1,061	1,022	1,415
Net profit, group share	-39.9	6.0	10.1
Dividend	-	-	-

RASPAIL / CHEVAL BLANC

RASPAIL INVESTISSEMENTS owns the CHEVAL BLANC vineyard, a Saint-Émilion Premier Grand Cru Classé A (37 hectares) as well as that of LA TOUR DU PIN (8 hectares of Saint-Émilion Grand Cru).

The current shareholders purchased the estate at the end of 1998 and 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 standards set by the estate.

Spring 2006 saw the "primeur" sale of the wines from the excellent 2005 vintage, marked by a particularly buoyant context. The property sold around two thirds of the first wine and around 90% of the second at the prices of EUR 400 and EUR 65 respectively, compared with EUR 120 and EUR 30 for the 2004 vintage.

The year 2006 was marked by the acquisition, for an amount of around EUR 6 million, of CHÂTEAU LA TOUR DU PIN, an 8 hectare property neighbouring CHEVAL BLANC. This estate will be run using the same qualitative methods applied to CHEVAL BLANC, with the aim of producing a wine of a high level of quality, but with its own style, to demarcate it from CHEVAL BLANC.

Due to a particularly rainy September, the 2006 grape harvest was difficult from a phytosanitary point of view. The supremacy of a great vineyard, combined with the know how of the CHEVAL BLANC teams, nevertheless allowed the production of very high quality wines, thanks to great care and attention and a very rigorous selection resulting in produced quantities that are 25% below normal.

From an accounting viewpoint, the financial year 2006 saw the generating of a turnover of around EUR 15.8 million, split between the partial delivery (around 40%) of the 2004 vintage and the sale of previous vintages.

The net profit came to EUR 5.5 million.

CONTRIBUTION TO:

	Restricted consolidation		Consolidated (transitive)	
	EUR Mio	%	EUR Mio	%
2006 operating profit	1.1	0.8%	3.3	1.0%
Adjusted net assets at 31/12/2006	37	0.6%	37	0.6%

KEY CONSOLIDATED FIGURES (EUR MILLION)

	2004	2005	2006
Equity	14.1	17.8	23.4
Turnover	14.2	15.1	15.8
Net profit, group share	3.9	3.7	5.5
Dividend	-	-	-

TIKEHAU CAPITAL

The TIKEHAU group was founded in June 2004 at the initiative of its management and of several investors from the world of finance, real estate and industry. The Group's main activity is the structuring of financial operations and investment in various assets (listed or unlisted companies, real estate and funds).

TIKEHAU CAPITAL ADVISORS ("TCA") is the apex company of the TIKEHAU group. TCA presides over TIKEHAU CAPITAL PARTNERS ("TCP"), the group's main investment company with equity of EUR 84 million as at 31 December 2006.

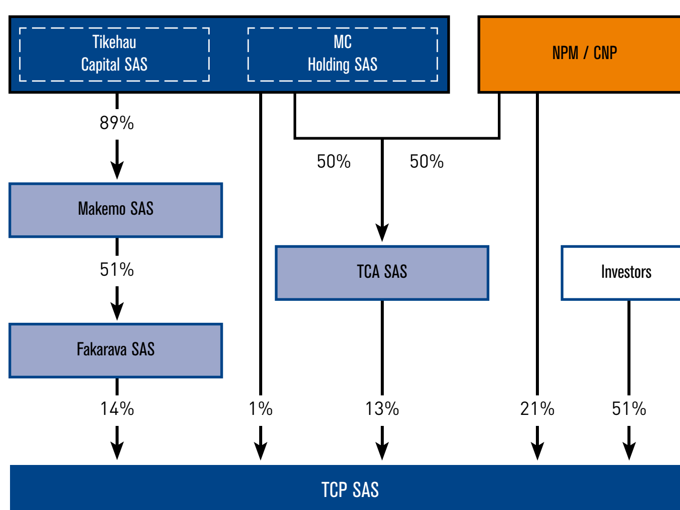
The financial year 2006 was a pivotal year in the development of TCA/TCP with

- a tripling of its equity with, in particular, the entry of GOLDMAN SACHS and of NPM/CNP as shareholders,
- the structuring of the NPM/CNP – TCA/TCP partnership and
- the creation of TIKEHAU INVESTMENT MANAGEMENT, a discretionary investment management company.

As at 31 December 2006, TCP has invested in 19 shareholdings in different industries and in different asset classes.

Among them, TIKEFLO, a subsidiary of TCP, holds a 34% shareholding in FINANCIÈRE FLO.

In 2006, the operating profit of TCA and of TCP amounted to EUR 1.0 million and EUR 2.4 million respectively.



CONTRIBUTION TO:

	Restricted consolidation		Consolidated (transitive)	
	EUR Mio	%	EUR Mio	%
2006 operating profit	-	-	0.9	0.3%
Adjusted net assets at 31/12/2006	28	0.5%	28	0.5%

KEY CONSOLIDATED FIGURES (EUR MILLION)

TCA SAS	2004	2005	2006
Equity	-	1.2	14.5
Turnover	-	n.s.	2.8
Net profit, group share	-	n.s.	1.0
Dividend	-	-	n.a.

CHÂTEAU RIEUSSEC

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 Classé. It also fully owns CHÂTEAU L'ÉVANGILE (Pomerol) and 55% of QUINTA DO CARMO, one of the leading Portuguese vineyards.

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 "primeur" campaign of spring 2006, relating to the sale of the 2005 vintage, was particularly dynamic due to the exceptional quality of the wines. The volume sold was very high (more than 180,000 bottles of the first wine and 75,000 of the second wine). The EUR 35 "primeur" price of the Grand Vin was higher than that of the previous vintage (EUR 21).

The 2006 harvests generated relatively low quantities (14.6 hl/ha, around 20 to 25% below normal).

CHÂTEAU L'ÉVANGILE, which has a 13 hectare vineyard in the Pomerol appellation, produces a first wine, L'ÉVANGILE, and a second wine under the name of BLASON DE L'ÉVANGILE.

The 2005 L'ÉVANGILE vintage, which benefited from the euphoria that spread through all the Bordeaux grands crus, was sold en primeur in spring 2006 at a price of EUR 100 (up by 122%) in satisfactory volumes (40,000 bottles). In Pomerol as well, the 2006 harvest produced a lower quantity of wine than normal (-20 to 25%) of a very good quality.

QUINTA DO CARMO's 150 hectare vineyard is continuing to suffer from the effects of international competition, and in particular the weakness of the dollar, despite its unanimously acknowledged high quality. It nevertheless made a positive contribution to the Group's results.

CHÂTEAU RIEUSSEC's consolidated net profit stood at EUR 1.4 million in 2005 (compared with EUR 1.3 million a year earlier). This includes the recording in the accounts of sales of the RIEUSSEC 2003 and L'ÉVANGILE 2004 vintages.

CONTRIBUTION TO:

	Restricted consolidation		Consolidated (transitive)	
	EUR Mio	%	EUR Mio	%
2006 operating profit	0.8	0.6%	0.8	0.3%
Adjusted net assets at 31/12/2006	22	0.4%	22	0.4%

KEY CONSOLIDATED FIGURES (EUR MILLION)

	2004	2005	2006
Equity	39.7	39.6	39.5
Turnover	8.3	5.5	7.3
Net profit, group share	2.4	1.3	1.4
Dividend	1.4	1.4	n.a.

IJSBOERKE

IJSBOERKE is the leading Belgian ice cream brand and is the leader or challenger in all Belgium's sales channels. At European level, the Company is seeking to accelerate its development through the MIO brand and selectively, under third party brands.

In 2006, the Group's sales continued to grow thanks to the full-year integration of the manufacturer MIO, acquired mid 2005, but also thanks to the dynamic of all of the activities with a constant perimeter:

- 29 million litres of ice cream were sold;
- total turnover exceeded EUR 66 million, up by 5% at group level and 11% for IJSBOERKE;
- the historical activity of door-to-door sales in Belgium and Luxembourg (165,000 families or customers), recorded its highest level of activity for 5 years with sales of over EUR 17 million (+ 4%);
- sales in the mass distribution sector in Belgium were up by 11% and now match home sales. The volume market share of the IJSBOERKE brand increased for the fourth consecutive year, taking the market share from 18.5% to 19.5%;
- the ice cream production activity for third parties (Private Label), which represents less than 20% of turnover and a large majority of which is exported, varies depending on the profitability that can be obtained on this type of contracts, which are therefore carefully selected.

Results are developing well and, for the first time, the three companies that make up the Group – IJSBOERKE, MIO and BELGIAN MOMENT (shops) – posted a total EBITDA of EUR 6.4 million. MIO's restructuring plan was completed even if the operational efficiency is yet to be improved.

The consolidated operating profit stood at EUR 3.2 million and the net profit came to EUR 1.9 million. The latter is lower than that generated in 2005 due to the higher tax burden and the absence of exceptional profit.

In 2007, IJSBOERKE will continue its internal growth, driven notably by the development of the MIO brand and the introduction of IJSBOERKE brand products in mass distribution in the Netherlands.

CONTRIBUTION TO:

	Restricted consolidation		Consolidated (transitive)	
	EUR Mio	%	EUR Mio	%
2006 operating profit	1.6	1.2%	1.9	0.6%
Adjusted net assets at 31/12/2006	18	0.3%	18	0.3%

KEY CONSOLIDATED FIGURES (EUR MILLION)

	2004	2005	2006
Equity	17.1	18.4	18.7
Turnover	49.1	54.7	66.6
Net profit, group share	2.3	3.1	1.9
Dividend	1.5	1.6	n.a.

TRASYS

WWW.TRASYS.BE

TRASYS is a Belgian IT consultancy and services company. It currently employs over 600 persons in Belgium and at its international branches in Luxembourg, London, Paris and Athens. TRASYS is active via a broad spectrum of services and competencies (consultancy, project management, operation of IT infrastructures) on private and public markets.

Created in 1981 at the initiative of the SUEZ-TRACTEBEL group, TRASYS was acquired in May 2006 by GIB, a joint subsidiary of AvH and NPM/CNP, in partnership with its management team.

TRASYS' strategic vision aims for continuity and targets:

- the sectorial diversification of its clientele, balancing private and public markets;
- a geographical presence gradually extended in order to develop local services in close contact with the clientele;
- a gradually extended cover of the services offered giving rise to an offer adapted to specific consultancy, system integration, software development or infrastructure operation requirements. These services can be combined to come up with a complete solution in the form of "outsourcing";
- the diversification of the technologies implemented, without an indiscriminate search for innovation, ensuring the economic completion of the projects and missions;
- and above all, a customer-oriented approach, providing a concrete but innovative solution.

TRASYS is continuing to spread its wings abroad, with the most significant growth being recorded in the United Kingdom, in Luxembourg and in Greece.

In 2006, although the pressure on selling prices remained strong, TRASYS' activities continued to develop positively in an economic environment characterised by recovery.

Turnover was up by 9.4% during the past financial year, mainly thanks to an increase in the production volume. This increase, realised in almost all of the Group's divisions, was particularly sustained by the good performances of the "Consultancy" division.

In 2006, TRASYS realised a net profit of EUR 3.5 million, up by 64.4% compared with 2005, thanks to the increase in turnover, a control over general costs and various economies linked to the fact that the Group left the consolidation perimeter of SUEZ.

For 2007, the company intends to further develop its consultancy activities, a high added value business that has been supporting the stronger growth for several years, and to diversify its clientele among private key accounts in Europe.

CONTRIBUTION TO:

	Restricted consolidation		Consolidated (transitive)	
	EUR Mio	%	EUR Mio	%
2006 operating profit	1.0	0.7%	1.2	0.4%
Adjusted net assets at 31/12/2006	15	0.2%	15	0.2%

KEY CONSOLIDATED FIGURES (EUR MILLION)

	2004	2005	2006
Equity	5.7	8.1	9.6
Turnover	56.6	57.6	63.1
Net profit, group share	1.4	2.4	3.5
Dividend	-	2.1	n.a.

METROPOLE TELEVISION (M6)

As the second French commercial television channel, M6 is at the heart of a multimedia group, comprised of a family of digital channels and diversification activities developed around a powerful brand.

2006 was characterised by the development of the multi-channel offering in France. Despite this tougher competition, M6 maintained its advertising market share at 23%, and confirmed its status as a generalist channel by notching up new record audience figures, in particular during prime time, and among housewives under the age of 50 (the main advertising target in France). In 2006, M6 broadcasted 31 World Cup matches and very popular American series (Prison Break, Desperate Housewives, NCIS). The turnover of the M6 channel amounted in 2006 to EUR 656.8 million (+3.4%), thanks in particular to an increase of 3.9% in advertising revenues, for an operating profit of EUR 183.0 million.

The digital channels of the M6 Group pushed ahead with their development, to form a family of complementary channels, with strong brand positionings, such as PARIS PREMIERE and TEVA. Furthermore, W9 has gained a firm foothold as the leader among the new TNT channels. The 2006 turnover of the digital channels reached EUR 75.6 million, up by 17% for an operating loss of EUR 2.6 million, reflecting the investments made to secure W9's position as the reference channel in the new multi-channel environment.

The diversification and audiovisual rights activities enjoyed buoyant growth in 2006 with:

- The Direct Selling segment, which is benefiting from the strong growth in the e-commerce site Mistergooddeal.com, taken over by HSS in November 2005,
- The Interactivity segment (M6 WEB and M6 MOBILE), enjoying sustained growth thanks to the success of the multimedia activities and of M6 MOBILE BY ORANGE, with over 767,000 clients at the end of December 2006,
- The Girondins Football Club in Bordeaux, which scored an excellent sporting season in 2005/2006,
- The audiovisual rights activity, which is seeing strong development across all its businesses lines (distribution, theatres, videos, sale of rights).

The 2006 turnover of the diversification and audiovisual rights activities is up by 44.9% at EUR 551.0 million, for an operating profit of EUR 51.2 million.

For 2006 as a whole, the Group's consolidated turnover amounted to EUR 1,283.4 million (+18.8%), and the operating profit is up by 0.8% at 223.0 million. The net profit (group share) amounted in 2006 to EUR 408.5 million, of which EUR 256.8 million derived from discontinued operations, consisting mainly of the results of TPS until August and the capital gain on the contribution of this shareholding to CANAL+ FRANCE. Indeed, 2006 will thus go down as a decisive year with regard to the presence of M6 in the pay TV sector in France: 10 years after the creation of TPS, the finalisation of the merger with the CANAL+ group has given birth to a new pay TV group, CANAL+ FRANCE, of which M6 remains a 5.1% shareholder. TPS is therefore considered as a discontinued activity in the Group's accounts.

2007 will mark the 20th anniversary of M6, a generalist channel that is going from strength to strength and that will benefit in particular from the opening of the TV advertising market to the distribution sector. The M6 Group will continue to pave the way for sustainable growth, by pushing ahead with its innovations, by pinpointing new opportunities for development, and by continuing to anticipate the evolution of uses in the field of the consumption of multimedia content, in particular in the field of interactivity.

CONTRIBUTION TO:

	Restricted consolidation		Consolidated (transitive)	
	EUR Mio	%	EUR Mio	%
2006 operating profit	-	-	-	-
Adjusted net assets at 31/12/2006	178	2.9%	178	2.9%

KEY CONSOLIDATED FIGURES (EUR MILLION)

	2004	2005	2006
Equity	441	504	800
Turnover from continuing operations	1,012	1,080	1,283
Net profit, group share	129	156	408
Dividend per share (EUR)	0.84	0.95	0.95*

* Subject to approval by the annual general meeting of shareholders of 23 April 2007.

	Page
Consolidated income statement	**80**
Consolidated balance sheet	**81**
Consolidated cash flow statement	**82**
Statement of changes in equity	**83**
Auditor's report	**84**
Notes to the consolidated financial statements	**86**

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December

,000 EUR *(except per share data)*	Note	2005	2006
Revenue	4	11,221,456	13,243,049
Other operating income	5	120,939	71,803
Changes in inventories		299,029	364,825
Raw materials, goods for resale and consumables used		(9,908,813)	(11,532,289)
Staff costs	6	(553,658)	(797,383)
Depreciation expenses		(114,696)	(144,223)
Amortization expenses		(7,069)	(10,973)
Gains/losses and impairments on shareholdings and activities	9	(984)	199,005
Other operating expenses	5	(713,151)	(868,173)
Results of operating activities		**343,053**	**525,641**
Dividends and interests from available-for-sale investments	11	128,346	176,697
Dividends from current assets held for trading		4,350	2,617
Interest income from current assets		41,317	97,024
Interest expenses		(75,025)	(128,838)
Gains/(losses) on trading activities (including derivatives)		28,542	24,872
Other financial income/(expenses)	8	(6,780)	11,711
Net finance income/(expenses)		**120,750**	**184,083**
Profit/(loss) from operating and finance activity		**463,803**	**709,724**
Income tax	13	(84,450)	(62,485)
Income from associates	18	2,151	21,157
Net profit/(loss) from continuing operations		**381,504**	**668,396**
Net profit/(loss) from discontinued operations	40	454,174	1,268,902
Net profit/(loss) for the period		**835,678**	**1,937,298**
attributable to minority interests		235,029	1,024,912
attributable to shareholders of NPM/CNP (Group share)		**600,649**	**912,386**
Basic earnings per share (EUR/share)		**5.51**	**8.37**
from continuing operations	34	2.19	4.19
from discontinued operations	34	3.32	4.18
Diluted earnings per share (EUR/share)		**5.42**	**8.18**
from continuing operations	34	2.15	4.10
from discontinued operations	34	3.27	4.08

In accordance with IFRS 5 – *Non-current Assets Held for Sale and Discontinued Operations* and in order to ensure the comparability with the financial statements of 2006, the income statement of 2005 has been restated in order to present the share in the net result of BERTELSMANN AG, QUICK RESTAURANTS and ORIOR FOOD on a separate line « net profit/(loss) from the discontinued operations ». This change in the presentation does not affect the net result of the period.

At 31 December

.000 EUR	Note	2005	2006
ASSETS			
Non-current assets		**8,298,004**	**10,194,580**
Intangible assets	14.15	127,701	249,387
Goodwill	16	481,845	543,572
Property, plant and equipment	17	1,338,081	1,208,548
Investment property		1,706	0
Investments in associates	18	959,330	273,239
Long-term advances		81	82
Available-for-sale investments	19	5,316,335	7,814,070
Deferred tax assets	13	49,429	70,011
Other non-current assets	20	23,496	35,671
Current assets		**4,314,619**	**6,230,415**
Inventories	21	967,395	833,223
Trade and notes receivable	22	928,786	986,592
Short-term interest bearing advances	23	133,148	421,466
Financial assets held for trading	19	151,309	90,777
Cash and cash equivalents	24	1,896,609	3,354,420
Assets classified as held for sale and discontinued operations		0	0
Other current assets	25	237,371	543,937
TOTAL ASSETS		**12,612,623**	**16,424,995**

.000 EUR		2005	2006
EQUITY AND LIABILITIES			
Total equity		**8,552,769**	**11,411,086**
Shareholders' equity		**4,650,004**	**5,819,521**
Share capital	26	126,500	126,500
Share premium		1,052,870	1,052,870
Treasury shares (-)		(70,897)	(86,109)
Revaluation reserve (available-for-sale investments)		1,316,076	1,686,370
Hedging reserve		(1,598)	455
Translation reserve		17,315	(24,981)
Accumulated profit		2,209,738	3,064,416
Other reserves		0	0
Minority shareholders' equity		**3,902,765**	**5,591,565**
Non-current liabilities		**1,832,679**	**2,138,379**
Provisions	27	112,196	111,009
Employee retirement and post-employment benefit obligations	28	118,172	100,899
Deferred tax liabilities	13	104,961	184,536
Obligations under finance lease	29	26,929	23,176
Other long-term interest bearing borrowings	30	1,432,369	1,681,370
Other non-current liabilities		38,052	37,389
Current liabilities		**2,227,175**	**2,875,530**
Provisions	27	24,027	24,167
Trade and notes payable		964,538	876,080
Income taxes payable and accrued		51,921	27,293
Current portion of obligations under finance lease	29	6,352	5,056
Current portion of long-term borrowings, short-term borrowings and overdrafts	30	868,710	1,355,399
Other financial liabilities	31	33,450	81,380
Liabilities classified as held for sale and discontinued operations		0	0
Other current liabilities	32	278,176	506,155
TOTAL EQUITY AND LIABILITIES		**12,612,623**	**16,424,995**

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December

,000 EUR	**2005**	**2006**
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit from continuing operations before income taxes and minority	**465,954**	**730,881**
Adjustments for:		
(Income from associates)	(2,151)	(21,157)
Dividends received from associates	12,330	1,527
(Gain)/loss on disposal of property, plant and equipment	4,855	(11,914)
(Gain)/loss on disposal of intangible assets	(3,547)	(651)
(Gain)/loss on disposal of available-for-sale investments	(32,028)	(97,868)
(Gain)/loss on disposal of subsidiaries	(41,865)	(103,223)
(Gain)/loss on disposal of investments in associates	0	0
Amortissements et pertes de valeur	208,467	213,323
Deferred investment grants booked in profit and loss	0	6,049
Miscellaneous profit and loss elements without any cash effect	1,593	(32,097)
(Interest income)	(36,580)	(97,024)
Interest expense	75,025	128,838
Operating cash flows from continuing operations before working capital changes	**652,053**	**716,684**
Changes in working capital		
Decrease/(increase) in other non-current assets	(3,100)	(17,344)
Decrease/(increase) in inventories	(335,009)	(47,629)
Decrease/(increase) in trade and notes receivable	(12,182)	(86,392)
Decrease/(increase) in interest bearing advances	(61,257)	(238,083)
Decrease/(increase) in financial assets held for trading	4,840	3,759
Decrease/(increase) in other current assets	(74,145)	(267,856)
Increase/(decrease) in employee retirement and post-employment benefit obligations	2,059	2,409
Increase/(decrease) in provisions	(7,423)	(25,861)
Increase/(decrease) in other non-current liabilities	20,864	(867)
Increase/(decrease) in trade and notes payable	138,918	(19,083)
Increase/(decrease) in other current liabilities	32,337	222,060
Cash provided by operations	**357,955**	**241,797**
Income taxes received/(paid)	(77,811)	(58,554)
Operating cash flows from continuing operations	**280,144**	**183,243**
Operating cash flows from discontinued operations	**92,285**	**62,665**

,000 EUR		
CASH FLOWS FROM INVESTING ACTIVITIES		
(Acquisition)/disposal of subsidiaries, net of cash (1)	(165,082)	(147,999)
(Acquisition)/disposal of investment in an associates	38,658	(137,248)
(Acquisition)/disposal of intangible assets (including patents and trade marks)	(5,046)	(9,622)
(Acquisition)/disposal of tangible assets	(174,170)	(209,783)
(Acquisition)/disposal of available-for-sale investments	(319,073)	(1,316,468)
Investment grants received and others	(135)	(429)
Investing cash flows from continuing operations	**(624,848)**	**(1,821,549)**
Investing cash flows from discontinued operations	**611,034**	**2,170,859**

(1) Note 3 on acquisitions and disposals of subsidiaries and joint ventures presents the net cash effect of such acquisitions and disposals.

For the year ended 31 December

,000 EUR	**2005**	**2006**
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of NPM/CNP shares or stock options	0	0
Proceeds from capital increases by minority shareholders	12,245	142,882
Sale of treasury shares	1,774	0
Proceeds from non current financial borrowings	853,453	407,954
Proceeds from current financial borrowings	84,284	0
Proceeds from shareholders' advances	0	0
Proceeds from minority shareholders' advances	3,745	5,388
Other current financial liabilities	0	37,110
Interests received	42,893	68,481
(Interests paid)	(83,480)	(92,818)
(Acquisition of treasury shares)	0	(15,212)
(Dividends paid by the parent company to its shareholders)	(64,808)	(69,460)
(Dividends paid to minority shareholders)	(91,900)	(94,533)
(Repayment of non current borrowings, finance lease (including current portion)	(252,696)	(192,370)
(Repayment of current borrowings)	232,436	676,998
(Repayment of other current financial liabilities)	0	0
(Repayment of minority shareholders' advances)	(2,329)	(26)
(Repayment of other current financial liabilities)	(11,836)	(26,547)
Financing cash flows from continuing activities	**723,781**	**847,847**
Financing cash flows from discontinued activities	**(4,113)**	**1,316**
Net effect of currency translation on cash and cash equivalents	13,863	13,430
Net change in cash and cash equivalents	**1,092,146**	**1,457,811**
Cash and cash equivalents at beginning of year	**804,463**	**1,896,609**
Cash and cash equivalents at end of year	**1,896,609**	**3,354,420**

STATEMENT OF CHANGES IN EQUITY

,000 EUR	Share capital and premium	Treasury shares (-)	Revaluation and hedging reserve	Translation reserve	Accumulated profit	**Total NPM/CNP shareholders**	Minority interest	**Total equity**
At 31 December 2004	**1,179,370**	**(182,070)**	**684,773**	**(21,593)**	**1,777,913**	**3,438,393**	**3,103,554**	**6,541,947**
Change in fair value	0	0	629,705	0	0	629,705	591,793	1,221,498
Others	0	0	0	38,908	(265)	38,643	64,289	102,932
Elements of income and expenses directly booked in the equity	0	0	629,705	38,908	(265)	668,348	656,082	1,324,430
Net profit for the year	0	0	0	0	600,649	600,649	235,029	835,678
Total income and expenses for the period	0	0	629,705	38,908	600,384	1,268,997	891,111	2,160,108
Share-based payment	0	0	0	0	5,337	5,337	0	5,337
Dividend paid	0	0	0	0	(64,808)	(64,808)	(91,900)	(156,708)
Movements on treasury shares	0	111,173	0	0	(109,088)	2,085	0	2,085
Total movements	*0*	*111,173*	*629,705*	*38,908*	*431,825*	*1,211,611*	*799,211*	*2,010,822*
At 31 December 2005	**1,179,370**	**(70,897)**	**1,314,478**	**17,315**	**2,209,738**	**4,650,004**	**3,902,765**	**8,552,769**
Change in fair value	0	0	372,347	0	0	372,347	732,287	1,104,634
Others	0	0	0	(42,296)	8,746	(33,550)	23,436	(10,114)
Elements of income and expenses directly booked in the equity	0	0	372,347	(42,296)	8,746	338,797	755,723	1,094,520
Net profit for the year	0	0	0	0	912,386	912,386	1,024,912	1,937,298
Total income and expenses for the period	0	0	372,347	(42,296)	921,132	1,251,183	1,780,635	3,031,818
Share-based payment	0	0	0	0	3,006	3,006	2,698	5,704
Dividend paid	0	0	0	0	(69,460)	(69,460)	(94,533)	(163,993)
Movements on treasury shares	0	(15,212)	0	0	0	(15,212)	0	(15,212)
Total movements	*0*	*(15,212)*	*372,347*	*(42,296)*	*854,678*	*1,169,517*	*1,688,800*	*2,858,317*
At 31 December 2006	**1,179,370**	**(86,109)**	**1,686,825**	**(24,981)**	**3,064,416**	**5,819,521**	**5,591,565**	**11,411,086**

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COMPAGNIE NATIONALE A PORTEFEUILLE SA

STATUTORY AUDITOR'S REPORT TO THE SHAREHOLDERS' MEETING ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2006

To the shareholders

As required by law and the company's articles of association, we are pleased to report to you on the audit assignment which you have entrusted to us. This report includes our opinion on the consolidated financial statements together with the required additional comment.

Unqualified audit opinion on the consolidated financial statements

We have audited the accompanying consolidated financial statements of COMPAGNIE NATIONALE A PORTEFEUILLE SA ("the company") and its subsidiaries (jointly "the group"), prepared in accordance with International Financial Reporting Standards as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium. Those consolidated financial statements comprise the consolidated balance sheet as at 31 December 2006, the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, as well as the summary of significant accounting policies and other explanatory notes. The consolidated balance sheet shows total assets of 16,424,995 (000) EUR and a consolidated profit (group share) for the year then ended of 912,386 (000) EUR.

The financial statements of several significant entities included in the scope of consolidation have been audited by other auditors. Our opinion on the accompanying consolidated financial statements, insofar as it relates to the amounts contributed by those entities, is based upon the reports of those other auditors.

The board of directors of the company is responsible for the preparation of the consolidated financial statements. This responsibility includes among other things: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with legal requirements and auditing standards applicable in Belgium, as issued by the "Institut des Reviseurs d'Entreprises/Instituut der Bedrijfsrevisoren". Those standards require that we plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

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COMPAGNIE NATIONALE A PORTEFEUILLE SA

In accordance with these standards, we have performed procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we have considered internal control relevant to the group's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the group's internal control. We have assessed the basis of the accounting policies used, the reasonableness of accounting estimates made by the company and the presentation of the consolidated financial statements, taken as a whole. Finally, the board of directors and responsible officers of the company have replied to all our requests for explanations and information. We believe that the audit evidence we have obtained, together with the reports of other auditors on which we have relied, provides a reasonable basis for our opinion.

In our opinion, and based upon the reports of other auditors, the consolidated financial statements give a true and fair view of the group's financial position as of 31 December 2006, and of its results and its cash flows for the year then ended, in accordance with International Financial Reporting Standards as adopted by the EU and with the legal and regulatory requirements applicable in Belgium.

Additional comment

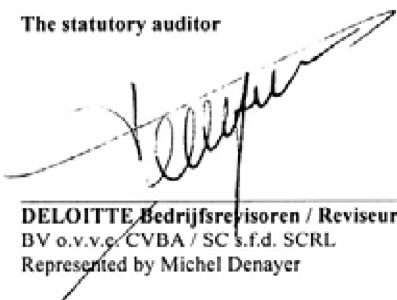
The preparation and the assessment of the information that should be included in the directors' report on the consolidated financial statements are the responsibility of the board of directors.

Our responsibility is to include in our report the following additional comment which does not change the scope of our audit opinion on the consolidated financial statements:

- The directors' report on the consolidated financial statements includes the information required by law and is in agreement with the consolidated financial statements. However, we are unable to express an opinion on the description of the principal risks and uncertainties confronting the group, or on the status, future evolution, or significant influence of certain factors on its future development. We can, nevertheless, confirm that the information given is not in obvious contradiction with any information obtained in the context of our appointment.

Diegem, 9 March 2007

The statutory auditor



DELOITTE Bedrijfsrevisoren / Reviseurs d'Entreprises
BV o.v.v.e. CVBA / SC s.f.d. SCRL
Represented by Michel Denayer

Notes		Page
1	Accounting principles and methods	87
2	Segment reporting	97
3	Acquisitions and disposals of activities	106
4	Turnover	109
5	Other operating income and expenses	109
6	Staff costs	110
7	Restructuring costs	110
8	Other financial expenses and income	110
9	Gains/losses and impairments on shareholdings and activities	110
10	Impairments of assets	111
11	Dividends and interests from available-for-sale investments	111
12	Operating lease	112
13	Income tax	112
14	Intangible assets with a finite useful life	114
15	Intangible assets with an indefinite useful life	114
16	Goodwill	115
17	Property, plant and equipment	115
18	Investment in associates	116
19	Investment securities (available-for-sale and financial assets held for trading)	117
20	Other non-current assets	118
21	Inventories	118
22	Trade and notes receivable	119
23	Short-term interest bearing advance	119
24	Cash and cash equivalents	119
25	Other current assets	119
26	Share capital	120
27	Provisions	120
28	Employee retirement and post-employment benefit obligations	121
29	Obligations under finance lease	124
30	Borrowings and overdrafts	124
31	Other current financial liabilities	126
32	Other current liabilities	126
33	Derivative financial instruments	127
34	Basic and diluted earnings per share	129
35	Dividend	130
36	Contingent assets and liabilities	130
37	Government grants	131
38	Share-based payment	131
39	Interests in joint ventures	132
40	Discontinued operations	133
41	Changes in accounting methods and estimates	134
42	Events after the balance sheet date	134
43	Auditor’s fees	134
44	List of consolidated companies	135
45	List of non-consolidated companies	136
46	Related parties	136

COMPAGNIE NATIONALE A PORTEFEUILLE S.A. / NATIONALE PORTEFEUILLEMAATSCHAPPIJ N.V. ("NPM/CNP", "the Company") is a holding company incorporated in Belgium. The consolidated financial statements of the Company for the financial years ended 31 December 2005 and 31 December 2006 include those of the Company, of its subsidiaries (fully consolidated) of joint ventures (proportionally consolidated), together referred to as the Group, as well as the Group's interests in associates. The consolidated financial statements were authorized for release by the Board of Directors on 8 March 2007.

Statement of compliance

The consolidated financial statements have been prepared in accordance with IFRS ("International Financial Reporting Standards") as approved by the European Union.

The Group did not anticipate the application of the standards and interpretations effective after December 31, 2006 and published before the authorization of publication of the consolidated financial statements:

- IFRS 7 – Financial instruments : disclosures
- IFRS 8 – Operating Segments
- IFRIC 7 – Application of the Restatement Approach under IAS 29 Financial Reporting in Hyperinflationary Economies
- IFRIC 8 – Scope of IFRS 2
- IFRIC 9 – Reassessment of Embedded Derivatives
- IFRIC 10 - Interim Financial Reporting and Impairment
- IFRIC 11 – IFRS 2 – Group and Treasury Shares Transactions
- IFRIC 12 – Service Concession Arrangements

Standard IFRS 7 which came into effect on January 1, 2007 will involve a modification of the information presented in the notes regarding the financial instruments. In the same way, IFRS 8 – Operating Segments which will come into effect as from 2009 could have an impact on the presentation of the segment reporting information.

The adoption of the above standards and interpretations should not have any significant influence on the consolidated financial statements.

The Group decided not to opt for the booking of the actuarial differences directly in the equity according to the modification of IAS 19 – *Employee Benefits* which was effective from 2006. Consequently, it will continue to apply the rule of the « corridor ».

Basis of preparation

The objective of the consolidated financial statements is to give a fair view of the financial situation, the financial performance and the cash flows of the Group. They are prepared on a going-concern basis. Their presentation is identical from year to year to ensure comparability, and is only modified to meet the provisions of a new standard or interpretation, or to give more reliable or more relevant information. Elements with the same nature or function are presented under the same caption line by line according to the relative significance principle. Assets and liabilities on the one hand and revenue and expenses on the other hand, are only offset if required by a standard or an interpretation. Assets and liabilities are disclosed per ascending liquidity and maturity degree distinguishing non-current from current elements based upon the fact that their realization or maturity date is expected to take place after or before the end of a twelve month period following the closing date of the financial statements.

The consolidated financial statements are presented in thousands of euros (the euro being the functional currency of the Group). They are prepared on the cost basis except for derivative financial instruments, investments held for trading and investments available-for-sale which are stated at fair value. Recognized assets and liabilities that are hedged are stated at fair value in respect of the risk that is hedged.

The accounting policies have been applied in a comparable and consistent manner throughout the Group. The consolidated financial statements are prepared as of and for the periods ending 31 December 2005 and 31 December 2006 and they are presented before the profit appropriation of the parent company proposed to the annual general meeting of shareholders.

NOTE 1 - ACCOUNTING PRINCIPLES AND METHODS

Accounting Policies, Changes in Accounting Estimates and Errors

A change in the accounting policies is only applied to meet the requirements of a standard or an interpretation, or if it gives a more reliable or more relevant information. Changes in accounting policies are recognized retrospectively, except in case of specific transitional provision stated in a standard or an interpretation. The financial statements impacted by accounting policies changes are modified for disclosed previous financial years, as if the new policy had always been applied. When an error is detected, it is also retrospectively adjusted.
Uncertainties inherent to the activities of the Group require estimates to be made when preparing the financial statements. These estimates result from judgements aiming at providing a true and fair view based upon available and reliable information. An estimate is revised to reflect changes in circumstances, new information available and effects linked to experience.

Events after the balance sheet date

Events occurring between the financial statements closing date and the authorisation for release by the Board of Directors only give rise to an adjustment when they reveal, specify or confirm existing situations prevailing at the financial statements closing date.

Consolidation principles

The consolidated financial statements include those of all entities that are controlled, jointly controlled and significantly influenced by the Group. Intercompany transactions, balances, gains and losses have been eliminated.

(1) Subsidiaries

Subsidiaries are those entities that the Group controls (i.e. has the power to govern the financial and operating policies of the entity so to obtain benefits from its activities). Control is presumed when the Company owns directly or indirectly more than half of the voting rights. The consolidated financial statements of the subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

(2) Interests in joint ventures

A joint venture is a contractual agreement according to which the Group and other parties undertake an economic activity which is subject to joint control. Joint venture arrangements involving the establishment of a separate entity are referred to as jointly controlled entities. The Group reports its interests in jointly controlled entities using proportionate consolidation – the Group’s share of the assets, liabilities, income and expenses of jointly controlled entities are combined with the equivalent items in the consolidated financial statements on a line-by-line basis.

(3) Associates

An associate is an entity over which the Group has significant influence, through participation in the financial and operating policy decisions of the investee, but which is not a subsidiary, nor a joint venture. This is generally evidenced by ownership of 20% or more but less than 50% of the voting rights. Investments in associates are accounted for using the equity method from the date that significant influence commences until the date that significant influence ceases. The carrying amount of such investments is reduced to recognize any decline in the value of individual investments.

A list of the company’s significant subsidiaries, joint ventures and associates is set out in note 44.

Goodwill

(1) Goodwill

Goodwill represents the excess of the acquisition cost over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of a subsidiary, associate or jointly controlled entity at the date of acquisition. Goodwill is recognized as an asset and is not amortized. It is tested for impairment annually, at year-end (or earlier, should there be an indication that the value of the goodwill is impaired). Goodwill arising on the acquisition of an associate is included in the carrying amount of the associate. Goodwill arising on the acquisition of subsidiaries and jointly controlled entities is presented separately on the balance sheet.
On disposal of a subsidiary, associate or jointly controlled entity, the carrying amount of goodwill is taken into account when determining the profit or loss on disposal.

(2) Negative goodwill

Negative goodwill represents the excess of the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities at the date of acquisition over the acquisition cost.

A negative goodwill is immediately released to income when it subsists after re-examining and re-estimating the values.

Foreign currencies

In the financial statements of NPM/CNP and each subsidiary, jointly controlled entity and associate, transactions in currencies other than their functional currency are initially recorded at the exchange rate prevailing at the date of the transactions. Monetary assets and liabilities denominated in such currencies are translated at the exchange rate prevailing at the balance sheet date (closing rate). Exchange differences arising on the settlement or translation of monetary items at rates different than the rate prevailing on initial recognition are recognized in the income statement of the entity in the period in which they arise. On consolidation, the assets and liabilities of the Group's entity are translated at exchange rates prevailing at the balance sheet date. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising on that occasion are classified as translation reserve in the equity. Such translation differences are recognized as income or as expenses in the period in which the operation is disposed of.

The following exchange rates have been used for the conversion of the financial statements of the consolidated entities :

1 euro is equal to :	**Closing exchange rate for the year**		**Average exchange rate for the year**	
	2005	**2006**	**2005**	**2006**
USD	1.179	1.317	1.244	1.256
CHF	1.556	1.607	1.548	1.573

Intangible assets

Intangible assets are stated at cost less accumulated amortization (when applicable) and accumulated impairment losses.

Expenditure related to research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is expensed as incurred. Expenditure on development activities, whereby research findings are applied to a plan or design for the production of new or substantially improved products and processes, is capitalized if, and only if, the product or process is technically and commercially feasible and the company has sufficient resources to complete the development. The expenditure capitalized includes all directly attributable costs necessary to create, produce and prepare the assets to be capable of operating in the manner intended by management.

Expenditure on internally generated goodwill, brands, customer lists and items similar in substance is expensed as incurred.

Intangible assets with finite useful life are amortized using the straight-line method over the estimated useful lives. A different method may be used only if it better reflects the pattern of economic benefits associated with the asset considered. Intangible assets are not measured at their revalued amount. When the recoverable amount of an asset has declined below its carrying amount, the carrying amount is reduced to reflect the impairment.

The estimated useful lives are as follows:

Softwares	1 - 5 years
Patents, licences and concessions	5 - 20 years
Other intangible assets with a finite useful life	1 - 20 years

Intangible assets with indefinite useful life are not amortized but tested for impairment annually, at year-end (or earlier, should there be an indication that the value of the intangible asset is impaired). When the recoverable amount of an asset has declined below its carrying amount, the carrying amount is reduced to reflect the impairment.

Mineral resources

After obtaining exploration rights in a geographical area, the exploration costs mainly made of research of new knowledge on mining potential, the technical feasibility and the commercial viability of the area are expensed when incurred. The extraction rights are recognized as intangible assets. They are valuated at acquisition cost reduced by the depreciation and impairment losses. The costs of these rights are depreciated based upon extracted quantities.

The mining reserves are recognized in the balance sheet as property, plant and equipment. They are initially evaluated at cost excluding the subsoil, and increased by drilling costs incurred to broaden the knowledge and geological reliability of the explored site.

The pre-production operations aimed at securing access to the deposit are also considered as property, plant and equipment. Their initial valuation integrates the production cost and the present value of the rehabilitation obligation when a present obligation exists. The mining assets are further evaluated at their cost reduced by a depreciation calculated on the extracted quantities. The subsoil is not depreciated.

The intangible and tangible mining resources are allocated to cash-generating units like the other assets of the Group, and are submitted to impairment tests.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is provided using the straight-line method over estimated useful lives. A different method may be used only if it better reflects the pattern of economic benefits associated with the asset considered. When the recoverable amount of an asset has declined below its carrying amount, the carrying amount is reduced to reflect its impairment.

The estimated useful lives are as follows:

Buildings	20 - 50 years
Machinery, equipment, furniture and vehicles	3 – 20 years
Other tangible fixed assets	5 - 10 years

Land is not depreciated as its useful life is infinite.

Biological assets

With regard to the vineyards owned by the NPM/CNP group, their value resides mainly in the soil (subject to a controlled appellation and a classification) and not in the biological assets – the vines. Due to the absence of an organized market, vines are valuated against cost (acquisition price and costs linked to the plantation) and depreciated against their useful life. When determining the fair value of the assets of vineyards purchased, the surplus between the price paid and the value of the net assets of the acquired entities have been totally allocated to the soil.

Investment property

An investment property is a property (land, building, part of a building or both) held to collect rents, to benefit from its increase of value or both and not to produce goods, provide services or sell it in the ordinary course of business.

An investment property is recognized as an asset if and only if it is likely that the future economic benefits of the investment property will be attributed to the entity and if the cost of the investment property can be evaluated in a reliable manner. An investment property is initially evaluated at acquisition cost and the transaction expenses are incorporated in the acquisition cost. It is then stated at amortized cost, i.e. at its acquisition cost less cumulated depreciation and impairments.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. Assets held under finance leases are recognized as assets of the Group (initially at their fair value, or, if lower, at the present value of the minimum lease payments). The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation for the same amount. Finance costs, which represent the difference between the total leasing commitments and the value of the leased asset on initial recognition, are charged to the income statement over the term of the relevant lease so as to produce a constant periodic interest rate on the remaining balance of the obligations for each accounting period. Rentals payable under operating leases are charged to income on a straight-line basis over the term of the relevant lease.

Impairment

Goodwill and intangible assets with indefinite useful lives are not amortized but tested for impairment annually and whenever there is an indication of impairment.

In addition, the Group reviews, at each balance sheet date, the carrying amounts of its investments in associates, tangible and intangible assets with finite useful lives to determine whether there is an indication that those assets may be impaired.

If any such indication exists, the recoverable amount of the asset (or the cash-generating unit – CGU – to which it is allocated) is estimated and compared with its carrying amount, and, if such is the case, an impairment loss is recognized for the surplus. The recoverable amount is the higher of fair value less costs to sell and its value in use. The value in use is the present value of expected future cash flows associated with the asset or a CGU. An impairment loss is immediately recognized as a loss.

When this impairment loss recognized in the previous years no longer exists, the carrying amount is entirely or partially reversed; a reversal of an impairment loss is recognized as income immediately. An impairment loss on goodwill shall never be reversed.

Investments in securities

Investments in securities are recognized on a trade-date basis and are initially measured at fair value, i.e, in most instances, their acquisition cost.

- **Available-for-sale securities:** available-for-sale securities are measured at subsequent reporting dates at fair value. The changes in fair value are directly recognized in equity except for impairment losses, which are recognized in the income statement. The cumulated gain or loss initially booked in the equity (revaluation reserve) is reversed and stated in the income statement when the asset is disposed of.

- **Held-to-maturity investments:** at subsequent reporting dates, investments that the Group has the positive intention and ability to hold to maturity (held-to-maturity instruments) are measured at amortized cost, less any impairment loss recognized to reflect irrecoverable amounts.

  Any discount or premium on the acquisition of a held-to-maturity security is amortized over the term of the instrument so that the revenue recognized in each period represents a constant yield on the investment.

- **Held for trading securities:** held for trading securities are measured at subsequent reporting dates at fair value. The changes in fair value are recognized in the income statement in the period in which they occur.

Inventories

Inventories are stated at the lower of cost and net realisable value. Costs comprise all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. When specific identification is not used, cost is calculated using the weighted average cost method. Net realizable value represents the estimated selling price in the ordinary course of business less all estimated costs of completion and the estimated costs necessary to make the sale. The amount of any write-down of inventories is recognized as an expense in the period in which it occurs.

Trade receivables

Trade receivables are stated at their nominal value less appropriate allowances for estimated irrecoverable amounts. An estimate is made for doubtful receivables after a review of all outstanding amounts at each balance sheet date. This review is based on the expected future cash flows of the receivables. Bad debts are written off during the period in which they are identified.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and demand deposits, short-term (less than 3 months) deposits and highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant risk of value fluctuation.

Share capital

(1) Costs of issuing equity instruments

The incremental costs directly attributable to an equity transaction are accounted for as a deduction from equity.

(2) Treasury shares

Treasury shares (i.e. own shares) are presented as a deduction of equity and reported in the statement of changes in equity. No gain or loss is recognized in the income statement on the sale, issuance or cancellation of treasury shares.

(3) Dividends

Dividends are recognized as a liability in the period in which they are declared.

Bank borrowings

Interest-bearing bank loans and overdrafts are recorded at the proceeds received, net of direct issuance costs. Transaction costs, premiums payable on settlement or redemption, are accounted for using the effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

Convertible and exchangeable loan notes

Convertible loan notes (redeemable in shares to be issued by the Issuer at the option of the subscriber) and exchangeable loan notes (redeemable in other shares at the option of the subscriber) are regarded as compound instruments, consisting of a debt component and a derivative component.

At the date of issue, the fair value of the debt component is estimated using the prevailing market interest rate for similar non-convertible (or non-exchangeable) debt. The difference between the proceeds of issuance of the convertible or exchangeable loan notes and the fair value assigned to the debt component, representing the embedded option to convert (or to exchange) the debt into shares, is included in equity (when it relates to own shares) or presented as a financial liability (in other cases). The interest expense on the liability component is calculated by applying the prevailing market interest rate for similar non-convertible (or non-exchangeable) debt to the instrument. The difference between this amount and the interest paid is added to the carrying value of the convertible (or exchangeable) loan note. The optional component (derivative financial instrument) is evaluated at fair value and fluctuates by the income statement when it is presented as a liability.

Trade payables

Trade payables are stated at their nominal value.

Derivative financial instruments

Derivative financial instruments are recognized initially at fair value, i.e., in most instances, their initial acquisition cost and are remeasured to fair value at subsequent reporting dates. The accounting treatment depends upon the qualification of the potential instrument as a hedging instrument and on the type of hedging. A hedging relationship qualifies for hedge accounting if, and only if, all the following conditions are met :

- at the inception of the hedge, there is a formal designation and documentation of the hedging relationship and the entity's risk management objective and strategy for undertaking the hedge;
- the hedge is expected to be highly effective in achieving offsetting changes in fair value or cash flows attributable to the hedged risk;
- the effectiveness of the hedge can be reliably measured;
- the hedge is assessed on an ongoing basis and determined actually to have been highly effective throughout the financial reporting periods for which the hedge was designated.

(1) Cash flow hedges

When a derivative financial instrument hedges the exposure to variability in cash flows that is attributable to a particular risk associated with a recognized asset or liability, a firm commitment or a highly probable forecasted transaction, the portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognized directly in equity. The ineffective portion of the gain or loss on the hedging instrument is recognized in the income statement immediately. Any gain or loss arising from the time value of the derivative financial instrument is also recognized in the income statement.

When the firm commitment or the forecasted transaction subsequently results in the recognition of a financial asset or a financial liability, the associated gains or losses that were recognized directly in equity, are reclassified into income statement in the same period or periods during which the asset acquired or liability assumed affects the profit and loss statement.

When a hedging instrument or hedge relationship is terminated but the hedged transaction still is expected to occur, the cumulative gain or loss at that point remains in equity and is recognized in accordance with the above policy when the transaction occurs. If the hedged transaction is no longer probable, the cumulative unrealized gain or loss recognized in equity is recognized in the profit and loss statement immediately.

For other cash-flow hedges, amounts previously recorded in equity are included in the profit and loss statement when the originally forecasted hedged transaction is recorded.

(2) Fair value hedges

Where a derivative financial instrument hedges the exposure to changes in fair value of a recognized asset or liability, a firm commitment, or an identified portion of such an asset, liability or firm commitment that is attributable to a particular risk, any resulting gain or loss on the hedging instrument is recognized in the profit and loss statement. The hedged item is also stated at fair value in respect of the risk being hedged, with any gain or loss being recognized in the profit and loss statement.

(3) Hedge of a net investment in a foreign operation

Where a foreign currency liability hedges a net investment in a foreign operation, foreign exchange differences that are determined to be an effective hedge arising on translation of the liability to euro are recognized directly in equity.

Where a derivative financial instrument hedges a net investment in a foreign operation, the portion of the gain or the loss on the hedging instrument that is determined to be an effective hedge is recognized directly in equity, whereas the ineffective portion is reported in the income statement.

The gain or loss on the hedging instrument related to the efficient portion of the hedge that was directly recorded in equity affects the profit and loss account when the foreign operation is disposed of.

(4) Derivative financial instruments not qualifying as hedging instruments

Any derivative which does not qualify as a hedging instrument is accounted for as a trading instrument.

Government grants

Investment grants are recognized on the balance sheet as deferred income (included in ‘other non-current liabilities’ or ‘other current liabilities’) when there is reasonable assurance that the Group will comply with the conditions attached to them and that the grants will be received. They are recognized as income over the periods necessary to match them with the related costs (e.g. consistently with the estimated useful life of the related asset).

Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive), as a result of a past event, which will probably result in an outflow of economic benefits that can be reasonably estimated.

Provisions for restructuring are recognized when the Group has a detailed formal restructuring plan which has been notified to affected parties.

The amounts recognized under provisions are the best available estimate of the expenses necessary to settle the present obligation at the closing date.

Post-employment benefits

(1) Defined contribution plans

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

(2) Defined benefit plans

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses which exceed 10 per cent of the greater of the present value of the Group's pension obligations and the fair value of plan assets are amortized over the expected average remaining working life of the participating employees.

Past service cost is recognized immediately to the extent that the benefits are already vested, and otherwise is amortized on a straight-line basis over the average period until the amended benefits become vested.

The amount recognized in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognized actuarial gains and losses and unrecognized past service cost, and as reduced by the fair value of plan assets. Any asset resulting from this calculation is limited to the present value of refunds available to the Group and reductions in future contributions to the plan.

Share-based payments

The fair value of stock options granted to employees is expensed against equity over the vesting period (if any) based on the best available estimate of the number of options expected to vest. That estimate is revised at each balance sheet date.

The fair value of each stock option granted to employees is measured at grant date based on Black & Scholes model. In case the terms and the conditions, on which the equity instruments are granted, are modified, the incremental fair value of stock options is expensed over the remaining vesting period (if any).

Revenue recognition

Disposals of assets are recognized when risks and rewards inherent to the ownership have been transferred to the buyer. In case of goods delivery, it is generally the case when goods are delivered and title has passed. Interest income is accrued on a time basis using the effective interest rate method. Dividend income from investments is recognized when the shareholders' rights to receive payment have been established.

Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of that asset. A qualifying asset is an asset that necessarily takes a substantial period of time (more than a full financial year) to get ready for its intended use or sale. Borrowing costs may include interest on bank overdrafts and short-term and long-term borrowings, amortization of discounts or premiums relating to borrowings, amortization of ancillary costs incurred in connection with the arrangement of borrowings, finance charges in respect of finance lease and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Taxation

Current tax is the amount of income taxes payable (or recoverable) in respect of the taxable profit (or tax loss) for the financial year. Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the carrying amount of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit. In principle, deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction which affects neither the tax profit nor the accounting profit. Deferred tax liabilities are recognized for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.
Deferred tax is calculated at the tax rates that are substantially enacted and expected to apply to the period when the asset is realized or the liability is settled. Deferred tax is charged or credited in the income statement, except when it relates to items credited or charged directly to equity, in which case the deferred tax is also dealt with in equity.
Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Group intends to settle on a net basis.

Non-current assets held for the sale and discontinued operations

Non current assets, group of assets and liabilities are qualified as assets held for sale when it is more than likely that at closing date these liabilities will be disposed of. Their disposal is considered as more than likely when at closing date, a plan to sell them for a reasonable price in relation to their fair value and to find a buyer and to realize the disposal within one year, has been initiated. The non-current assets held for sale (and the groups for disposals), are evaluated at the lowest between their carrying amount and their fair value reduced by the costs of the disposal. These are separately presented on the face of the balance sheet.

A discontinued operation is a component of an entity that either has been disposed of, or that is held for sale. It represents an activity line or a major and separate geographical area of operations; it is part of an organized process to dispose of an activity line or a major line of business or geographical area of operations, or it is a subsidiary acquired exclusively with a view to resale. A component of an entity means operations and cash-flows that can be clearly distinguished, operationally and for financial reporting purposes from the rest of the entity. The discontinued operations are reported separately in the income statement.

Business combinations

When the Group acquires an entity or a company, the assets, the liabilities and the identifiable contingent liabilities of the acquired company are recognized at fair value. The positive difference between the cost of the business combination and the Group's interests in the net fair value of the assets, the liabilities and the identifiable contingent liabilities, is recognized as goodwill. When this difference is negative, it is immediately recognized as income.

The interests of the minority shareholders reflect their share in the fair value of the assets, the liabilities and the identifiable contingent liabilities.

Goodwill is considered as an asset and is subject to an impairment test at least once a year. The impairments on goodwill are recognized in the income statement immediately and are not reversed afterwards.

When a subsidiary, an affiliate or a joint venture is disposed, the goodwill is included in the disposal result.

The increase or the decrease in the percentage of interests of a subsidiary does not qualify for a business combination but is assimilated to a transaction with minority interests and is directly booked in the equity.

Segment reporting

The NPM/CNP group is a non-integrated holding company; it owns shareholdings which do not have significant commercial and industrial relationships between each other. Those shareholdings are acquired, managed and disposed of with the objective of maximizing shareholders' value. In this respect, the management philosophy of the Group is based on individual assessment of each shareholding, regardless of its sector of activity. Consequently, as far as segment reporting is concerned, primary segment reporting format is based upon businesses, each significant shareholding being considered as a segment. The activities of the holding companies jointly controlled and managed directly by NPM/CNP have been presented separately as one specific segment (restricted consolidation perimeter). Secondary segment reporting format is based upon geographical location.
Segment reporting as described here above is presented in note 2.

Critical accounting judgements and key sources of estimation uncertainty

The acquisitions and disposals of shareholdings are recognized in the financial statements when the conditions they are subject to are lifted.

The deferred tax assets are only recognized provided it is likely that they will offset a tax payment in the future.

Tangible and intangible assets with a definite useful life are depreciated using the straight line method based on the estimated useful life of the asset.

In order to perform impairment tests on assets, the recoverable value of an asset (or a cash-generating unit - CGU - to which it is linked) is estimated on the basis of the present value of the future cash flows generated by the asset or by the CGU.

As far as provisions are concerned, the amount recognized corresponds to the best estimate of the cash outflow necessary to settle the present obligation (legally or constructive) on the closing date.

NOTE 2 – SEGMENT REPORTING

Segment reporting is presented according two analysis:

- The primary segment reporting, so called of first level, is a presentation per activity and is based on the distinction per shareholding; each shareholding constitutes an entity or an independent subgroup.

- The secondary segment reporting, so called of first level, is a presentation per geographical sector, it is to say based on the geographical location of the Group activities and on the geographical location of customers.

NOTE 2 – SEGMENT REPORTING

PRIMARY SEGMENT REPORTING INFORMATION

BALANCE SHEET PER SHAREHOLDING AT 31 DECEMBER 2005

, 000 EUR	Restricted consolidation Belgian GAAP	reclass.	own shares and profit allocation	IAS 19 IFRS 2	Application of IAS 39 on restr. perimeter	Introduction of minority interests on restr perimeter	PARGESA GROUP	
							Imerys	other Pargesa
ASSETS								
Non-current assets	**1,437,196**	**-**	**-**	**1,386**	**885,241**	**4,098**	**1,222,945**	**4,602,761**
Intangible assets	99	-	-	-	-	-	16,012	999
Goodwill / (negative goodwill)	-	-	-	-	-	-	365,008	52,660
Property, plant and equipment	10,781	-	-	-	-	95	794,153	49,360
Investment property	-	-	-	-	-	-	-	1,706
Investments in subsidiaries or associates	475,365	-	-	-	-	1,524	14,281	940,006
Long-term advances to shareholdings	83,962	-	-	-	-	2,287	-	81
Available-for-sale investments	866,988	-	-	-	885,241	192	7,149	3,556,306
Deferred tax assets	-	-	-	-	-	-	15,506	434
Other non-current assets	1	-	-	1,386	-	-	10,836	1,210
Current assets	**1,965,523**	**-**	**(70,897)**	**-**	**7,206**	**22,272**	**639,160**	**102,950**
Inventories	-	-	-	-	-	-	213,012	10,003
Trade and notes receivable	789	-	-	-	-	1	264,311	9,337
Interest bearing advances	158,046	-	-	-	-	3,030	-	4
Own shares	70,897	-	(70,897)	-	-	-	-	-
Financial assets held for trading	71,500	-	-	-	7,206	-	56,990	15,610
Cash and cash equivalents	1,627,960	-	-	-	-	19,168	60,315	62,689
Assets classified as held for sale and discontinued operations	-	-	-	-	-	-	-	-
Other current assets	36,331	-	-	-	-	73	44,533	5,306
TOTAL ASSETS	**3,402,719**	**-**	**(70,897)**	**1,386**	**892,447**	**26,370**	**1,862,105**	**4,705,711**
SHAREHOLDERS' EQUITY AND LIABILITIES								
Total equity	**2,473,485**	**-**	**1,161**	**4,593**	**891,467**	**68,824**	**754,941**	**4,393,109**
Shareholders' equity	2,473,485	-	1,161	4,593	891,467	-	300,480	2,218,525
Minority shareholders' equity	-	-	-	-	-	68,824	454,461	2,174,584
Non-current liabilities	**684,680**	**-**	**-**	**(386)**	**-**	**-**	**649,501**	**252,999**
Long term shareholders' advances	-	-	-	-	-	-	-	-
Provisions	33,843	-	-	-	-	-	74,670	2,078
Employee retirement and post-employment benefit obligations	837	-	-	(386)	-	-	103,568	0
Deferred tax liabilities	-	-	-	-	-	-	34,215	5,267
Obligations under finance lease	-	-	-	-	-	-	3,504	0
Other long-term interest bearing borrowings	650,000	-	-	-	-	-	418,709	245,620
Other non-current liabilities	-						14,834	35
Current liabilities	**244,554**	**-**	**(72,058)**	**(2,821)**	**980**	**(42,454)**	**457,663**	**59,604**
Provisions	-	-	-	-	-	-	5,741	245
Trade and notes payable	1,448	-	-	-	-	-	140,176	9,159
Income tax payable and accrued	1,491	-	-	-	-	8	6,189	1,580
Current portion of obligations under finance lease	-	-	-	-	-	-	1,088	(0)
Current portion of long-term borrowings, bank short-term borrowings and overdrafts	93,351	-	-	-	-	-	192,374	18,312
Other financial liabilities	48,237	-	-	-	-	(42,430)	12,367	5,552
Liabilities classified as held for sale and discontinued operations	-	-	-	-	-	-	-	-
Other current liabilities	100,027	-	(72,058)	(2,821)	980	(32)	99,727	24,756
TOTAL EQUITY AND LIABILITIES	**3,402,719**	**-**	**(70,897)**	**1,386**	**892,447**	**26,370**	**1,862,105**	**4,705,711**

RECONCILIATION OF MINORITY INTERESTS

			Imerys	other Pargesa
Consolidated percentage shown in the consolidated accounts	1		44.8%	44.8%
Portion of consolidated assets/liabilities belonging to NPM/CNP	2		21.6%	54,1%
Portion belonging to NPM/CNP	3 = 1 x 2		9.7%	24.1%
Minority interests in subsidiary		-	138,220	1,022,231
Minority interests from subsidiary		68,824	454,461	2,174,584
Elimination entry		-	-	
Minority shareholders' equity		**68,824**	**592,681**	**3,196,815**

INDUSTRIAL AND COMMERCIAL SHAREHOLDINGS							Consolidation	Consolidation
Unifem Entremont Alliance	Transcor Astra Group	Ijsboerke	Raspail Invest. Cheval Blanc	Distripar	Rieussec	Quick	eliminating entries	IFRS
269,700	**82,319**	**16,729**	**62,756**	**95,858**	**22,014**	**147,459**	**(552,458)**	**8,298,004**
42,586	468	559	27	24,504	-	42,448	-	127,701
-	-	-	-	47,825	-	5,674	10,679	481,845
209,982	59,078	16,142	62,727	22,587	20,299	92,877	-	1,338,081
-	-	-	-	-	-	-	-	1,706
377	-	-	-	-	1,712	2,953	(476,888)	959,330
-	-	-	-	-	-	-	(86,249)	81
456	-	-	-	-	3	-	-	5,316,335
13,909	17,632	-	-	821	-	1,126	-	49,429
2,390	5,141	28	2	121	-	2,381	-	23,496
469,744	**1,095,297**	**22,047**	**11,612**	**39,975**	**3,827**	**34,517**	**(28,615)**	**4,314,619**
195,328	502,384	9,179	2,346	27,524	2,730	4,889	-	967,395
221,629	401,328	7,460	2,072	5,066	312	16,481	-	928,786
338	730	-	-	-	-	-	(29,000)	133,148
-	-	-	-	-	-	-	-	-
3	-	-	-	-	-	-	-	151,309
18,494	84,811	4,608	6,982	4,792	512	6,278	-	1,896,609
-	-	-	-	-	-	-	-	-
33,952	106,044	800	212	2,593	273	6,869	385	237,371
739,444	**1,177,616**	**38,776**	**74,368**	**135,833**	**25,841**	**181,976**	**(581,073)**	**12,612,623**
2,428	**199,994**	**18,422**	**8,924**	**25,271**	**19,788**	**95,099**	**(404,737)**	**8,552,769**
(1,514)	199,994	18,422	8,924	25,271	19,788	95,099	(1,605,691)	4,650,004
3,942	-	-	-	-	-	-	1,200,954	3,902,765
229,164	**24,537**	**6,175**	**59,681**	**31,061**	**3,049**	**34,685**	**(142,467)**	**1,832,679**
119,375	-	-	27,716	12,223	3,049	-	(162,363)	-
-	-	142	-	1,327	-	6,698	(6,562)	112,196
9,607	1,703	902	-	1,404	-	537	-	118,172
24,920	5,202	1,412	-	3,671	-	5,274	25,000	104,961
18,089	-	-	-	-	-	5,336	-	26,929
51,802	-	3,719	31,965	12,433	-	16,663	1,458	1,432,369
5,371	17,632	-	-	3	-	177	-	38,052
507,852	**953,085**	**14,179**	**5,763**	**79,501**	**3,004**	**52,192**	**(33,869)**	**2,227,175**
15,118	383	2,540	-	-	-	-	-	24,027
205,181	541,619	7,086	4,195	23,354	2,632	29,688	-	964,538
5,190	17,009	119	578	3,938	-	15,819	-	51,921
3,591	-	-	-	-	-	1,673	-	6,352
215,237	329,644	1,314	-	44,078	51	3,349	(29,000)	868,710
9,658	-	66	-	-	-	-	-	33,450
-	-	-	-	-	-	-	-	-
53,877	64,430	3,054	990	8,131	321	1,663	(4,869)	278,176
739,444	**1,177,616**	**38,776**	**74,368**	**135,833**	**25,841**	**181,976**	**(581,073)**	**12,612,623**

63,5%	100.0%	100.0%	50.0%	100.0%	50.0%	50.0%		
63,5%	100.0%	100.0%	80.0%	97.0%	100.0%	57,9%		
63,5%	100.0%	100.0%	40.0%	97.0%	50.0%	28,9%		
(553)	-	-	1,785	758	-	40,038	(1,202,478)	-
3,942	-	-	-	-	-	-	1,200,954	3,902,765
-	-	-	(1,524)	-	-	-	1,524	-
3,389	**-**	**-**	**261**	**758**	**-**	**40,038**	**-**	**3,902,765**

NOTE 2 – SEGMENT REPORTING

BALANCE SHEET PER SHAREHOLDING AT 31 DECEMBER 2006

, 000 EUR	Restricted consolidation Belgian GAAP	reclass.	own shares and profit allocation	IAS 19 IFRS 2	Application of IAS 39 on restr. perimeter	Introduction of minority interests on restr perimeter	PARGESA GROUP	
							Imerys	other Pargesa
ASSETS								
Non-current assets	**1,783,820**	**-**	**-**	**1,842**	**982,271**	**28,129**	**1,143,955**	**5,883,745**
Intangible assets	78					-	10,204	0
Goodwill / (negative goodwill)						-	355,078	42,889
Property, plant and equipment	12,596					-	722,072	7,611
Investment property	-					-	-	-
Investments in subsidiaries or associates	628,203					26,571	15,257	28,895
Long-term advances to shareholdings	111,598					2,287	-	81
Available-for-sale investments	1,027,876				982,271	191	5,736	5,795,384
Deferred tax assets						-	22,074	224
Other non-current assets	3,469			1,842		(920)	13,534	8,662
Current assets	**2,678,924**	**-**	**(86,109)**	**-**	**5,358**	**(219)**	**647,332**	**1,278,281**
Inventories						-	219,659	0
Trade and notes receivable	1,069					2	275,222	0
Interest bearing advances	413,052					(1,240)	-	-
Own shares	86,109		(86,109)			-	-	-
Financial assets held for trading purposes	72,545				5,358	-	1,201	11,670
Cash and cash equivalents	1,844,314					962	81,131	1,238,284
Assets from discontinued operations						-	-	-
Other current assets	261,835					57	70,120	28,327
TOTAL ASSETS	**4,462,744**	**-**	**(86,109)**	**1,842**	**987,629**	**27,910**	**1,791,288**	**7,162,026**
SHAREHOLDERS' EQUITY AND LIABILITIES								
Total equity	**2,814,412**	**-**	**(9,147)**	**7,306**	**989,565**	**15,507**	**737,144**	**6,726,160**
Shareholders' equity	2,814,412	-	(9,147)	7,306	989,565	-	293,056	3,319,344
Minority shareholders' equity	-	-	-	-	-	15,507	444,088	3,406,816
Non-current liabilities	**665,941**	**-**	**-**	**-**	**-**	**-**	**614,147**	**363,194**
Long-term shareholders' advances						-	-	16,717
Provisions	15,821					-	93,326	682
Employee retirement and post-employment benefit obligations	120					-	85,519	(0)
Deferred tax liabilities						-	23,462	2,597
Obligations under finance lease						-	3,589	0
Other long-term interest bearing borrowings	650,000					-	396,135	343,198
Other non-current liabilities	-					-	12,116	0
Current liabilities	**982,391**	**-**	**(76,962)**	**(5,464)**	**(1,936)**	**12,403**	**439,996**	**72,673**
Provisions						-	8,252	(0)
Trade and notes payable	1,816					5	132,889	139
Income tax payable and accrued	714					6	11,136	1,882
Current portion of obligations under finance lease						-	1,144	0
Current portion of long-term borrowings, bank short-term borrowings and overdrafts	769,269					50	180,342	16,331
Other financial liabilities	19,436					12,291	8,684	17,774
Liabilities from discontinued operations						-	-	-
Other current liabilities	191,156		(76,962)	(5,464)	(1,936)	51	97,550	36,546
TOTAL EQUITY AND LIABILITIES	**4,462,744**	**-**	**(86,109)**	**1,842**	**987,629**	**27,910**	**1,791,288**	**7,162,026**

RECONCILIATION OF MINORITY INTERESTS

			Imerys	other Pargesa
Consolidated percentage shown in the consolidated accounts	1		44.8%	44.8%
Portion of consolidated assets/liabilities belonging to NPM/CNP	2		21.7%	54,1%
Portion belonging to NPM/CNP	3 = 1 x 2		9.7%	24.1%
Minority interests in subsidiary		-	134,531	1,523,793
Minority interests from subsidiary		15,507	444,088	3,406,816
Elimination entry		-		-
Minority shareholders' equity		**15,507**	**578,619**	**4,930,609**

INDUSTRIAL AND COMMERCIAL SHAREHOLDINGS										Consolidation eliminating entries	Consolidation IFRS
Unifem Entremont/Alliance	Trasys	Transcor Astra Group	Groupe Flo	Tikehau TCA/TCP	Ijsboerke	Raspail Invest. Cheval Blanc	Distripar	Rieussec	Banca Leonardo		
275,950	**1,522**	**254,784**	**162,946**	**30,721**	**15,733**	**63,030**	**117,249**	**21,984**	**90,284**	**(663,385)**	**10,194,580**
44,084	98	9,358	64,558		707	4	23,533			96,763	249,387
1,522	0	24,861	54,060				63,937			1,225	543,572
213,021	1,323	91,337	35,211		14,999	63,002	27,164	20,212		-	1,208,548
										-	-
361		98,668	1	30,721				1,768	90,284	(647,489)	273,239
										(113,884)	82
459			2,127			22		4		-	7,814,070
14,550		27,928	2,836				2,399			-	70,011
1,953	101	2,632	4,153		27	2	216			-	35,671
476,097	**13,530**	**1,072,412**	**36,302**	**-**	**20,967**	**23,688**	**61,060**	**4,558**	**-**	**(1,767)**	**6,230,415**
194,696		367,977	1,683		8,925	2,868	34,771	2,644		-	833,223
233,285	11,512	439,351	6,109		7,789	4,775	7,268	210		-	986,592
132		6,620	751			3,429				(1,278)	421,466
			-							-	-
3			-							-	90,777
14,211	1,423	128,153	14,646		3,181	12,616	14,026	1,473		-	3,354,420
			-							-	-
33,770	595	130,311	13,113		1,072		4,995	231		(489)	543,937
752,047	**15,052**	**1,327,196**	**199,248**	**30,721**	**36,700**	**86,718**	**178,309**	**26,542**	**90,284**	**(665,152)**	**16,424,995**
13,777	**4,780**	**361,350**	**66,875**	**30,721**	**18,743**	**11,685**	**33,294**	**19,766**	**90,284**	**(521,136)**	**11,411,086**
11,422	4,780	339,070	66,868	30,721	18,743	11,685	33,294	19,766	90,284	(2,221,648)	5,819,521
2,355		22,280	7							1,700,512	5,591,565
341,963	**91**	**75,432**	**69,933**	**-**	**5,962**	**60,014**	**73,724**	**3,049**	**-**	**(135,071)**	**2,138,379**
124,762			-			27,690	27,722	3,049		(199,940)	0
			504				677			-	111,009
9,825		837	512		2,048		2,038			-	100,899
26,681	91	50,175	18,693		1,487		2,993			58,357	184,536
16,586			3,001							-	23,176
158,867		4,394	47,223		2,427	32,324	40,290			6,512	1,681,370
5,242		20,026	-				4			-	37,389
396,307	**10,181**	**890,414**	**62,440**	**-**	**11,995**	**15,019**	**71,291**	**3,727**	**-**	**(8,945)**	**2,875,530**
12,544			2,737		634					-	24,167
214,520	4,765	444,047	23,045		6,548	14,436	30,659	3,211		-	876,080
6,527	645	494	29		239	154	5,467			-	27,293
3,523			389							-	5,056
106,796	1,650	252,713	4,906		1,316		22,016	10		-	1,355,399
1,129		20,492	1,528		46		1,278			(1,278)	81,380
			-							-	-
51,268	3,121	172,668	29,806		3,212	429	11,871	506		(7,667)	506,155
752,047	**15,052**	**1,327,196**	**199,248**	**30,721**	**36,700**	**86,718**	**178,309**	**26,542**	**90,284**	**(665,152)**	**16,424,995**

Unifem Entremont/Alliance	Trasys	Transcor Astra Group	Groupe Flo	Tikehau TCA/TCP	Ijsboerke	Raspail Invest. Cheval Blanc	Distripar	Rieussec	Banca Leonardo	Consolidation eliminating entries	Consolidation IFRS
100.0%	50.0%	100.0%	50.0%	50.0 and 20.9%	100.0%	50.0%	100.0%	50.0%	19.2%		
63.5%	92.0%	100.0%	46.7%	100.0%	100.0%	80.0%	97.0%	100.0%	100.0%		
63.5%	46.0%	100.0%	23.4%	50.0 and 20.9%	100.0%	40.0%	97.0%	50.0%	19.2%		
6,086	382	-	35,616	-	-	2,337	999	-	-	(1,703,744)	-
2,355	-	22,280	7	-	-	-	-	-	-	1,700,512	5,591,565
-	(368)	-	(1,340)	-	-	(1,524)	-	-	-	3,232	-
8,441	**14**	**22,280**	**34,283**	**-**	**-**	**813**	**999**	**-**	**-**	**-**	**5,591,565**

NOTE 2 – SEGMENT REPORTING

INCOME STATEMENT PER SHAREHOLDING FOR THE YEAR ENDED 31 DECEMBER 2005

, 000 EUR	Restricted consolidation Belgian GAAP	reclass.	cancellation of own shares	IAS 19 IFRS 2	Application of IAS 39 on restr. perimeter	Introduction of minority interests on restr perimeter	PARGESA GROUP Imerys	PARGESA GROUP other Pargesa
INCOME STATEMENT								
Revenue	1,512	-	-	-	-	21	1,363,354	(0)
Other operating income	7,673	-	-	-	-	(8)	27,502	419
Changes in inventories	-	-	-	-	-	-	16,494	(0)
Raw materials, goods for resale and consumables used	-	-	-	-	-	-	(472,557)	0
Staff costs	(6,574)	-	-	(2,884)	-	(57)	(278,125)	(4,670)
Depreciation expenses	(384)	-	-	-	-	(5)	(79,825)	(537)
Amortization expenses	-	-	-	-	-	-	(3,848)	0
Gains/(losses) on disposals of (and impairments on) shareholdings and activities	338,221	-	-	-	-	-	39,167	3,147
Other operating expenses	(5,789)	-	-	-	-	53	(419,065)	(7,584)
Results of operating activities	**334,659**	**-**	**-**	**(2,884)**	**-**	**4**	**193,098**	**(9,225)**
Dividends and interests from long-term investments	98,335	-	-	-	-	97	470	77,129
Dividends from current assets held for trading	1,879	-	-	-	-	-	-	2,471
Dividends on own shares	6,592	-	(6,592)	-	-	-	-	-
Interest income from current assets	29,606	-	-	-	-	236	2,316	4,494
Interests expenses	(20,075)	-	-	-	(987)	1,223	(21,501)	(5,356)
Gains/(losses) on trading activities (including derivatives)	15,474	(275)	(1,774)	-	5,525	-	-	7,964
Other financial income/(expenses)	(1,903)	275	-	-	-	3	(2,463)	(998)
Net finance income/(expenses)	**129,908**	**-**	**(8,366)**	**-**	**4,538**	**1,559**	**(21,178)**	**85,704**
Profit/(loss) from operating and finance activities	**464,567**	**-**	**(8,366)**	**(2,884)**	**4,538**	**1,563**	**171,920**	**76,479**
Income tax	37	-	-	-	-	(7)	(34,250)	302
Income from associates	-	-	-	-	-	-	2,060	634
Net profit/(loss) from continuing operations	**464,604**	**-**	**(8,366)**	**(2,884)**	**4,538**	**1,556**	**139,730**	**77,415**
Net profit/loss from discontinued operations	-	-	-	-	-	-	-	119,943
Net profit/(loss)	**464,604**	**-**	**(8,366)**	**(2,884)**	**4,538**	**1,556**	**139,730**	**197,358**
attributable to								
- Minority interest	**-**	**-**	**-**	**-**	**-**	**1,556**	**84,005**	**98,950**
- NPM/CNP Shareholders	**464,604**	**-**	**(8,366)**	**(2,884)**	**4,538**	**-**	**55,725**	**98,408**

RECONCILIATION OF MINORITY INTERESTS

			Imerys	other Pargesa
Percentage shown in the above column	1		44.8%	44.8%
Portion of income shown attributable to NPM/CNP	2		21.6%	54,1%
Portion attributable to NPM/CNP	3 = 1 x 2		9.7%	24.1%
Minority interests in subsidiary	4 = - (1 - 3) x Net Profit / (Loss)	-	25,672	45,334
Minority interests from subsidiary		1,556	84,005	98,950
Elimination entry		-	-	
Minority shareholders' share in net profit		**1,556**	**109,677**	**144,284**

INCOME STATEMENT PER SHAREHOLDING FOR THE YEAR ENDED 31 DECEMBER 2006

, 000 EUR	Restricted consolidation Belgian GAAP	reclass.	cancellation of own shares	IAS 19 IFRS 2	Application of IAS 39 on restr. perimeter	Introduction of minority interests on restr perimeter	PARGESA GROUP Imerys	PARGESA GROUP other Pargesa
INCOME STATEMENT								
Revenue	1,505	-	-	-	-	93	1,472,125	0
Other operating income	13,288	-	-	-	-	(3)	37,034	442
Changes in inventories	-	-	-	-	-	-	7,590	(0)
Raw materials, goods for resale and consumables used	-	-	-	-	-	-	(500,986)	(0)
Staff costs	(9,585)	-	-	41	-	(72)	(304,850)	(6,670)
Depreciation expenses	(476)	-	-	-	-	(5)	(86,638)	(537)
Amortization expenses	(1)	-	-	-	-	-	(4,039)	(0)
Gains/(losses) on disposals of (and impairments on) shareholdings and activities	273,590	-	-	-	(588)	-	1,453	5,416
Other operating expenses	(6,514)	-	-	-	588	(27)	(494,971)	(10,858)
Results of operating activities	**271,807**	**-**	**-**	**41**	**-**	**(14)**	**126,718**	**(12,206)**
Dividends and interests from long-term investments	103,583	-	-	-	-	190	743	116,226
Dividends from current assets held for trading	2,483	-	-	-	-	-	-	134
Dividends on own shares	2,598	-	(2,598)	-	-	-	-	-
Interest income from current assets	58,692	-	-	-	-	1,849	2,060	27,044
Interests expenses	(33,861)	-	-	-	(10,068)	(528)	(24,120)	(14,422)
Gains/(losses) on trading activities	14,120	-	-	-	(1,848)	-	(843)	13,125
Other financial income/(expenses)	(1,418)	-	-	-	12,984	2	1,268	(713)
Net finance income/(expenses)	**146,197**	**-**	**(2,598)**	**-**	**1,068**	**1,513**	**(20,892)**	**141,394**
Profit/(loss) from operating and finance activities	**418,004**	**-**	**(2,598)**	**41**	**1,068**	**1,499**	**105,825**	**129,187**
Income tax	(114)	-	-	-	-	(2)	(23,062)	8,328
Income from associates	-	-	-	-	-	-	2,330	9,472
Net profit/(loss) from continuing operations	**417,890**	**-**	**(2,598)**	**41**	**1,068**	**1,497**	**85,094**	**146,987**
Net profit/loss from discontinued operations	-	-	-	-	-	**-**	-	1,105,086
Net profit/(loss)	**417,890**	**-**	**(2,598)**	**41**	**1,068**	**1,497**	**85,094**	**1,252,073**
attributable to								
- Minority interest	**-**	**-**	**-**	**-**	**-**	**1,497**	**51,399**	**633,053**
- NPM/CNP Shareholders	**417,890**	**-**	**(2,598)**	**41**	**1,068**	**-**	**33,695**	**619,020**

RECONCILIATION OF MINORITY INTERESTS

			Imerys	other Pargesa
Consolidated percentage shown in the consolidated accounts			44.8%	44.8%
Portion of consolidated assets/liabilities belonging to NPM/CNP			21.7%	54,1%
Portion belonging to NPM/CNP			9.7%	24.1%
Minority interests in subsidiary	1		15,468	284,170
Minority interests from subsidiary	2	1,497	51,399	633,053
Elimination entry	3 = 1 x 2		-	-
Minority shareholders' share in net profit		**1,497**	**66,867**	**917,223**

NOTE 2 – SEGMENT REPORTING

INDUSTRIAL AND COMMERCIAL SHAREHOLDINGS											Consolidation	Consolidation
UNIFEM EntremontAlliance	Sloane/Joseph (discontinued)	Transcor Astra Group	Dupuis (discontinued)		Ijsboerke	Raspail Invest. Cheval Blanc	Distripar	Rieussec	Quick (discontinued)	Taittinger/Louvre (discontinued)	eliminating entries	IFRS
1,022,073	-	8,603,024	-		54,693	7,545	166,468	2,766		-	-	11,221,456
3,291	-	204	-		3,671	74	1,316	1,459		-	75,337	120,939
(1,594)	-	283,215	-		977	192	617	(871)		-	-	299,029
(707,946)	-	(8,618,444)	-		(21,323)	(408)	(87,874)	(261)		-	-	(9,908,813)
(114,937)	-	(98,370)	-		(16,070)	(885)	(30,357)	(729)		-	-	(553,658)
(19,946)	-	(4,765)	-		(2,946)	(249)	(5,592)	(447)		-	-	(114,696)
(1,474)	-	(142)	-		(1)	-	(1,604)	-		-	-	(7,069)
(228)	-	(45)	-		750	-	5,641	-		-	(387,637)	(984)
(155,194)	-	(72,088)	-		(16,481)	(894)	(32,139)	(768)		-	(3,204)	(713,152)
24,045	**-**	**92,589**	**-**		**3,270**	**5,375**	**16,476**	**1,149**	**-**	**-**	**(315,504)**	**343,053**
31	-	-	-		-	-	-	-		-	(47,716)	128,346
-	-	-	-		-	-	-	-		-	-	4,350
-	-	-	-		-	-	-	-		-	-	-
24	-	3,977	-		56	483	111	13		-	-	41,317
(18,841)	-	(11,618)	-		(187)	(2,305)	(1,926)	(128)		-	6,677	(75,025)
656	-	972	-		-	-	-	-		-	-	28,542
112	-	(1,650)	-		(60)	-	318	-		-	(414)	(6,780)
(18,018)	**-**	**(8,319)**	**-**		**(191)**	**(1,822)**	**(1,497)**	**(115)**	**-**	**-**	**(41,453)**	**120,750**
6,027	**-**	**84,270**	**-**		**3,079**	**3,553**	**14,979**	**1,034**	**-**	**-**	**(356,957)**	**463,803**
648	-	(20,404)	-		45	(1,695)	(3,791)	(334)		-	(25,000)	(84,450)
(486)	-	-	-		-	-	-	(57)		-	-	2,151
6,189	**-**	**63,866**	**-**		**3,124**	**1,858**	**11,188**	**643**	**-**	**-**	**(381,957)**	**381,504**
-	(580)	-	-		-	-	-	-	13,632	3,938	317,240	454,174
6,189	**(580)**	**63,866**	**-**		**3,124**	**1,858**	**11,188**	**643**	**13,632**	**3,938**	**(64,717)**	**835,678**
209	**-**	**-**	**-**		**-**	**-**	**-**	**-**	**-**	**-**	**50,309**	**235,029**
5,980	**(580)**	**63,866**	**-**		**3,124**	**1,858**	**11,188**	**643**	**13,632**	**3,938**	**(115,026)**	**600,649**
100.0%	100.0%	100.0%	100.0%		100.0%	50.0%	100.0%	50.0%	50.0%	100.0%		
100.0%	57.6%	100.0%	100.0%		100.0%	80.0%	97.0%	100.0%	100.0%	100.0%		
100.0%	57.6%	100.0%	100.0%		100.0%	40.0%	97.0%	50.0%	50.0%	100.0%		
-	(242)	-	-		-	372	336	-	5,742	-	(77,213)	-
209	-	-	-		-	-	-	-	-	-	50,309	235,029
(26,904)		-	-		-	-	-	-	-	-	26,904	-
(26,695)	**(242)**	**-**	**-**	**-**	**-**	**372**	**336**	**-**	**5,742**	**-**	**-**	**235,029**

INDUSTRIAL AND COMMERCIAL SHAREHOLDINGS											Consolidation	Consolidation
UNIFEM Entremont Alliance	Trasys	Transcor Astra Group	Groupe Flo	Tikehau TCA/TCP	Ijsboerke	Raspail Invest. Cheval Blanc	Distripar	Rieussec	Quick (discontinued)	Banca Leonardo	eliminating entries	IFRS
1,415,459	16,744	9,839,050	174,277	-	66,627	7,888	245,648	3,633	-	-	-	13,243,049
15,321	119	-	-	-	840	200	2,451	1,453	-	-	658	71,803
(709)	-	359,531	(55)	-	(412)	478	(191)	(1,407)	-	-	-	364,825
(980,783)	-	(9,854,674)	(37,715)	-	(25,058)	(308)	(132,332)	(433)	-	-	-	(11,532,289)
(156,202)	(7,883)	(172,394)	(76,692)	-	(19,023)	(993)	(44,810)	(765)	-	-	2,515	(797,383)
(24,322)	(204)	(14,186)	(5,859)	-	(3,073)	(247)	(8,216)	(460)	-	-	-	(144,223)
(2,811)	(26)	(2,047)	(195)	-	(152)	-	(1,702)	-	-	-	-	(10,973)
(2,889)	-	102,639	43	-	-	-	-	-	-	-	(180,660)	199,005
(232,181)	(6,754)	(9,213)	(40,183)	-	(16,708)	(807)	(44,951)	(973)	-	-	(4,621)	(868,173)
30,883	**1,996**	**248,706**	**13,621**	**-**	**3,041**	**6,211**	**15,897**	**1,048**	**-**	**-**	**(182,108)**	**525,641**
82	-	-	-	-	-	-	-	-	-	-	(44,127)	176,697
-	-	-	-	-	-	-	-	-	-	-	-	2,617
-	-	-	-	-	-	-	-	-	-	-	-	-
25	-	11,926	149	-	43	223	139	22	-	-	(5,148)	97,024
(19,395)	(27)	(30,131)	(2,561)	-	(193)	(2,263)	(3,570)	(137)	-	-	12,438	(128,838)
(935)	-	1,254	-	-	-	-	-	-	-	-	-	24,872
99	(8)	(131)	(307)	-	(15)	-	(59)	-	-	-	9	11,711
(20,124)	**(35)**	**(17,082)**	**(2,719)**	**-**	**(165)**	**(2,040)**	**(3,490)**	**(115)**	**-**	**-**	**(36,828)**	**184,083**
10,759	**1,961**	**231,624**	**10,902**	**-**	**2,876**	**4,171**	**12,407**	**933**	**-**	**-**	**(218,936)**	**709,724**
(717)	(709)	(37,717)	(1,400)	-	(953)	(1,411)	(4,419)	(310)	-	-	-	(62,485)
(16)	-	4,236	3	865	-	-	-	56	-	4,211	-	21,157
10,026	**1,253**	**198,143**	**9,505**	**865**	**1,923**	**2,760**	**7,988**	**679**	**-**	**4,211**	**(218,936)**	**668,396**
-	-	-	-	-	-	-	-	-	13,438	-	150,378	1,268,902
10,026	**1,253**	**198,143**	**9,505**	**865**	**1,923**	**2,760**	**7,988**	**679**	**13,438**	**4,211**	**(68,558)**	**1,937,298**
(99)	**-**	**22,280**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**316,782**	**1,024,912**
10,125	**1,253**	**175,863**	**9,505**	**865**	**1,923**	**2,760**	**7,988**	**679**	**13,438**	**4,211**	**(385,340)**	**912,386**
100.0%	50.0%	100.0%	50.0%	50.0 and 20.9%	100.0%	50.0%	100.0%	50.0%	50.0%	19.2%		
63.5%	92.0%	100.0%	46.7%	100.0%	100.0%	80.0%	97.0%	100.0%	57.9%	100.0%		
63.5%	46.0%	100.0%	23.4%	50.0 and 20.9%	100.0%	40.0%	97.0%	50.0%	28.9%	19.2%		
3,696	101	-	5,063	-	-	552	240	-	5,660	-	(314,950)	-
(99)	-	22,280	-	-	-	-	-	-	-	-	316,782	1,024,912
1,917	(86)	-	-	-	-	-	-	-	-	-	(1,832)	-
5,514	**15**	**22,280**	**5,063**	**-**	**-**	**552**	**240**	**-**	**5,660**	**-**	**-**	**1,024,912**

NOTE 2 – SEGMENT REPORTING

Costs to acquire segment assets

The table below presents the costs incurred to acquire segment assets (property, plant and equipment and intangible assets). These costs include the acquisitions of property, plant and equipment and intangible assets, as well as the acquisitions through business combinations.

	2005		2006	
,000 EUR	**Costs**	**%**	**Costs**	**%**
PARGESA GROUP	3,114	0.9%	1,402	0.2%
IMERYS	111,783	31.6%	96,058	15.6%
UNIFEM/ENTREMONT ALLIANCE	113,354	32.1%	37,803	6.1%
GROUPE FLO	0	0.0%	176,204	28.6%
TRANSCOR ASTRA GROUP	62,723	17.8%	266,318	43.2%
IJSBOERKE	15,119	4.3%	2,394	0.4%
RASPAIL/CHEVAL BLANC	194	0.1%	530	0.1%
DISTRIPAR	25,744	7.3%	28,205	4.6%
RIEUSSEC	474	0.1%	374	0.1%
QUICK	20,334	5.8%	0	0.0%
TRASYS	0	0.0%	4,745	0.8%
Others	407	0.1%	2,181	0.4%
Total	**353,246**	**100.0%**	**616,214**	**100.0%**

SECONDARY SEGMENT REPORTING INFORMATION

Turnover per geographical location

The table below shows the Group's turnover per geographical location of customers.

,000 EUR	**2005**	**2006**
Germany	242,754	259,404
Belgium	411,444	554,810
France	1,139,354	1,543,232
Netherlands	221,690	165,399
Other Eurozone	698,617	965,756
Subtotal Eurozone	**2,713,859**	**3,488,601**
United Kingdom	340,982	472,723
Other Europe	482,435	799,498
Subtotal Europe	**3,537,276**	**4,760,822**
North America	5,827,208	6,543,584
Others	1,856,972	1,938,643
Total	**11,221,456**	**13,243,049**

TRANSCOR ASTRA GROUP, with a turnover of EUR 9,839 million, realizes around 74% of the consolidated turnover of which the biggest part in the United States by means of its trading and refining activities.

Segment assets

The table hereunder gives an overview of the segment assets per geographical location of the Group's activities.

Figures at 31 December 2005 in ,000 EUR	Europe	North America	Others	Total
Non-current assets	**7,631,794**	**457,943**	**208,267**	**8,298,004**
Intangible assets	119,754	4,676	3,271	127,701
Goodwill	325,631	125,810	30,404	481,845
Property, plant and equipment	873,977	304,841	159,263	1,338,081
Investment property	1,706	0	0	1,706
Investments in associates	957,483	0	1,847	959,330
Long-term advances	81	0	0	81
Available-for-sale investments	5,313,507	953	1,875	5,316,335
Deferred tax assets	26,773	14,485	8,171	49,429
Other non-current assets	12,882	7,178	3,436	23,496
Current assets	**3,526,099**	**639,955**	**148,565**	**4,314,619**
Inventories	624,406	310,824	32,165	967,395
Trade and notes receivable	600,892	248,557	79,337	928,786
Short-term interest bearing advances	133,148	0	0	133,148
Financial assets held for trading	151,309	0	0	151,309
Cash and cash equivalents	1,834,308	37,097	25,204	1,896,609
Assets classified as held for sale and discontinued operations	0	0	0	0
Other current assets	182,036	43,477	11,859	237,372
TOTAL ASSETS	**11,157,893**	**1,097,898**	**356,832**	**12,612,623**

Figures at 31 December 2006 in ,000 EUR	Europe	North America	Others	Total
Non-current assets	**9,408,841**	**571,386**	**214,353**	**10,194,580**
Intangible assets	236,034	11,488	1,865	249,387
Goodwill	388,279	108,209	47,084	543,572
Property, plant and equipment	749,788	307,719	151,041	1,208,548
Investment property	0	0	0	0
Investments in associates	173,488	98,668	1,083	273,239
Long-term advances	82	0	0	82
Available-for-sale investments	7,813,230	779	61	7,814,070
Deferred tax assets	20,815	40,943	8,253	70,011
Other non-current assets	27,125	3,580	4,966	35,671
Current assets	**5,571,943**	**528,748**	**129,724**	**6,230,415**
Inventories	586,194	207,554	39,475	833,223
Trade and notes receivable	725,347	231,289	29,956	986,592
Short-term interest bearing advances	421,466	0	0	421,466
Financial assets held for trading	90,777	0	0	90,777
Cash and cash equivalents	3,277,357	41,635	35,428	3,354,420
Assets classified as held for sale and discontinued operations	0	0	0	0
Other current assets	470,802	48,270	24,865	543,937
TOTAL ASSETS	**14,980,784**	**1,100,134**	**344,077**	**16,424,995**

The table below presents the costs incurred to acquire segment assets (property, plant and equipment and intangible assets). These costs include the acquisitions of property, plant and equipment and intangible assets, as well as the acquisitions through business combinations, according to the geographical location of the activities.

	2005		**2006**	
,000 EUR	**Costs**	**%**	**Costs**	**%**
Europe	247,611	70.1%	304,722	49.5%
North America	89,173	25.2%	291,922	47.4%
Others	16,462	4.7%	19,570	3.2%
Total	**353,246**	**100.0%**	**616,214**	**100.0%**

NOTE 3 – ACQUISITIONS AND DISPOSALS OF ACTIVITIES

Acquisitions of activities (subsidiaries and joint ventures)

,000 EUR	2005	2006
Non-current assets	196,999	250,414
Current assets	273,852	258,690
Non-current liabilities	(201,070)	(113,511)
Current liabilities	(151,937)	(106,667)
Estimated market value of contingent liabilities	0	0
Net assets acquired	**117,844**	**288,926**
Goodwill/(badwill)	138,649	62,199
Total cost of the combination	**256,493**	**351,125**
Satisfied by		
Cash	(223,619)	(351,125)
Deferred consideration	(32,874)	0
Net cash outflow on acquisition		
cash outflow for the acquisition of new subsdiaries and joint ventures	(223,619)	(351,125)
cash outflow for the acquisition of additional share of subsidiaries and joint ventures	0	0
bank balances and cash acquired	26,406	48,577
Acquisition of subsidiaries and joint ventures, net of cash acquired	**(197,213)**	**(302,548)**

During the period, the Group realized the following major acquisitions of activities:

- **Exclusive takeover**

US OIL AND REFINING CO

At the end of March 2006, ASTRA OIL, a subsidiary of TRANSCOR ASTRA GROUP, acquired the entirety of the capital of US OIL AND REFINING CO. US OIL has and exploits a refinery of a capacity of some 38,000 barrels per day in the area of Tacoma, close to Seattle, in the North-West of the United-States.

The transaction cost amounts to some USD 200 million (EUR 150 million), inventories included; the surplus between the acquisition cost on the fair value of the assets, liabilities of the company was booked as goodwill (EUR 24.8 million).

In accordance with the commitment taken, 20% of this shareholding will be transferred economically to the TRANSCOR ASTRA GROUP managers in 2007. This commitment was adequately accrued as provisions due to the existing constructive obligation; this transfer will be thus without effect on the Group share income statement.

In 2006, US OIL contributed, in the financial statements of the Group, to the consolidated turnover with EUR 55.6 million and to the consolidated net result to EUR14.5 million.

AGS (ARGIREC GRANGER SODGAR)

On February 28, 2006, IMERYS acquired 99.34% of the capital of the French group AGS. Having clay reserves in Charente-Maritime (France), AGS calcines a very great part to produce grogs and metakaolins used for the refractory and health markets.

The transaction valued AGS at EUR 14.3 million, that is to say EUR 6.4 million in the consolidated financial statement of the group NPM/CNP. After evaluation of the mining reserves, tangible fixed assets and liabilities in relation to employee benefits and to the refitting of mining sites, the surplus between the fair value of the assets and liabilities of this company and the acquisition cost was booked in the current operational result of the period (EUR 1 million in the NPM/CNP consolidated accounts).

In 2006, AGS contributed, in the financial statements of IMERYS, to the consolidated turnover with EUR 44.6 million (EUR 19.9 million within NPM/CNP) and to the consolidated net result for an amount of EUR 2.3 million (EUR 1.0 million within NPM/CNP). If the acquisition had been carried out at January 1, 2006, his contribution in the turnover would have been EUR 53.5 million (EUR 23.9 million within NPM/CNP) and the net result EUR 3.2 million (EUR 1.4 million within NPM/CNP).

CLUB

In February 2006, DISTRIPAR, 97% subsidiary of NPM/CNP which is active in the specialized retail sector, signed an agreement for the acquisition of 100% of CLUB capital, specialist in the distribution of books and paper articles, through a network of 26 points of sales in Belgium and the e-commerce site PROXIS.

CLUB has been integrated in DISTRIPAR consolidated financial statements since February 1, 2006.

The transaction valued CLUB at EUR 21.6 millions and the surplus between the acquisition cost and the fair value of the assets and liabilities of this company was booked as goodwill (EUR 17.8 million).

In 2006, CLUB contributed EUR 47.8 million to the consolidated turnover and EUR 902 (000) to the consolidated net result.

Joint ventures

GROUPE FLO

On December 12, 2006, GIB, joint subsidiary of NPM/CNP and ACKERMANS & van HAAREN on the one hand, and TIKEHAU on the other hand, signed an agreement for the acquisition of 70.8% of GROUPE FLO's capital, a company which gathers famous Parisian restaurants (in particular Flo, la Coupole, le Boeuf sur le Toit and Bofinger) as well as a chain of grills (under the Hippopotamus brand name) and two chains of Italian restaurants (Bistro Romain and Tablapizza). The suspensive conditions were lifted at the beginning of 2006 and GROUPE FLO has been integrated since January 1, 2006 in the consolidated financial statements of the Group.

NPM/CNP's share in this transaction amounts to EUR 45 million for a total transaction cost of EUR 197 million. The surplus between the acquisition cost and the fair value of the assets and liabilities of this company was allocated to the Hippopotamus trade mark (EUR 110.6 million), with the Bistro Romain trade mark being written off.

In 2006, GROUPE FLO contributed EUR 174.2 million to the consolidated turnover and EUR 9.5 million (EUR 4.4 million for the NPM/CNP group share) to the consolidated net result.

TRASYS

On May 10, 2006, GIB acquired 92% of TRASYS capital, a company active in the IT consulting.

The transaction cost amounts to EUR 16.6 million for NPM/CNP and the surplus between the acquisition cost and the fair value of the assets and liabilities of this company was booked as goodwill (EUR 11.9 million).

TRASYS has been integrated in the consolidated financial statements since June 30, 2006.

In 2006, TRASYS contributed to the consolidated turnover with EUR 16.7 million and to the net consolidated EUR 1.2 million. If the acquisition had been realized on January 1st, 2006, the contribution to the consolidated turnover and to the consolidated net result would have been respectively EUR 32.2 million and EUR 1.8 million.

In accordance with IFRS 3 – Business Combinations, the acquisitions of subsidiaries and joint ventures are booked on a provisional basis as the opening balance sheet can be reviewed in the 12 months which follows the date of acquisition.

NOTE 3 – ACQUISITIONS AND DISPOSALS OF ACTIVITIES

Disposals of activities (see also note 40 on discontinued activities)

,000 EUR	2005	2006
Non-current assets	137,456	170,424
Current assets	91,545	346,046
Non-current liabilities	(2,584)	(338,203)
Current liabilities	(157,001)	(65,767)
Net assets disposed of	**69,416**	**112,500**
Gain/(loss) on disposal	83,654	253,329
Total consideration received	**153,070**	**365,829**
Satisfied by		
Cash	153,070	365,829
Deferred consideration	0	0
Net cash inflow on disposal		
cash inflow for the disposal of subsdiaries and joint ventures	153,070	242,279
cash inflow for the partial disposal of subsdiaries	0	123,550
bank balances and cash disposed of	(778)	(211,280)
Disposal of subsidiaries and joint ventures, net of cash disposed	**152,292**	**154,549**

During the period, the Group disposed the following activities:

QUICK RESTAURANTS

In December 2006, QUICK RESTAURANTS S.A. (QUICK) was disposed of following an offer made by CDC CAPITAL INVESTISSEMENT (CDC), investment funds linked to the French CAISSE DES DEPÔTS ET CONSIGNATIONS on the entirety of capital of QUICK.

The Group realized a gain of EUR 150 million on the disposal. QUICK was consolidated till September 30, 2006 in the consolidated financial statements and the net result taken in 2006 (result presented in the discontinued operations) is EUR 13.4 million in NPM/CNP accounts.

ORIOR FOOD

On October 10, 2006, PARGESA HOLDING disposed of ORIOR FOOD.

The disposal did not generate any significant capital gain. ORIOR FOOD contributed EUR 1.5 million to the consolidated result with for the NPM/CNP group share in 2006(result showed under the discontinued operations).

PASADENA REFINING SYSTEM

On September 1st, 2006, ASTRA OIL, subsidiary of TRANSCOR ASTRA GROUP sold to PETROBRAS, 50% of its interests in the Pasadena refinery. This disposal allowed generating a gain of EUR 102.6 million in the consolidated financial statements. After taxes, bonuses and minority interests, the group share in the net result of this operation amounts to some EUR 64 million. At the same time, TRANSCOR ASTRA GROUP and PETROBRAS created a joint venture for the trading oil products intended to feed the refinery in products. As a result of this disposal, the remaining shareholdings are consolidated using the equity method rather by proportionate consolidation due to the particularities of the shareholders agreement (right granted to PETROBRAS to force some decisions in exchange for a put right granted to TRANSCOR ASTRA GROUP to sell its shareholdings under some circumstances); the exercise price of the put depends upon particular conditions but its minimum amount does not significantly differ from the sale price of the first part.

Moreover, in conformity with the existing commitments, an adhoc structure will be created in 2007 to put the partnership with management (20%) into operations; the setting up of this partnership has been delayed due to juridical reasons in relation with the negotiations with PETROBRAS. The corresponding commitments have been accrued for in the 2005 and 2006 accounts based on existing constructive obligations or the recognition of minority interests, these transactions will not have any impact on the net result attributable to the Group.

NOTE 4 – TURNOVER

The consolidated turnover of the period amounts to EUR 13,243 million against EUR 11,221 million last year, i.e. an increase of 18%. The increase in the turnover is mainly due to TRANSCOR ASTRA GROUP (which represents 74 % of the turnover) and mainly results from price increases in crude oil products.

Turnover per category

,000 EUR	**2005**	**2006**
Sales of goods	11,026,235	12,864,274
Services rendered	194,088	377,315
Others	1,133	1,460
Total revenue	**11,221,456**	**13,243,049**

NOTE 5 – OTHER OPERATING INCOME AND EXPENSES

Other operating income

,000 EUR	**2005**	**2006**
Gain on the acquisition of UNIFEM receivable	73,588	0
Net gain on disposal of property, plant and equipment and on intangible assets	5,159	16,658
Grants released to income	2,352	10,076
Others	39,840	45,069
Total other operating income	**120,939**	**71,803**

In 2006, the "others" include reversed provisions for risks and charges at GIB (EUR 10.1 million), CO_2 emission rights at UNIFEM/ENTREMONT ALLIANCE (EUR 5.0 million) and various other operating income at IMERYS (EUR 19.8 million).

Other operating expenses

,000 EUR	**2005**	**2006**
Impairment on assets (note 9)	(87,048)	(58,218)
Taxes other than income taxes	(35,620)	(49,895)
Research and development expenditure	(11,886)	(12,852)
Maintenance expenses	(66,512)	(55,615)
Advertising and promotion	(18,336)	(26,318)
Rent costs	(33,137)	(37,299)
Energy costs	(58,716)	(68,490)
Insurance expenses	(17,685)	(15,284)
Transportation costs	(193,940)	(216,918)
Outsourcing costs	(50,395)	(65,356)
External fees	(32,214)	(29,370)
Miscelleanous goods and services	(107,662)	(232,558)
Total other operating expenses	**(713,151)**	**(868,173)**

The impairment on assets are linked, in 2006, to several restructurings led by the IMERYS group for the re-organisation of the production activity for EUR 55.3 million and by UNIFEM/ENTREMONT ALLIANCE for EUR 2.9 million.

NOTE 6 – STAFF COSTS

Wages, salaries and bonuses also include the costs recognized on the different stock options plans granted within the Group, particularly at NPM/CNP and PARGESA GROUP (including GBL and IMERYS). Please refer on note 38 on shared based payments for more information.

,000 EUR	2005	2006
Wages, salaries and bonuses	(438,018)	(634,775)
Social security contribution	(86,488)	(126,593)
Defined contribution plans costs and defined benefit plans costs (IAS 19)	(16,822)	(9,826)
Others	(12,330)	(26,189)
Total	**(553,658)**	**(797,383)**

Average number of full-time equivalents

The following figures only relate to globally and proportionally consolidated companies.

	2005	2006
Employees	5,106	6,650
Workers	8,039	7,880
Directors and Management	1,254	1,508
Total	**14,399**	**16,038**

NOTE 7 – RESTRUCTURING COSTS

The restructuring costs include staff costs, impairments on assets and other operating expenses; in 2006, they amount to EUR 94.6 million (EUR 18.0 million in 2005) and are mainly related to the group IMERYS (EUR 86.0 million) which booked restructuring costs (essentially impairments of assets) due to the closing of various industrial premises in Germany, Brazil, France and in United-Kingdom.

UNIFEM/ENTREMONT ALLIANCE also recognized restructuring costs for EUR 8.5 million (mainly staff costs).

Breakdown of the restructuring costs:

,000 EUR	2005	2006
Restructuring costs expensed during the period	(18,258)	(29,873)
Impairments of assets linked to restructurings	204	(58,218)
Accrued restructuring costs but not expensed	0	(6,456)
Total	**(18,054)**	**(94,547)**

NOTE 8 – OTHER FINANCIAL EXPENSES/INCOME

The other financial expenses/income of the period amount to EUR 11.7 million and include for the main part, the result on the change in fair value of the call options on TOTAL shares issued by the Group (EUR 11.5 million).

NOTE 9 – GAINS/LOSSES AND IMPAIRMENTS ON SHAREHOLDINGS AND ACTIVITIES

In 2006, the gains/losses and impairments on shareholdings and activities amount to EUR 199.0 million. They mainly include the realized gain on the disposal by NPM/CNP of his shareholding in EIFFAGE (EUR 90.1 million) and the realized gain by TRANSCOR ASTRA GROUP (EUR 102.6 million) on the disposal to PETROBRAS, of the half of his shareholding in the Pasadena refinery.

NOTE 10 – IMPAIRMENTS OF ASSETS

In accordance with IAS 36 on impairments of assets, the Group companies systematically conduct on a yearly basis, an impairment test on all the cash generating units (CGU) when goodwill is present in these groups' CGU.

Assumptions

The recoverable amount of a CGU or of an individual asset is generally justified by its value in use. The future cash flows used to compute the value in use of the assets are expressed after tax and are based on business plans validated by the Management of each subsidiary. The average actualisation rates are 7.5 %, in line with market evaluation, increased, when appropriate, for each CGU or individual assets, by a risk premium country-market. The results of the computations made on the after tax results are in line with those that would be obtained with cash flows and before tax rates as required by standard IAS 36 on impairments on assets.

Major impairments on assets

IMERYS proceeded with various restructurings (discontinuation of the kaolin activities of the "Pigments for Paper" division in the United Kingdom, stop of the mining activities and refining of kaolin in the "Specialities Minerals" division in Devon, closing of the Arcos factory in Brazil, modernization of the industrial tool for diatomite in the Californian factory of Lompoc, closing of the French site of Lamotte-Beuvron, closing of the German factory of Scheuerfeld). In 2006, IMERYS has booked impairments on assets for an amount of EUR 55.3 million.

Prior years impairment losses on assets

In 2005, an impairment test by UNIFEM on the ENTREMONT ALLIANCE goodwill was performed. This test resulted in the booking of an impairment loss of EUR 73.7 million in the consolidated financial statements of NPM/CNP.

NOTE 11 – DIVIDENDS AND INTERESTS FROM AVAILABLE-FOR-SALE INVESTMENTS

	2005		2006	
,000 EUR	Gross	Net	Gross	Net
TOTAL dividend at NPM/CNP	49,288	48,164	57,175	56,136
TOTAL dividend at GBL	63,082	53,636	73,156	62,232
SUEZ dividend at GBL	25,967	22,072	41,145	35,011
LAFARGE dividend at GBL	0	0	20,416	17,371
ELECTRABEL dividend at NPM/CNP	2,129	2,129	0	0
EIFFAGE dividend at NPM/CNP	0	0	4,125	3,506
Others (interests and various dividends)	2,345	2,345	2,527	2,441
Total	**142,811**	**128,346**	**198,544**	**176,697**

NOTE 12 – OPERATING LEASE

Operating lease obligations are not recognized in the balance sheet.

At 31 December, operating lease obligations have the following payment schedule:

,000 EUR	2005	2006
Within one year	(65,661)	(69,035)
In the second to fifth years inclusive	(142,016)	(164,287)
After five years	(135,528)	(98,631)
Total of future minimum lease payments under non-cancellable operating leases	**(343,205)**	**(331,953)**

The Group rents some commercial spaces under operating lease contracts (so called « operating lease ») of which the duration is most of the time higher than 5 years. It is particularly the case for CLUB, PLANET PARFUM, BELGIAN SKY SHOP, VANPARYS, DISTRIPAR's subsidiaries and GROUPE FLO; at maturity, these contracts are generally renewable at the tenant's option.

At December 31, 2006, the lease engagements for operating lease contracts within DISTRIPAR amounted to EUR 63.8 million. The operating lease contracts of the various commercial spaces (CLUB, PLANET PARFUM, BELGIAN SKY SHOP and VANPARYS) are usually and periodically indexed in accordance with the common practice in the real estate sector.

TRANSCOR ASTRA GROUP also concluded operating lease contracts for a total amount of EUR 164 million, mainly related to 5 tankers, storage capacities and pipelines. The operating lease contracts for tankers have duration between 1 and 3 years, some of them comprise an extension clause to 7 years. The operating lease contracts for storage capacities have a duration that can be extended to 10 years. These contracts are not indexed.

IMERYS granted engagements for the operating lease contracts (EUR 98.7 million) which include administrative premises, wagons and trucks fleet.

During the period, a charge of EUR 104.7 million was booked in the income statement for operating lease contracts.

NOTE 13 – INCOME TAX

1. Component of the tax expense in the income statement

The income tax expense on the income statement is presented as follow:

,000 EUR	2005	2006
Current taxes related to current year	(75,377)	(84,189)
Current taxes related to prior years	8,772	8,307
Total current taxes	**(66,605)**	**(75,882)**
Deferred taxes relating to origination or reversal of temporary differences	11,284	9,020
Tax effect of changes in the nominal tax rates on deferred taxes	(129)	(167)
Recognition (use) of deferred tax assets resulting from loss of the (previous) period(s)	(3,557)	1,046
Other deferred tax income (expense)	(25,443)	3,498
Total deferred taxes	**(17,846)**	**13,397**
Total tax income/(expense)	**(84,450)**	**(62,485)**

2. Source of deferred tax income/(expenses)

,000 EUR	2005	2006
Intangible assets	(700)	556
Property, plant and equipment	7,508	17,626
Financial long-term assets	2,331	1,853
Employee benefit liabilities	(1,216)	(13,571)
Inventories, receivables, payables, provisions and others	(1,158)	295
Unused tax losses and tax credits	3,537	4,931
Change in the nominal tax rates	(129)	18
Others	(28,019)	1,689
Total deferred tax income/(expense)	**(17,846)**	**13,397**

3. Source of deferred tax assets/liabilities in the balance sheet

,000 EUR	Deferred tax assets		Deferred tax liabilities	
	2005	2006	2005	2006
Intangible assets	998	27,415	6,365	86,270
Property, plant and equipment	23,127	20,841	115,463	119,691
Financial long-term assets	2,313	3,018	4,670	3,311
Employee benefit liabilities	30,215	26,180	(75)	62
Inventories, receivables, payables, provisions and others	26,656	27,957	6,942	25,913
Unused tax losses and tax credits	10,142	15,047	1,581	0
Offsets and others	(44,022)	(50,447)	(29,985)	(50,711)
Total deferred taxes (as shown in the balance sheet)	**49,429**	**70,011**	**104,961**	**184,536**

4. Reconciliation between the Belgian legal tax rate and the effective tax rate on continuing activities

,000 EUR	2005	2006
Profit before tax from continuing activities	465,954	730,881
(Income from associates)	(2,151)	(21,157)
Profit before tax and before income from associates	463,803	709,724
Nominal tax rate of the parent company	33.99%	33.99%
Tax charge of the group entities computed on the basis of the parent company nominal tax rate	**(157,647)**	**(241,235)**
Effect of different tax rates in foreign countries	8,252	(5,951)
Tax effect of tax-exempt revenues	66,637	166,875
Tax effect of non-deductible expenses	(6,185)	(3,026)
Tax effect of changes in tax rates	(162)	78
Tax effect of adjustments related to prior years or previously unrecognized deferred tax assets	4,824	5,114
Tax effect of withholding tax on dividends paid by subsidiaries (associates)	(230)	(306)
Others	61	15,966
Total tax income/(expense)	**(84,450)**	**(62,485)**

5. Effective tax rate

,000 EUR	2005	2006
Profit before tax from continuing activities	465,954	730,881
Income from associates (-)	(2,151)	(21,157)
Profit before tax and before income from associates	463,803	709,724
Total income tax expense	(84,450)	(62,485)
Effective tax rate (%)	**18.21%**	**8.80%**

Temporary differences for which no deferred tax asset is recognized
The tax loss carry-forward for which no deferred tax asset is recognized amounts to EUR 113.4 million on December 31st, 2006. No deferred tax asset is recognized on a tax loss carry-forward when it is unlikely that a sufficient profit will be realized in the future allowing the involved entity to use this tax loss.

Maturity of tax losses for which deferred tax assets are recognized
Tax losses which gave rise to the recognition of a deferred tax asset have generally no time limit. On 31st December 2006, the tax losses supply recognized amounts to EUR 67.9 million of which EUR 15.0 million of recognized deferred tax assets.

Contingent tax assets and liabilities
On 31st December 2006, there is no significant contingent tax asset or liability to be reported for the Group.

Tax charges of the discontinued operations
The net result of the discontinued operations is separately presented in the income statement. In 2006, this result is made of a tax charge of EUR 6.2 million and was related to the tax charge booked by QUICK and ORIOR FOOD during the period. Please refer to note 40 for additional information.

The discontinued operations were disposed by entities located in countries where capital gains on the corresponding disposals are tax free.

NOTE 14 – INTANGIBLE ASSETS WITH A FINITE USEFUL LIFE

,000 EUR	Development costs	Computer software	Mineral rights	Patents, licences and concessions	Others	Total
Gross carrying amount						
At 31 December 2004	**158**	**25,927**	**7**	**61,373**	**12,256**	**99,721**
Currency translation differences	9	1,108	22	88	338	1,565
Additions	6	2,747	0	510	1,507	4,770
Perimeter changes	810	6,295	2,386	3,535	2,747	15,773
Disposals and others	(79)	606	0	797	(4,901)	(3,577)
At 31 December 2005	**904**	**36,683**	**2,415**	**66,303**	**11,947**	**118,252**
Currency translation differences	(9)	(769)	(142)	(205)	(167)	(1,292)
Additions	0	6,346	117	979	2,097	9,539
Perimeter changes	0	1,355	(1,597)	1,909	10,586	12,253
Disposals and others	(353)	(1,318)	426	(909)	(3,990)	(6,144)
At 31 December 2006	**542**	**42,297**	**1,219**	**68,077**	**20,473**	**132,608**
Accumulated amortization						
At 31 December 2004	**(157)**	**(15,237)**	**0**	**(27,961)**	**(6,763)**	**(50,118)**
Currency translation differences	(9)	(627)	(6)	(55)	(187)	(884)
Amortization	0	(4,567)	(14)	(2,363)	(314)	(7,258)
Disposals and others	(683)	(2,012)	(248)	(2,737)	538	(5,142)
At 31 December 2005	**(849)**	**(22,443)**	**(268)**	**(33,116)**	**(6,726)**	**(63,402)**
Currency translation differences	8	513	16	82	(51)	568
Amortization	(13)	(6,293)	(25)	(2,510)	(2,132)	(10,973)
Disposals and others	324	(186)	128	(1,322)	380	(676)
At 31 December 2006	**(530)**	**(28,409)**	**(149)**	**(36,866)**	**(8,529)**	**(74,483)**
Net carrying amount						
At 31 December 2005	**55**	**14,240**	**2,147**	**33,187**	**5,221**	**54,850**
At 31 December 2006	**12**	**13,888**	**1,070**	**31,211**	**11,944**	**58,125**

NOTE 15 – INTANGIBLE ASSETS WITH AN INDEFINITE USEFUL LIFE

,000 EUR	Patents and trademarks	Milk collection areas	Key money and others	Total
Gross carrying amount				
At 31 December 2004	**11**	**42,339**	**42,745**	**85,095**
Currency translation differences	0	0	0	0
Additions	20	0	5,237	5,257
Acquisitions through business combination	0	3,918	0	3,918
Disposals and others	0	(42)	(1,899)	(1,941)
At 31 December 2005	**31**	**46,215**	**46,083**	**92,329**
Currency translation differences	0	0	0	0
Additions	270	14	0	284
Acquisitions through business combination	152,736	0	12,907	165,643
Disposals and others	(23)	(177)	(46,578)	(46,778)
At 31 December 2006	**153,014**	**46,052**	**12,412**	**211,478**
Accumulated impairment losses				
At 31 December 2004	**(4)**	**(15,756)**	**(4,719)**	**(20,479)**
Currency translation differences	0	0	0	0
Impairment losses recognized (reversed)	0	0	260	260
Disposals and others	0	0	741	741
At 31 December 2005	**(4)**	**(15,756)**	**(3,718)**	**(19,478)**
Currency translation differences	0	0	0	0
Impairment losses recognized (reversed)	0	0	876	876
Disposals and others	(4,201)	0	2,587	(1,614)
At 31 December 2006	**(4,205)**	**(15,756)**	**(255)**	**(20,216)**
Net carrying amount				
At 31 December 2005	**27**	**30,459**	**42,365**	**72,851**
At 31 December 2006	**148,809**	**30,296**	**12,157**	**191,262**

These intangible assets include the milk collection areas of ENTREMONT ALLIANCE (EUR 30.3 million) which are considered as identifiable areas, transferable on a standalone basis and over which the Group exercises control. Milk collection areas are assimilated to intangible assets with indefinite useful life because of their renewable nature in the long run.

The intangible assets also take in various business items (key money and similar) mainly at GROUPE FLO (EUR 11.9 million).

The main change of the period is linked to the acquisition of GROUPE FLO and the allocation of the price paid in excess of the equity to the Hippopotamus trademark (EUR 110.6 million) in the opening balance sheet.

NOTE 16 – GOODWILL

,000 EUR	Goodwill
Gross carrying amount	
At 31 December 2004	**596,759**
Currency translation differences	15,362
Acquisitions through business combination	141,379
Disposals and others	(141,244)
At 31 December 2005	**612,256**
At 31 December 2003	(14,596)
Acquisitions through business combination	88,869
Disposals and others	(16,963)
At 31 December 2006	**669,566**
Accumulated impairment losses	
At 31 December 2004	**(82,469)**
Currency translation differences	(406)
Impairment losses for the year	(76,425)
Disposals and others	28,889
At 31 December 2005	**(130,411)**
Currency translation differences	62
Impairment losses for the year	0
Disposals and others	4,355
At 31 December 2006	**(125,994)**
Net carrying amount	
At 31 December 2005	**481,845**
At 31 December 2006	**543,572**

The main variations of the period are related to the acquisition of US OIL AND REFINING CO by TRANSCOR ASTRA GROUP (goodwill of EUR 24.8 million), the consolidation of GROUPE FLO (internal goodwill of EUR 31.9 million), the acquisition of TRASYS (EUR 11.9 million) and the acquisition of CLUB by DISTRIPAR (goodwill of EUR 16.1 million).

NOTE 17 – PROPERTY, PLANT AND EQUIPMENT

,000 EUR	Lands, constructions and vineyards	Mineral reserves	Furniture, fixtures, production and transportation equipment	Fixed assets under construction	Other property, plant & equipement	Total
Gross carrying amount						
At 31 December 2004	**669,959**	**231,371**	**1,395,549**	**43,946**	**73,901**	**2,414,726**
Additions	13,832	9,541	76,892	64,235	16,152	180,652
Acquisitions through business combination	59,673	20,000	252,779	6,192	2,266	340,910
Currency translation differences	13,539	20,932	61,572	2,443	(22,131)	76,355
Disposals and others	(82,246)	(11,407)	(76,389)	(33,070)	(8,123)	(211,235)
At 31 December 2005	**674,757**	**270,437**	**1,710,403**	**83,746**	**62,065**	**2,801,408**
Additions	16,769	10,740	78,904	83,603	45,043	235,059
Acquisitions through business combination	66,499	6,714	153,341	(3,052)	11,626	235,128
Currency translation differences	(10,413)	(14,471)	(13,612)	(459)	(904)	(39,859)
Disposals and others	(199,011)	(14,287)	(61,077)	(125,042)	(81,441)	(480,858)
At 31 December 2006	**548,601**	**259,133**	**1,867,959**	**38,796**	**36,389**	**2,750,878**
Accumulated depreciation and impairment losses						
At 31 December 2004	**(318,409)**	**(25,862)**	**(976,720)**	**(17)**	**(25,616)**	**(1,346,624)**
Depreciation charge for the year	(21,452)	(15,003)	(89,291)	(935)	(4,748)	(131,429)
Impairment losses recognized/(reversed)	(655)	0	(12,138)	0	0	(12,793)
Currency translation differences	(4,013)	(3,147)	(35,432)	6	(224)	(42,810)
Disposals and others	64,716	(3,828)	4,195	(202)	5,448	70,329
At 31 December 2005	**(279,813)**	**(47,840)**	**(1,109,386)**	**(1,148)**	**(25,140)**	**(1,463,327)**
Depreciation charge for the year	(19,344)	(14,668)	(101,491)	(297)	(8,423)	(144,223)
Impairment losses recognized/(reversed)	(725)	(16,580)	(40,913)	0	0	(58,218)
Currency translation differences	3,255	2,453	20,185	(5)	214	26,102
Disposals and others	72,627	13,519	(15,796)	1,160	25,826	97,336
At 31 December 2006	**(224,000)**	**(63,116)**	**(1,247,401)**	**(290)**	**(7,523)**	**(1,542,330)**
Net carrying amount						
At 31 December 2005	**394,944**	**222,597**	**601,017**	**82,598**	**36,925**	**1,338,081**
At 31 December 2006	**324,601**	**196,017**	**620,558**	**38,506**	**28,866**	**1,208,548**

On December 31st, 2006, the Group's property, plant and equipment are mainly composed by IMERYS assets (EUR 722 million), namely the mining reserves valued at cost reduced by the depreciation calculated on the basis of the extracted quantities.
Generally, the depreciation period for property, plant and equipment is determined by each subsidiary based on the nature of the assets and their utility value.

Property, plant and equipment held under finance lease
The Group owns buildings and installations and equipment under financial leases. On December 31st, 2006, the net book value of buildings held under financial lease arrangements amounts to EUR 30.9 million and the net book value of the installations, machines, equipment and other tangible assets held under financial lease amounts to EUR 11.2 million.

NOTE 18 – INVESTMENTS IN ASSOCIATES

,000 EUR	Carrying amount 2005	Carrying amount 2006	Amount of goodwill included in the carrying amount 2005	Amount of goodwill included in the carrying amount 2006
Value at 1 January	**1,134,259**	**959,330**	**95,375**	**0**
Disposed of during the year (-)	(254,663)	(911,286)	(95,375)	0
Acquired during the year	23,008	137,248	0	13,309
Results	2,151	21,157	0	0
Dividend paid (-)	(43,139)	(32,917)	0	0
Impairment of goodwill (-)	0	0	0	0
Investment in associates formerly subsidiaries	0	94,432	0	0
Others	97,714	5,275	0	23
Value at 31 December	**959,330**	**273,239**	**0**	**13,332**

Main investments in associates

	% of the capital included in the consolidated financial statements		Carrying value	
Entities	2005	**2006**	2005	**2006**
BERTELSMANN	11.2%	-	935,849	-
GRUPPO BANCA LEONARDO	-	19.2%	-	97,568
PASADENA REFINING SYSTEM	-	50.0%	-	98,668
TIKEHAU CAPITAL ADVISORS	-	50.0%	-	11,585
TIKEHAU CAPITAL PARTNERS	-	20.9%	-	19,136
Others	-	-	23,481	46,282
Total	**-**	**-**	**959,330**	**273,239**

,000 EUR	Share in the net result		Turnover		Total balance sheet	
Entities	2005	**2006**	2005	**2006**	2005	**2006**
BERTELSMANN	-	-	-	-	-	-
GRUPPO BANCA LEONARDO	-	4,211	-	87,385	-	741,959
PASADENA REFINING SYSTEM (1)	-	4,236	95,888	462,549	87,675	252,013
TIKEHAU CAPITAL ADVISORS	-	595	-	2,783	-	16,524
TIKEHAU CAPITAL PARTNERS	-	270	-	844	-	95,451
Others	2,151	11,845	-	-	-	-
Total	**2,151**	**21,157**	**n.s.**	**n.s.**	**n.s.**	**n.s.**

(1) From 1st September 2006, the trading activities were merged with the Pasadena refinery so that we can't compare anymore the figures from year to year.

In April 2006, NPM/CNP acquired 20% of GRUPPO BANCA LEONARDO's capital, beside Gerardo BRAGGIOTTI, EURAZEO, IFIL (Agnelli family) and other shareholders, mainly institutional investors. The capital invested by NPM/CNP amounts to EUR 93.1 million. After the acquisition of TOULOUSE & ASSOCIÉS by GRUPPO BANCA LEONARDO, the shareholding percentage of the Group went down from 20.0% to 19.2%.

In 2006, NPM/CNP entered, at 50%, in the capital of the French company TIKEHAU CAPITAL ADVISORS. TIKEHAU CAPITAL ADVISORS manages and governs the investment company TIKEHAU CAPITAL PARTNERS, of which it owns 13%, alongside other professional shareholders. At the same time, NPM/CNP subscribed to a capital increase of TIKEHAU CAPITAL PARTNERS in order to increase the investment capacity of this company. Both operations represented, for NPM/CNP, a total investment of EUR 28 million.

Mid-2006, GROUPE BRUXELLES LAMBERT (GBL) disposed of its interest of 25.1 % in BERTELSMANN AG for EUR 4.5 billion, realizing a net gain of EUR 2,378 million (EUR 1,055 million in the NPM/CNP accounts, of which EUR 283 millions attributable to NPM/CNP shareholders). NPM/CNP's share in BERTELSMANN's net result amounts to EUR 13.5 million (EUR 48.8 million in the financial statements including the minority interests) for 2006. This result only relates to the first half of the year and is booked as profit from discontinued operations.

1. Available-for-sale investments

The changes in fair value of available-for-sale investments are immediately recognized in equity as revaluation reserve. Regarding financial assets acquired during the financial year, the Group did not apply the « fair value option » and still continue to recognize the changes in fair value in equity.

,000 EUR	Equity instruments						Total
	TOTAL	SUEZ	LAFARGE	PERNOD RICARD	METROPOLE TV (M6)	Others	
Fair value at 31 December 2004	**3,009,724**	**636,465**	**0**	**0**	**0**	**99,110**	**3,745,299**
Acquisitions	0	196,903	190,008	0	0	22,835	409,746
Disposals	0	0	0	0	0	(64,673)	(64,673)
Impairments	0	0	0	0	0	0	0
Change in fair value recognized in equity	964,565	249,285	11,461	0	0	(7,063)	1,218,248
Currency translation differences	0	0	0	0	0	(209)	(209)
Other	0	0	0	0	0	7,924	7,924
Fair value at 31 December 2005	**3,974,289**	**1,082,653**	**201,469**	**0**	**0**	**57,924**	**5,316,335**
Acquisitions	0	129,639	933,899	187,797	162,882	315,528	1,729,745
Disposals	0	0	0	0	0	(335,761)	(335,761)
Impairments	0	0	0	0	0	0	0
Change in fair value recognized in equity	160,025	574,162	284,052	11,927	15,563	58,905	1,104,634
Currency translation differences	0	0	0	0	0	(494)	(494)
Other	(40,115)	0	0	0	0	39,726	(389)
Fair value at 31 December 2006	**4,094,199**	**1,786,454**	**1,419,420**	**199,724**	**178,445**	**135,828**	**7,814,070**

In March 2006, NPM/CNP acquired a 6.1% shareholding in EIFFAGE, number 6 in the construction and concession sectors in Europe. This investment represented an amount of EUR 308 million. In December 2006, this shareholding was disposed to CAISSE DES DEPÔTS ET CONSIGNATIONS, GROUPAMA, NATIXIS and EIFFAIME, company created by the managers of EIFFAGE. Thanks to this disposal, the Group has realized a gain of EUR 90 million.

In May 2006, TOTAL realized the spin-off of ARKEMA. This resulted in the distribution of 1 ARKEMA share for every 10 existing TOTAL shares.

End of June 2006, the Group acquired from SUEZ, 6,594,435 METROPOLE TELEVISION (M6) shares, representing 5% of company's capital, for an amount of EUR 162.9 million.

During the 2006 financial year, GBL increased his shareholding in SUEZ from 7.3% to 8%, acquiring 9.8 million SUEZ shares.

GBL was already shareholder of LAFARGE with a shareholding of 3.4 % end of 2005 and increased it to 15.9% in 2006. Moreover, end of 2006, GBL held a shareholding of 2.8 % in the capital of PERNOD RICARD.

2. Financial assets held for trading

The changes in fair value of the financial assets held for trading are booked in the income statement. These financial assets are considered as current assets because of their short-term nature in the context of the trading activities performed by certain Group entities. They are valued based on the closing stock price at the financial statements date.

,000 EUR	Equity instruments	Others	Total
Fair value at 31 December 2004	**141,606**	**28,293**	**169,899**
Acquisitions	145,640	915	146,555
Disposals	(173,195)	0	(173,195)
Change in fair value recognized in P&L	7,383	652	8,035
Currency translation differences	454	187	641
Other	0	(626)	(626)
Fair value at 31 December 2005	**121,888**	**29,421**	**151,309**
Acquisitions	46,891	0	46,891
Disposals	(83,730)	(28,921)	(112,651)
Change in fair value recognized in P&L	6,835	0	6,835
Currency translation differences	(1,098)	(500)	(1,598)
Other	(9)	0	(9)
Fair value at 31 December 2006	**90,777**	**0**	**90,777**

NOTE 20 – OTHER NON-CURRENT ASSETS

The other non-current assets are valued at fair value, which corresponds, most of the time, to their costs.

,000 EUR	2005	2006
Non-current receivables, advances, loans and deposits	**8,143**	**17,513**
Non-current trade receivables	0	10
Non-current interest bearing advances and deposits	8,143	17,503
Other non-current assets	**15,353**	**18,158**
Pension or post-retirement benefit assets	1,509	2,664
Guarantees and other deposits	2,810	2,979
Financial derivatives	0	386
Others	11,034	12,129
Total	**23,496**	**35,671**

Repayment schedule of non-current receivables, advances, loans and deposits at 31 December 2006

,000 EUR	< 1 year	Between the 1st and the 2nd year	Between 3rd and the 5th year	> 5th year	**Total**
Non-current trade receivables	0	0	0	10	10
Non-current interest bearing advances	450	450	3,989	750	5,639
Non-current loans and deposits	3,540	1,105	2,139	5,080	11,864
Total	**3,990**	**1,555**	**6,128**	**5,840**	**17,513**

NOTE 21 – INVENTORIES

,000 EUR	2005	2006
Raw material, consumables and spare parts	600,643	483,618
Work-in-progress	23,930	17,791
Finished goods and goods purchased for resale	359,105	347,536
Others	426	457
Total inventories (at cost)	**984,104**	**849,402**
Write-downs (-) on inventories:	(16,709)	(16,179)
Raw material, consumables and spare parts	(5,473)	(5,579)
Work-in-progress	(83)	(90)
Finished goods and goods purchased for resale	(11,153)	(10,510)
Net total inventories	**967,395**	**833,223**

The inventories include a large variety of components such as oil, coal, cheese, wine, perfume, chocolate, and so on. On 31st December 2006, the inventories mainly included crude oil used for TRANSCOR ASTRA GROUP activities and more specifically by US OIL. The decrease in the inventories is due to the fact that Pasadena inventories are not taken in the balance sheet anymore because of equity-accounting method adopted for PRSI from September 1, 2006.

Within each entity, procedures exist in order to control the inventory level and to ensure proper valuation. Write-downs are recognized on inventory items in order to reflect obsolescence, downgrading, expiry date of foodstuff and other similar factors.

The inventory costs recognized in the income statement of the 2006 financial year under the section “raw material, goods for resale and consumables used” amounted to EUR 11,532.3 million for 2006.

The amount of inventories pledged amounted to EUR 345.6 million on December 31st, 2006 and mainly relates to TRANSCOR ASTRA GROUP activities.

NOTE 22 – TRADE RECEIVABLES

The trade receivables are valued against their fair value, which corresponds usually to their nominal value less allowances for doubtful amounts.

,000 EUR	**2005**	**2006**
Trade receivables	946,173	1,003,218
Notes receivable	0	30
Total trade and notes receivable	**946,173**	**1,003,248**
Allowance for doubtful amounts	(17,387)	(16,656)
Net total trade and notes receivable	**928,786**	**986,592**

On December 31st, 2006, the trade receivables covered by an insurance policy amounted to EUR 296.5 million (mainly at ENTREMONT ALLIANCE) and the amount of the trade receivables subject to pledge was EUR 472.9 millions (mainly at TRANSCOR ASTRA GROUP).

The credit risk or the counterparty's risk is quite heterogeneous because of the diversity in the companies' activities that are part of the consolidation perimeter. Within each entity, specific internal procedures exist aiming at limiting the counterparty's risk through different means, such as diversification of the customers' portfolio and the follow-up of the amounts to be collected. For some subgroups, the counterparty's risk remains very limited, since payments are made directly by the customers upon purchase of the goods. This is the case for DISTRIPAR (PLANET PARFUM, VANPARYS, CLUB and BELGIAN SKY SHOPS).

NOTE 23 – SHORT TERM INTEREST BEARING ADVANCES

The interest-bearing advances are valued against fair value, which generally corresponds to their nominal value.

On December 31st, 2006, the interest bearing advances amount to EUR 421.5 million (EUR 133.1 million in 2005). The interest rates of these advances are reviewed periodically according to market conditions.

The increase in the short term interest bearing advances is mainly due to the presence of treasury mutual funds (SICAV) for an amount of EUR 254.6 million in this section.

NOTE 24 – CASH AND CASH EQUIVALENTS

The cash and cash equivalents are valued against fair value.

,000 EUR	**2005**	**2006**
Cash at bank and in hand	557,915	853,563
Short-term bank deposits	1,338,694	2,500,857
Total	**1,896,609**	**3,354,420**

On December 31st, 2006, the cash and cash equivalents amount to EUR 3,354.4 million of which EUR 2,500.9 million of short-term deposits (maturity shorter than 3 months).

NOTE 25 – OTHER CURRENTS ASSETS

,000 EUR	**2005**	**2006**
VAT and taxes other than income taxes	50,609	67,232
Income taxes	9,651	8,097
Prepaid expenses, accrued income and deferred charges	47,976	105,682
Receivable following the sale of securities (QUICK in 2006)	16,205	211,363
Financial derivatives	40,920	43,526
Others	72,010	108,037
Total	**237,371**	**543,937**

NOTE 26 – CAPITAL

In November 2006, every existing NPM/CNP share was split into six new shares; consequently, the number of shares representing the capital of NPM/CNP and the number of existing strips were multiplied by 6. The authorized capital of NPM/CNP is represented by 113.179.782 ordinary, subscribed and fully paid-in shares, without mention of nominal value. Each share gives right to a dividend and to a vote at the general meetings of the shareholders of the Company.

At December 31, 2006, the Group held 4.414.918 treasury shares, of which 3.972.600 held by COMPAGNIE IMMOBILIÈRE DE ROUMONT intended to cover the stock options plan granted to the personnel. At 31 December 2006, no stock options had been exercised. Details concerning these plans are presented in note 38.

NOTE 27 – PROVISIONS

For the year ended 31 December 2005

,000 EUR	Pending litigation	Environmental provisions	Restructuring provisions	Guarantees given on disposals of shareholdings or activities	Others (warranty,...)	Total
At 1 January 2005	**25,488**	**32,043**	**15,813**	**29,398**	**25,578**	**128,320**
Additional provisions in the period	4,680	220	9,709	0	2,029	16,638
Utilisation of provision	(7,167)	(3,371)	(8,039)	0	(7,303)	(25,880)
Amounts released	(3,883)	(200)	(2,897)	(2,486)	(850)	(10,316)
Acquisition through business combination	3,846	3,834	154	0	6,573	14,407
Discount factor	0	0	0	0	0	0
Currency translation difference	671	1,789	566	0	1,706	4,732
Others	(165)	4,400	(2,276)	0	6,363	8,322
At 31 December 2005	**23,470**	**38,715**	**13,030**	**26,912**	**34,096**	**136,223**
of which included in current liabilities	8,964	4,100	5,178	0	5,785	24,027
of which included in non-current liabilities	14,506	34,615	7,852	26,912	28,311	112,196

For the year ended 31 December 2006

,000 EUR	Pending litigation	Environmental provisions	Restructuring provisions	Guarantees given on disposals of shareholdings or activities	Others (warranty,...)	Total
At 1 January 2006	**23,470**	**38,715**	**13,030**	**26,912**	**34,096**	**136,223**
Additional provisions in the period	6,247	6,060	30,282	0	9,352	51,941
Utilisation of provision	(5,200)	(3,523)	(16,304)	(1,812)	(15,534)	(42,373)
Amounts released	(4,260)	(30)	(1,145)	(10,236)	(3,291)	(18,962)
Acquisition through business combination	3,216	2,605	0	0	5,249	11,070
Discount factor	0	0	0	0	0	0
Currency translation difference	(418)	(1,041)	179	0	(1,241)	(2,521)
Others	(3,684)	1,499	(1,692)	0	3,675	(202)
At 31 December 2006	**19,371**	**44,285**	**24,350**	**14,864**	**32,306**	**135,176**
of which included in current liabilities	8,222	3,683	4,044	0	8,218	24,167
of which included in non-current liabilities	11,149	40,602	20,306	14,864	24,088	111,009

The provisions for litigations are intended to cover various litigations related to the current businesses with customers, suppliers, tax authorities and other third parties.

The environmental provisions (or for sites repairing) are mainly intended to cover the cost of refitting the mining sites following mining extraction operations. These provisions, estimated for each IMERYS's quarry, are subject to an exhaustive review in the course of the financial year. Their valuation reflects the level and the actual expiry date of the liability at the closing date. The corresponding obligations have probable maturities between 2007 and 2011 for EUR 27.4 million, between 2012 and 2021 for EUR 13.8 million and after 2021 for EUR 2.9 million.

The restructuring provisions relate to reorganization plans announced and engaged before the end of the financial year. The accrued provisions for the restructuring of the Group activities and the other provisions have a probable expiry date ranging from 2007 to 2011.

The provisions for guarantees given on disposals of shareholdings and activities correspond primarily to guarantees given by GIB on the disposal of subsidiaries and activities (see note 36 item 3 for more information).

NOTE 28 – EMPLOYEE RETIREMENT AND POST-EMPLOYMENT BENEFIT OBLIGATIONS

1. Description of the pension plans and the post-employment benefits

Defined contribution plans:

For this kind of plan, the employer commits himself to allocate regular contributions to vehicles in charge of managing the plans (pension funds, insurance companies, financial institutions) on a mandatory (legal or statutory regulations) or on an optional basis (compensatory system at the initiative of the company) without any guarantee on the level of the benefits.

The amounts expensed are recognized in the course of the financial year in which they are due. The contributions for defined contribution plans amounted to EUR 8.6 million during the 2006 financial year (EUR 7.6 million in 2005).

Defined benefit plans :

The defined benefit plans are valued annually by independent experts. These plans can be funded through insurance companies, pension funds or separate entities.

For this type of plan, the employer guarantees the benefits the employees will obtain in the form of a lump sum payment or periodical payments, on a legal or contractual basis. Such plans mainly exist at NPM/CNP, DISTRIPAR, GROUPE FLO and within the group PARGESA (GBL, IMERYS). The post-employment benefits are granted by different Group companies based on the local practices. In the framework of pension funds settled to fund the defined benefit plans, no such plan has invested in NPM/CNP shares nor in any property used by the Company.

2. Key actuarial assumptions used for the calculation of defined benefit plans

	2005		2006	
In % at the end of the period	Min.	Max.	Min.	Max.
Discount rate	3.5%	5.5%	3.0%	5.3%
Expected return on plan assets	3.5%	6.7%	3.5%	7.0%
Expected rate of salary increases	2.0%	8.0%	2.5%	8.0%
Expected inflation rate	2.0%	2.8%	2.0%	2.0%
Expected rate of increase of medical costs	0.0%	6.3%	0.0%	8.9%
Average employee turnover	0.0%	0.0%	0.0%	22% (1)

(1) Relate to GROUPE FLO, active in a sector in with particularly high personnel turnover.

3. Amounts recognised in the balance sheet for defined benefit plans

,000 EUR	**2005**	**2006**
Present value of funded obligations (-)	(522,550)	(484,078)
Fair value of plan assets	449,386	456,693
(Deficit)/surplus in funded plans	**(73,164)**	**(27,385)**
Present value of unfunded obligations (-)	(49,357)	(45,183)
Net actuarial gains or losses not recognised in the balance sheet	15,486	(13,965)
Past service cost not recognised in the balance sheet	(492)	(280)
Amount not recognised as an asset because of the limit in paragraph 58(b)	(7,647)	(8,443)
Fair value at the balance sheet date of any reimbursement right recognised as an asset accord. to 104A (2)	0	0
Other amounts recognised in the balance sheet	0	(39)
Net Liability/(asset) recognised in balance sheet	**(115,174)**	**(95,295)**
as non-current liability	(116,683)	(97,958)
as current liability	0	0
as non-current assets	1,509	2,664
as current assets	0	0

(2) When - and only when - it is virtually certain that another party will reimburse some or all of the expenditure required to settle a defined benefit obligation, an entity shall recognise its right to reimbursement as a separate asset and the asset shall be measure at fair value.

4. Change in the present value of the obligation

Unfunded and wholly or partly funded obligations

,000 EUR	2005	2006
Present value of obligation at 1 January (-)	**(442,303)**	**(571,907)**
Interest cost	(24,300)	(25,235)
Current service cost	(11,249)	(9,344)
Past service costs	(5,167)	1,933
Benefits paid	23,006	25,518
Contributions by plan participants	(1,590)	(1,688)
Foreign currency exchange rate changes on plans measured in a currency different from presentation currency	(14,869)	20,679
Changes due to curtailments/settlements	318	5,118
Changes due to business combinations and disposals	(43,290)	(2,060)
Actuarial losses/(gains) on obligation	(52,463)	27,725
Present value of obligation at 31 December (-)	**(571,907)**	**(529,261)**

Unfunded obligations

,000 EUR	2005	2006
Present value of obligation at 1 January (-)	**(36,875)**	**(49,357)**
Interest cost	(1,662)	(1,633)
Current service cost	(1,366)	(1,237)
Past service costs	(29)	9
Benefits paid	2,261	2,505
Contributions by plan participants	0	0
Foreign currency exchange rate changes on plans measured in a currency different from presentation currency	(1,075)	3,050
Changes due to curtailments/settlements	(379)	1,818
Changes due to business combinations and disposals	(8,095)	(2,668)
Actuarial losses/(gains) on obligation	(2,137)	2,330
Present value of obligation at 31 December (-)	**(49,357)**	**(45,183)**

Wholly or partly funded obligations

,000 EUR	2005	2006
Present value of obligation at 1 January (-)	**(405,428)**	**(522,550)**
Interest cost	(22,639)	(23,602)
Current service cost	(9,883)	(8,107)
Past service costs	(5,138)	1,924
Benefits paid	20,746	23,013
Contributions by plan participants	(1,590)	(1,688)
Foreign currency exchange rate changes on plans measured in a currency different from presentation currency	(13,794)	17,629
Changes due to curtailments/settlements	697	3,300
Changes due to business combinations and disposals	(35,195)	608
Actuarial losses/(gains) on obligation	(50,326)	25,395
Present value of obligation at 31 December (-)	**(522,550)**	**(484,078)**

5. Change in fair value of plan assets

,000 EUR	2005	2006
Fair value of plan assets at 1 January	**354,587**	**449,386**
Expected return on plan assets	28,387	28,846
Contributions by the employer	17,996	19,298
Contributions by plan participants	1,590	1,688
Benefits paid	(19,060)	(27,855)
Foreign currency exchange rate changes on plans measured in a currency different from presentation currency	11,145	(15,309)
Changes due to curtailments/settlements	(133)	(1,411)
Changes due to business combinations and disposals	25,803	(2,011)
Actuarial (gains)/losses on plan assets	29,071	4,061
Fair value of plan assets at 31 December	**449,386**	**456,693**

6. Change in any reimbursement right recognised as asset by the Group in accordance with paragraph 104A (see (2) page 121)

,000 EUR	2005	2006
Fair value of reimbursement right at 1 January	**0**	**0**
Expected return on plan assets	0	0
Contributions by the employer	0	0
Contributions by plan participants	0	0
Benefits paid	0	0
Foreign currency exchange rate changes on plans measured in a currency different from presentation currency	0	0
Changes due to curtailments/settlements	0	0
Changes due to business combinations and disposals	0	0
Actuarial (gains)/losses on plan assets	0	0
Fair value of reimbursement right at 31 December	**0**	**0**

7. Amount recognized in the income statement and related analysis

,000 EUR	2005	2006
Current service cost	(10,985)	(8,952)
Interest cost	(24,122)	(25,503)
Expected return on plan assets	24,777	28,846
Expected return on reimbursement right recognised as an asset in accordance with 104A	0	0
Actuarial gains/(losses) recognised during the year	(348)	1,233
Past service costs	(424)	(220)
Effect of any curtailment or settlement	978	6,747
Effect of the limit in paragraph 58(b)	0	(3,152)
Net expense recognised in profit or loss	**(10,124)**	**(1,001)**

8. Actual return on plan assets

,000 EUR	2005	2006
Expected return on plan assets	24,777	28,846
Actuarial gain/(loss) on plan assets	682	(88)
Actual return on plan assets	**25,459**	**28,758**

9. Major category of assets

,000 EUR	2005	2006
European stocks	209,367	224,065
North American stocks	47,546	44,720
European bonds	87,688	103,969
North American bonds	18,425	16,774
Short term deposits and cash equivalents	26,410	24,392
Others	59,950	42,773
Fair value of plan assets at 31 December	**449,386**	**456,693**

10. Amounts for the last five years

,000 EUR	2002	2003	2004	2005	2006
Present value of funded obligations (-)	n.a.	(405,161)	(424,293)	(571,907)	(529,261)
Fair value of plan assets	n.a.	306,825	328,596	449,386	456,693
(Deficit)/surplus in funded plans	**n.a.**	**(98,336)**	**(95,697)**	**(122,521)**	**(72,568)**
Adjustments on obligations	n.a.	-	-	-	-
Adjustments on assets	n.a.	-	-	-	-

NOTE 29 – OBLIGATIONS UNDER FINANCE LEASE

The contracts classified under finance lease are contracts where it was established that the lessee supports substantially all the risks and rewards linked to the property of an asset. The respective obligations are recognized in the balance sheet based on their current value after deduction of the financial expenses to incur over the duration of the contract. The original cost of the leased assets is the lowest between the fair value of the asset and the net present value of the future minimal lease payments.

The maturity of the obligations under finance lease is as follows:

	Present value of minimum finance lease payments	
,000 EUR	**2005**	**2006**
Within one year	7,147	5,756
In the second to the fifth year inclusive	20,039	16,249
After five years	9,259	8,808
Total lease obligations	**36,445**	**30,813**
Less : future finance charges	(3,164)	(2,581)
Present value of finance lease obligations	**33,281**	**28,232**
Less : amount due for settlement within 12 months	(6,352)	(5,056)
Amount due for settlement after 12 months	**26,929**	**23,176**

At December 31, 2006, financial lease obligations include mainly buildings held under financial lease for EUR 19.2 million and production installations for EUR 7.2 million mainly within UNIFEM/ENTREMONT ALLIANCE and GROUPE FLO.

The interest rates range between 3.20% and 7.80% in 2005 and between 3.80% and 7.80% in 2006.

NOTE 30 – BORROWINGS AND OVERDRAFTS

Other non-current financial liabilities

	2005		
	Interest rates		Carrying
,000 EUR except interest rates	Min.	Max.	amount
Bank loans	3.00%	5.20%	826,395
Bonds issued	3.40%	6.00%	412,133
Convertible and exchangeable loans	2.95%	2.95%	183,114
Minority shareholders' advances	2.40%	2.40%	6,965
Others	2.50%	2.50%	3,762
Total			**1,432,369**

	2006		
	Interest rates		Carrying
,000 EUR except interest rates	Min.	Max.	amount
Bank loans	3.60%	5.34%	935,865
Bonds issued	3.40%	6.00%	392,933
Convertible and exchangeable loans	3.31%	3.64%	340,177
Minority shareholders' advances	3.50%	3.50%	7,325
Others	2.25%	2.25%	5,070
Total			**1,681,370**

The bank loans include primarily a financing EUR 650.0 million with maturity October 2013; the fair value of this one amounts to EUR 631.4 million at the end of 2006. This loan bears interest at 3.38% and is guaranteed, at December 31, 2006, by current assets for a similar amount.

The bonds issued relate mainly to listed and non-listed bonds issued by IMERYS, the value of which amounted to at December 31, 2006 (in NPM/CNP share) EUR 392.9 million, compared to fair value of EUR 400.5 million. These loans are expressed in different currencies (USD, JPY and EUR) and have fixed rates ranging between 3.40% and 6.00%.

The convertible and exchangeable loans include an emission by GBL on April 27, 2005, of a nominal amount for EUR 435 million (or EUR 194.7 million presented here) of exchangeable loans in 5,000,000 GBL shares. This financial instrument, listed on the Luxembourg stock exchange, offers a coupon of 2.95% and will be reimbursed at par value on April 27, 2012 (7 years), if it were not exchanged in GBL shares. In the financial statements of the Group, this financial liability of EUR 435 million has a fair value of EUR 407 million (EUR 182.2 million here), the difference corresponds to the option value sold to the bondholders and to the transaction costs. The conversion price amounts to EUR 87 and the obligations are anticipatively exchangeable from May 11, 2008 with a setting off threshold to 130%. The effective yearly interest rate amounts to 3.64%.

During April 2006, PARGESA issued a PARGESA exchangeable bond at bearer for an amount of CHF 600 million, and a PARGESA exchangeable bond in nominative shares for an amount of CHF 60 million. The exchangeable bond at bearer is listed. It will be reimbursed at par value if it will not be exchanged before maturity. The conversion price was established at CHF 159.72 for the shares at bearer and CHF 15.972 for the nominative shares, except usual adjustment clauses. The obligations will be reimbursed anticipatively based on the option of the issuer from April 27, 2009 with a setting off threshold to 130%. In accordance with the standard IAS 32, the debt part and the equity part of the bond was separated. The equity part for CHF 57.9 million is booked in the equity. The fair value of the PARGESA bond is CHF 729.3 million at December 31, 2006. The effective yearly interest rate amounts to 3.31%.

Current financial liabilities

	2005		
	Interest rates		Carrying
,000 EUR except interest rates	Min.	Max.	amount
Bank short term borrowings and overdrafts	2.50%	4.75%	458,592
Current portion of bank borrowings and overdrafts	2.75%	3.75%	410,118
Other current financial liabilities	2.75%	3.92%	33,450
Total			**902,160**

	2006		
	Interest rates		Carrying
,000 EUR except interest rates	Min.	Max.	amount
Bank short term borrowings and overdrafts	3.50%	4.76%	1,023,007
Current portion of bank borrowings and overdrafts	3.65%	4.17%	332,392
Other current financial liabilities	3.92%	4.94%	81,380
Total			**1,436,779**

Payment schedule of financial liabilities

	2005			
,000 EUR	On demand < 1 year	In the 2nd to the 5th year	> 5th year	Total > 1 an
Other non-current financial liabilities	0	77,012	1,355,357	1,432,369
Other current bank loans and overdrafts	868,710	0	0	0
Other current financial liabilities	33,450	0	0	0
Total	**902,160**	**77,012**	**1,355,357**	**1,432,369**

	2006			
,000 EUR	On demand < 1 year	In the 2nd to the 5th year	> 5th year	Total > 1 an
Other non-current financial liabilities	0	370,413	1,310,957	1,681,370
Other current bank loans and overdrafts	1,355,399	0	0	0
Other current financial liabilities	81,380	0	0	0
Total	**1,436,779**	**370,413**	**1,310,957**	**1,681,370**

The Group's debt is at fixed or at floating rate depending the case. In case of variable floating rate, the different entities can hedge the interest rate risk by entering into swap and other similar agreements (please refer to note 33 on derivative financial instruments). On December 31st, 2006, the Group's companies had unused credit lines. This is the case for TRANSCOR ASTRA GROUP (unused credit line of EUR 895 million which comes to maturity during the year) and for the Group PARGESA (unused credit line of EUR 2,244 million of which some 70% come to maturity in a timeframe of 3 to 5 years).

NOTE 30 – BORROWINGS AND OVERDRATS

Analysis by currency

	2005				
,000 EUR	**Euro**	**CHF**	**GBP**	**US Dollar**	**Other currencies**
Long-term obligations under finance lease	24,372	2,161	0	396	0
Other non-current financial liabilities	1,306,888	53,552	21	71,908	0
Current portion of long-term obligations under finance lease	5,815	0	397	139	0
Other current bank loans and overdrafts	459,433	18,312	2,962	388,002	0
Other current financial liabilities	22,061	4,925	2,200	4,264	0
Total	**1,818,570**	**78,950**	**5,581**	**464,710**	**0**
					2,367,810

	2006				
,000 EUR	**Euro**	**CHF**	**GBP**	**US Dollar**	**Other currencies**
Long-term obligations under finance lease	20,570	0	1,745	861	0
Other non-current financial liabilities	1,511,476	151,622	301	12,327	5,644
Current portion of long-term obligations under finance lease	4,245	0	432	379	0
Other current bank loans and overdrafts	1,028,236	16,331	0	275,990	34,842
Other current financial liabilities	22,580	0	4,596	49,736	4,468
Total	**2,587,107**	**167,953**	**7,074**	**339,293**	**44,954**
					3,146,381

NOTE 31 – OTHER CURRENT FINANCIAL LIABILITIES

,000 EUR	**2005**	**2006**
Derivative financial liabilities	19,553	44,921
Other financial liabilities	13,897	36,459
Total	**33,450**	**81,380**

NOTE 32 – OTHER CURRENT LIABILITIES

,000 EUR	**2005**	**2006**
Social debtors	145,047	259,528
Accrued charges and deferred income	13,351	10,067
Taxes payable other than income tax	11,654	20,823
Other amounts payable	108,124	215,737
Total	**278,176**	**506,155**

1. Fair value of current and non-current financial derivatives

The fair value of the derivative financial instruments represents the estimated amounts which would have been collected by the Group's companies on the closing date, if the settlement were to their benefit or which would have to be paid by the Group when the settlement of the transaction were to their disadvantage. The fair value is the amount for which an asset can be traded between well informed and non-related parties who are willing to trade.

The fair value of the equity instruments of listed companies is determined on the basis of the stock market price at the closing date. When there is no active market for a specific financial instrument, the Group determines the fair value by means of valuation techniques which are based on the existing market data.

Instruments not qualifying for hedge accounting are considered as trading instruments. In order to apply hedge accounting and to test the effectiveness of the hedging transactions, the Group's shareholdings have developed prospective and retrospective tests.

The Group uses derivative financial instruments to hedge risks linked to interest rates, exchange rates and fluctuations in raw material prices (crude oil, coal, milk and others).

	Assets components		Liabilities components		Net position	
,000 EUR	**2005**	**2006**	**2005**	**2006**	**2005**	**2006**
Currency forwards, futures and swaps	77	760	(1,247)	(542)	(1,170)	218
Interest rate swaps	26,668	26,404	(11,266)	(21,893)	15,402	4,511
Interest rate and currency swaps	0	277	0	0	0	277
Futures and options on commodities	0	1,573	(51,595)	(29,165)	(51,595)	(27,592)
Interest forwards and futures	0	283	0	0	0	283
Interest options	2,576	24	(1,083)	0	1,493	24
Others (stock options, various)	153	14,591	(15,223)	(43,048)	(15,070)	(28,457)
Total derivative financial instruments	**29,474**	**43,912**	**(80,414)**	**(94,648)**	**(50,940)**	**(50,736)**

The interest rate swaps include an interest rate swap concluded by GBL, in 2005, to fix the financing cost of a non-current financial liability maturing in January 2013. The underlying amount is EUR 500 million (EUR 223.8 million in NPM/CNP accounts) and the valorisation of this financial instrument at fair value amounts to EUR 17 million (EUR 7.6 million here) was booked in the income statement.

To finance its activity or its acquisitions, the ENTREMONT ALLIANCE Group borrows from banks or on the financial markets. These financings are mainly at floating rate. The Group undertook to lead a hedging policy to cover all its interest rate risks related to its floating rate debt with interest rate swaps and caps. The Group also covers its foreign exchange position relating to transactions with the United States, China and Middle-East and expressed in USD.

Futures and options on commodities are assimilated to fair value hedge and mainly include futures and options on oil products with settlement dates in 2007 in the framework of the commercial operations of TRANSCOR ASTRA GROUP. The positions are marked-to-market based on NYMEX (New York Mercantile Exchange) and IPE (International Petroleum Exchange) market prices. The Group also uses forward contracts to hedge its positions against CHF and CAD fluctuations.

The liability component on the line « others » include TOTAL call options issued by KERMADEC, a 100%-subsidiary of NPM/CNP; the options can be exercised until January 2009. After TOTAL share split and the ARKEMA spin-off, each option bears on 4 TOTAL shares and 0.1 ARKEMA share. The main features of these options are the followings, taking into account the different adjustment factors:

	Number of options	Exercise price	Maturity
1st part	1,252,649	EUR 264.44	October 2008
2nd part	1,252,671	EUR 284.39	January 2009

The valorisation of this financial instrument at fair value amounts to EUR 18.6 million in the consolidated financial statements as of December 31st, 2006. These options are not in the money at the end of the year.

NOTE 33 – DERIVATIVE FINANCIAL INSTRUMENTS

In 2006, GBL also issued options. These options are not « in the money » at December 31st, 2006. The main features of these options are the followings:

	TOTAL	ARKEMA	LAFARGE
Underlying amount (EUR million)	507.2	47.4	104.8
Maturity	2009	2008	2007
Type	Call	Call	Put

For risk management, please refer to pages 28 to 31.

2. Variation in the net position in the balance sheet

,000 EUR	2005	2006
At 1 January - net position of financial derivatives	**(58,119)**	**(50,940)**
Increase/(decrease) through the profit and loss account	2,000	35,807
Increase/(decrease) through the hedging reserve	(1,386)	2,053
Changes due to business combinations	6,565	(509)
Exchange differences	0	(178)
Issue of new investments and others	0	(36,969)
At 31 December - net position of financial derivatives	**(50,940)**	**(50,736)**

3. Total amount of the change in fair value estimated that was recognised in profit and loss during the period

During the period, the Group booked EUR 35.8 million of change in fair value of which the main part was assimilated to fair value hedge (mainly at TRANSCOR ASTRA GROUP).

4. Maturity of financial derivative instruments linked to cash flow hedge as of December 31st , 2006

,000 EUR	< 1 year	In the 2nd year	In the 3rd to the 5th year	> 5th year	Total
Currency forwards, futures and swaps	357	0	0	0	**357**
Interest rate swaps	0	70	212	80	**362**
Interest rate and currency swaps	0	0	277	0	**277**
Futures and options on commodities	(2,085)	0	0	0	**(2,085)**
Interest forwards and futures	0	0	0	0	**0**
Interest options	24	0	0	0	**24**
Others (stock options, various)	0	0	0	0	**0**

5. Maturity of financial derivative instruments linked to other financial derivatives as of December 31st , 2006 (fair value hedge,…)

,000 EUR	< 1 year	In the 2nd year	In the 3rd to the 5th year	> 5th year	Total
Currency forwards, futures and swaps	(139)	0	0	0	**(139)**
Interest rate swaps	1,673	1,221	0	1,255	**4,149**
Interest rate and currency swaps	0	0	0	0	**0**
Futures and options on commodities	(25,507)	0	0	0	**(25,507)**
Interest forwards and futures	283	0	0	0	**283**
Interest options	0	0	0	0	**0**
Others (stock options, various)	(9,867)	(18,590)	0	0	**(28,457)**

6. Maturity of financial derivatives : underlying amount

,000 EUR	< 1 year	In the 2nd year	In the 3rd to the 5th year	> 5th year	**Total**
Currency forwards, futures and swaps	134,156	0	0	0	**134,156**
Interest rate swaps	157,969	36,339	295,526	454,430	**944,264**
Interest rate and currency swaps	0	0	0	0	**0**
Futures and options on commodities	(458,463)	0	0	0	**(458,463)**
Interest forwards and futures	362,467	0	0	0	**362,467**
Interest options	165,069	258,508	271,850	0	**695,427**
Others (stock options, various)	0	0	0	650,000	**650,000**

NOTE 34 – BASIC AND DILUTED EARNINGS PER SHARE

NPM/CNP computes in its annual financial statements the net basic earnings per share and the net diluted earnings per share. The net basic earnings per share is equal to the net result (Group share) divided by the weighted average outstanding number of shares during the period (excluding own shares). Since NPM/CNP granted options to his personnel, the diluted weighted average number of shares is calculated in accordance with the requirements of IAS 33.

From continuing and discontinued operations

	2005	**2006**
Weighted average number of ordinary shares for the purpose of basic earning per share	108,979	109,018
Effect of dilutive potentiel ordinary shares :	1,914	2,550
• Share options	1,914	2,550
• Others	0	0
Weighted average number of ordinary shares for the purpose of diluted earning per share	110,893	111,568

,000 EUR	**2005**	**2006**
Net profit (Group share) basic	600,649	912,386
Effect of dilutive potential ordinary shares :	0	0
• Interests on convertible loan notes (net of tax)	0	0
• Others	0	0
Net profit (Group share) diluted	600,649	912,386

EUR/share	**2005**	**2006**
Earnings per share - basic	5.51	8.37
Earnings per share - diluted	5.42	8.18

Continuing operations

,000 EUR	**2005**	**2006**
Net profit attributable to equity holders of the parent	600,649	912,386
Adjustement to exclude net result for the period from discontinued operations	(362,109)	(455,430)
Basic net profit attributable to equity holders of the parent from continuing operations	**238,540**	**456,956**
Effect of dilutive potential ordinary shares	0	0
Diluted net profit attributable to equity holders of the parent from continuing operations	**238,540**	**456,956**

EUR/share	**2005**	**2006**
Earnings per share from continuing operations - basic	2.19	4.19
Earnings per share from continuing operations - diluted	2.15	4.10

Discontinued operations

EUR/share	**2005**	**2006**
Earnings per share from discontinued operations - basic	3.32	4.18
Earnings per share from discontinued operations - diluted	3.27	4.08

NOTE 35 – DIVIDEND

The board of directors will propose to the general meeting of shareholders on April 19, 2007, for the 2006 financial year, the distribution of a gross dividend of EUR 0.68 per share. This dividend proposal has not been booked as a liability in the financial statements that are presented here. The total dividend will amount EUR 76.9 million.

Dividend paid to NPM/CNP shareholders during the financial year

,000 EUR	**2005**	**2006**
Dividend paid during the financial year	71,400	72,058
Reduced by the dividend on treasury shares	(6,592)	(2,598)
Dividend paid during the financial year (excl. Dividend on treasury shares)	**64,808**	**69,460**

NOTE 36 – CONTIGENT ASSETS AND LIABILITIES

1. NPM/CNP and its subsidiaries have granted to (or obtained from) third parties, under specific circumstances, tag-along rights, preemptive rights, rights to buy or to sell some shareholdings.

   In particular, within the framework of the 1990 agreement - renewed in 1996 - between the FRÈRE-BOURGEOIS-NPM/CNP and POWER with respect to the joint control of PARGESA HOLDING S.A., the partners acknowledged the following mutual rights and commitments: in case of the loss of control by the FRÈRE-BOURGEOIS-NPM/CNP Group or by the POWER Group of PARJOINTCO N.V. or, should that company be liquidated, of the companies to which ownership of the PARGESA shares will be transferred, subject to settlement by arbitration, the defaulting Group will grant an option to the other Group to acquire the shareholding in PARGESA held by PARJOINTCO N.V. or by companies of the defaulting Group, at the stock market price at the time of arbitration settlement for PARGESA shares and at the issue price for any other PARGESA security.

   In addition, NPM/CNP and MARKAS HOLDING (company controlled by Mr Bernard ARNAULT) acquired trough a joint subsidiary, CARSPORT, CHÂTEAU CHEVAL BLANC, the famous Saint-Emilion estate; regarding this shareholding, the partners granted each other reciprocal rights to sell or to purchase CARSPORT shares in case of changes in the controlling shareholders' structure.

2. In the context of the disposal of several shareholdings, NPM/CNP had to make some representations and give some warranties to buyers mainly in terms of net assets of companies that were sold; these warranties are capped and concern HÉLIO CHARLEROI, DUPUIS and PROJECT SLOANE / JOSEPH.

   Upon printing this document, the Company had not been informed of any significant claim that could result in a cash outflow for the Company. Depending on the occurrence of some future events, the NPM/CNP Group might cash, in 2006 or later, additional amounts on some shareholdings sold during previous financial years; the Company does not expect these amounts to be significant.

3. Upon acquiring 50% of the GIB group, the NPM/CNP Group has taken over 50% of GIB's off balance sheet commitments, which can be summarized as follows (expressed as NPM/CNP's share) as of December 31st, 2006:

   - warranties given on sale of BRICO : EUR 26.5 million (until 2007)
   - warranties on sale of INNO: unlimited amounts for tax liabilities (until 2007)

   A provision amounting to EUR 14.9 million in the accounts as of 31 December 2006 is intended to cover those risks.

4. At December 31st, 2006, the Group has concluded various investment commitments for some EUR 156 million of which the main ones are related to GRUPPO BANCA LEONARDO (subscription to the second capital increase for EUR 72 million) and the Group TIKEHAU (EUR 35 million).

5. TRANSCOR ASTRA GROUP has been granted by PETROBRAS a right to sell, under some specific circumstances, its remaining shareholding in PASADENA REFINING SYSTEM. The exercise price of this option varies in function of certain conditions that give right to them.

NOTE 37 – GOVERNMENT GRANTS

Government grants are originally recognized in the balance sheet under other non-current liabilities or in some cases in reduction of the tangible fixed assets they finance; they are subsequently released to income statement under other operating income.

In 2006, the government grants recognized in the balance sheet and in the income statement amounted to EUR 6.3 million and EUR 1.3 million respectively ; these amounts mainly originate in UNIFEM/ENTREMONT ALLIANCE and IMERYS.

NOTE 38 – SHARE BASED PAYMENTS

In accordance with *IFRS 2 – Share Based Payments*, the fair value of the options at grant date is recognized in the income statement over the vesting period. The options are valuated by means of a generally accepted valuation model (BLACK & SCHOLES) taking into account the market situation (exchange rates, volatility, interest rates…) at grant date.

In 2006, the total expense for the Group in connection with option plans recognized as personnel cost, amounted to EUR 5.7 million. The most important part relates to the stock option plans of NPM/CNP and of the PARGESA Group, for which respectively EUR 2.6 million and EUR 2.7 million were expensed in 2006.

Stock option plans within NPM/CNP

	2005		2006	
	Number of d'options	Exercise price EUR	Number of d'options	Exercise price EUR
Outstanding at the beginning of the period	**3,972,600**	**16.67**	**3,972,600**	**16.67**
Granted during the period	0	**0.00**	0	0.00
Cancelled during the period	0	**0.00**	0	0.00
Exerced during the period	0	**0.00**	0	0.00
Expired during the period	0	**0.00**	0	0.00
Outstanding at the end of the period	**3,972,600**	**16.67**	**3,972,600**	**16.67**

	Number	Exercise price (EUR)	Maturity	Beginning of exercise period
NPM/CNP	993,150	16.67	3/12/2013	(1)1/01/2007
NPM/CNP	993,150	16.67	3/12/2013	30/06/2007
NPM/CNP	1,986,300	16.67	3/12/2013	30/06/2009
Total	**3,972,600**			

(1) Rights acquired on June 30, 2006

The options value for NPM/CNP was established, during their attribution, based on the following assumptions:

%	
Expected volatility	20.0%
Dividends expected growth rate	5.0%
Personnel turnover	0.0%
Risk free interest rate	4.5%

NOTE 38 – SHARE BASED PAYMENTS

Major stock option plans within NPM/CNP subsidiaries

Stock options plans have been implemented mainly within the PARGESA Group:

1) Stock option plan within PARGESA HOLDING

Within PARGESA HOLDING, 100,000 options on IMERYS shares remain unexercised as of 12.31.2006; they mature on June 30, 2009 and have an exercise price of EUR 30.575 per share.

2) Stock option plan within GBL

Within GBL, a stock option plan on GBL shares and on PARGESA shares was subscribed by the personnel members in 1999. The plan duration was initially 10 years but was extended until June 30, 2012. The GBL option exercise price (EUR 32.78 per share) was in line with the last closing price preceding the offer and the plan originally included 1,248,250 GBL options, of which 250,165 had not yet been exercised as of December 31st, 2006. The PARGESA option exercise price PARGESA (CHF 46.76 per share) was in line with the average price during the 30 days preceding the offer and the plan originally included 575,000 options, of which 225,000 had not yet been exercised as of December 31st, 2006.

3) Stock option plan within IMERYS

IMERYS has put in place a stock option plan in favour of some managers and employees of the Group.

The right to exercise the related options is vested after 3 years after to the attribution date; the plan has a maximum duration of 10 years.

At December 31st, 2006, a total of 2,989,870 options on IMERYS shares had not yet been exercised. These stock options have an exercise price ranging from EUR 24.73 to EUR 68.27 and mature between 2007 and 2011. In the course of the 2006 financial year, 637,755 options were exercised, each of them giving right to one IMERYS share.

NOTE 39 – INTERESTS IN JOINT VENTURES

At the end of 2006, the shareholdings in joint ventures represent the interests of the Group in AGESCA, GIB, GROUPE FLO, the PARGESA Group, RASPAIL, RIEUSSEC and TRASYS.

The joint ventures are integrated in the consolidated financial statements according to the proportional consolidation method.

,000 EUR	**2005**	**2006**
Assets held in Joint Ventures :	**7,245,704**	**9,937,367**
Current assets	6,436,710	7,695,116
Non-current assets	808,994	2,242,251
Liabilities held in Joint Ventures :	**1,649,599**	**1,874,511**
Current liabilities	1,050,530	1,161,308
Non-current liabilities	599,069	713,203
Profit and loss of Joint Ventures :	**195,104**	**882,257**
Income	2,009,264	1,899,621
Expenses	(1,814,160)	(1,017,364)
Cash flow of Joint Ventures :	**(75,001)**	**687,462**
from operating activities	468,187	(71,207)
from financing activities	(619,726)	764,334
from investing activities	76,538	(5,665)

Accordingly to IFRS 5 – Non-current Assets Held For Sale and Discontinued Operations, the result on the disposal of an entity (shareholding), as well as the net result realized by the entity during the period preceding the disposal, are booked on a separate line of the income statement. The income statement for the year 2005 was restated to comply with IFRS 5.

,000 EUR		**2005**	**2006**
Capital gain or loss on disposal of discontinued operations		**317,240**	**1,205,177**
Tax on disposal of discontinued operations		0	0
Net capital gain/(loss) on disposal of discontinued operations	**(1)**	**317,240**	**1,205,177**
Turnover (sales)		340,385	217,787
Other operating income		5,766	2,459
Changes in inventories		(2,301)	1,082
Raw materials, goods for resale and consumables used		(205,981)	(137,090)
Staff costs		(71,073)	(44,980)
Depreciation expenses		(18,186)	(11,656)
Amortization expenses		(204)	(79)
Gains/(losses) and impairments on shareholdings and activities		(217)	(3)
Other operating expenses		(19,926)	(5,606)
Dividends and interests from available-for-sale investments		17,328	21,492
Dividends from current assets held for trading		0	0
Interest income from current assets		520	209
Interest expenses		(4,068)	(1,176)
Gains/(losses) on financial trading (including derivatives)		0	(381)
Other financial income/(expenses)		(30)	0
Income from associates		103,425	27,892
Minority interests		42	0
Profit/(loss) before income tax of the discontinued operations (excl. capital gains)		**145,480**	**69,951**
Tax expense on profit/(loss) from the ordinary activities of the discontinued operations		(8,546)	(6,226)
Net profit/(loss) after tax of the discontinued operations (excl. capital gains)	**(2)**	**136,934**	**63,725**
Net profit/(loss) from discontinued operations (1) + (2)		**454,174**	**1,268,902**

In 2006, the net result of the discontinued operations includes the realized gains on the disposal of BERTELSMANN (BAG), QUICK RESTAURANTS and ORIOR FOOD as well as the share in the net result of BERTELSMANN, QUICK RESTAURANTS and ORIOR FOOD during the period preceding the disposal.

Detailed income statement of the discontinued operations:

	31/12/2005					
,000 EUR	TAITTINGER LOUVRE	JOSEPH	QUICK	BAG	ORIOR	Total
Capital gain or loss on disposal of discontinued operations	**274,979**	**42,261**	**0**	**0**	**0**	**317,240**
Tax on disposal of discontinued operations	0	0	0	0	0	0
Net capital gain/(loss) on disposal of discontinued operations	**274,979**	**42,261**	**0**	**0**	**0**	**317,240**
Turnover (sales)	0	27,048	227,751	0	85,586	340,385
Other operating income	0	1,238	4,122	0	406	5,766
Changes in inventories	0	(1,872)	(281)	0	(148)	(2,301)
Raw materials, goods for resale and consumables used	0	(11,815)	(148,209)	0	(45,957)	(205,981)
Staff costs	0	(4,988)	(46,978)	0	(19,107)	(71,073)
Depreciation expenses	0	(742)	(13,164)	0	(4,280)	(18,186)
Amortization expenses	0	(4)	(111)	0	(89)	(204)
Gains/(losses) and impairments on shareholdings and activities	0	(1)	(216)	0	0	(217)
Other operating expenses	0	(6,868)	(2,080)	0	(10,978)	(19,926)
Dividends and interests from available-for-sale investments	0	0	0	17,316	12	17,328
Dividends from current assets held for trading	0	0	0	0	0	0
Interest income from current assets	0	26	494	0	0	520
Interest expenses	0	(1,306)	(1,833)	0	(929)	(4,068)
Gains/(losses) on financial trading (including derivatives)	0	0	0	0	0	0
Other financial income/(expenses)	0	0	0	0	(30)	(30)
Income from associates	3,918	0	617	98,890	0	103,425
Minority interests	0	42	0	0	0	42
Profit/(loss) before income tax of the discontinued operations (excl. capital gains)	**3,918**	**758**	**20,112**	**116,206**	**4,486**	**145,480**
Tax expense on profit/(loss) from the ordinary activities of the discontinued operations	0	(1,319)	(6,480)	0	(747)	(8,546)
Net profit/(loss) after tax of the discontinued operations (excl. capital gains)	**3,918**	**(561)**	**13,632**	**116,206**	**3,739**	**136,934**
Net profit/(loss) from discontinued operations (1) + (2)	**278,897**	**41,700**	**13,632**	**116,206**	**3,739**	**454,174**

NOTE 40 – DISCONTINUED OPERATIONS

,000 EUR	31/12/06 QUICK	BAG	ORIOR	Total
Capital gain or loss on disposal of discontinued operations	**150,378**	**1,054,538**	**261**	**1,205,177**
Tax on disposal of discontinued operations	0	0	0	0
Net capital gain/(loss) on disposal of discontinued operations	**150,378**	**1,054,538**	**261**	**1,205,177**
Turnover (sales)	176,575	0	41,213	217,787
Other operating income	2,196	0	263	2,459
Changes in inventories	868	0	215	1,082
Raw materials, goods for resale and consumables used	(114,640)	0	(22,450)	(137,090)
Staff costs	(35,612)	0	(9,368)	(44,980)
Depreciation expenses	(9,621)	0	(2,036)	(11,656)
Amortization expenses	0	0	(79)	(79)
Gains/(losses) and impairments on shareholdings and activities	0	0	(3)	(3)
Other operating expenses	(131)	0	(5,475)	(5,606)
Dividends and interests from available-for-sale investments	0	21,492	0	21,492
Dividends from current assets held for trading	0	0	0	0
Interest income from current assets	209	0	0	209
Interest expenses	(1,176)	0	0	(1,176)
Gains/(losses) on financial trading (including derivatives)	0	0	(381)	(381)
Other financial income/(expenses)	0	0	0	0
Income from associates	582	27,310	0	27,892
Minority interests	0	0	0	0
Profit/(loss) before income tax of the discontinued operations (excl. capital gains)	**19,249**	**48,802**	**1,900**	**69,951**
Tax expense on profit/(loss) from the ordinary activities of the discontinued operations	(5,811)	0	(416)	(6,226)
Net profit/(loss) after tax of the discontinued operations (excl. capital gains)	**13,438**	**48,802**	**1,484**	**63,725**
Net profit/(loss) from discontinued operations (1) + (2)	**163,816**	**1,103,341**	**1,745**	**1,268,902**

The cash flows of the discontinued operations are separately presented in the cash flow statement.

NOTE 41 – CHANGE IN ACCOUNTING METHODS AND ESTIMATES

In the course of the financial years ended in 2005 and 2006, the Group did not modify the accounting nor the estimation methods. Currently, we are not aware of any fact indicating that the estimates used for the financial year closed on December 31st, 2006 would have a significant impact on future financial statements of the Company.

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NOTE 42 – EVENTS AFTER THE BALANCE SHEET DATE

Please refer to board of directors' report (pages 16 and 17).

NOTE 43 – AUDITOR'S FEES

Please refer to the corporate governance section (page 52).

The list of consolidated companies is summarized and presents directly the name of the consolidated sub-groups. Please refer to the annual report of each shareholding for the complete list of companies composing these subgroups.

1. Fully consolidated companies

Companies (or groups)	**Country**	**Consolidation percentage**	**Transitive ownership percentage in the capital**	**Percentage of voting rights controlled**	**Main activity**
COMPAGNIE NATIONALE À PORTEFEUILLE/ NATIONALE PORTEFEUILLE MAATSCHAPPIJ	Belgium	100.0%	Parent company	Parent company	Holding company
BSS INVESTMENTS	Belgium	100.0%	80.0%	80.0%	Holding company
CARPAR	Belgium	100.0%	100.0%	100.0%	Holding company
CENTRE DE COORDINATION DE CHARLEROI	Belgium	100.0%	100.0% **(1)**	100.0%	Treasury management
COMPAGNIE IMMOBILIERE DE ROUMONT	Belgium	100.0%	100.0%	100.0%	Services to the Group
GROUPE JEAN DUPUIS	Belgium	100.0%	100.0%	100.0%	Holding company
ERBE FINANCE	Luxemburg	100.0%	100.0%	100.0%	Holding company
FIBELPAR	Belgium	100.0%	100.0%	100.0%	Holding company
INVESTOR	Belgium	100.0%	100.0%	100.0%	Holding company
KERMADEC	Luxemburg	100.0%	100.0%	100.0%	Holding company
NEWCOR	Belgium	100.0%	100.0%	100.0%	Holding company
NEWTRANS TRADING	Belgium	100.0%	100.0%	100.0%	Holding company
PAM	Netherlands	100.0%	100.0%	100.0%	Holding company
SWIFIN	Luxemburg	100.0%	100.0%	100.0%	Holding company
SWILUX	Luxemburg	100.0%	100.0%	100.0%	Holding company
GROUPE DISTRIPAR	Belgium	100.0%	97.0%	97.0%	Retailing
GROUPE UNIFEM/ENTREMONT ALLIANCE	France	100.0%	63.5%	63.5%	Cheese production
GROUPE IJSBOERKE /STARCO	Belgium	100.0%	100.0%	100.0%	Ice cream production
TRANSCOR ASTRA GROUP	Belgium	100.0%	100.0%	100.0%	Energy trading and refining of crude oil

(1) From December 1st, 2006 against 96.7% formerly

2. Proportionally consolidated companies

Companies (or groups)	**Country**	**Consolidation percentage**	**Transitive ownership percentage in the capital**	**Percentage of voting rights controlled**	**Main activity**
AGESCA NEDERLAND	Netherlands	89.5%	89.5%	**(1)**	Holding company
GIB	Belgium	50.0%	50.0%	50.0%	Holding company
FINANCIERE TRASYS	France	50.0%	46.0%	50.0%	Holding company
FINANCIERE FLO	France	50.0%	33.0%	50.0%	Holding company
GROUPE FLO	France	50.0%	23.4%	**(2)**	Restaurants
TRASYS	Belgium	50.0%	45.9%	**(3)**	IT services
PARJOINTCO	Netherlands	44.8%	44.8%	**(4)**	Holding company
CARSPORT	Belgium	50.0%	40.0%	50.0%	Holding company
ORILUX	Luxemburg	50.0%	40.0%	50.0%	Holding company
PARGESA	Zwitserland	50.0%	24.1%	**(5)**	Holding company
GROUPE BRUXELLES LAMBERT	Belgium	44.8%	12.1%	**(6)**	Holding company
IMERYS	France	44.8%	9.7%	**(6)**	Minerals and materials
CHÂTEAU RIEUSSEC	France	50.0%	50.0%	50.0%	Wine production
RASPAIL / CHEVAL BLANC	France	50.0%	40.0%	50.0%	Wine production

(1) Joint venture agreement, although NPM/CNP only holds 49% of the voting rights
(2) Group jointly controlled with ACKERMANS & van HAAREN and controlled at 70% by GIB
(3) Group jointly controlled with ACKERMANS & van HAAREN and controlled at 92% by GIB
(4) 50% held by AGESCA NEDERLAND (proportionally consolidated at 89.5% and jointly controlled with FRÈRE-BOURGEOIS) and 50% held by the Canadian Group POWER
(5) 54.1% held by PARJOINTCO which controls 63% of the voting rights
(6) Companies controlled by PARGESA, which controls more than 50% of the voting rights of GBL and IMERYS

NOTE 44 – LIST OF CONSOLIDATED COMPANIES

3. Equity-accounted companies

Companies (or groups)	Country	Consolidation percentage	Transitive ownership percentage in the capital	Percentage of voting rights controlled	Main activity
GRUPPO BANCA LEONARDO (1)	Italy	19.2%	19.2%	15.0%	Investment Bank
TIKEHAU CAPITAL ADVISORS (2)	France	50.0%	50.0%	50.0%	Management company
TIKEHAU CAPITAL PARTNERS (2)	France	20.9%	20.9%	20.9%	Investment company

(1) GRUPPO BANCA LEONARDO is accounted for using the equity method as NPM/CNP has a significant influence on the company thanks to its representation at the board of directors. Moreover, no other single shareholder holds a larger shareholding than NPM/CNP.
(2) TIKEHAU CAPITAL PARTNERS is the main investment vehicle of the Group TIKEHAU ; as it is accounted for using the equity method, TIKEHAU CAPITAL ADVISORS follows the same principle.

It is remembered that, within the TRANSCOR ASTRA GROUP, the shareholding in PASADENA REFINING SYSTEM is accounted for using the equity method because PETROBRAS, which holds 50% of the capital, has the power to force some decisions based on the shareholders' agreement .

NOTE 45 – LIST OF NON CONSOLIDATED COMPANIES

Some companies were not included in the consolidation perimeter because these are not material at group level:
This is particularly the case for:
- CHEVAL DES ANDES, 25% owned by the Group, active in the wine production and CHÂTEAU LA TOUR DU PIN, 50% owned by the Group, active in the same sector.
- MOLIGNÉE ÉNERGIE (MESA), 86.3% controlled by the Group (86.3% of the voting rights), holding company that holds 50% of ÉLECTRICITÉ DU BOIS DU PRINCE.
- ÉLECTRICITÉ DU BOIS DU PRINCE, a 50-50 joint venture between MESA and AIR ENERGY intended to develop an 11 wind farm project in Fosses-la-Ville. NPM/CNP's share in the investment commitment amounts to EUR 15 million, mainly financed by a non-recourse financing, except for EUR 80 (000). This subsidiary is not consolidated due to the immateriality of the equity investment.

NOTE 46 – RELATED PARTIES

Salaries and directors' fees paid to directors and executive management

During the financial year 2006 (,000 EUR)	by NPM/CNP its subsidiaries and joint ventures (1)	by associates (2)	by other companies
Amount of gross salaries and directors' fees granted to executive directors and management of the Parent Company regardless of the consolidation percentages			
- executive directors and management	2,482	82	0
- non-executive directors	240	0	0
	2,722	82	0
Considering the consolidation percentages			
- executive directors and management	2,436	20	0
- non-executive directors	240	0	0
	2,676	20	0
Loans granted to executive directors and management	174	0	0

(1) The NPM/CNP Group also paid an amount of EUR 295 (000) for services rendered by representatives of FRÈRE-BOURGEOIS and EUR 34 (000) for services rendered by the representative of the SOCIÉTÉ DES QUATRE CHEMINS (linked to Mr. Gilles SAMYN).

(2) Does not include amounts, if any, paid to non-executive directors of the Parent company for positions held in Group companies independently from their function of director at NPM/CNP.

Balance sheets 138

Prpfit and loss statements and appropriation of profit 139

NOTICE

In accordance with article 105 of Companies Code, the non-consolidated accounts presented in this chapter are an abridged version of the Parent Company accounts; these include neither all the notes and information required by law nor the full report of the Statutory Auditor, who has provided an unqualified opinion.

The comprehensive version of the company accounts, the Board of Directors' report and the Auditor's report will be filed at the NATIONAL BANK OF BELGIUM and are also available at the Company's head office and on its web site (www.npm-cnp.be).

BALANCE SHEETS

,000 EUR	2005		2006	
NON-CURRENT ASSETS	**4,232,199**		**4,033,629**	
Intangible assets	**99**		**78**	
Tangible fixed assets	**1,969**		**1,891**	
Lands and buildings		101		101
Furniture and vehicles		35		21
Other		1,833		1,769
Long-term investments	**4,230,131**		**4,031,660**	
Subsidiaries				
Shareholdings		4,228,169		3,927,888
Advances		-		10,263
Related companies				
Shareholdings		1.9		93,470
Other investments				
Shareholdings		6		39
CURRENT ASSETS	**3,074,125**		**1,976,134**	
Long-term receivables	**176**		**2,688**	
Other receivables		176		2,688
Amounts receivable within one year	**3,002,080**		**1,934,086**	
Trade receivables		399		476
Other receivables		3,001,681		1,933,610
Short-term investments	**35,000**		**288**	
Own shares		-		288
Other short-term investments		35,000		-
Cash and cash equivalents	**35,264**		**38,386**	
Deferred expenses and accrued income	**1,605**		**686**	
TOTAL ASSETS	**7,306,324**		**6,009,763**	
EQUITY	**3,753,032**		**5,278,294**	
Capital	**126,500**		**126,500**	
Issued capital		126,500		126,500
Share premium	**1,052,870**		**1,052,870**	
Reserves	**68,574**		**68,861**	
Legal reserve		12,650		12,650
Unavailable reserve				
Own shares		-		288
Other		5		5
Available reserves		55,919		55,918
Profit carried forward	**2,505,088**		**4,030,063**	
PROVISIONS AND DEFERRED TAXATION	**-**		**-**	
LIABILITIES	**3,553,292**		**731,469**	
Amounts payable within one year	**3,549,945**		**715,241**	
Financial debts				
Other loans		680,237		635,000
Trade payables				
Suppliers		348		780
Taxes, salaries and social charges payable				
Taxes		554		6
Salaries and social charges		193		160
Other liabilities		2,868,613		79,295
Accrued expenses and deferred income	**3,347**		**16,228**	
TOTAL LIABILITIES AND EQUITY	**7,306,324**		**6,009,763**	

,000 EUR	2005		2006	
Revenue	**918**		**444**	
Other operating income		918		444
Operating expenses	**(8,791)**		**(7,184)**	
Goods ans services		(7,781)		(6,506)
Payroll expenses		(585)		(517)
Depreciation and amortisation		(93)		(110)
Amounts written down (-) / back (+) on receivables		227		(38)
Other operating expenses		(559)		(13)
Operating profit (loss)	**(7,873)**		**(6,740)**	
Financial income	**42,444**		**33,298**	
Income from long-term investments		36,013		20,876
Income from short-term assets		5,006		12,309
Other financial income		1,425		113
Financial expenses	**(5,081)**		**(28,709)**	
Interest expenses		(4,331)		(27,734)
Other financial expenses		(750)		(975)
Profit before extraordinary items and taxes	**29,490**		**(2,151)**	
Extraordianry income	**1,458,184**		**1,604,384**	
Amounts written back on long-term investments		979		-
Gains on disposals of long-term investments		1,457,205		1,604,384
Extraordianry expenses	**(2,427)**		**-**	
Losses on disposals of long-term investments		(2,427)		-
Before tax profit (loss)	**1,485,247**		**1,602,233**	
Income taxes	**55**		**(8)**	
Taxes for the period		(3)		(8)
Taxes related to prior periods and income tax provision adjustments		58		-
Net profit (loss) for the year	**1,485,302**		**1,602,225**	
Movements in tax-free reserves	**-**		**-**	
Profit (loss) of the year available for appropriation	**1,485,302**		**1,602,225**	

APPROPRIATION OF PROFITS

	2005		2006	
Profit (loss) of the year available for appropriation	**1,485,302**		**1,602,225**	
Profit (loss) carried forward from the previous year	**1,248,379**		**2,505,088**	
Profit (loss) available for appropriation	**2,733,681**		**4,107,313**	
Transfer to reserves	**156,535**		**288**	
To other reserves		156,535		288
Profit to be carried forward	**2,505,088**		**4,030,063**	
Profit to be distributed	**72,058**		**76,962**	
Dividend		72,058		76,962

Name, registered and administration offices

NATIONALE PORTEFEUILLEMAATSCHAPPIJ N.V. / COMPAGNIE NATIONALE À PORTEFEUILLE S.A., abbreviated to NPM/CNP.
The registered office of the Company is at 6280 Loverval (Gerpinnes), rue de la Blanche Borne, 12. It may be transferred to any place in the Walloon or Brussels region by a Board of Directors' resolution.

Date of incorporation and duration

The Company was incorporated for an unlimited duration on 20 November 1906 under the name « LE GAZ RICHE » as a public company with limited liability (« société anonyme »), by public deed executed by Maître Émile LEFÈBVRE, public Notary in Antwerp, published in the annex to the Belgian « Official Gazette » dated 3-4 December 1906, under number 6133.
The last time the articles of incorporation were amended was by public deed executed by Maître Hubert MICHEL, public Notary in Charleroi, on 20 November 2006.

Objects of the Company

According to Article 3 of the statutes:
«The objects of the Company are the purchase, the sale, the assignment, the exchange and the management of any securities, shares, bonds, government bonds or any other financial or non financial assets or rights; the acquisition of interests under any form, in any company or business in the production and/or distribution of energy, or in industry, commerce, finance, real estate or other, existing or to be incorporated.
Among other things, NPM/CNP may acquire through purchase, exchange, contribution, subscription, underwriting, option or any other means, any securities, assets, receivables or intangible assets; participate in any association or merger; manage or enhance the value of its securities and shareholdings portfolio; realise or liquidate such assets by assignment, sale or any other means.
NPM/CNP may conduct any financial, commercial, industrial or real estate operations or transactions directly or indirectly related to its objects or designed to realise such objects.».

Company registration

The Company is registered in Charleroi under nr 0404.676.971.

Places of consultation of public documents

The co-ordinated articles of incorporation of NPM/CNP may be consulted at the Commercial Court in Charleroi and in the registered office of NPM/CNP and on the website (www.npm-cnp.be).
The annual accounts are filed with the NATIONAL BANK OF BELGIUM. All appointments and dismissals of the representatives of NPM/CNP are published in the annex to the Belgian « Official Gazette ».
Financial notices are published in the financial press and on the website. The other documents available to the public and which may be mentioned in a prospectus may be consulted at the registered office of NPM/CNP or on the website.
The annual reports are sent to the registered shareholders and to anyone who requested them from the Company.

Issued capital

The fully paid share capital of the Company amounts to EUR 126,500,000. It is represented by 113,179,782 shares with no designated nominal value.

The rights attached to the shares are the following:

a. *Right to vote at General Meetings*
Each share carries one vote.

b. *Preferential rights in the event of capital increases*
In the event of a capital increase by cash subscription, the new shares must be offered in the first instance to existing shareholders pro rata to the number of shares held on the day of issue, as prescribed by law.
The General Meeting nonetheless has the right to cancel or to limit the preferential subscription rights in the interest of the Company to the extent permitted by the applicable laws or to suspend the preferential subscription rights for a limited period.
Any proposal by the Board of Directors to limit or to suspend the preferential subscription rights must be justified in a detailed report, which covers in particular the issue price and the financial consequences for the shareholders. A report is also made up by the Auditors, in which they state that the financial information and the accounts contained in the report by the Board are correct. These reports are filed with the Commercial Court.
In the event of a capital increase by cash subscription, the holders of convertible bonds, of bonds redeemable in shares, of subscription rights or of other securities, may convert their bonds or exercise their subscription rights and thus participate in the new issue to the extent that this right is granted to existing shareholders.
The Board of Directors always has the right to conclude agreements, under conditions which it deems appropriate, with any third party in order to ensure the subscription of all or part of the issued shares.

c. *Appropriation of profits*

Net profits are allocated as follows:

1. A minimum of 5% is transferred to a legal reserve fund as stipulated by law until this reaches 10% of share capital.
2. The remaining amount is allocated as decided upon by the General Meeting following a proposal by the Board of Directors.

The Board of Directors may, within the conditions laid down by law, distribute advances on the dividend for the year.

d. *Dissolution / liquidation*

Except in the event of contributions or mergers remunerated by shares, the net assets, after payment of all debts, charges and liquidation costs, will be used in the first instance to reimburse the paid-up portion of share capital, in cash or in shares. The remaining balance will be distributed equally over all shares.

Authorised share capital

By decision of the Shareholders' Extraordinary General Meeting of 15 April 2004, the Board of Directors was authorised, for a period of five years starting on 14 May 2004, to increase the share capital by up to EUR 50,000,000 in one or more steps. The method used to increase the share capital is to be determined by the Board. This authorisation may be renewed in accordance with the relevant laws. The increase in share capital decided on with regard to this authorisation may consist in contributions in cash or in kind, in transfer from available or unavailable reserves or from the share premium account, with or without creation of new shares, preferred or not, with or without voting right, with or without preferential subscription right.

In the event where the Board of Directors decides, in the framework of the authorisation, to increase the share capital by the issue of shares subscribed in cash, of convertible bonds, of bonds redeemable in shares, of subscription rights or other financial instruments attached or not to bonds or to other securities, it may, in the interest of the Company and under the conditions laid down by the applicable laws, limit or cancel the preferential subscription rights of existing shareholders in favour of one or several specific person(s), even if these persons are not staff members of the Company or its subsidiaries.

Under the same conditions and in accordance with the applicable laws, the Board of Directors is also authorised to proceed with the issue of convertible bonds or bonds redeemable in shares (whether subordinated or non-subordinated), of subscription rights or other financial instruments (whether or not attached to bonds), or other securities which could lead to an increase in share capital of up to EUR 50,000,000.

Shares not representing the capital

There are no such shares.

Conditions for changes to the capital and to the rights of the various categories of shares

The statutes of the Company do not include provisions regarding capital and rights modifications which would be more restrictive than the legal provisions.

Shareholders holding at least 3% of the capital

The reporting level related to the Shareholders Disclosure Law is fixed in the bylaws at 3%. At 31 December 2006, based upon reporting received or information available, the capital of the Company was held as follows:

Shareholders	Number of shares	Percentage (1)
COMPAGNIE IMMOBILIÈRE DE ROUMONT (NPM/CNP group)	4,080,000	3.60
FIBELPAR (NPM/CNP group)	329,010	0.29
NPM/CNP	5,908	0.01
FINGEN (subsidiary of ERBE)	51,159,486	45.20
FRERE-BOURGEOIS	22,344,036	19.75
FRÈRE-BOURGEOIS ans associated companies	***77,918,440***	***68.85***
P&V ASSURANCES	5,347,530	4.72
P&V RÉASSURANCE	180,000	0.16
VIVIUM	111,522	0.10
VIVIUM LIFE	157,404	0.14
VIVIUM LIFE-SAFE PLUS	30,000	0.03
P&V group	***5,826,456***	***5.15***

(1) percentage computed based upon the number of shares outstanding as of 31 December 2006, i.e.113,179,782.

Own shares

Subject to approval by the General Shareholders' Meeting of 19 April 2007, the Board of Directors is authorised, for a period of 18 months, to acquire up to 11,317,978 shares of the Company, at a price not more than 20% lower than the lowest closing market price during the 20 trading days preceding the transaction nor more than 20% higher than the highest closing market price during the 20 trading days preceding the transaction and the subsidiaries of the Company are also authorised (according to article 627 of Companies Code) to acquire shares of the Company under the same conditions.
The Board of Directors may dispose of Company shares, on the stock market or in any other manner provided for under the law, without the prior authorisation of the General Meeting.

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Design-realisation: www.concerto.be
Printer: Imprimerie Dereume

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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, even if it is a controlling one. 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 (TRANSCOR ASTRA GROUP, DISTRIPAR, UNIFEM / ENTREMONT ALLIANCE and IJSBOERKE) and proportionally in the case of joint control (PARGESA and its subsidiaries, TRASYS and FLO -through GIB, RASPAIL / CHEVAL BLANC and RIEUSSEC / L'EVANGILE), or are equity accounted in the case of significant influence (GRUPPO BANCA LEONARDO, TIKEHAU). The consolidated accounts are prepared according to IFRS norms.

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

Accounting standards applied to NPM/CNP Group's consolidated accounts since 2004.

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 ("fair value"), but a basis for evaluation in which only the listed assets are revalued at their market value; it is therefore up to the analyst to estimate the value of NPM/CNP's shares on this basis, by replacing the book value of the unlisted assets with the value that he 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 appreciation of the adjusted net assets or of the stock market price.

Non diluted earnings per share

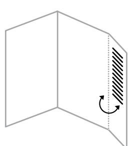
Earnings per share excluding the potential effect of the exercising of the stock option plans.

Fully diluted earnings per share

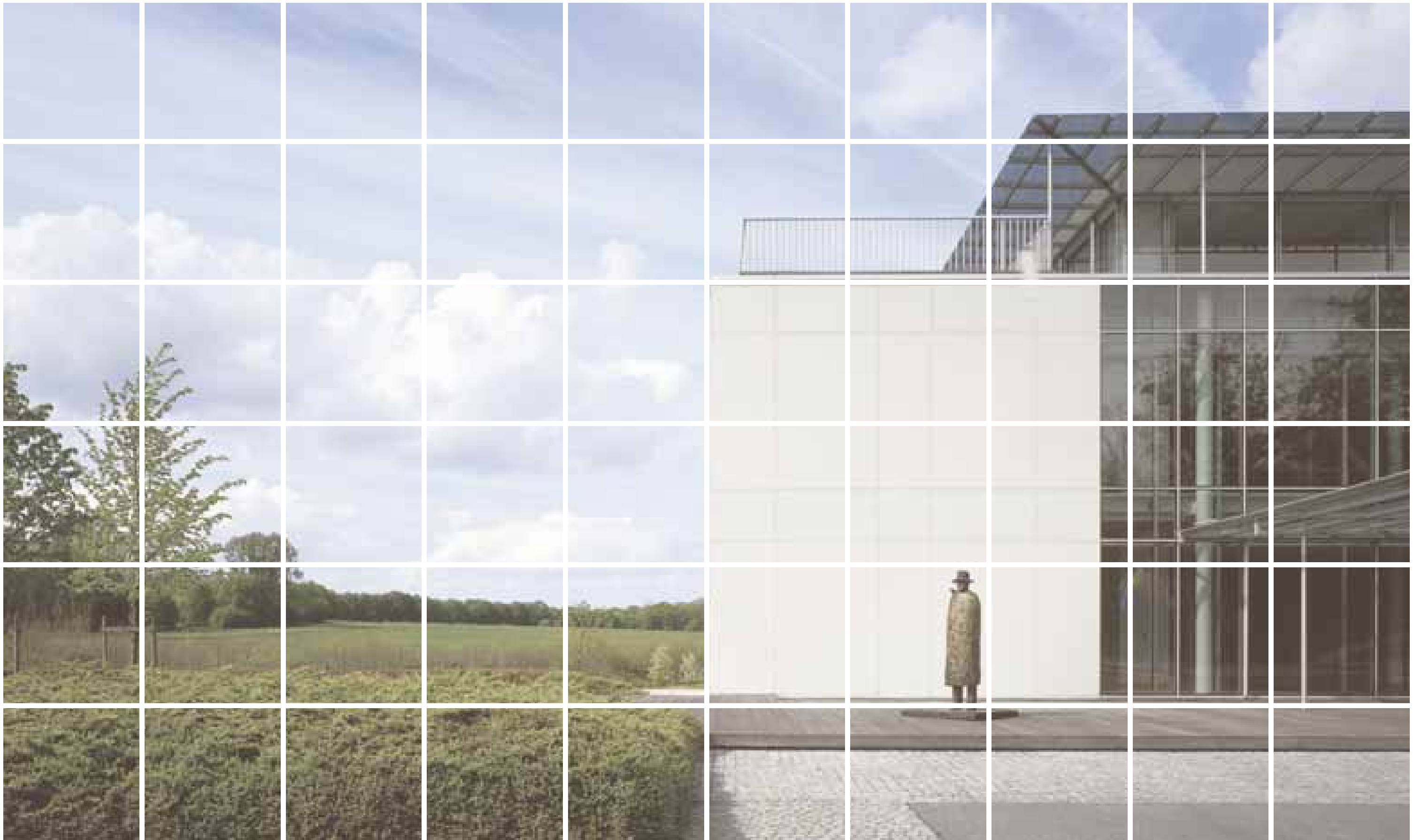
Earnings per share taking into account outstanding stock options.

Corporate Governance

Corporate governance is a set of rules and behaviours according to which companies are managed and controlled.
(Belgian Corporate Governance Code – www.corporategovernancecommittee.be)



Glossary



NPM/CNP

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