Financial and legal report **2009**

NPM/CNP

Compagnie Nationale à Portefeuille
Nationale PortefeuilleMaatschappij

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 on the USB flash drive enclosed in the Business report, upon request at the company, or on the company website www.npm-cnp.be) alone is therefore authoritative.

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CONSOLIDATED INCOME STATEMENT

For the year ended 31 December

,000 EUR *(except for data per share)*	**Note**	**2008**	**2009**
Revenue	4	13,784,803	11,238,780
Other operating income	5	69,105	61,236
Raw materials, goods for resale and consumables used, including changes in inventories		(12,273,110)	(9,888,024)
Staff costs	7	(555,040)	(565,065)
Depreciation expenses		(114,638)	(108,646)
Amortization expenses		(8,208)	(8,067)
Gains/losses and impairments on shareholdings and activities	8	(1,031,346)	137,535
Other operating expenses	5	(640,446)	(554,518)
Results of operating activities		**(768,880)**	**313,231**
Dividends and interests from available-for-sale investments	10	310,307	343,917
Dividends from current assets held for trading		2,174	6,522
Interest income from current assets		155,059	91,449
Interest expenses		(174,724)	(160,495)
Gains/(losses) on trading activities		(49,945)	15,131
Other financial income/(expenses)	11	15,505	14,574
Net finance income/(expenses)		**258,376**	**311,098**
Profit/(loss) from operating and finance activity		**(510,504)**	**624,329**
Income tax	13	(29,879)	(45,486)
Income from associates	18	133,437	45,623
Net profit/(loss) from continuing operations		**(406,946)**	**624,466**
Net profit/(loss) from discontinued operations	39	(6,213)	59,622
Net profit/(loss) for the period		**(413,159)**	**684,088**
attributable to minority interests		(238,776)	387,552
attributable to shareholders of NPM/CNP (Group share)		**(174,383)**	**296,536**
Basic earnings per share (EUR/share)		**-1.613**	**2,795**
from continuing operations	34	-1.613	2,484
from discontinued operations	34	0,000	0,311
Diluted earnings per share (EUR/share)		**-1.613**	**2,757**
from continuing operations	34	-1.613	2,449
from discontinued operations	34	0,000	0,308

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December

,000 EUR		**2008**	**2009**
Net profit/(loss) for the period		**(413,159)**	**684,088**
Other comprehensive income, net of tax		**(2,643,105)**	**653,830**
Changes in revaluation reserve (available for sale investments)	Change of the year	(2,916,137)	705,403
	Recycled in P&L	345,613	(84,482)
	Tax impact	0	0
Changes in hedging reserves	Change of the year	(38,556)	26,147
	Recycled in P&L	0	0
	Tax impact	384	(429)
Exchange différences on translating foreign operations	Gross	30,404	(19,253)
	Tax impact	0	0
Share of other comprehensive income of associates		(64,813)	18,509
Other	Gross	0	7,935
	Tax impact	0	0
Total comprehensive income, net of tax		**(3,056,264)**	**1,337,918**
Attributable to minority interests		**(1,646,974)**	**641,120**
Attributable to NPM/CNP's shareholders		**(1,409,290)**	**696,798**

As of 31 December

,000 EUR	Note	2008	2009
ASSETS			
Non-current assets		**9,845,913**	**11,364,640**
Intangible assets	14.15	171,475	124,089
Goodwill	16	664,615	657,315
Property, plant and equipment	17	1,340,154	1,028,937
Investments in associates	18	1,559,358	2,018,238
Long-term advances		13,093	35,341
Available-for-sale investments - shares	19	5,953,562	6,495,951
Available-for-sale investments - bonds		0	2,046
Deferred tax assets	13	64,508	39,557
Long-term bank deposits	20	0	900,000
Other non-current assets	20	79,148	63,166
Current assets		**5,659,527**	**4,886,779**
Inventories	21	899,936	986,650
Trade and notes receivable	22	804,097	677,120
Short-term interest bearing advances	23	230,912	118,681
Financial assets held for trading	19	121,792	273,603
Cash and cash equivalents	24	2,824,542	1,406,779
Assets held for sale	39	112,091	701,172
Other current assets	25	666,157	722,774
TOTAL ASSETS		**15,505,440**	**16,251,419**

,000 EUR		2008	2009
EQUITY AND LIABILITIES			
Total equity		**9,515,724**	**10,654,937**
Shareholders' equity		**4,898,453**	**5,433,924**
Share capital	26	126,500	126,500
Share premium		1,052,870	1,052,870
Treasury shares (-)		(143,560)	(127,918)
Revaluation reserve (available-for-sale investments)		777,966	1,190,134
Hedging reserve		(9,503)	(1,960)
Translation reserve		(67,114)	(86,563)
Accumulated profit		3,161,294	3,280,861
Minority shareholders' equity		**4,617,271**	**5,221,013**
Non-current liabilities		**3,240,314**	**3,101,720**
Provisions	27	79,827	85,310
Employee retirement and post-employment benefit obligations	28	66,549	44,074
Deferred tax liabilities	13	173,042	156,283
Obligations under finance lease	29	30,614	9,746
Other long-term interest bearing borrowings	30	2,868,409	2,792,227
Other non-current liabilities		21,873	14,080
Current liabilities		**2,749,402**	**2,494,762**
Provisions	27	20,685	16,029
Trade and notes payable		732,998	496,659
Income taxes payable and accrued		48,036	28,641
Current portion of obligations under finance lease	29	5,262	1,681
Current portion of long-term borrowings, short-term borrowings and overdrafts	30	1,192,827	729,956
Other interest bearing financial liabilities		164,457	48,131
Liabilities associated with assets held for sale	39	0	671,172
Other current liabilities	31	585,137	502,493
TOTAL EQUITY AND LIABILITIES		**15,505,440**	**16,251,419**

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December

,000 EUR	2008	2009
CASH FLOWS FROM OPERATING ACTIVITIES		
Results of operating activities	**(768,880)**	**313,231**
Adjustments for:		
Dividends received from associates	73,909	45,414
Dividends and interests from available-for-sale investments	310,109	342,516
Dividends from current assets held for trading	2,174	6,522
Interest income from current assets held for trading	198	1,401
Gains/(losses) on trading activities (excl. non-cash items)	20,335	(11,637)
Other financial income/(expenses)	15,959	4,310
Amortization, depreciation and impairment losses	1,215,392	14,592
(Gain)/loss on disposal of property, plant and equipment	(5,155)	(743)
(Gain)/loss on disposal of intangible assets	(3,247)	(3,143)
(Gain)/loss on disposal of available-for-sale investments	(64,234)	(10,857)
(Gain)/loss on disposal of subsidiaries	(144)	(9,041)
(Gain)/loss on disposal of investments in associates	(22)	0
Miscellaneous profit and loss elements without any cash effect	(29,931)	(11,801)
Operating cash flows from continuing operations before working capital changes	**766,463**	**680,766**
Changes in working capital		
Decrease/(increase) in inventories	18,205	(227,381)
Decrease/(increase) in trade and notes receivable	287,677	(144,268)
Decrease/(increase) in interest bearing advances	(6,188)	92,831
Decrease/(increase) in financial assets held for trading	616,617	(129,004)
Decrease/(increase) in other current assets	(292,470)	(16,838)
Increase/(decrease) in employee retirement and post-employment benefit obligations	(1,457)	559
Increase/(decrease) in provisions	(1,527)	6,882
Increase/(decrease) in trade and notes payable	(135,685)	21,880
Increase/(decrease) in other current liabilities	(14,945)	115,926
Cash provided by operations	**1,236,690**	**401,353**
Income taxes received/(paid)	(53,773)	(52,600)
Operating cash flows from continuing operations	**1,182,917**	**348,752**
Operating cash flows from discontinued operations	**(3,737)**	**75,175**
Operating cash flows	**1,179,180**	**423,927**
CASH FLOWS FROM INVESTING ACTIVITIES		
(Acquisition of subsidiaries, net of cash)	(86,627)	(6,104)
Disposal of subsidiaries, net of cash	624	6,481
(Additional acquisitions of consolidated entities)	(142,349)	(13,440)
Partial disposal of shares of consolidated entities	5,900	17,086
(Acquisition of investment in associates)	(497,602)	(155,720)
Disposal of investment in associates	268	0
(Acquisition of intangible assets, including patents and trademarks)	(10,106)	(2,529)
Disposal of intangible assets (including patents and trademarks)	3,545	5,200
(Acquisition of tangible assets)	(228,725)	(80,241)
Disposal of tangible assets	24,915	9,256
(Acquisition of available-for-sale investments - shares)	(325,144)	(109,162)
Disposal of available-for-sale investments - shares	551,460	27,367
(Acquisition of available-for-sale investments - bonds)	(4,305)	(131,911)
Disposal of available-for-sale investments - bonds	0	129,889
(Long-term advances to shareholdings)	(21,600)	(15,419)
(Long-term bank deposits)	0	(900,000)
Decrease/(increase) in other non-current assets	53,818	19,611
Investment grants received and others	1,042	(17)
Investing cash flows from continuing operations	**(674,886)**	**(1,199,653)**
Investing cash flows from discontinued operations	**6,856**	**(34,467)**
Investing cash flows	**(668,030)**	**(1,234,120)**

,000 EUR	2008	2009
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of NPM/CNP shares or stock options	0	0
Proceeds from capital increases by / sale and purchase of shares to/from minority shareholders	220	81,824
(Acquisition of treasury shares)	(70,079)	(80,238)
Sale of treasury shares	1,603	2,399
Proceeds from minority shareholders' advances	2,556	0
(Reimbursement from minority shareholders' advances)	0	0
Proceeds from non current financial borrowings	391,776	6,953
(Repayment of non current borrowings, finance lease (including current portion)	(67,893)	(279,490)
Proceeds from other current financial liabilities	127,111	0
(Repayment of other current financial liabilities)	(104,131)	(169,593)
Increase/(decrease) in other non-current liabilities	3,902	(353)
(Dividends paid by the parent company to its shareholders)	(79,148)	(82,997)
(Dividends paid to minority shareholders)	(131,591)	(121,093)
Proceeds from / (Repayment of) current borrowings	(769,410)	149,820
Interests received	156,417	79,297
(Interests paid)	(154,992)	(156,261)
Financing cash flows from continuing activities	**(693,659)**	**(569,732)**
Financing cash flows from discontinued activities	**(22,250)**	**(47,533)**
Financing cash flows	**(715,909)**	**(617,265)**
Net effect of currency translation on cash and cash equivalents	39,181	9,694
Increase / (decrease) of cash and equivalents during the year	**(165,578)**	**(1,417,763)**
Cash and cash equivalents at beginning of year	**2,990,120**	**2,824,542**
Cash and cash equivalents at end of year	**2,824,542**	**1,406,779**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

, 000 EUR	Share capital and premium	Treasury shares (-)	Revaluation reserve	Hedging reserve	Translation reserve	Accumulated profit	Total NPM/CNP shareholders	Minority interests	Total equity
At 31 December 2007	**1,179,370**	**(121,845)**	**1,981,447**	**2,866**	**(48,057)**	**3,457,986**	**6,451,767**	**6,607,043**	**13,058,810**
Net profit/(loss) for the period	**-**	**-**	**-**	**-**	**-**	**(174,383)**	**(174,383)**	**(238,776)**	**(413,159)**
Change in fair value	-	-	(1,186,604)	(12,369)	-	-	(1,198,973)	(1,411,021)	(2,609,994)
Change in translation reserve	-	-	-	-	(901)	-	(901)	31,305	30,404
Changes from associates	-	-	(16,877)	(702)	(18,156)	-	(35,735)	(29,078)	(64,813)
Other	-	-	-	702	-	-	702	596	1,298
Other comprehensive income		**-**	**(1,203,481)**	**(12,369)**	**(19,057)**	**-**	**(1,234,907)**	**(1,408,198)**	**(2,643,105)**
Total comprehensive income	**-**	**-**	**(1,203,481)**	**(12,369)**	**(19,057)**	**(174,383)**	**(1,409,290)**	**(1,646,974)**	**(3,056,264)**
Dividend paid	-	-	-	-	-	(79,148)	(79,148)	(131,591)	(210,739)
Capital increases/reimbursements and sale/purchase of minority interests	-	-	-	-	-	-	-	(215,330)	(215,330)
Cancellation of own shares	-	46,760	-	-	-	(46,760)	-	-	-
(Acquisition) / sale of own share	-	(68,475)	-	-	-	-	(68,475)	-	(68,475)
Share-based payments	-	-	-	-	-	3,601	3,601	1,478	5,079
Other movements	-	-	-	-	-	(2)	(2)	2,645	2,643
Total movements	**-**	**(21,715)**	**(1,203,481)**	**(12,369)**	**(19,057)**	**(296,692)**	**(1,553,314)**	**(1,989,772)**	**(3,543,086)**
At 31 December 2008	**1,179,370**	**(143,560)**	**777,966**	**(9,503)**	**(67,114)**	**3,161,294**	**4,898,453**	**4,617,271**	**9,515,724**
Net profit/(loss) for the period	**-**	**-**	**-**	**-**	**-**	**296,536**	**296,536**	**387,552**	**684,088**
Change in fair value	-	-	397,607	7,543	-	-	405,150	241,489	646,639
Change in translation reserve	-	-	-	-	(18,310)	-	(18,310)	(943)	(19,253)
Changes from associates	-		14,561	-	(1,139)	(4,292)	9,130	9,379	18,509
Other	-	-	-	-	-	4,292	4,292	3,643	7,935
Other comprehensive income		**-**	**412,168**	**7,543**	**(19,449)**	**-**	**400,262**	**253,568**	**653,830**
Total comprehensive income	**-**	**-**	**412,168**	**7,543**	**(19,449)**	**296,536**	**696,798**	**641,120**	**1,337,918**
Dividend paid	-	-	-	-	-	(82,997)	(82,997)	(121,093)	(204,090)
Capital increases/reimbursements and sale/purchase of minority interests	-	-	-	-	-	-	-	81,824	81,824
Cancellation of own shares	-	91,431	-	-	-	(91,431)	-	-	-
(Acquisition) / sale of own share	-	(77,839)	-	-	-	-	(77,839)	-	(77,839)
Share-based payments	-	-	-	-	-	4,167	4,167	5,273	9,440
Other movements	-	2,050	-	-	-	(6,708)	(4,658)	(3,382)	(8,040)
Total movements	**-**	**15,642**	**412,168**	**7,543**	**(19,449)**	**119,567**	**535,471**	**603,742**	**1,139,213**
At 31 December 2009	**1,179,370**	**(127,918)**	**1,190,134**	**(1,960)**	**(86,563)**	**3,280,861**	**5,433,924**	**5,221,013**	**10,654,937**

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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 2008 and 31 December 2009 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 4 March 2010.

Statement of compliance

The consolidated financial statements have been prepared in accordance with IFRS ("International Financial Reporting Standards") as approved by the European Union.
In the financial year 2009, the Group introduced IAS 1 – Presentation of Financial Statements (revised 2007), in particular the concept of comprehensive income statement, which also includes elements of income and expenses which were previously recognized directly in equity, such as the changes in the fair value of available-for-sale investments.
The Group also introduced the following standards and interpretations, which did not have any significant impact on the financial statements:

- Amendments to IFRS 1 (revised 2008) - First-time Adoption of IFRS and IAS 27 – Consolidated and Separate Financial Statements;
- IFRS 8 – Operating Segments;
- Amendments to IAS 23 – Borrowing Costs;
- Amendments to IAS 32 – Financial Instruments: Presentation and IAS 1 – Presentation of Financial Statements, regarding puttable financial instruments and obligations arising on liquidation;
- Amendments to IFRS 7 Financial Instruments - Disclosures regarding Reclassification of Financial Instruments;
- Amendments to IFRIC 9 – Reassessment of Embedded Derivatives and IAS 39 Financial Instruments: Recognition and Measurement – Embedded Derivatives;
- Improvements to IFRS (2007-2008);
- Amendments to IFRS 2 – Share-based Payment, regarding vesting conditions and cancellations;
- IFRIC 13 – Customer Loyalty Programmes;
- IFRIC 16 – Hedges of a Net Investment in a Foreign Operation;
- IFRIC 18 – Transfers of Assets from Customers.

NPM/CNP did not anticipate the application of the following standards and interpretations, effective after 31 December 2009, and which have been published prior to the authorization date of the publication of the consolidated financial statements, which should not have any significant impact on the Group's Financial Statements:

- Improvements to IFRS (2008-2009);
- Amendments to IFRS 2 – Group Cash-settled Share-based Payment Transactions;
- Amendments to IAS 24 – Related Party Disclosures;
- Amendments to IAS 32 – Classification of Rights Issues;
- Amendments to IAS 39 – Financial Instruments: Recognition and Measurement – Eligible Hedged Items;
- IFRIC 15 – Agreements for the Construction of Real Estate;
- IFRIC 17 – Distributions of Non-Cash Assets to Owners;
- IFRIC 19 – Extinguishing Financial Liabilities with Equity Instruments;
- Amendments to IFRIC 14 – Prepayments of a Minimum Funding Requirement and their Interaction.

In addition, NPM/CNP did not anticipate the application of IFRS 3 – Business combinations (revised 2008), IAS 27 – Consolidated and Separate Financial Statements (revised 2008) and IAS 28 – Investments in Associates (revised 2008) which will be applicable as from 2010. The application of these revised standards will be important (in particular IFRS 3, but will only affect future transactions by which the Group would acquire or lose control of a business as defined in the standard).

The adoption of IFRS 9, mandatory in 2013, will have a significant impact on the accounts of the Group, that will have to choose whether it wants to present gains and losses on investments in equity instruments in the income statement or as other comprehensive income. The Group is currently examining the impacts of the various options offered by new standard on its financial statements.

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. They are prepared on the cost basis except for certain non current assets and financial instruments, which are stated at fair value (derivative financial instruments, investments held for trading and investments available-for-sale,…). 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 2008 and 31 December 2009 and they are presented before the profit appropriation of the parent company proposed to the annual general meeting of shareholders.

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.

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**	
	2008	**2009**	**2008**	**2009**
USD	1.392	1.430	1.469	1.393
CHF	1.493	1.484	1.587	1.510

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 to the extent reflecting the economic reality of the transactions conducted by the Group.

(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. Any goodwill arising on the acquisition of a subsidiary is accounted for in accordance with the Group's accounting policy for a business combination. When a subsidiary is considered as held for sale, its assets, liabilities, income and expenses are presented separately as required by the applicable standard.

(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 (except if these are classified as held for sale); 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 (except if the investment is considered as held for sale). Under the equity method, an investment in an associate is accounted for at original cost as adjusted for post-acquisition changes in the Group's share in the net assets of the associate, less any impairment determined on an individual basis for each associate. Equity accounting is applied from the date that significant influence commences until the date that significant influence ceases.

A list of the company's significant subsidiaries, joint ventures and associates is set out in note 43.

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.

If information on the fair value of all assets and liabilities is incomplete by the end of the reporting period, the business combination is accounted for on a provisional basis and that fact is disclosed in the notes. In this case, the amounts accounted for on a provisional basis are adjusted during a measurement period of maximum one year to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

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 is disposed of, the goodwill is included in the disposal result.

The interests of the minority shareholders reflect their share in the fair value of the assets, the liabilities and the identifiable contingent liabilities.

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.

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. 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. It is tested for impairment annually, at year-end (or earlier, should there be an indication that the value of the goodwill is impaired).
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.

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 impairment losses.

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 effectively incurred interest expense computed using effective interest method, 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. Capitalisation of borrowing costs is suspended during extend periods in which the active development of the qualifying asset is suspended and ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are completed.

Impairment (other than financial assets)

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.

Financial assets

Investments in securities are recognized on a trade-date basis and are initially measured at fair value, which, in most instances, is equal to their acquisition cost and are subsequently measured as follows:

- **Financial assets at fair value through profit and loss (FAFVTPL):** financial assets are classified as FAFVTPL when they are either (i) **held for trading** or (ii) **designated as such upon initial recognition**. A financial asset is held for trading if (i) it has been acquired principally for the purpose of selling it in the near term or is part of a portfolio that is managed in that perspective or (ii) it is a derivative that is not designated and effective as a hedging instrument. Financial assets not held for trading may also be designated as FAFVTPL upon initial recognition if (i) such a designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise or (ii) is part of a group of financial instruments managed and its performance is evaluated and internally communicated on a fair value basis or (iii) is part of a contract containing one or more embedded derivatives that qualifies to be designated as financial instruments at fair value through profit and loss according to IAS 39. As the name indicates, FAFVTPL are subsequently measured at fair value and any change in the fair value is recognised in profit and loss.

- **Held-to-maturity investments:** at subsequent reporting dates, financial assets with fixed or determinable payments and fixed maturity dates that the Group has the positive intent 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 effective yield on the investment.

- **Available-for-sale financial assets (AFS):** available-for-sale securities are measured at subsequent reporting dates at fair value. The changes in fair value are recognized in other comprehensive income and accumulated in the revaluation reserve, except for impairment losses, which are recognized in the income statement. The cumulated gain or loss initially booked in other comprehensive income is recycled through the income statement when the asset is disposed of.

- **Loans and receivables:** trade receivables, loans and other receivables that are not listed in an active market and that are not held-to-maturity are classified as “loans and receivables” and subsequently measured at amortized costs using the effective interest method, less any impairment or allowance for irrecoverable amount. Income is recognised by applying the effective interest rate, except for short-term receivables when such recognition would be immaterial.

Financial assets other than FAFVTPL are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired if there is objective evidence that the estimated future cash flows of the investment have been affected. For available-for-sale equity investments, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment. For all other financial assets, objective evidence of impairment could include: (i) significant financial difficulty of the issuer or counterparty or (ii) default in interest or principal payments or (iii) probability that the borrower will enter bankruptcy or financial reorganisation. In addition to individual impairments, impairments are booked on a collective basis for portfolios such as trade receivables, based on historical data and past experience.
For financial assets carried at amortised cost, the amount of the impairment loss is the difference between the asset’s carrying value and the present value of estimated future cash flows discounted at the financial asset’s original effective interest rate.
Except for available-for-sale equity investments, if an impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed trough profit and loss, without exceeding what the carrying value that would have been had the impairment loss not been recognised. In respect of available-for-sale equity investments, impairment losses previously recognised in profit and loss are not reversed through profit and loss; any increase in fair value subsequent to an impairment loss on available-for-sale equity investments is recognised in other comprehensive income.
Reclassification of financial assets between categories is only permitted in rare circumstances; in such a case, reclassifications are accounted for at the fair value of the financial asset at the date of reclassification and that fact is disclosed in the notes to the accounts.

Financial liabilities and equity instruments issued by the Group

Debt and equity instruments issued by the Group are classified as either financial liabilities or equity in accordance with the substance of the contractual arrangement.

Equity instruments

(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.

Financial liabilities

Financial liabilities are classified as either (i) financial liabilities at fair value through profit and loss (FLFVTPL) or (ii) other fiinancial labilities.

- **Financial liabilities at fair value through profit and loss (FLFVTPL):** financial liabilities are classified as FLFVTPL when they are either (i) **held for trading** or (ii) **designated as such upon initial recognition**. A financial liability is held for trading if (i) it has been contracted principally for the purpose of repurchasing it in the near term or is part of a portfolio that is managed in that perspective or (ii) it is a derivative that is not designated and effective as a hedging instrument. Financial liabilities not held for trading may also be designated as FLFVTPL upon initial recognition if (i) such a designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise or (ii) is part of a group of financial instruments managed and its performance is evaluated and internally communicated on a fair value basis or (iii) is part of a contract containing one or more embedded derivatives that qualifies to be designated as financial instruments at fair value through profit and loss according to IAS 39. As the name indicates, FLFVTPL are initially measured at fair value and are subsequently remeasured at fair value and any change in the fair value is recognised in profit and loss.

- **Other financial liabilities:** other financial liabilities, including borrowings are initially measured at fair value, net of transaction costs; they are subsequently remeasured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

Compound instruments - Convertible or exchangeable notes or bonds

Convertible or exchangeable loan notes or bonds 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 interest expense resulting from the prevailing market interest rate for similar non-convertible or non-exchangeable debt and the interest actually paid is added to the carrying value of the debt component, which is consequently carried at amortised cost using the effective interest method. The difference between the proceeds of issuance of the convertible or exchangeable notes or bonds and the fair value assigned to the debt component represents the embedded option to convert the debt into or to exchange it for other financial instruments.
If these other financial instruments are:

- (i) equity instruments of a consolidated entity, the derivative component is evaluated at fair value and included in equity, net of income tax impacts, and is not subsequently remeasured;
- (ii) other financial instruments, the derivative component is evaluated at fair value, with subsequent fluctuations of the fair value being recognized through profit and loss.

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 costs using the effective interest method, with interest expense recognised on an effective yield basis.
Rentals payable under operating leases are charged to income on a straight-line basis over the term of the relevant lease.

Derivative financial instruments

Derivative financial instruments are recognized initially at fair value, i.e., in most instances, their initial acquisition cost and are subsequently remeasured to fair value at the end of each reporting date. The resulting gain or loss is recognised in profit and loss unless the derivative is designated and effective as a hedging instrument, in which case the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

Hedge accounting

The Group designates certain financial instruments, including derivatives, as hedging instruments. A financial instrument 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.

In this context, the Group designates certain hedging instruments as either (i) fair value hedges, (ii) cash flow hedges or (iii) hedge of a net investment in a foreign operation.

(1) Fair value hedges

Such financial instruments hedge 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 immediately, together with any change in the fair value of the hedged item attributable to the hedged risk. Hedge accounting is discontinued when the Group revokes the hedging relationship, when the hedging instrument expires or is sold, terminated or exercised or when it no longer qualifies for hedge accounting.

(2) Cash flow hedges

Such financial instruments hedge resulting from highly probable forecast transactions or from foreign currency risk of firm commitments; the portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognized directly in Other Comprehensive Income (OCI). 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 in OCI, 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 OCI 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 OCI are included in the profit and loss statement when the originally forecasted hedged transaction is recorded.

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

When a debt denominated in a foreign currency or a derivative financial instrument hedge a foreign currency risk related to the 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 OCI. The portion of the gain or the loss that is determined to be ineffective as a hedge is reported in the income statement.
The gain or loss on 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.

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 cash and which are subject to insignificant risk of value fluctuation.

Government grants

Investment grants, including non-monetary investment grants and the benefit of loans at below-market interest rates are recognized at fair value 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 (depreciation of the asset over its estimated useful life, interest expense of the related loan,…). If there is no future costs related with the government grants obtained, these latter are recognised in profit and loss when they become receivable.

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 when employees have rendered the services entitling them to the contribution.

(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% 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

Sale of goods and 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 and it is probable that the economic benefits will flow to the Group.

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 and disposal groups are qualified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the non current asset or disposal group is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale transaction within a year from the date of classification of the asset or disposal group as held for sale. The assets or disposal groups held for sale are valued at their previous carrying amount or their fair value less costs to sell, whichever is lower. These are presented separately 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.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, the managers and the Board of Directors are required to make judgements, estimates and assumptions about the classification or the carrying amounts of certain assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors considered as relevant. Actual results may vary from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates affecting past and current periods are recognised in the period in which the estimate is revised; revisions related to future periods affect the accounts of future periods.

Major areas of judgement involve:

As deferred tax assets are concerned, these are only recognized provided it is likely that they will offset a tax payment in the future (note 13.5 and 13.6).

As far as tangible and intangible assets with a definite useful life are concerned, a judgement is involved regarding the estimated useful lives of the assets over which they are depreciated (notes 14 and 17).

The classification of an asset or disposal group as held for sale involves that the Company estimates to be in a position to record a sale transaction on that asset within a year of its classification (note 39).

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 (note 9).

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 27).

NOTE 2 – SEGMENT REPORTING

The Group has adopted IFRS 8 Operating Segments with effect from 1 January 2009. IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the CEO in order to allocate resources to the segments and to assess their performances. In this respect, the adoption of IFRS 8 had no impact on the presentation of NPM/CNP's segment information as this was already presented that way. As a non-integrated holding company; NPM/CNP 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, 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); the same philosophy is applies for PARGESA/GBL, which is presented as a separate segment.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION PER SHAREHOLDING AS AT 31 DECEMBER 2008

,000 EUR	Restricted consolidation Belgian GAAP	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	PARGESA GROUP other Pargesa
ASSETS							
Non-current assets	**2,191,212**	**-**	**3,133**	**429,606**	**90,476**	**1,271,451**	**5,590,632**
Intangible assets	140	-	-	-	-	20,156	-
Goodwill / (negative goodwill)	-	-	-	-	-	402,673	58,279
Property, plant and equipment	13,457	-	-	-	-	765,410	8,507
Investments in subsidiaries or associates	755,209	-	-	-	89,567	22,335	1,267,956
Long-term advances to shareholdings	148,095	-	-	-	2,287	-	-
Available-for-sale investments - shares	-	-	-	-	-	-	-
Available-for-sale investments - bonds	1,271,971	-	-	429,606	191	3,199	4,246,310
Deferred tax assets	-	-	-	-	-	25,009	224
Long-term bank deposits	-	-	-	-	-	-	-
Other non-current assets	2,340	-	3,133	-	(1,569)	32,669	9,357
Current assets	**2,668,956**	**(143,560)**	**-**	**-**	**1,196**	**675,162**	**520,087**
Inventories	-	-	-	-	-	273,527	-
Trade and notes receivable	460	-	-	-	23	234,306	-
Interest bearing advances	179,342	-	-	-	(26,788)	-	-
Own shares	143,560	(143,560)	-	-	-	-	-
Financial assets held for trading purposes	48,286	-	-	-	-	1,348	72,155
Cash and cash equivalents	2,153,194	-	-	-	4,920	95,821	441,616
Assets held for sale	-	-	-	-	-	-	-
Other current assets	144,114	-	-	-	23,041	70,160	6,316
TOTAL ASSETS	**4,860,168**	**(143,560)**	**3,133**	**429,606**	**91,672**	**1,946,614**	**6,110,719**
SHAREHOLDERS' EQUITY AND LIABILITIES							
Total equity	**2,993,577**	**(57,760)**	**7,418**	**430,060**	**79,203**	**692,305**	**5,329,498**
Shareholders' equity	2,993,577	(57,760)	7,418	430,060	-	295,297	2,533,925
Minority shareholders' equity	-	-	-	-	79,203	397,008	2,795,573
Non-current liabilities	**1,585,912**	**-**	**(2,186)**	**-**	**-**	**649,076**	**679,398**
Long-term shareholders' advances	-	-	-	-	-	-	-
Provisions	2,233	-	-	-	-	75,137	403
Employee retirement and post-employment benefit obligations	2,366	-	(2,186)	-	-	53,297	-
Deferred tax liabilities	-	-	-	-	-	33,759	1,701
Obligations under finance lease	-	-	-	-	-	1,819	-
Other long-term interest bearing borrowings	1,581,313	-	-	-	-	470,382	677,293
Other non-current liabilities	-	-	-	-	-	14,681	-
Current liabilities	**280,679**	**(85,800)**	**(2,099)**	**(454)**	**12,469**	**605,233**	**101,823**
Provisions	-	-	-	-	-	9,309	-
Trade and notes payable	1,002	-	-	-	43	151,265	403
Income tax payable and accrued	512	-	-	-	26	6,010	1,075
Current portion of obligations under finance lease	-	-	-	-	-	410	-
Current portion of long-term borrowings, bank short-term borrowings and overdrafts	127,578	-	-	-	-	326,509	76,184
Other financial liabilities	24,419	-	-	-	12,296	-	-
Liabilities associated with assets helf for sale	-	-	-	-	-	-	-
Other current liabilities	127,168	(85,800)	(2,099)	(454)	104	111,730	24,161
TOTAL EQUITY AND LIABILITIES	**4,860,168**	**(143,560)**	**3,133**	**429,606**	**91,672**	**1,946,614**	**6,110,719**

RECONCILIATION OF MINORITY INTERESTS

Consolidated percentage shown in the consolidated accounts (1)		44.8%	44.8%
Portion of consolidated assets/liabilities belonging to NPM/CNP (2)		23.3%	54.1%
Portion belonging to NPM/CNP (3) = (1) x (2)		10.5%	24.2%
Minority interests in subsidiary	-	135,560	1,163,234
Minority interests from subsidiary	79,203	397,008	2,795,573
Elimination entry	-	-	
Minority shareholders' equity	**79,203**	**532,568**	**3,958,807**

INDUSTRIAL AND COMMERCIAL SHAREHOLDINGS											Consolidation	Consolidation
UNIFEM Entremont Alliance	Trasys	Transcor Astra Group	Groupe Flo	Belgian IceCream Group (BIG)	Cheval Blanc Raspail	Distripar	Lyparis Go Voyages	Affichage Holding	TCA/TCP Fidentia	Banca Leonardo	eliminating entries	IFRS
331,136	**1,098**	**154,845**	**166,871**	**20,790**	**70,786**	**85,779**	**156,742**	**71,562**	**22,481**	**172,504**	**(985,192)**	**9,845,913**
42,256	104	7,159	36,985	253	26	21,436	42,960	-	-	-	-	171,475
4,778	-	-	63,073	-	-	33,210	112,804	-	-	-	(10,201)	664,615
254,345	906	116,717	59,164	20,233	70,757	29,732	926	-	-	-	-	1,340,154
1,883	-	1,373	22	-	-	-	-	71,562	22,481	172,504	(845,535)	1,559,358
-	-	-	-	-	-	-	-	-	-	-	(137,289)	13,093
-	-	-	-	-	-	-	-	-	-	-	-	-
452	-	546	1,284	-	3	-	-	-	-	-	-	5,953,562
25,731	-	2,735	1,846	139	-	991	-	-	-	-	7,833	64,508
-	-	-	-	-	-	-	-	-	-	-	-	-
1,691	88	26,315	4,497	165	-	410	52	-	-	-	-	79,148
577,099	**13,692**	**1,222,347**	**42,692**	**24,826**	**20,677**	**99,135**	**64,678**	**-**	**-**	**-**	**(127,460)**	**5,659,527**
251,167	-	311,456	2,043	14,588	4,901	42,254	-	-	-	-	-	899,936
266,017	11,734	245,594	7,639	7,028	327	12,849	18,120	-	-	-	-	804,097
6,456	-	71,476	426	-	-	-	-	-	-	-	-	230,912
-	-	-	-	-	-	-	-	-	-	-	-	-
3	-	-	-	-	-	-	-	-	-	-	-	121,792
6,889	1,172	43,419	17,556	1,529	14,591	32,574	11,261	-	-	-	-	2,824,542
-	-	112,091	-	-	-	-	-	-	-	-	-	112,091
46,567	786	438,311	15,028	1,681	858	11,458	35,297	-	-	-	(127,460)	666,157
908,235	**14,790**	**1,377,192**	**209,563**	**45,616**	**91,463**	**184,914**	**221,420**	**71,562**	**22,481**	**172,504**	**(1,112,652)**	**15,505,440**
29,933	**4,908**	**384,023**	**48,453**	**18,606**	**15,395**	**64,735**	**28,728**	**71,562**	**22,481**	**172,504**	**(819,905)**	**9,515,724**
27,326	4,908	334,617	48,434	18,606	15,395	64,735	28,728	71,562	22,481	172,504	(2,113,360)	4,898,453
2,607	-	49,406	19	-	-	-	-	-	-	-	1,293,455	4,617,271
181,616	**67**	**94,170**	**17,783**	**7,679**	**59,824**	**43,244**	**110,299**	**-**	**-**	**-**	**(186,567)**	**3,240,314**
116,333	-	-	-	-	27,660	-	36,906	-	-	-	(180,899)	-
-	-	537	310	-	-	1,207	-	-	-	-	-	79,827
9,789	-	671	489	2,046	-	-	78	-	-	-	-	66,549
29,663	67	55,489	7,168	1,489	-	5,269	13,436	-	-	-	25,000	173,042
19,240	-	-	8,431	1,123	-	-	-	-	-	-	-	30,614
-	-	37,473	1,385	3,021	32,164	36,763	59,283	-	-	-	(30,668)	2,868,409
6,591	-	-	-	-	-	5	596	-	-	-	-	21,873
696,686	**9,815**	**898,999**	**143,327**	**19,332**	**16,244**	**76,935**	**82,393**	**-**	**-**	**-**	**(106,180)**	**2,749,402**
7,156	-	-	2,681	1,539	-	-	-	-	-	-	-	20,685
259,625	6,182	196,559	27,058	7,761	14,989	39,390	28,721	-	-	-	-	732,998
6,340	557	28,162	500	1,223	83	3,548	-	-	-	-	-	48,036
3,701	-	-	814	337	-	-	-	-	-	-	-	5,262
359,140	185	204,116	77,548	3,512	22	14,213	3,820	-	-	-	-	1,192,827
4,926	-	121,319	1,398	99	-	-	-	-	-	-	-	164,457
-	-	-	-	-	-	-	-	-	-	-	-	-
55,798	2,891	348,843	33,328	4,861	1,150	19,784	49,852	-	-	-	(106,180)	585,137
908,235	**14,790**	**1,377,192**	**209,563**	**45,616**	**91,463**	**184,914**	**221,420**	**71,562**	**22,481**	**172,504**	**(1,112,652)**	**15,505,440**

100.0%	50.0%	100.0%	50.0%	100.0%	50.0%	100.0%	50.0%					
63.5%	82.0%	80.0%	47.1%	100.0%	80.0%	100.0%	62.0%					
63.5%	41.0%	80.0%	23.6%	100.0%	40.0%	100.0%	31.0%					
9,974	883	66,923	12,809	-	3,079	-	10,917	-	-	-	(1,403,379)	-
2,607	-	49,406	19	-	-	-	-	-	-	-	1,293,455	4,617,271
-	(2,013)	(96,525)	1,055	-	(1,524)	-	(10,917)	-	-	-	109,925	-
12,581	**(1,130)**	**19,804**	**13,883**	**-**	**1,555**	**-**	**-**	**-**	**-**	**-**	**-**	**4,617,271**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION PER SHAREHOLDING AS AT 31 DECEMBER 2009

,000 EUR	Restricted consolidation Belgian GAAP	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	PARGESA GROUP other Pargesa
ASSETS							
Non-current assets	**3,159,306**	**-**	**3,764**	**685,148**	**80,556**	**1,226,934**	**6,355,384**
Intangible assets	94	-	-	-	-	19,610	-
Goodwill / (negative goodwill)	-	-	-	-	-	401,805	56,855
Property, plant and equipment	13,060	-	-	-	-	716,947	8,014
Investments in subsidiaries or associates	744,452	-	-	-	67,678	22,361	1,745,353
Long-term advances to shareholdings	221,888	-	-	-	14,099	-	-
Available-for-sale investments - shares	1,269,874	-	-	685,124	217	3,347	4,535,447
Available-for-sale investments - bonds	2,022	-	-	24	-	-	-
Deferred tax assets	-	-	-	-	-	25,027	224
Long-term bank deposits	900,000	-	-	-	-	-	
Other non-current assets	7,916	-	3,764	-	(1,438)	37,837	9,492
Current assets	**1,639,793**	**(127,918)**	**-**	**14,245**	**(9,296)**	**533,140**	**293,026**
Inventories	-	-	-	-	-	197,234	-
Trade and notes receivable	442	-	-	-	8	163,170	-
Interest bearing advances	374,702	-	-	-	(12,200)	-	-
Own shares	127,918	(127,918)	-	-	-	-	-
Financial assets held for trading purposes	251,316	-	-	14,245	-	1,422	6,620
Cash and cash equivalents	856,550	-	-	-	1,460	118,466	280,300
Assets held for sale	-	-	-	-	-	-	-
Other current assets	28,865	-	-	-	1,436	52,848	6,106
TOTAL ASSETS	**4,799,099**	**(127,918)**	**3,764**	**699,393**	**71,260**	**1,760,075**	**6,648,411**
SHAREHOLDERS' EQUITY AND LIABILITIES							
Total equity	**2,973,721**	**(37,738)**	**5,475**	**699,393**	**56,133**	**830,851**	**5,909,805**
Shareholders' equity	2,973,721	(37,738)	5,475	699,393	-	345,907	2,837,470
Minority shareholders' equity	-	-	-	-	56,133	484,944	3,072,335
Non-current liabilities	**1,585,409**	**-**	**(1,711)**	**-**	**-**	**621,848**	**692,506**
Long-term shareholders' advances	-	-	-	-	-	-	-
Provisions	2,233	-	-	-	-	77,072	448
Employee retirement and post-employment benefit obligations	1,739	-	(1,711)	-	-	40,056	-
Deferred tax liabilities		-	-	-	-	28,452	1,209
Obligations under finance lease		-	-	-	-	1,520	-
Other long-term interest bearing borrowings	1,581,437	-	-	-	-	463,082	690,849
Other non-current liabilities	-	-	-	-	-	11,666	-
Current liabilities	**239,969**	**(90,180)**	**-**	**-**	**15,127**	**307,376**	**46,100**
Provisions	-	-	-	-	-	8,351	-
Trade and notes payable	754	-	-	-	16	116,727	179
Income tax payable and accrued	1,321	-	-	-	28	9,211	672
Current portion of obligations under finance lease	-	-	-	-	-	281	-
Current portion of long-term borrowings, bank short-term borrowings and overdrafts	108,265	-	-	-	268	88,389	9,055
Other financial liabilities	2,073	-	-	-	14,534	-	-
Liabilities associated with assets helf for sale	-	-	-	-	-	-	-
Other current liabilities	127,556	(90,180)	-	-	281	84,417	36,195
TOTAL EQUITY AND LIABILITIES	**4,799,099**	**(127,918)**	**3,764**	**699,393**	**71,260**	**1,760,075**	**6,648,411**

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)		22.8%	54.1%
Portion belonging to NPM/CNP (3) = (1) x (2)		10.2%	24.2%
Minority interests in subsidiary	-	1,461,374	-
Minority interests from subsidiary	-	-	-
Elimination entry	-	-	
Minority shareholders' equity	**-**	**1,461,374**	**-**

INDUSTRIAL AND COMMERCIAL SHAREHOLDINGS											Consolidation eliminating entries	Consolidation IFRS
UNIFEM Entremont Alliance	Trasys	Transcor Astra Group	Groupe Flo	Belgian IceCream Group (BIG)	Cheval Blanc Finance	Distripar	Lyparis Go Voyages	Affichage Holding	TCA/TCP Fidentia	Banca Leonardo		
-	**1,174**	**132,910**	**161,008**	**18,867**	**72,340**	**83,876**	**156,214**	**62,597**	**30,105**	**158,044**	**(1,023,588)**	**11,364,640**
-	145	5,264	37,100	-	22	20,203	41,651	-	-	-	-	124,089
-	-	-	62,386	427	-	33,210	112,833	-	-	-	(10,201)	657,315
-	950	115,412	53,753	18,185	72,315	28,631	1,670	-	-	-	-	1,028,937
-	-	338	51	-	-	-	-	62,597	30,105	158,044	(812,741)	2,018,238
-	-	-	-	-	-	-	-	-	-	-	(200,646)	35,341
-	-	622	1,317	-	3	-	-	-	-	-	-	6,495,951
-	-	-	-	-	-	-	-	-	-	-	-	2,046
-	-	11,147	1,749	120	-	1,290	-	-	-	-	-	39,557
-	-	-	-	-	-	-	-	-	-	-	-	900,000
-	79	127	4,652	135	-	542	60	-	-	-	-	63,166
701,172	**10,906**	**1,870,895**	**39,915**	**24,145**	**28,509**	**83,093**	**79,976**	**-**	**-**	**-**	**(294,822)**	**4,886,779**
-	-	727,926	1,838	14,137	5,581	39,934	-	-	-	-	-	986,650
-	8,581	466,683	7,084	6,996	255	11,023	12,878	-	-	-	-	677,120
-	-	26,079	100	-	-	-	-	-	-	-	(270,000)	118,681
-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	273,603
-	1,159	67,349	14,091	937	22,067	20,122	24,278	-	-	-	-	1,406,779
701,172	-	-	-	-	-	-	-	-	-	-	-	701,172
-	1,166	582,858	16,802	2,075	606	12,014	42,820	-	-	-	(24,822)	722,774
701,172	**12,080**	**2,003,805**	**200,923**	**43,012**	**100,849**	**166,969**	**236,190**	**62,597**	**30,105**	**158,044**	**(1,318,410)**	**16,251,419**
-	**4,662**	**590,026**	**61,071**	**20,080**	**13,710**	**62,023**	**28,127**	**62,597**	**30,105**	**158,044**	**(813,148)**	**10,654,937**
-	4,662	488,855	61,057	20,080	13,710	62,023	28,127	62,597	30,105	158,044	(2,319,563)	5,433,924
-	-	101,171	14	-	-	-	-	-	-	-	1,506,416	5,221,013
30,000	**66**	**102,578**	**43,588**	**6,335**	**70,496**	**37,970**	**113,683**	**-**	**-**	**-**	**(201,048)**	**3,101,720**
30,000	-	-	-	-	70,496	-	35,841	-	-	-	(136,337)	-
-	-	940	213	-	-	4,404	-	-	-	-	-	85,310
-	-	476	492	1,935	-	1,000	87	-	-	-	-	44,074
-	66	98,893	7,056	1,437	-	6,060	13,110	-	-	-	-	156,283
-	-	-	7,085	835	-	-	306	-	-	-	-	9,746
-	-	2,269	26,576	2,128	-	26,501	64,096	-	-	-	(64,711)	2,792,227
-	-	-	2,166	-	-	5	243	-	-	-	-	14,080
671,172	**7,352**	**1,311,201**	**96,264**	**16,597**	**16,643**	**66,976**	**94,380**	**-**	**-**	**-**	**(304,214)**	**2,494,762**
-	-	4,715	2,092	871	-	-	-	-	-	-	-	16,029
-	4,170	263,184	24,595	7,250	11,362	35,362	33,060	-	-	-	-	496,659
-	637	10,260	1,910	779	1,664	2,159	-	-	-	-	-	28,641
-	-	-	871	353	-	-	176	-	-	-	-	1,681
-	51	750,627	33,380	3,017	-	10,723	3,127	-	-	-	(276,945)	729,956
-	-	22,134	1,374	-	-	8,016	-	-	-	-	-	48,131
671,172	-	-	-	-	-	-	-	-	-	-	-	671,172
-	2,494	260,281	32,042	4,327	3,617	10,716	58,017	-	-	-	(27,269)	502,493
701,172	**12,080**	**2,003,805**	**200,923**	**43,012**	**100,849**	**166,969**	**236,190**	**62,597**	**30,105**	**158,044**	**(1,318,410)**	**16,251,419**

100.0%	50.0%	100.0%	50.0%	100.0%	50.0%	100.0%	50.0%					
64.2%	82.0%	80.0%	47.3%	100.0%	80.0%	100.0%	62.0%					
64.2%	41.0%	80.0%	23.7%	100.0%	40.0%	100.0%	31.0%					
-	-	-	-	-	-	-	-	-	-	-	(1,461,373)	-
30,000	-	-	-	-	70,496	-	35,841	-	-	-	(136,337)	5,221,013
-	(1,159)	(71,525)	(14,256)	-	(2,000)	-	(9,389)	-	-	-	102,153	-
30,000	**(1,159)**	**(71,525)**	**(14,256)**	**-**	**68,496**	**-**	**26,452**	**-**	**-**	**-**	**-**	**5,221,013**

NOTE 2 – SEGMENT REPORTING

CONSOLIDATED PROFIT AND LOSS STATEMENT PER SHAREHOLDING FOR THE YEAR 2008

, 000 EUR	Restricted consolidation Belgian GAAP	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	PARGESA GROUP other Pargesa
INCOME STATEMENT							
Revenue	1,279	-	-	-	-	1,544,236	(0)
Other operating income	6,985	-	-	-	(1)	24,007	2,576
Raw materials, goods for resale, consumables used and changes in inventories	-	-	-	-	-	(567,936)	(0)
Staff costs	(6,596)	-	(1,279)	-	-	(303,796)	(5,392)
Depreciation expenses	(476)	-	-	-	-	(80,234)	(537)
Amortization expenses	-	-	-	-	-	(3,440)	(0)
Gains/(losses) on disposals of (and impairments on) shareholdings and activities	(218,785)	-	-	-	(12,129)	(21,739)	(630,431)
Other operating expenses	(8,024)	-	-	-	(56)	(461,989)	(9,587)
Results of operating activities	**(225,617)**	**-**	**(1,279)**	**-**	**(12,186)**	**129,109**	**(643,371)**
Dividends and interests from long-term investments	262,701	-	-	-	26,402	146	216,317
Dividends from current assets held for trading	1,905	-	-	-	-	-	269
Dividends on own shares	2,758	(2,758)	-	-	-	-	-
Interest income from current assets	111,142	-	-	-	(1,145)	1,814	27,203
Interests expenses	(73,850)	-	-	(9,550)	(755)	(27,333)	(24,208)
Gains/(losses) on trading activities	(14,251)	-	-	(668)	-	(201)	(34,825)
Other financial income/(expenses)	1,244	-	-	22,771	(3)	4,914	(1,749)
Net finance income/(expenses)	**291,649**	**(2,758)**	**-**	**12,553**	**24,499**	**(20,660)**	**183,007**
Profit/(loss) from operating and finance activities	**66,032**	**(2,758)**	**(1,279)**	**12,553**	**12,313**	**108,450**	**(460,364)**
Income tax	(112)	-	-	-	(16)	(39,812)	448
Income from associates	-	-	-	-	-	4,659	124,875
Net profit/(loss) from continuing operations	**65,920**	**(2,758)**	**(1,279)**	**12,553**	**12,297**	**73,297**	**(335,041)**
Net profit/loss from discontinued operations	-	-	-	-	-	-	-
Net profit/(loss)	**65,920**	**(2,758)**	**(1,279)**	**12,553**	**12,297**	**73,297**	**(335,041)**
attributable to							
- Minority interest	-	-	-	-	12,297	42,808	(157,652)
- NPM/CNP Shareholders	**65,920**	**(2,758)**	**(1,279)**	**12,553**	**-**	**30,489**	**(177,389)**

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		23.3%	54.1%
Portion belonging to NPM/CNP		10.5%	24.2%
Consolidated percentage shown in the consolidated accounts (1)	-	13,996	(81,433)
Portion of consolidated assets/liabilities belonging to NPM/CNP (2)	12,297	42,808	(157,652)
Portion belonging to NPM/CNP (3) = (1) x (2)	-	-	
Minority shareholders' share in net profit	**12,297**	**56,804**	**(239,085)**

CONSOLIDATED PROFIT AND LOSS STATEMENT PER SHAREHOLDING FOR THE YEAR 2009

, 000 EUR	Restricted consolidation Belgian GAAP	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	PARGESA GROUP other Pargesa
INCOME STATEMENT							
Revenue	1,492	-	-	-	11	1,241,834	(0)
Other operating income	7,216	-	-	-	-	20,538	174
Raw materials, goods for resale, consumables used and changes in inventories	-	-	-	-	-	(459,392)	0
Staff costs	(6,941)	-	(2,427)	-	-	(280,602)	(5,505)
Depreciation expenses	(324)	-	-	-	-	(75,228)	(492)
Amortization expenses	(46)	-	-	-	-	(3,068)	(0)
Gains/(losses) on disposals of (and impairments on) shareholdings and activities	(20,298)	-	-	(54,741)	-	959	179,518
Other operating expenses	(6,937)	-	-	-	(56)	(372,436)	(8,834)
Results of operating activities	**(25,838)**	**-**	**(2,427)**	**(54,741)**	**(45)**	**72,605**	**164,859**
Dividends and interests from long-term investments	168,083	-	-	-	2,724	146	246,151
Dividends from current assets held for trading	6,469	-	-	-	-	-	53
Dividends on own shares	2,803	(2,803)	-	-	-	-	-
Interest income from current assets	63,453	-	-	-	4	1,005	6,657
Interests expenses	(69,647)	-	-	(454)	(727)	(31,945)	(28,323)
Gains/(losses) on trading activities	8,022	-	-	14,245	-	64	(7,199)
Other financial income/(expenses)	8,608	-	-	-	-	(6,746)	2,597
Net finance income/(expenses)	**187,791**	**(2,803)**	**-**	**13,791**	**2,001**	**(37,477)**	**219,935**
Profit/(loss) from operating and finance activities	**161,953**	**(2,803)**	**(2,427)**	**(40,950)**	**1,956**	**35,128**	**384,795**
Income tax	(199)	-	-	-	(55)	(16,591)	493
Income from associates	-	-	-	-	-	(71)	66,457
Net profit/(loss) from continuing operations	**161,754**	**(2,803)**	**(2,427)**	**(40,950)**	**1,901**	**18,466**	**451,744**
Net profit/loss from discontinued operations	-	-	-	-	-	-	-
Net profit/(loss)	**161,754**	**(2,803)**	**(2,427)**	**(40,950)**	**1,901**	**18,466**	**451,744**
attributable to							
- Minority interest	-	-	-	-	1,901	10,700	224,827
- NPM/CNP Shareholders	**161,754**	**(2,803)**	**(2,427)**	**(40,950)**	**-**	**7,766**	**226,917**

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		22.8%	54.1%
Portion belonging to NPM/CNP		10.2%	24.2%
Consolidated percentage shown in the consolidated accounts (1)	-	3,565	104,170
Portion of consolidated assets/liabilities belonging to NPM/CNP (2)	1,901	10,700	224,827
Portion belonging to NPM/CNP (3) = (1) x (2)	-	-	
Minority shareholders' share in net profit	**1,901**	**14,266**	**328,996**

INDUSTRIAL AND COMMERCIAL SHAREHOLDINGS											Consolidation	Consolidation
Unifem Entremont/Alliance	Trasys	Transcor Astra Group	Groupe Flo	Belgian IceCream Group (BIG)	Raspail Cheval Blanc	Distripar	Lyparis Go Voyages	MESA EBP	TCA/TCP	Banca Leonardo	eliminating entries	IFRS
-	35,797	11,605,843	194,762	87,730	10,268	244,487	62,266	-	-	-	(1,865)	13,784,803
-	165	14,581	-	1,940	273	4,823	-	-	-	-	13,756	69,105
-	-	(11,454,378)	(43,041)	(34,736)	685	(133,525)	(40,180)	-	-	-	-	(12,273,110)
-	(15,718)	(59,860)	(88,853)	(23,739)	(1,173)	(42,459)	(6,175)	-	-	-	-	(555,040)
-	(377)	(11,428)	(10,693)	(4,659)	(504)	(5,417)	(313)	-	-	-	-	(114,638)
-	(38)	(1,483)	(192)	(150)	-	(1,412)	(1,493)	-	-	-	-	(8,208)
-	454	(33,320)	(35,388)	-	-	(2,379)	-	-	-	-	(77,629)	(1,031,346)
-	(17,602)	(14,187)	(43,444)	(26,506)	(1,945)	(51,806)	(7,198)	-	-	-	1,898	(640,446)
-	**2,681**	**45,768**	**(26,849)**	**(120)**	**7,604**	**12,312**	**6,907**	**-**	**-**	**-**	**(63,840)**	**(768,880)**
-	-	-	-	-	-	-	-	-	-	-	(195,259)	310,307
-	-	-	-	-	-	-	-	-	-	-	-	2,174
-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	12,872	126	49	1,395	1,160	543	-	-	-	(100)	155,059
-	(87)	(22,552)	(4,357)	(581)	(3,358)	(3,281)	(10,334)	-	-	-	5,522	(174,724)
-	-	-	-	-	-	-	-	-	-	-	-	(49,945)
-	(15)	1,524	1,051	(274)	-	424	(9)	-	-	-	(14,372)	15,505
-	**(102)**	**(8,156)**	**(3,180)**	**(806)**	**(1,963)**	**(1,697)**	**(9,800)**	**-**	**-**	**-**	**(204,209)**	**258,376**
-	**2,579**	**37,612**	**(30,029)**	**(926)**	**5,641**	**10,615**	**(2,893)**	**-**	**-**	**-**	**(268,049)**	**(510,504)**
-	(813)	(24,960)	10,813	(1,537)	(1,701)	(6,989)	1,022	-	-	-	33,778	(29,879)
-	-	69	15	-	-	(286)	-	-	(2,162)	6,628	(361)	133,437
-	**1,766**	**12,721**	**(19,201)**	**(2,463)**	**3,940**	**3,340**	**(1,871)**	**-**	**(2,162)**	**6,628**	**(234,632)**	**(406,946)**
(33,968)	-	19,743	-	-	-	-	-	558	-	-	7,454	(6,213)
(33,968)	**1,766**	**32,464**	**(19,201)**	**(2,463)**	**3,940**	**3,340**	**(1,871)**	**558**	**(2,162)**	**6,628**	**(227,178)**	**(413,159)**
41	-	(1,823)	(1)	-	-	-	-	-	-	-	(134,446)	(238,776)
(34,009)	**1,766**	**34,287**	**(19,200)**	**(2,463)**	**3,940**	**3,340**	**(1,871)**	**558**	**(2,162)**	**6,628**	**(92,733)**	**(174,383)**

100.0%	50.0%	100.0%	50.0%	100.0%	50.0%	100.0%	50.0%	50.0%				
63.5%	92.0%/82.0%	80.0%	47.1%	100.0%	80.0%	100.0%	62.0%	86.3%				
63.5%	46.0%/41.0%	80.0%	23.6%	100.0%	40.0%	100.0%	31.0%	43.2%				
(12,413)	282	(6,857)	(5,078)	-	788	-	(711)	235	-	-	91,191	-
41	-	(1,823)	(1)	-	-	-	-	-	-	-	(134,446)	(238,776)
(1,800)	(123)	(13,285)	(16,308)	-	(320)	-	(12,355)	936	-	-	43,255	-
(14,172)	**159**	**(21,965)**	**(21,387)**	**-**	**468**	**-**	**(13,066)**	**1,171**	**-**	**-**	**-**	**(238,776)**

INDUSTRIAL AND COMMERCIAL SHAREHOLDINGS											Consolidation	Consolidation
UNIFEM Entremont Alliance	Trasys	Transcor Astra Group	Groupe Flo	Belgian IceCream Group (BIG)	Cheval Blanc	Distripar	Lyparis Go Voyages	Affichage Holding	TCA/TCP Fidentia	Banca Leonardo	eliminating entries	IFRS
-	35,658	9,379,180	182,235	85,849	11,008	237,292	64,221	-	-	-	-	11,238,780
-	382	30,561	-	2,113	135	2,633	-	-	-	-	(2,515)	61,236
-	-	(9,198,268)	(37,722)	(30,804)	(260)	(125,491)	(36,087)	-	-	-	-	(9,888,024)
-	(15,946)	(91,696)	(82,292)	(24,843)	(1,491)	(44,967)	(8,354)	-	-	-	-	(565,065)
-	(359)	(13,211)	(8,152)	(4,050)	(401)	(6,057)	(371)	-	-	-	-	(108,646)
-	(42)	(1,591)	(149)	-	-	(1,691)	(1,480)	-	-	-	-	(8,067)
-	-	-	121	-	(4)	-	-	-	-	-	31,980	137,535
-	(16,906)	(16,695)	(43,618)	(24,291)	(1,663)	(55,110)	(10,488)	-	-	-	2,515	(554,518)
-	**2,787**	**88,280**	**10,423**	**3,974**	**7,324**	**6,609**	**7,441**	**-**	**-**	**-**	**31,980**	**313,231**
-	-	-	-	-	-	-	-	-	-	-	(73,187)	343,917
-	-	-	-	-	-	-	-	-	-	-	-	6,522
-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	25,108	-	10	1,069	585	503	-	-	-	(6,945)	91,449
-	(34)	(22,333)	(4,417)	(477)	(5,543)	(2,373)	(9,257)	-	-	-	15,036	(160,495)
-	-	-	-	-	-	-	-	-	-	-	-	15,131
-	(14)	10,236	68	(115)	-	246	25	-	-	-	(331)	14,574
-	**(48)**	**13,011**	**(4,349)**	**(582)**	**(4,474)**	**(1,542)**	**(8,729)**	**-**	**-**	**-**	**(65,427)**	**311,098**
-	**2,739**	**101,291**	**6,074**	**3,392**	**2,850**	**5,067**	**(1,288)**	**-**	**-**	**-**	**(33,447)**	**624,329**
-	(1,035)	(18,522)	(3,182)	30	(3,862)	(3,019)	456	-	-	-	-	(45,486)
-	-	(117)	30	-	-	-	-	(9,912)	1,237	(11,667)	(334)	45,623
-	**1,704**	**82,652**	**2,922**	**3,422**	**(1,012)**	**2,048**	**(832)**	**(9,912)**	**1,237**	**(11,667)**	**(33,781)**	**624,466**
(21,595)	-	130,124	-	-	-	-	-	-	-	-	(48,907)	59,622
(21,595)	**1,704**	**212,776**	**2,922**	**3,422**	**(1,012)**	**2,048**	**(832)**	**(9,912)**	**1,237**	**(11,667)**	**(82,688)**	**684,088**
209	-	16,630	(5)	-	-	-	-	-	-	-	133,290	387,552
(21,804)	**1,704**	**196,146**	**2,927**	**3,422**	**(1,012)**	**2,048**	**(832)**	**(9,912)**	**1,237**	**(11,667)**	**(215,978)**	**296,536**

100.0%	50.0%	100.0%	50.0%	100.0%	50.0%	100.0%	50.0%					
63.5%	82.0%	80.0%	47.3%	100.0%	80.0%	100.0%	62.0%					
63.5%	41.0%	80.0%	23.7%	100.0%	40.0%	100.0%	31.0%					
(7,958)	307	(39,229)	1,542	-	(202)	-	(316)	-	-	-	(61,878)	-
209	-	16,630	(5)	-	-	-	-	-	-	-	133,290	387,552
(4,623)	(336)	3,000	-	-	(611)	-	1,528	-	-	-	1,042	-
(12,372)	**(29)**	**(19,599)**	**1,537**	**-**	**(813)**	**-**	**1,212**	**-**	**-**	**-**	**-**	**387,552**

SEGMENT ASSETS

Segment assets are presented on pages 20 to 23.

Costs to acquire segment assets

The table below presents the costs incurred to acquire segment assets (property, plant and equipment and intangible assets).

	2008		2009	
,000 EUR	**Costs**	**%**	**Costs**	**%**
PARGESA Group (excl. IMERYS)	3,380	1.4%	319	0.4%
IMERYS	110,998	46.2%	48,859	59.4%
UNIFEM / ENTREMONT ALLIANCE	51,577	21.5%	discontiuned operation	
GROUPE FLO	22,106	9.2%	5,541	6.7%
TRANSCOR ASTRA GROUP	28,237	11.8%	15,620	19.0%
BELGIAN ICECREAM GROUP	4,253	1.8%	2,137	2.6%
CHEVAL BLANC	8,158	3.4%	2,067	2.5%
DISTRIPAR	7,800	3.2%	5,434	6.6%
LYPARIS / GO VOYAGES	501	0.2%	1,285	1.6%
TRASYS	487	0.2%	486	0.6%
Other	2,613	1.1%	564	0.7%
Total	**240,110**	**100.0%**	**82,312**	**100.0%**

ASSETS PRESENTED BY GEOGRAPHICAL AREA

Figures at 31 December 2008 in ,000 EUR	Europe	North America	Other	**Total**
Non-current assets	**9,047,519**	**445,357**	**353,037**	**9,845,913**
Intangible assets	154,906	10,396	6,173	171,475
Goodwill	480,551	55,756	128,308	664,615
Property, plant and equipment	810,894	337,401	191,859	1,340,154
Investments in associates	1,556,898	1,177	1,283	1,559,358
Long-term advances	13,093	0	0	13,093
Available-for-sale investments	5,953,514	0	48	5,953,562
Deferred tax assets	15,907	39,092	9,509	64,508
Other non-current assets	61,756	1,535	15,857	79,148
Current assets	**5,019,340**	**476,166**	**164,021**	**5,659,527**
Inventories	665,153	175,959	58,824	899,936
Trade and notes receivable	720,312	41,989	41,796	804,097
Short-term interest bearing advances	223,850	7,062	0	230,912
Financial assets held for trading	121,632	0	160	121,792
Cash and cash equivalents	2,763,751	21,590	39,201	2,824,542
Assets held for sale	0	112,091	0	112,091
Other current assets	524,642	117,475	24,040	666,157
TOTAL ASSETS	**14,066,859**	**921,523**	**517,058**	**15,505,440**

Figures at 31 December 2009 in ,000 EUR	Europe	North America	Other	**Total**
Non-current assets	**10,600,531**	**414,736**	**349,373**	**11,364,640**
Intangible assets	110,734	7,406	5,950	124,089
Goodwill	474,345	54,078	128,892	657,315
Property, plant and equipment	532,690	311,992	184,256	1,028,937
Investments in associates	2,014,097	989	3,152	2,018,238
Long-term advances	35,341	0	0	35,341
Available-for-sale investments	6,497,950	0	47	6,497,997
Deferred tax assets	(5,755)	35,562	9,751	39,557
Other non-current assets	941,130	4,711	17,325	963,166
Current assets	**3,647,589**	**1,021,572**	**217,619**	**4,886,779**
Inventories	576,500	339,779	70,372	986,650
Trade and notes receivable	9,250	593,649	74,221	677,120
Short-term interest bearing advances	118,152	529	0	118,681
Financial assets held for trading	273,395	0	208	273,603
Cash and cash equivalents	1,319,674	39,400	47,704	1,406,779
Assets held for sale	701,172	0	0	701,172
Other current assets	649,446	48,215	25,114	722,774
TOTAL ASSETS	**14,248,119**	**1,436,308**	**566,992**	**16,251,419**

Costs to acquire assets by geographical area

The table below presents the costs incurred to acquire assets (property, plant and equipment and intangible assets). These costs are presented by geographical area.

	2008		2009	
,000 EUR	**Costs**	**%**	**Costs**	**%**
Europe	161,208	67.1%	36,421	44.2%
North America	59,086	24.6%	32,889	40.0%
Other	19,816	8.3%	13,002	15.8%
Total	**240,110**	**100.0%**	**82,312**	**100.0%**

SEGMENT TURNOVER

The turnover per segment is presented on pages 24 and 25.

TURNOVER BY GEOGRAPHICAL AREA

The table below shows the Group’s turnover per geographical location of customers.

,000 EUR	**2008**	**2009**
Germany	188,818	200,672
Belgium	545,287	590,652
France	640,526	535,236
Other Euro zone	1,048,135	638,821
Sub-total Euro zone	**2,422,766**	**1,965,381**
United Kingdom	415,886	283,830
Other Europe	587,607	874,351
Sub-total Europe	**3,426,259**	**3,123,562**
North Amercica	6,535,461	5,265,409
Other	3,823,083	2,849,809
Total	**13,784,803**	**11,238,780**

TRANSCOR ASTRA GROUP, with a turnover of EUR 9,379 million, realizes around 84% of the consolidated turnover of which the biggest part in the United States by means of its trading and refining activities.

NOTE 3 – ACQUISITIONS AND DISPOSALS OF ACTIVITIES AND SHARES IN SUDSIDIARIES AND JOINT-VENTURES

ACQUISITIONS OF ACTIVITIES AND SHARES IN SUBSIDIARIES AND JOINT-VENTURES

No significant business combination occured in 2009.

During the 2008 financial year, the Group realized the following acquisitions:

,000 EUR	Astron China Pre-acquisition book value	adjustments	Fair Value	Additional acquisitions of GBL shares	of IMERYS shares	Other	Total
Non-current assets	6,169	789	6,958	0	0		6,958
Current assets	24,396	0	24,396	0	0		24,396
Non-current liabilities	(381)	(222)	(603)	0	0		(603)
Current liabilities	(21,318)	0	(21,318)	0	0		(21,318)
Estimated market value of contingent liabilities	0	0	0	0	0		0
Net assets acquired	8,867	566	9,433	0	0		**18,866**
Goodwill/(badwill)			44,334	0	0		44,334
Total cost of the combination			53,767	0	0		**63,200**
Satisfied by							
Cash			(53,767)	(92,635)	(49,714)		(196,116)
Deferred consideration			0	0	0		0
Net cash outflow on acquisition							
cash outflow for the acquisition			(53,767)	(92,635)	(49,714)		(196,116)
bank balances and cash acquired			1,987	0	0		1,987
Other acquisition not detailed						(34,847)	(34,847)
Acquisition of subsidiaries and joint ventures, net of cash acquired			(51,780)	(92,635)	(49,714)	(34,847)	**(228,976)**

ASTRON CHINA

On February 5, 2008, IMERYS acquired 100% of the capital of ASTRON CHINA.
ASTRON CHINA is a major world player in the production, sale and trading of a large line of zircon-based products (mainly sand, powder, melted zircon and zircon-based chemicals).
At the end of 2008, the goodwill had been determined on a provisional basis The final computation took place in 2009, and did not have any significant impact. The turnover included in NPM/CNP's consolidated accounts for 2008 amounts to EUR 30 million and the net result since acquisition represents EUR (1) million.
The costs directly resulting from this acquisition amount to EUR 0.3 million (EUR 0.1 million in NMP/CNP's consolidated accounts).

ADJUSTMENTS RESULTING FROM 2008 ACQUISITIONS WHICH WERE ACCOUNTED FOR ON A PROVISIONAL BASIS

Most of the 2008 acquisitions were accounted for on a provisional basis last year ; the fair value of assets and liabilities (and the resulting goodwill) was adjusted during the 2009 financial year. These adjustments did not have significant impacts on the 2009 financial statements.

ADDITIONAL ACQUISITION OF SHARES OF SUBSIDIARIES AND JOINT-VENTURES

In 2009 PARGESA/GBL acquired GBL shares for an amount of EUR 27 million (EUR 12 million included in NPM/CNP's consolidated accounts).
During the 2008 financial year, PARGESA and GBL had acquired GBL shares for some EUR 207 million (EUR 92.6 million included in NPM/CNP's consolidated accounts). GBL and IMERYS acquired IMERYS shares for some EUR 111 million (EUR 49.7 million in NPM/CNP's accounts).

DISPOSALS OF ACTIVITIES (please also refer to note 39 on discontinued operations)

No significant disposal of consolidated activity took place in 2009.
During the 2008 financial year, the Group mainly disposed of its share in the ELECTRICITE DU BOIS DU PRINCE joint-venture, a group owning a windmill farm in METTET / FOSSES-LA-VILLE. This disposal generated a EUR 8 million capital gain (EUR 6.9 million group share, with a corresponding impact on the net cash position).

PARTIAL DISPOSALS OF SUBSIDIARIES AND JOINT-VENTURES

During the 2008 and 2009 financial years, sales of IMERYS shares generated cash in-flows amounting to respectively EUR 5.9 million and 17.1 million in NPM/CNP's consolidated accounts.

The consolidated turnover amounts to EUR 11,239 million for 2009 against EUR 13,785 million last year, i.e. an decrease of 18%. The decrease in the turnover is mainly due to the evolution of the average oil prices at TRANSCOR ASTRA GROUP (which represents 84% of the turnover).

Turnover by category

,000 EUR	**2008**	**2009**
Sales of goods	13,298,577	10,795,796
Services rendered	472,816	429,141
Other	13,410	13,843
Total revenue	**13,784,803**	**11,238,780**

NOTE 5 – OTHER OPERATING INCOME AND EXPENSES

Other operating income

,000 EUR	**2008**	**2009**
Net gain on disposal of property, plant and equipment and on intangible assets	8,402	3,886
Grants released to income	2,706	16
Unrealized trading profit TRANSCOR ASTRA (mark-to-market)	14,693	31,079
Other	43,304	26,255
Total other operating income	**69,105**	**61,236**

Other operating expenses

,000 EUR	**2008**	**2009**
Restructuring costs expensed (note 6)	(29,613)	(45,601)
Taxes other than income taxes	(30,986)	(27,253)
Research and development expenditure	(12,622)	(10,004)
Maintenance expenses	(50,605)	(37,450)
Advertising and promotion	(20,996)	(20,295)
Rent costs	(44,837)	(52,942)
Energy costs	(8,754)	(8,716)
Water, telecommunications and other utilities	(19,067)	(17,163)
Insurance expenses	(8,971)	(9,690)
Transportation costs	(189,019)	(136,363)
Licence fees, royalties and commissions	(38,691)	(33,774)
External fees and interim expenses	(110,334)	(63,599)
Travel and entertainment expenses	(37,631)	(28,596)
Miscelleanous goods and services	(38,320)	(63,073)
Total other operating expenses	**(640,446)**	**(554,518)**

As holding companies, NPM/CNP and its financial subsidiaries do not directly conduct research and development activities.
Among their industrial subsidiaries, virtually all R&D expenses (EUR 10.0 million in 2009 and 12.6 million in 2008) have been incurred by IMERYS; they mainly relate to research and development regarding improvements of existing industrial processes and research regarding new products.

NOTE 6 – RESTRUCTURING COSTS

Restructuring costs include staff costs, impairment losses on assets and other operating expenses; in 2009, they amounted to EUR 45.6 million and were incurred by DISTRIPAR (EUR 4.6 million, mainly on the restructuring conducted by DI) and IMERYS (EUR 41 million, as a result of the various restructurings involving a reduction of the number of operating sites. In 2008, they amounted to EUR 29.6 million and are mainly related to IMERYS which booked restructuring costs in its Specialty Minerals activities in North America.

Breakdown of the restructuring costs:

,000 EUR	2008	2009
Restructuring costs paid	(24,890)	(23,725)
Operating impairments on assets linked to restructurings	(7,318)	(14,428)
Non-cash adjustments (provisions or reversals)	2,595	(7,447)
Total	**(29,613)**	**(45,601)**

NOTE 7 – 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 to note 37 on shared based payments for more information.

,000 EUR	2008	2009
Wages, salaries and bonuses	(409,946)	(417,178)
Share-based payments	(5,079)	(8,892)
Social security contribution	(94,722)	(91,655)
Defined contribution plans costs and defined benefit plans costs (IAS 19)	(25,407)	(21,808)
Other	(19,886)	(25,532)
Total	**(555,040)**	**(565,065)**

Average number of full-time equivalents

The following figures only relate to globally and proportionally consolidated companies.

	2008	2009
Employees	7,998	7,467
Workers	5,397	4,622
Total	**13,395**	**12,089**

NOTE 8 – GAINS/LOSSES AND IMPAIRMENTS ON SHAREHOLDINGS AND ACTIVITIES

,000 EUR	2008	2009
Capital gain on ARKEMA shares	0	7,852
Capital gain on I.R.I.S.	0	3,788
Capital gain on IBERDROLA shares	58,970	0
(Impairment loss on LAFARGE, associate) / reversal	(488,721)	290,442
(Impairment loss on PERNOD RICARD, available for sale)	(141,118)	(88,807)
(Impairment loss on IBERDROLA, available for sale)	(123,532)	(54,258)
(Impairment loss on METROPOLE TV / M6, available for sale)	(28,018)	(14,098)
(Impairment loss on EIFFAGE, available for sale)	(27,067)	(2,701)
(Impairment loss on/by GROUPE FLO)	(111,638)	0
(Impairment loss on AFFICHAGE HOLDING, associate)	(43,986)	0
(Impairment loss on goodwill LYPARIS / GO VOYAGES)	(33,194)	0
(Impairment losses on TIKEHAU and associated funds)	(23,331)	0
(Impairment loss on Performance Minerals by IMERYS)	(21,898)	0
(Impairment loss on US OIL by TRANSCOR ASTRA GROUP)	(21,407)	0
(Impairment loss on EGL convertible bonds by TRANSCOR ASTRA GROUP)	(10,375)	0
Other	(16,031)	(4,683)
Total	**(1,031,346)**	**137,535**

Impairment losses are described in note 9.

Impairments on available-for-sale investments

When the fair value (i.e. the stock market price for listed assets) of an investment classified as available-for-sale is significantly (or for a long period of time) below the acquisition cost of this investment, an impairment loss is booked on this asset.
The impairment losses booked in this respect during the 2008 and 2009 financial years are detailed in note 8. In 2009, they were mainly booked on PERNOD RICARD (EUR 89 million), IBERDROLA (EUR 54 million), METROPOLE TV – M6 (EUR 14 million) and EIFFAGE (EUR 3 million) as of 31 March 2009, on which impairment losses had also been booked in 2008. Despite a subsequent recovery of the shares prices, the IFRS standards did not allow to reverse these impairment losses through profit and loss. At 31 December 2009, these four assets presented unrealized gains of EUR 337 million (EUR 165 million group share) booked in revaluation reserve.

Impairments on investments in associates

When there is an indication that an investment in an associate might be impaired, a depreciation test is performed. For listed companies, such an indication might result from a decrease of the stock market price significantly (or for a long period of time) below the carrying value of the investment. The aim of the impairment test is to determine the recoverable value of the investment, which is the higher of the fair market value or of the value in use. The value in use is determined based upon discounted cash flow projections, usually over a 5-year period, resulting from management estimates in agreement with the managers of the associated company involved. The discount rates are elaborated from market data (a risk free interest rate plus a risk premium specific for each company based upon a market risk premium of 5% p.a.); the risk premium of the company is adapted based upon the particular industrial risk as reflected by market data for similar situations and for financial leverage.
In most instances, after tax cash flows are discounted using after tax discount rate; this delivers results that are identical to the discounting of before tax cash flows with before tax discount rates, as required by IFRS.

In 2008, an impairment loss of EUR 489 million (EUR 137 million for NPM/CNP's shareholders) was recorded on LAFARGE, based on a weighted average cost of capital (WACC) ranging from 7.4 to 7.9% and a long-term growth factor (after the 5-year period) ranging from 1 to 2%. The increase in the share price of LAFARGE as of 30 September 2009 made it necessary to reverse a significant portion of this impairment loss (EUR 290 million, of which EUR 82 million group share). The amount of this reversal was not adjusted as of 31 December 2009, as there was no indication that this asset might be impaired as of that date.

End of 2008, an impairment loss of EUR 44 million was booked on the investment in AFFICHAGE HOLDING. The WACC used (expressed in CHF) was 6.4%, with long-term growth prospects of 2%, resulting in a value of CHF 140 for a AFFICHAGE HOLDING share at 31 December 2008. A change of 0.5% of the discount rate would have resulted in a change (in the opposite direction) of CHF 19 per AFFICHAGE HOLDING share (EUR 9.5 million for NPM/CNP) and a change of 0.5% of the long-term growth would have resulted in a change of CHF 15 per share (EUR 7.2 million for NPM/CNP). A similar analysis was conducted at the end of 2009 (WACC 6.9%). The impairment losses booked by AFFICHAGE HOLDING itself in 2009, mainly on its international activities, reduced the value of the AFFICHAGE HOLDING shares held by NPM/CNP to some CHF 122 per share. No additional impairment loss was considered necessary at NPM/CNP level.

Impairments on other assets

As required by IAS 36 on depreciation of assets, the companies of the Group perform an impairment test on each of their Cash Generating Unit (CGU) for which a goodwill exists. The same applies to intangible assets with an indefinite useful life.
In addition and for all assets to which IAS 36 applies, similar tests are performed when there is an indication that an asset might be impaired.
The aim of the impairment test is to determine the recoverable value of the investment, which is the higher of the fair market value or of the value in use. The value in use is determined, unless otherwise specified, based upon discounted cash flow projections, usually over a 5-year period, resulting from management estimates in agreement with the managers of the CGU or asset involved.
The cash flow projections are based usually on forecasts, which, end of 2008, took into account a bad economic situation for 2009 and 2010, with a recovery in 2012. The same mood was adopted end of 2009.
The discount rates are elaborated from market data (a risk free interest rate plus a risk premium specific for each CGU or asset based upon a market risk premium of 5% p.a.); the risk premium of the CGU (or asset) is adapted based upon the particular industrial risk as reflected by market data for similar situations and for financial leverage.
In most instances, after tax cash flows are discounted using after tax discount rate; this delivers results that are identical to the discounting of before tax cash flows with before tax discount rates, as required by IFRS.

The impairment test conducted in 2008 on the goodwill of LYPARIS / GO VOYAGES, was based on a 9.42% WACC and a 2% long-term growth. The resulting impairment loss amounted to EUR 33 million in NPM/CNP consolidated accounts (EUR 21 million group share). The conducted sensitivity analysis evidences an impact of EUR 5.8 million (EUR 3.6 million group share) for a 0.5% change in the WACC and EUR 3.5 million (EUR 2.2 million group share) for 0.5% change in the long-term growth rate. The test conducted in 2009 (with a WACC of 10.77%) lead to the conclusion that no additional impairment loss needed to be recorded.

In 2008, impairment tests were also realised by GROUPE FLO ont its various CGU's and on their assets; they were based on a WACC of 6.46% and a long-term growth rate of 1.5%. On these bases, GROUPE FLO was valued at EUR 3.2 per share, i.e. approximately the book equity per share of the Company. Impairment losses booked by NPM/CNP and GROUPE FLO on the intangible assets (brands) of GROUPE FLO amounted to EUR 112 million in NPM/CNP's books. After deducting the corresponding deferred tax impacts (EUR 46 million), the net impact was EUR 66 million, of which EUR 31 million for NPM/CNP's shareholders and EUR 35 million for minority shareholders. A 0.5% change in the discount rate would have had an opposite impact of EUR 0.8 per GROUPE FLO share (i.e. EUR 11.7 million in NPM/CNP's books, of which EUR 5.5 million group share); a 0.5% change in the long-term growth rate would have impacted the value of GROUPE FLO by some EUR 1 per share (EUR 14.4 million at NPM/CNP, or EUR 6.8 million group share). The test conducted in 2009 (with a WACC of 7.18%) lead to the conclusion that no additional impairment loss needed to be recorded.

As an exception to the discounted cash flow method, the impairment test conducted in 2008 on the goodwill of the US OIL refinery (Tacoma – Washington State) was based on an option pricing model applied to refining crack spreads over a 15-year period, which is a widely accepted valuation method in the industry. The 15 year-period corresponds with the average economic life of the underlying assets. An impairment of EUR 21 million was booked on the related goodwill (EUR 14 million group share). Considering the particularly favourable operating environment at US OIL in 2009, no additional impairment loss was recorded in 2009.

In 2008, TRANSCOR ASTRA GROUP also recorded a EUR 10 million impairment (EUR 8 million group share) on the EUROPEAN GAS LIMITED convertible bonds, which were subscribed in 2007. Following the very significant drop of the stock market price of the EGL shares in 2008, it was considered appropriate to align the carrying value of the bonds (originally EUR 36 million) with the estimated fair value of the GAZONOR shares (EUR 26 million), which are pledged by EGL in favour of TRANSCOR ASTRA GROUP. At 31 December 2009, the Group did not have any information allowing to reconsider the value of GAZONOR.

The impairment tests conducted in 2008 by UNIFEM / ENTREMONT ALLIANCE were based on a 6.9% WACC with no long-term growth rate after the end of the period of the plan. The conclusion was that the value in use of UNIFEM / ENTREMONT ALLIANCE assets was higher than their carrying value in NPM/CNP consolidated accounts. Consequently, no impaiment loss was recorded in 2008. A sensitivity analysis indicated that the conclusion would have been the same based on a 0.5% higher WACC and a negative 0.5% long-term negative growth.
At the end of 2009, the Group decided to classify its shareholding in UNIFEM / ENTREMONT ALLIANCE as held for sale. Consequently, this shareholding had to be valued at the lower of (i) its carrying amount and (ii) its fair value less costs to sell. This resulted in an impairment loss of EUR 69.1 million (EUR 63 ;7 million group share).

In 2008, IMERYS conducted impairment tests on all its CGU's. These tests were based on budgeted figures for the years 2009 and following and included a long-term growth rate of 2%. The average WACC was 8.3% (ranging from 7.0% to 8.50%, depending on the various markets). Impairment losses were booked on the goodwill of the North American Performance Minerals division for an amount of EUR 22 million in NPM/CNP's consolidated accounts (EUR 5 million group share).
The same exercise was conducted in 2009 based on budgeted figures for the years 2010 and following and included a long-term growth rate of 2%. The average WACC was 8.2% (ranging from 7.0% to 8.50%, depending on the various markets). The difficult market conditions in 2009 made it necessary to record additional impairment losses amounting to EUR 14.4 million (EUR 4.1 million group share).

NOTE 10 – DIVIDENDS AND INTERESTS FROM AVAILABLE-FOR-SALE INVESTMENTS

	2008		2009	
,000 EUR	Gross	Net	Gross	Net
Dividends TOTAL	156,750	155,260	170,811	162,676
Dividends GDF SUEZ	116,718	116,718	115,207	115,207
Dividends IBERDROLA	12,674	11,011	14,675	12,474
Dividends SUEZ ENVIRONNEMENT	0	0	10,208	10,208
Dividends PERNOD RICARD	9,715	9,715	5,078	5,078
Dividends M6	9,154	9,154	7,781	7,781
Dividends AFFICHAGE HOLDING	4,345	3,693	0	0
Other dividends	4,897	4,558	4,954	4,557
Recovery of withholding taxes from prior years	0	0	0	22,324
Interest income	198	198	3,612	3,612
Total	**314,451**	**310,307**	**332,326**	**343,917**

NOTE 11 – OTHER FINANCIAL EXPENSES/INCOME

,000 EUR	2008	2009
Profit on disposal of bonds portfolio	0	11,137
Change in fair value of TOTAL call options issued	22,928	0
Exchange gains / (losses)	(5,111)	6,714
Other	(2,312)	(3,277)
Total	**15,505**	**14,574**

The change in the fair value of the TOTAL call options issued by KERMADEC (100% subsidiary of NPM/CNP) expired in the last quarter of 2008 and in the first quarter of 2009, without being exercised. Their value was already zero at 31 December 2008; consequently, no profit was booked in this respect in 2009 (EUR 22.9 million in 2008). In the first months of 2009, the Group constituted a bond portfolio amounting to some EUR 150 million (EUR 132 million after elimination of intercompany balances); most of these bonds were disposed of during the summer, generating a profit of 11.1 million.

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	2008	2009
Witin one year	78,140	58,834
In the second to the fifth year	157,746	87,419
After five years	64,256	58,763
Total operating lease commitments	**300,142**	**205,016**

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, DI and CORNE PORT-ROYAL (DISTRIPAR's subsidiaries and joint-ventures) and GROUPE FLO; at maturity, these contracts are generally renewable at the tenant's option.
At December 31, 2009, the lease commitments for operating lease contracts within DISTRIPAR amounted to EUR 25 million. The operating lease contracts of the various commercial spaces 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 97 million, mainly related to time charters of tankers, storage capacities and pipelines. This amount is much lower than that as of the end of 2008 (EUR 150 million), as some time charter contracts were sold or not renewed. The operating lease contracts have mainly a maturity of less than 5 years (EUR 82 million) and are usually not subject to indexation.
IMERYS granted engagements for the operating lease contracts (EUR 75 million) which include administrative premises, wagons and trucks fleet.
The classification of UNIFEM / ENTREMONT ALLIANCE as held for sale resulted in a decrease of rental commitments of EUR 39 million in 2009.

During the period, a charge of EUR 53 million was booked in the income statement for operating lease contracts.

NOTE 13 – INCOME TAX

1. Components of the tax expense in the income statement

The income tax expense on the income statement is presented as follows:

,000 EUR	2008	2009
Current taxes related to current year	(18,551)	(41,389)
Current taxes related to prior years	(2,611)	(3,454)
Other	0	(3,056)
Total current taxes	**(21,162)**	**(47,899)**
Deferred taxes relating to origination or reversal of temporary differences	(24,873)	(2,361)
Tax effect of changes in the nominal tax rates on deferred taxes	135	21
Recognition (use) of deferred tax assets resulting from loss of the (previous) period(s)	419	5,955
Transfers to deferred tax assets not previously recognized	13,574	0
Other deferred tax income (expense)	2,028	(1,202)
Deferred taxes originally booked in other comprehensive income	0	0
Total deferred taxes	**(8,717)**	**2,413**
Total tax income/(expense)	**(29,879)**	**(45,486)**

2. Source of deferred tax assets/liabilities in the balance sheet

	Deferred tax assets		Deferred tax liabilities	
,000 EUR	2008	2009	2008	2009
Intangible assets	0	0	28,999	24,615
Property, plant and equipment	22,924	21,122	125,554	94,793
Financial assets available for sale	0	321	2,898	2,793
Employee benefit liabilities	15,420	6,167	46	434
Inventories, receivables, payables, provisions and others	29,595	34,823	20,084	28,186
Unused tax losses and tax credits	25,900	16,548	0	0
Others	13,471	169	38,263	45,055
Assets/liabilities netting	(42,802)	(39,593)	(42,802)	(39,593)
Total deferred taxes (as shown in the balance sheet)	**64,508**	**39,557**	**173,042**	**156,283**

3. Reconciliation between the Belgian legal tax rate and the effective tax rate on continuing activities

,000 EUR	2008	2009
Profit before tax from continuing activities	(377,067)	669,952
(Income from associates)	(133,437)	(45,623)
Profit from continuing operations before taxes and income from associates	(510,504)	624,329
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	**173,520**	**(212,209)**
Effect of different tax rates in foreign countries	(13,566)	7,503
Tax effect of tax-exempt revenues	137,963	178,955
Tax impact of notional interests	15,200	13,307
Tax effect of non-deductible expenses	(342,293)	(31,454)
Tax effect of changes in tax rates	135	(20)
Tax effect of adjustments related to prior years or previously unrecognized deferred tax assets	(2,611)	(3,367)
Tax effect of withholding tax on dividends paid by consolidated entities or associated companies	0	131
Other	1,773	1,668
Total tax income/(expense)	**(29,879)**	**(45,486)**

4. Effective tax rate

,000 EUR	2008	2009
Profit before tax from continuing activities	(377,067)	669,952
Income from associates (-)	(133,437)	(45,623)
Nominal tax rate of the parent company	(510,504)	624,329
Total income tax expense	(29,879)	(45,486)
Effective tax rate (%)	**n.a.**	**7.29%**

5. Temporary differences for which no deferred tax asset is recognized

	Tax loss carrry forward		Tax credits	
,000 EUR	**2008**	**2009**	**2008**	**2009**
Within one year	2,832	3,252	35	182
In the second year	858	5,787	0	0
In the third year	5,892	2,476	2	0
In the fourth year	1,559	23,196	0	0
In the fifth year and after	259,324	479,374	265	296
No expiry date	994,137	961,000	25,282	13,097
Total	**1,264,602**	**1,475,085**	**25,584**	**13,575**

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. This is mainly the case for holding companies, which benefit from tax exemptions on most of their income (dividends, capital gains,…).

6. Maturity of tax losses for which deferred tax assets are recognized

On 31 December 2009, the tax losses carried forward amount to EUR 61.6 million (of which EUR 54.6 without any time limitation), resulting in recognized deferred tax assets of EUR 16.5 million (of which EUR 14.6 million without any time limitation).

7. Tax charges of the discontinued operations

The net results from the discontinued operations are presented separately in the income statement (please refer to note 39).

NOTE 14 – INTANGIBLE ASSETS WITH A FINITE USEFUL LIFE

,000 EUR	Development costs	Computer software	Mineral rights	Patents, licences and concessions	Other	Total
Gross carrying amount						
At 31 December 2007	**1,141**	**42,303**	**7,341**	**68,730**	**25,840**	**145,355**
Additions	263	5,313	134	861	1,834	8,405
Acquisitions through business combinations	0	697	0	41	5,809	6,547
Transfers between categories	(325)	2,232	177	(171)	(3,082)	(1,169)
(Disposals and withdrawals)	0	(1,457)	(31)	(1,981)	(192)	(3,661)
Currency translation differences	(25)	267	(1,257)	(41)	(686)	(1,742)
Other	(503)	1,766	0	0	0	1,263
At 31 December 2008	**551**	**51,121**	**6,364**	**67,439**	**29,523**	**154,998**
Additions	552	1,240	123	256	56	2,227
Acquisitions through business combinations	170	0	1,937	0	0	2,107
Transfers between categories	0	786	25	(488)	357	680
(Disposals and withdrawals)	0	(85)	0	(195)	(261)	(541)
Effect of assets held for sale	0	(21,433)	0	(10,290)	(785)	(32,508)
Currency translation differences	32	(431)	(48)	29	(521)	(939)
Other	(4)	20	0	0	0	16
At 31 December 2009	**1,301**	**31,218**	**8,401**	**56,751**	**28,369**	**126,040**
Accumulated depreciation and impairment losses						
At 31 December 2007	**(518)**	**(31,533)**	**(121)**	**(39,458)**	**(9,964)**	**(81,594)**
(Depreciation charge)	(18)	(3,168)	(46)	(1,796)	(3,180)	(8,208)
Impairments (booked) reversed	(5)	0	0	(95)	(252)	(352)
Transfers between categories	141	730	0	58	218	1,147
Disposals and withdrawals	0	1,132	0	1,202	7	2,341
Currency translation differences	6	520	7	79	317	929
Other	14	(3,211)	(10)	(405)	(1,069)	(4,681)
At 31 December 2008	**(380)**	**(35,530)**	**(170)**	**(40,415)**	**(13,923)**	**(90,418)**
(Depreciation charge)	(382)	(3,273)	(60)	(1,616)	(2,736)	(8,067)
Impairments (booked) reversed	(10)	0	0	(1,261)	(143)	(1,414)
Transfers between categories	0	0	0	121	(21)	100
Disposals and withdrawals	0	0	0	195	4	199
Effect of assets held for sale	0	13,919	0	6,644	0	20,563
Currency translation differences	0	293	4	12	194	503
Other	0	(68)	0	0	71	3
At 31 December 2009	**(772)**	**(24,659)**	**(226)**	**(36,320)**	**(16,554)**	**(78,531)**
Net book value						
At 31 December 2008	**171**	**15,591**	**6,194**	**27,024**	**15,600**	**64,580**
At 31 December 2009	**529**	**6,559**	**8,175**	**20,431**	**11,815**	**47,509**

NOTE 15 – INTANGIBLE ASSETS WITH AN INDEFINITE USEFUL LIFE

,000 EUR	Patents and trademarks	Milk collection areas	Key money and other	Total
Gross carrying amount				
At 31 December 2007	**155,603**	**46,052**	**14,977**	**216,632**
Additions	16	0	1,685	1,701
Acquisitions through business combinations	40,000	11	410	40,421
Transfers between categories	(21,370)	0	412	(20,958)
(Disposals and withdrawals)	0	0	(570)	(570)
Currency translation differences and other	0	0	2	2
At 31 December 2008	**174,249**	**46,063**	**16,916**	**237,228**
At 31 December 2008	0	0	302	302
Additions	0	0	2	2
Acquisitions through business combinations	0	0	0	0
(Disposals and withdrawals)	0	0	(289)	(289)
Effect of assets held for sale	0	(46,063)	0	(46,063)
Currency translation differences and other	0	0	0	0
At 31 December 2009	**174,249**	**0**	**16,931**	**191,180**
Accumulated impairment losses				
At 31 December 2007	**(4,238)**	**(15,756)**	**(283)**	**(20,277)**
(Impairment losses) / reversals	(110,177)	0	29	(110,148)
Disposals and withdrawals	0	0	96	96
Currency translation differences and other	-3	0	-1	-4
At 31 December 2008	**(114,418)**	**(15,756)**	**(159)**	**(130,333)**
(Impairment losses) / reversals	(5)	0	(18)	(23)
Disposals and withdrawals	0	0	0	0
Effect of assets held for sale	0	15,756	0	15,756
Currency translation differences and other	0	0	0	0
At 31 December 2009	**(114,423)**	**0**	**(177)**	**(114,600)**
Net book value				
At 31 December 2008	**59,831**	**30,307**	**16,757**	**106,895**
At 31 December 2009	**59,826**	**0**	**16,754**	**76,580**

Patents and trademarks include the various brands of restaurants of GROUPE FLO (EUR 20 million, net of impairment losses booked in 2008) and the GO VOYAGES brand name (EUR 40 million).
The intangible assets of ENTREMONT ALLIANCE (milk collection areas for EUR 30 million) are no longer in this caption of the balance sheet in 2009 as this shareholding is now classified as held for sale.
The intangible assets also include various business items (key money and similar) mainly at GROUPE FLO (EUR 16.5 million).

NOTE 16 – GOODWILL

,000 EUR	Goodwill
Gross carrying amount	
At 31 December 2007	**833,782**
Currency translation differences	(9,009)
Acquisitions through business combination	50,779
Adjustments subsequent to provisional accounting	(23,331)
(Disposals and withdrawals)	(2,125)
Other	22,965
At 31 December 2008	**873,061**
Currency translation differences	2,673
Acquisitions through business combination	1,757
Adjustments subsequent to provisional accounting	835
(Impact of assets held for sale)	(130,566)
Other	(29,206)
At 31 December 2009	**718,554**
Accumulated impairment losses	
At 31 December 2007	**(126,880)**
Currency translation differences	(1,207)
(Impairment losses)	(80,371)
Other	12
At 31 December 2008	**(208,446)**
Currency translation differences	709
(Impairment losses)	(3,018)
(Impact of assets held for sale)	125,788
Other	23,728
At 31 December 2009	**(61,239)**
Net book value	
At 31 December 2008	**664,615**
At 31 December 2009	**657,315**

At the end of 2009, this mainly consists of goodwill on the various activities of IMERYS (458,660), the goodwill on GO VOYAGES (75,525) and on the various activities of GROUPE FLO (62,386).

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 value						
At 31 December 2007	**538,202**	**242,159**	**1,926,821**	**103,089**	**37,603**	**2,847,874**
Additions	46,675	13,386	85,361	66,718	16,585	228,725
Currency translation differences	(6,667)	(5,313)	(48,515)	(3,052)	453	(63,094)
(Disposals and withdrawals)	(19,025)	(883)	(30,170)	(82)	(11,092)	(61,252)
Other	22,363	(4,433)	90,217	(100,434)	(10,008)	(2,295)
At 31 December 2008	**581,548**	**244,916**	**2,023,714**	**66,239**	**33,541**	**2,949,958**
Additions	5,648	10,127	29,460	32,877	2,129	80,241
Currency translation differences	(3,618)	(3,972)	4,013	(357)	(1,111)	(5,045)
(Disposals and withdrawals)	(6,570)	(107)	(27,076)	(408)	(111)	(34,272)
Impact of assets held for sale	(148,901)	0	(356,100)	0	(8,941)	(513,942)
Other	3,353	(6,794)	28,867	(61,696)	(454)	(36,724)
At 31 December 2009	**431,460**	**244,170**	**1,702,878**	**36,655**	**25,053**	**2,440,216**
Accumulated depreciation and impairment losses						
At 31 December 2007	**(225,056)**	**(63,283)**	**(1,278,679)**	**(288)**	**(9,706)**	**(1,577,012)**
(Depreciation charge)	(12,163)	(13,890)	(86,279)	(102)	(2,204)	(114,638)
(Impairment losses) / reversals	(507)	(497)	(4,116)	(1,653)	0	(6,773)
Currency translation differences	3,762	2,204	42,238	(18)	1,759	49,945
Disposals and withdrawals	8,445	153	22,784	0	7	31,389
Other	(373)	7,499	(1,554)	1,714	(1)	7,285
At 31 December 2008	**(225,892)**	**(67,814)**	**(1,305,606)**	**(347)**	**(10,145)**	**(1,609,804)**
(Depreciation charge)	(12,097)	(10,926)	(83,174)	(285)	(2,164)	(108,646)
(Impairment losses) / reversals	(125)	(3,733)	(6,157)	(232)	0	(10,247)
Currency translation differences	(332)	1,408	413	26	698	2,213
Disposals and withdrawals	1,979	175	22,672	0	89	24,915
Impact of assets held for sale	70,337	0	189,259	0	0	259,596
Other	2,385	5,604	22,730	0	(25)	30,694
At 31 December 2009	**(163,745)**	**(75,286)**	**(1,159,863)**	**(838)**	**(11,547)**	**(1,411,279)**
Net book value						
At 31 December 2008	**355,656**	**177,102**	**718,108**	**65,892**	**23,396**	**1,340,154**
At 31 December 2009	**267,715**	**168,884**	**543,015**	**35,817**	**13,506**	**1,028,937**

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. On 31 December 2009, the Group's property, plant and equipment are mainly located at IMERYS (EUR 717 million) and TRANSCOR ASTRA GROUP (EUR 115 million). The classification of UNIFEM / ENTREMONT ALLIANCE as held for sale resulted in a decrease of property, plant and equipment by EUR 254 million.
« Land, constructions and wineyards » include assets from CHEVAL BLANC amounting to EUR 69 million, including both the value of the land and that of biological assets (vines).
On 31 December 2009, the net book value of buildings held under financial lease arrangements amounts to EUR 11.9 million (EUR 40.8 million on 31 December 2008) and the net book value of the installations, machines, equipment and other tangible assets held under financial lease amounts to EUR 4.3 million (EUR 13.1 million one year earlier).

NOTE 18 – INVESTMENTS IN ASSOCIATES

1. Breakdown of investments in associates

,000 EUR	2008	2009
Carrying amount at 31 December	**1,559,358**	**2,018,238**
LAFARGE	1,226,234	1,704,435
GRUPPO BANCA LEONARDO	171,744	157,433
AFFICHAGE HOLDING	71,562	62,597
ECP	42,174	40,921
TIKEHAU CAPITAL PARTNERS	16,395	17,664
TIKEHAU CAPITAL ADVISORS	6,086	7,166
Other	25,163	28,022

At 31 December 2009, the fair value of listed entities was EUR 56 million for the shareholding in AFFICHAGE HOLDING and EUR 1,561 million for the one in LAFARGE.

2. Changes in investments in associates

,000 EUR	2008	2009
At 1 January	**278,708**	**1,559,358**
Disposed of during the year (-)	(268)	0
Acquired during the year	497,602	155,720
Results	133,437	45,623
Dividend paid (-)	(73,909)	(45,414)
Impairment of goodwill (-)	(542,818)	290,442
Shareholdings changing classification	1,417,895	(228)
Other	(151,289)	12,737
At 31 December	**1,559,358**	**2,018,238**

As of 31 December 2009, GBL owns a 21.1% shareholding in LAFARGE. In NPM/CNP's consolidated accounts, this is reduced to 9.4%, after proportionate consolidation of PARGESA / GBL. The investment in LAFARGE has been equity-accounted for since January 1, 2008, considering GBL's significant influence on LAFARGE due to its representation at the Board of LAFARGE. The same change was applied for the same reason in December 2008 to the 25.3% in AFFICHAGE HOLDING.

NPM/CNP also owns 19.5% of the capital of GRUPPO BANCA LEONARDO; the other shareholders are Gerardo BRAGGIOTTI, EURAZEO, IFIL (Agnelli Group) and other institutional investors.

GBL owns respectively 43% and 42.4% of ERGON CAPITAL PARTNERS and ERGON CAPITAL PARTNERS II (19.3% and 19.0% in NPM/CNP's consolidated accounts), private equity companies, together referred to as ECP.

In 2008, impairment losses amounted to EUR 543 million, of which EUR 489 million on LAFARGE and EUR 44 million on AFFICHAGE HOLDING. A significant portion (EUR 290 million) of the impairment loss on LAFARGE was reversed in 2009.

The acquisitions conducted during the 2008 en 2009 financial years mainly relate to LAFARGE shares (respectively EUR 457 million and EUR 142 million).

3. Breakdown of income from associates

,000 EUR	**2008**	**2009**
Profit from associates	**133,437**	**45,623**
LAFARGE	143,178	69,485
TIKEHAU CAPITAL ADVISORS	28	1,352
TIKEHAU CAPITAL PARTNERS	(2,190)	436
GRUPPO BANCA LEONARDO	6,359	(12,063)
AFFICHAGE HOLDING	0	(9,912)
ECP	(18,356)	(3,000)
Other	4,418	(675)

4. Aggregate information on associates

,000 EUR	**2008**	**2009**
Total non-current assets	15,755,995	15,587,097
Total current assets	5,244,791	4,925,170
(Total non-current liabilities)	(7,814,431)	(7,597,472)
(Total current liabilities)	(5,464,133)	(4,305,781)
(Total Minority interests)	(707,048)	(816,013)
Total equity	7,015,174	7,793,001
Share of the companies of the Group in the equity of associates	1,523,611	1,705,097
Goodwill	35,747	313,141
Book value of investments in associates	1,559,358	2,018,238
Total turnover	11,401,734	7,522,261
Total net profit	696,846	229,610
Share of the companies of the Group in the profit of associates	133,437	45,623

The above-mentioned figures include 100% of the figures related to associated companies, after proportionate consolidation of PARGESA/GBL.

1. Available-for-sale investments

Except upon disposal or when an impairment loss is recorded, the changes in fair value of available-for-sale investments are immediately recognized in equity as revaluation reserve.

	Equity instruments							Total
,000 EUR	TOTAL	GDF-SUEZ	LAFARGE	PERNOD RICARD	IBERDROLA	METROPOLE TV (M6)	Other	
Fair value at 31 December 2007	**4,258,608**	**2,544,018**	**1,726,192**	**478,871**	**920,484**	**119,060**	**326,859**	**10,374,092**
Acquisitions	0	16,232	0	126,837	0	35,564	150,816	329,449
Disposals	0	0	0	0	(434,432)	0	(52,853)	(487,285)
Impairment losses	0	0	0	(141,118)	(123,532)	(28,018)	(60,895)	(353,563)
Other change in fair value	(1,342,509)	(586,142)	(423,937)	(37,250)	(81,875)	0	(29,544)	(2,501,257)
Currency translation differences	0	(119,494)	(1,302,255)	0	0	0	3,854	(1,417,895)
Other	0	0	0	0	0	0	10,021	10,021
Fair value at 31 December 2008	**2,916,099**	**1,854,614**	**0**	**427,340**	**280,645**	**126,606**	**348,258**	**5,953,562**
Acquisitions	0	0	0	90,124	12,686	0	6,352	109,162
Disposals	0	0	0	0	0	0	(14,933)	(14,933)
Impairment losses	0	0	0	(88,807)	(54,258)	(14,098)	(11,384)	(168,547)
Other change in fair value	455,548	(265,735)	0	218,016	64,091	51,998	94,238	618,156
Currency translation differences	0	0	0	0	0	0	(452)	(452)
Other	0	0	0	0	0	0	(997)	(997)
Fair value at 31 December 2009	**3,371,647**	**1,588,879**	**0**	**646,673**	**303,164**	**164,506**	**421,082**	**6,495,951**

As indicated in note 18, the investments in LAFARGE and AFFICHAGE HOLDING have been reclassified, in 2008, as « Investments in Associates » for respectively EUR 1,302 million and EUR 115 million. The SUEZ ENVIRONNEMENT shares distributed in July 2008 before the GDF SUEZ merger have been presented separately (EUR 119 million). In 2008, GBL increased its SUEZ ENVIRONNEMENT shareholding to 7.1% and its PERNOD RICARD holding to 8.2%. Early 2008, GBL and NPM/CNP sold some IBERDROLA shares, resulting in a EUR 59 million capital gain in NPM/CNP's consolidated accounts. During that same financial year, NPM/CNP acquired an additional 2% of the capital of M6 (EUR 36 million, increasing its shareholding to 7.1%) and 1.4% of the capital of EIFFAGE for an amount of EUR 74 million.
In 2009, the Group participated in the capital increases of PERNOD RICARD and IBERDROLA.

The very significant drop in the stock market prices in 2008 and in the first quarter of 2009 made it necessary to book impairment losses (EUR 354 million in 2008 and EUR 169 for Q1 2009). Despite a strong recovery in shares prices since then, the IFRS standards did not allow to reverse these impairments.

As of 31 December 2009, non-listed assets amounting to EUR 91.6 million were included in «Other».

As of 31 December 2009, 15,107,500 TOTAL shares (EUR 680 million) were pledged in favour of a bank, which had lend money to a holding company of the Group.

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	Other	Total
Fair value at 31 December 2007	**80,516**	**681,529**	**762,045**
Acquisitions	78,866	0	78,866
Disposals	(3,944)	(681,529)	(685,473)
Change in fair value recognized in P&L	(33,923)	0	(33,923)
Currency translation differences	277	0	277
Other	0	0	0
Fair value at 31 December 2008	**121,792**	**0**	**121,792**
Acquisitions	224,662	0	224,662
Disposals	(93,105)	0	(93,105)
Change in fair value recognized in P&L	18,857	0	18,857
Currency translation differences	13	0	13
Other	1,384	0	1,384
Fair value at 31 December 2009	**273,603**	**0**	**273,603**

In January 2008, the Group disposed of EUR 681.5 million Treasury Bonds issued by the French Government.

NOTE 20 – OTHER NON-CURRENT ASSETS

,000 EUR	2008 Fair value	2008 Carrying value	2009 Fair value	2009 Carrying value
Long-term bank deposits	0	0	936,209	900,000
Long-term trade receivables	8	8	7	7
Long-term interest bearing advances	40,585	40,585	18,462	18,462
Long-term derivatives	8,387	8,387	7,877	7,877
Guarantees and deposits	3,830	3,910	3,938	3,938
Restricted cash	0	0	0	0
Other	19,531	19,529	20,977	20,977
Other non-current financial assets	**72,341**	**72,419**	**987,470**	**951,261**
Non-current assets resulting from pensions and post-employment benefits		6,670		11,326
Other non-current assets		59		579
Total other non-current assets		**79,148**		**963,166**

The other non-current assets are valued at cost less impairment losses, if any. Except for the long-term bank deposit, this is very close or equal to fair value.
A 4.6% bank deposit of EUR 900 million with maturity date October 2013 was concluded in February 2009 in order to reduce the Group's exposure to low short-term interest rates. This deposit is pledged in favour of a bank financing the Group. Due to the decrease in interest rates, the fair value of this loan has increased and can be estimated at some EUR 936 million at the end of December 2009.

NOTE 21 – INVENTORIES

,000 EUR	**2008**	**2009**
Raw materials, consumables and spare parts	453,378	815,178
Work-in-progress	29,521	23,445
Finished goods and goods purchased for resale	444,902	163,723
Others	195	0
Total inventories (at cost)	**927,996**	**1,002,346**
Write-downs (-) on inventories:	(28,060)	(15,696)
Raw materials, consumables and spare parts	(8,863)	(5,815)
Work-in-progress	(54)	(169)
Finished goods and goods purchased for resale	(19,143)	(9,712)
Net total inventories	**899,936**	**986,650**

The inventories include a large variety of components such as oil, coal, , wine, perfume, chocolate, and so on. On 31 December 2009, the inventories included mainly crude oil used for TRANSCOR ASTRA GROUP activities (EUR 728 million) and more specifically by US OIL, the inventories of IMERYS (EUR 197 million) and DISTRIPAR (EUR 40 million).

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 expensed for 2009 amount to EUR 9,888 million.

The amount of inventories pledged amounted to EUR 548 million at 31 December 2009 and mainly relates to TRANSCOR ASTRA GROUP activities.

NOTE 22 – TRADE RECEIVABLE

The trade receivables are carried at their nominal value less allowances for doubtful amounts.

,000 EUR	2008	2009
Trade receivables	825,328	703,327
Notes receivable	0	0
Total trade and notes receivable	**825,328**	**703,327**
Allowance for doubtful amounts	(21,231)	(26,207)
Net total trade and notes receivable	**804,097**	**677,120**
of which amount covered by credit insurance	233,791	152,783
of which amount pledged	248,375	277,371

On 31 December 2009, the trade receivables covered by an insurance policy amounted to EUR 153 million (mainly at ENTREMONT ALLIANCE) and the amount of the trade receivables subject to pledge was EUR 277 million (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, DI, CLUB and BELGIAN SKY SHOPS) and GROUPE FLO. At CHEVAL BLANC, most of the turnover is achieved with "primeur" sales, for which payment happens before delivery.

NOTE 23 – SHORT TERM INTEREST BEARING ADVANCES

The interest-bearing advances are valued against their nominal value, which generally corresponds to their fair value.

,000 EUR	2008	2009
Short-term advances to ERBE and FRÈRE-BOURGEOIS groups	151,027	60,000
Short-term advances to associates	2,020	100
Other short-term interest bearing advances	77,865	58,581
Total	**230,912**	**118,681**

On 31 December 2009, the interest bearing advances to the FRERE-BOURGEOIS and ERBE groups amounted to EUR 60 million (EUR 151 million in 2008). The interest rates of these advances are reviewed periodically according to market conditions.

NOTE 24 – CASH AND CASH EQUIVALENTS

The cash and cash equivalents are valued at their nominal value, which corresponds to fair value.

,000 EUR	2008	2009
Cash at bank and in hand	1,271,192	980,922
Short-term bank deposits and equivalents	1,553,350	425,857
Total	**2,824,542**	**1,406,779**

On 31 December 2008, the cash and cash equivalents amount to EUR 1,406 million of which EUR 426 million of short-term deposits (maturity shorter than 3 months) and other assets easily convertible in cash and subject to insignificant value fluctuations.
On 31 December 2009, EUR 31 million cash and cash equivalents were pledged, mainly in favour of a bank, which had lent money to a holding company of the Group.

NOTE 25 – OTHER CURRENT ASSETS

,000 EUR	2008		2009	
	Fair value	**Carrying value**	**Fair value**	**Carrying value**
Financial derivatives	136,576	136,576	35,489	35,489
Amounts receivable from PETROBRAS regarding the sale of PRSI	164,994	164,994	459,067	459,067
Other receivables following the sale of securities	16,163	16,163	250	250
Other trading receivables at TRANSCOR ASTRA GROUP	72,798	72,798	7,537	7,537
EGL convertible bonds	0	0	26,000	26,000
Other	6,876	6,855	42,670	42,670
Other current financial assets	**397,407**	**397,386**	**571,013**	**571,013**
Income tax to recover		75,660		48,516
Other tax receivables		52,819		37,981
Current assets resulting from pensions and post-employment benefits		1,343		2,686
Transportation tickets not yet used (GO VOYAGES)		35,297		39,533
Other		103,652		23,047
Other current non financial assets		**268,771**		**151,763**
Total - Other current assets		**666,157**		**722,776**

The amounts due by the PETROBRAS Group result from the sale by TRANSCOR ASTRA GROUP of its 50% shareholding in PRSI (Pasadena refinery). No allowance for doubtful amount was booked on this receivable, which carries interest at a rate of 5%, as the Group estimates it will be able to recover this amount through ongoing legal procedures (please refer to notes 36.5 and 39).

NOTE 26 – CAPITAL

The authorized capital of NPM/CNP is represented by 110,000,000 subscribed and fully paid-in ordinary shares, without mention of nominal value. Each share is entitled to the dividend and gives right to one vote at the general meetings of the shareholders of the Company.

At 31 December 2009, the Group held 4,869,954 treasury shares, of which 3,228,613, held by COMPAGNIE IMMOBILIERE DE ROUMONT, are in principle intended to cover the stock option plans granted to the personnel. Details concerning these plans are presented in note 37.

NOTE 27 – PROVISIONS

For the year ended 31 December 2008

,000 EUR	Pending litigation	Environmental provisions	Restructuring provisions	Guarantees given on disposals of shareholdings or activities	Other provisions	Total
At 1 January 2008	**17,918**	**41,716**	**8,495**	**2,401**	**31,034**	**101,564**
Additional provisions in the period	5,468	4,449	3,696	0	12,153	25,766
Utilisation of provision	(6,188)	(3,983)	(5,956)	(176)	(14,174)	(30,477)
Amounts released	(1,337)	0	(526)	(282)	(531)	(2,676)
Acquisition through business combinations	117	1,156	237	0	6,170	7,680
Currency translation difference	80	(2,832)	(288)	11	(119)	(3,148)
Other	(75)	826	(924)	0	1,976	1,803
At 31 December 2008	**15,983**	**41,332**	**4,734**	**1,954**	**36,509**	**100,512**
of which included in current liabilities	7,304	2,479	1,297	0	9,605	20,685
of which included in non-current liabilities	8,679	38,853	3,437	1,954	26,904	79,827

For the year ended 31 December 2009

,000 EUR	Pending litigation	Environmental provisions	Restructuring provisions	Guarantees given on disposals of shareholdings or activities	Other provisions	Total
At 1 January 2009	**15,983**	**41,332**	**4,734**	**1,954**	**36,509**	**100,512**
Additional provisions in the period	9,726	2,290	7,070	279	19,024	38,389
Utilisation of provision	(3,698)	(2,093)	(3,852)	0	(14,551)	(24,194)
Amounts released	(825)	(979)	(617)	0	(1,319)	(3,740)
Acquisition through business combinations	0	673	0	0	0	673
Currency translation difference	(20)	(515)	150	0	360	(25)
Impact of assets held for sale	(4,692)	0	(797)	0	(1,667)	(7,156)
Other	95	1,271	76	0	(4,562)	(3,120)
At 31 December 2009	**16,569**	**41,979**	**6,764**	**2,233**	**33,794**	**101,339**
of which included in current liabilities	6,891	2,227	50	0	6,861	16,029
of which included in non-current liabilities	9,678	39,752	6,714	2,233	26,933	85,310

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 2010 and 2014 for EUR 19 million, between 2015 and 2024 for EUR 8 million and after 2024 for EUR 15 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 2010 to 2014.

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.

Other provisions are related to miscellaneous risks resulting from the ordinary course of business and have probable maturity dates between 2010 and 2014.

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 9.6 million during the 2009 financial year (EUR 9.8 million in 2008).

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, 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

	2008		**2009**	
In % at the end of the period	Min.	Max.	Min.	Max.
Discount rate	3.0%	6.0%	3.8%	6.0%
Expected return on plan assets (1)	3.8%	6.0%	3.8%	6.0%
Expected rate of salary increases	2.9%	8.0%	2.0%	8.0%
Expected inflation rate	1.9%	2.5%	2.0%	2.0%
Expected rate of increase of medical costs	2.0%	8.0%	4.0%	8.2%
Average employee turnover	0.0%	10% (2)	0.0%	10% (2)

(1) The expected return on plan assets is determined individually for each plan based upon the type of assets involved and market conditions.
(2) At GROUPE FLO, some categories of employees/workers even have a higher turnover.

3. Amounts recognised in the balance sheet for defined benefit plans

,000 EUR	**2008**	**2009**
Present value of partially or totally funded obligations (-)	(368,450)	(433,485)
Fair value of plan assets	346,224	397,634
(Deficit)/surplus in funded plans	**(22,226)**	**(35,851)**
Present value of unfunded obligations (-)	(42,926)	(30,511)
Net actuarial gains or losses not recognised in the balance sheet	11,087	39,308
Past service cost not recognised in the balance sheet	1,445	2,450
Amount not recognised as an asset because of the limit in paragraph 58(b)	(2,211)	(3,583)
Fair value of reimbursements right recognised as an asset in accordance with paragraph 104(a)	2,496	2,628
Other amounts recognised in the balance sheet	(6,201)	(4,503)
Net asset / (liability) recognised in balance sheet	**(58,536)**	**(30,062)**
as non-current liability	(66,549)	(44,074)
as current liability	0	0
as non-current assets	6,670	11,326
as current assets	1,343	2,686

4. Change in the present value of the obligation

Unfunded and wholly or partly funded obligations

,000 EUR	2008	2009
Present value of obligation at 1 January (-)	**(505,494)**	**(411,376)**
Interest cost	(27,335)	(22,770)
Current service cost	(7,179)	(6,747)
Past service costs (non-vested rights)	0	0
Past service costs (vested rights)	(1,085)	(618)
Benefits paid	28,208	28,871
Contributions by plan participants	(1,005)	(813)
Foreign currency exchange rate changes on plans measured in a currency different from presentation currency	19,641	(17,024)
Changes due to curtailments/settlements	2,119	203
Changes due to modifications in post-employments schemes	0	706
Changes due to business combinations and disposals	50,463	2,815
Changes due to assets held for sale	(317)	9,789
Transfers between categories	0	0
Actuarial losses/(gains) on obligation	30,608	(47,032)
Present value of obligation at 31 December (-)	**(411,376)**	**(463,996)**

Unfunded obligations

,000 EUR	2008	2009
Present value of obligation at 1 January (-)	**(45,758)**	**(42,926)**
Interest cost	(1,788)	(1,601)
Current service cost	(839)	(837)
Past service costs (non-vested rights)	0	0
Past service costs (vested rights)	(181)	325
Benefits paid	2,582	3,307
Contributions by plan participants	0	0
Foreign currency exchange rate changes on plans measured in a currency different from presentation currency	(3,469)	(214)
Changes due to curtailments/settlements	(432)	(8)
Changes due to modifications in post-employments schemes	0	706
Changes due to business combinations and disposals	7,932	231
Changes due to assets held for sale	(317)	9,789
Transfers between categories	0	1,396
Actuarial losses/(gains) on obligation	(656)	(679)
Present value of obligation at 31 December (-)	**(42,926)**	**(30,511)**

Wholly or partly funded obligations

,000 EUR	2008	2009
Present value of obligation at 1 January (-)	**(459,736)**	**(368,450)**
Interest cost	(25,547)	(21,169)
Current service cost	(6,340)	(5,910)
Past service costs (non-vested rights)	0	0
Past service costs (vested rights)	(904)	(943)
Benefits paid	25,626	25,564
Contributions by plan participants	(1,005)	(813)
Foreign currency exchange rate changes on plans measured in a currency different from presentation currency	23,110	(16,810)
Changes due to curtailments/settlements	2,551	211
Changes due to modifications in post-employments schemes	0	0
Changes due to business combinations and disposals	42,531	2,584
Changes due to assets held for sale	0	0
Transfers between categories	0	(1,396)
Actuarial losses/(gains) on obligation	31,264	(46,353)
Present value of obligation at 31 December (-)	**(368,450)**	**(433,485)**

5. Change in fair value of plan assets

,000 EUR	2008	2009
Fair value of plan assets at 1 January	**456,537**	**346,224**
Expected return on plan assets	28,120	20,097
Contributions by the employer	19,182	27,840
Contributions by plan participants	1,005	813
Benefits paid	(25,120)	(25,564)
Foreign currency exchange rate changes on plans measured in a currency different from presentation currency	(25,446)	16,051
Changes due to curtailments/settlements	(346)	0
Changes due to business combinations and disposals	(44,521)	(1,880)
Impact of assets held for sale	0	0
Actuarial (gains)/losses on plan assets	(63,187)	14,053
Fair value of plan assets at 31 December	**346,224**	**397,634**

6. Change in any reimbursement right recognised as asset by the Group in accordance with paragraph 104A

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 measured at fair value.

,000 EUR	**2008**	**2009**
Fair value of plan assets at 1 January	**2,385**	**2,496**
Expected return on plan assets	91	102
Contributions by the employer	166	163
Contributions by plan participants	0	0
Benefits paid	(64)	(168)
Foreign currency exchange rate changes on plans measured in a currency different from presentation currency	257	16
Changes due to curtailments/settlements	0	0
Changes due to business combinations and disposals	(257)	(15)
Impact of assets held for sale	0	0
Actuarial (gains)/losses on plan assets	(82)	36
Fair value of plan assets at 31 December	**2,496**	**2,630**

7. Amount recognized in the income statement and related analysis

,000 EUR	**2008**	**2009**
Current service cost	(7,179)	(6,747)
Interest cost	(27,335)	(22,770)
Expected return on plan assets	28,120	20,097
Expected return on reimbursement right recognised as an asset in accordance with 104A	91	102
Actuarial gains/(losses) recognised during the year	(19,288)	(1,016)
Past service costs	(1,085)	(618)
Effect of any curtailment or settlement	1,773	104
Effect of the limit in paragraph 58(b)	9,296	(1,354)
Net expense recognised in profit or loss	**(15,607)**	**(12,202)**

8. Actual return on plan assets

,000 EUR	**2008**	**2009**
Expected return on plan assets	28,120	20,097
Actuarial gain/(loss) on plan assets	(63,187)	14,053
Actual return on plan assets	**(35,067)**	**34,150**

9. Major categories of assets

,000 EUR	**2008**	**2009**
European stocks	70,015	78,251
North American stocks	34,991	45,673
European bonds	140,544	166,747
North American bonds	14,056	17,951
Short term deposits and cash equivalents	41,854	40,921
Other	44,764	48,091
Fair value of plan assets at 31 December	**346,224**	**397,634**

10. Amounts for the last five years

,000 EUR	**2005**	**2006**	**2007**	**2008**	**2009**
Present value of defined benefits obligations (-)	(571,907)	(529,261)	(505,494)	(411,376)	(463,996)
Fair value of plan assets	449,386	456,693	456,537	346,224	397,634
(Deficit)/surplus	**(122,521)**	**(72,568)**	**(48,957)**	**(65,152)**	**(66,362)**

11. Estimated expenses for the year 2009

Under an unchanged consolidation and all hypotheses remaining equal, the expenses for defined benefits pension plans are currently estimated at EUR 15.1 million for 2010.

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:

,000 EUR	**2008**	**2009**
Within one year	5,262	1,681
In the second to the fifth year inclusive	18,280	5,282
After five years	12,334	4,464
Total lease obligations	**35,876**	**11,427**
Less : amount due for settlement within 12 months	(5,262)	(1,681)
Amount due for settlement after 12 months	**30,614**	**9,746**

At 31 December 2009, lease obligations are mainly related to buildings (EUR 7.6 million) and production equipment (EUR 3.8 million) at GROUPE FLO and IMERYS.

NOTE 30 – BORROWINGS AND OVERDRAFTS

Non-current financial liabilities

	2008		
	Interest rates		Carrying
,000 EUR except interest rates	Min.	Max.	amount
Bank loans	2.75%	5.83%	1,715,388
Bonds issued	3.47%	5.42%	463,231
Convertible or exchangeable bonds	3.31%	3.82%	615,534
Minority shareholders' advances	Euribor 1year +1%		4,154
Other			70,102
Total			**2,868,409**

	2009		
	Interest rates		Carrying
,000 EUR except interest rates	Min.	Max.	amount
Bank loans	0.66%	5.84%	1,717,591
Bonds issued	3.40%	5.43%	459,963
Convertible or exchangeable bonds	3.31%	3.82%	597,106
Minority shareholders' advances	Euribor 1year +1%		420
Other			17,147
Total			**2,792,227**

The fair value of non current financial liabilities is computed by discounting future cash flows at prevailing interest rates for similar maturity dates and risks. This fair value is impacted by fluctuations in long-term interest rates and by financing margins applied by banks.

The **banks loans** primarily include:

1. a EUR 650 million financing, with maturity date October 2013, bearing interest at the rate of 3.38%; the fair value of this financing is estimated at EUR 656 million at the end of 2009;
2. a EUR 800 million financing, with maturity date May 2012, bearing interest at a rate of 4.59%; the fair value of this financing is estimated at EUR 836 million at the end of 2009;
3. a CHF 195 million (EUR 131 million), with maturity date May 2012, bearing interest at a rate of 3.15%; the fair value of this financing is estimated at EUR 134 million at the end of 2009.

The **bonds issued** relate mainly to listed and non-listed bonds issued by IMERYS, the value of which amounted to EUR 460 million at 31 December 2009 (in NPM/CNP share), compared to a fair value of EUR 465 million. These loans are expressed in different currencies (USD, JPY and EUR) and have fixed rates ranging between 3.40% and 5.43%.

The **convertible and exchangeable loans** include an issue by GBL on April 27, 2005, of a nominal amount for EUR 435 million (or EUR 194.7 million after proportionate consolidation) of exchangeable bonds in 5,085,340 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 if not exchanged before maturity. In the financial statements of the Group as of 31 December 2009, this financial liability component is carried at EUR 190 million (fair value: EUR 204 million). The conversion price is EUR 85.54. The effective interest rate is 3.64%.

In April 2006, PARGESA issued CHF 600 million bonds exchangeable for PARGESA bearer shares and CHF 60 million bonds exchangeable for PARGESA registered shares. The exchangeable bonds at bearer are listed. They will be reimbursed at par value if not exchanged before maturity, which is April 2013. The conversion price is CHF 159.72 for the bearer shares and CHF 15.972 for the registered shares, except usual adjustment clauses. The effective interest rate is 3.31%.
In June 2007, PARGESA issued CHF 920 million bonds exchangeable for PARGESA bearer shares and CHF 92 million bonds exchangeable for PARGESA registered shares. The exchangeable bonds at bearer are listed. They will be reimbursed at par value if not exchanged before maturity, which is June 2014. The conversion price is CHF 187.50 for the bearer shares and CHF 18.75 for the registered shares, except usual adjustment clauses. The effective interest rate is 3.82%.
In accordance with the standard IAS 32, the debt component and the equity component of these bonds have been separated. The equity component is booked in the equity. The carrying value of the liability component amounts to EUR 597 million as of the end of 2009, after elimination of intercompany balances (fair value: 618 million).

The caption « other » includes advances granted by minority shareholders at market conditions as well as NPM/CNP's share in the mezzanine financing granted to LYPARIS / GO VOYAGES. In this latter case, the highest applicable interest rate is 12% and is related to a EUR 15 million advance.

Current financial liabilities

	2008		
	Interest rates		Carrying
,000 EUR except interest rates	Min.	Max.	amount
Bank short term borrowings and overdrafts	0.55%	4.81%	860,869
Current portion of other financial liabilities	3.69%	5.83%	331,958
Total			**1,192,827**

	2009		
	Interest rates		Carrying
,000 EUR except interest rates	Min.	Max.	amount
Bank short term borrowings and overdrafts	0.78%	5.87%	675,375
Current portion of other financial liabilities	2.10%	6.88%	54,581
Total			**729,956**

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).

Payment schedule of financial liabilities

	2009			
,000 EUR	On demand < 1 year	In the 2nd to the 5th year	> 5th year	Total > 1 year
Bank short term borrowings and overdrafts	0	2,536,592	255,635	2,792,227
Current portion of other financial liabilities	729,956	0	0	0
Total	**729,956**	**2,536,592**	**255,635**	**2,792,227**

Available credit lines

	2009			
,000 EUR	On demand < 1 year	In the 2nd to the 5th year	> 5th year	Total > 1 year
Available credit lines	1,709,509	1,486,233	0	1,486,233

On 31 December 2009, the Group's companies had available credit lines amounting to EUR 3,196 million, of which EUR 1,710 million maturing during the coming year (this is mainly the case for TRANSCOR ASTRA GROUP) and of which EUR 1,489 million maturing between 1 and 5 years (mainly in the Group PARGESA).

NOTE 30 – BORROWINGS AND OVERDRAFTS

Analysis by currency

,000 EUR	2008 EUR	CHF	USD	Other currencies	Total
Long-term obligations under finance lease	29,234	0	799	581	30,614
Other non-current financial liabilities	2,157,456	620,299	56,382	34,272	2,868,409
Current portion of long-term obligations under finance lease	5,065	0	196	1	5,262
Other current bank loans and overdrafts	772,575	27,337	377,087	15,828	1,192,827
Other current financial liabilities	43,138	0	121,319	0	164,457
Total	**3,007,468**	**647,636**	**555,783**	**50,682**	**4,261,569**

,000 EUR	2009 EUR	CHF	USD	Other currencies	Total
Long-term obligations under finance lease	8,501	0	630	615	9,746
Other non-current financial liabilities	2,273,445	438,499	53,177	27,106	2,792,227
Current portion of long-term obligations under finance lease	1,526	0	155	0	1,681
Other current bank loans and overdrafts	243,548	9,054	469,421	7,933	729,956
Other current financial liabilities	25,997	0	22,134	0	48,131
Total	**2,553,016**	**447,552**	**545,518**	**35,654**	**3,581,741**

Secured financial debt

At 31 December 2009, financial debt totalling EUR 2,166 million were secured. The assets pledged mainly consisted in bank deposits, cash and equivalents (EUR 931 million), financial assets available for sale (EUR 680 million), inventories (EUR 548 million) and other assets not present on the balance sheet of the Group (shares of consolidated subsidiaries, not valued intangible assets…). Generally, these guarantees are given by the company benefitting from the secured loan or by another company included in the same operational segment as reported, on pages 20 and following.

NOTE 31 – OTHER CURRENT LIABILITIES

,000 EUR	2008 Fair value	2008 Carrying value	2009 Fair value	2009 Carrying value
Derivative financial liabilities	83,880	83,880	35,068	35,068
Payroll and social debtors	174,158	174,158	142,309	142,309
Other	209,422	209,422	153,950	153,950
Other current financial assets	**467,460**	**467,460**	**331,327**	**331,327**
Taxes payable other than income tax		15,192		27,571
Transportation tickets sold and not yet used (GO VOYAGES)		49,852		54,773
Pensions and post-employment benefits		0		0
Other		52,633		88,822
Total - Other current assets		**585,137**		**502,493**

Classification as of 31 December 2008

,000 EUR	Carrying value	At fair value through P&L: Held for trading	At fair value through P&L: Designated as such upon initial recognition	Loans and Receivable and Financial liabilities at amortised cost	Held to Maturity	Available for sale at fair value through total comprehensive income
Non-current assets						
Long-term advances to shareholdings	13,093	0	0	0	13,093	0
Available-for-sale investments - shares	5,953,562	0	0	0	0	5,953,562
Available-for-sale investments - bonds	0	0	0	0	0	0
Other financial assets	72,419	0	0	71,449	970	0
Current assets						
Trade and notes receivable	804,097	0	0	804,097	0	0
Short-term interest bearing advances	230,912	0	0	230,912	0	0
Financial assets held for trading purposes	121,792	121,792	0	0	0	0
Cash and cash equivalents	2,824,542	0	0	2,824,542	0	0
Other financial assets	397,386	137,402	0	259,984	0	0
Non-current liabilities						
Obligations under finance lease	(30,614)	0	0	(30,614)	0	0
Other interest bearing borrowings	(2,868,409)	0	0	(2,868,409)	0	0
Other financial liabilities	(21,873)	(8,490)	0	(12,048)	0	(1,335)
Current liabilities						
Trade and notes payable	(732,998)	0	0	(732,998)	0	0
Obligations under finance lease	(5,262)	0	0	(5,262)	0	0
Borrowings and overdrafts	(1,192,827)	0	0	(1,192,827)	0	0
Other interest bearing liabilities	(164,457)	0	0	(164,457)	0	0
Other financial liabilities	(467,460)	(74,745)	0	(392,715)	0	0

Classification as of 31 December 2009

,000 EUR	Carrying value	At fair value through P&L: Held for trading	At fair value through P&L: Designated as such upon initial recognition	Loans and Receivable and Financial liabilities at amortised cost	Held to Maturity	Available for sale at fair value through total comprehensive income
Non-current assets						
Long-term advances to shareholdings	35,341	0	0	0	35,341	0
Available-for-sale investments - shares	6,495,951	0	0	0	0	6,495,951
Available-for-sale investments - bonds	2,046	0	0	0	0	2,046
Other financial assets	951,261	0	0	45,061	906,200	0
Current assets						
Trade and notes receivable	677,120	0	0	677,120	0	0
Short-term interest bearing advances	118,681	0	0	118,681	0	0
Financial assets held for trading purposes	273,603	273,603	0	0	0	0
Cash and cash equivalents	1,406,779	0	0	1,406,779	0	0
Other financial assets	545,013	36,562	0	508,451	0	0
Non-current liabilities						
Obligations under finance lease	(9,746)	0	0	(9,746)	0	0
Other interest bearing borrowings	(2,792,227)	0	0	(2,792,227)	0	0
Other financial liabilities	(14,080)	(7,393)	0	(4,876)	0	(1,811)
Current liabilities						
Trade and notes payable	(496,659)	0	0	(496,659)	0	0
Obligations under finance lease	(1,681)	0	0	(1,681)	0	0
Borrowings and overdrafts	(729,956)	0	0	(729,956)	0	0
Other interest bearing liabilities	(48,131)	0	0	(48,131)	0	0
Other financial liabilities	(331,327)	(34,041)	0	(296,931)	0	(355)

Financial instruments at fair value as of 31 December 2009

,000 EUR	Carrying value of financial instruments carried at fair value	Level 1	Level 2	Level 3
Non-current assets				
Long-term advances to shareholdings	0	0	0	0
Available-for-sale investments - shares	6,495,951	6,405,635	0	90,316
Available-for-sale investments - bonds	2,046	2,046	0	0
Other financial assets	0	0	0	0
Current assets				
Trade and notes receivable	0	0	0	0
Short-term interest bearing advances	0	0	0	0
Financial assets held for trading purposes	273,603	273,603	0	0
Cash and cash equivalents	0	0	0	0
Other financial assets	36,562	20,080	13,035	3,447
Non-current liabilities				
Obligations under finance lease	0	0	0	0
Other interest bearing borrowings	0	0	0	0
Other financial liabilities	(9,204)	0	(7,393)	(1,811)
Current liabilities				
Trade and notes payable	0	0	0	0
Obligations under finance lease	0	0	0	0
Borrowings and overdrafts	0	0	0	0
Other interest bearing liabilities	0	0	0	0
Other financial liabilities	(34,396)	(9,707)	(21,906)	(2,783)

Financial instruments of level 3 at fair value as of 31 December 2009

,000 EUR	At fair value through P&L		Available for Sale	Total financial instruments carried at fair value
	Held for trading	Designated as such upon initial recognition	At fair value through OCI	
Beginning balance 01.01.2009	110	0	82,594	82,704
Gain or losses recognized in P&L	1,263	0	(11,548)	(10,285)
Gain or losses recognized in OCI	0	0	10,912	10,912
Purchases	0	0	8,160	8,160
Sales	0	0	(2,322)	(2,322)
Issues	0	0	0	0
Settlements	0	0	0	0
Transfers from level 3 to other levels	0	0	0	0
Transfers to level 3 from other levels	0	0	0	0
Ending balance 31.12.2009	1,373	0	87,796	89,169

Fair value estimate of financial instruments not carries at fair value

,000 EUR	Carrying value as of 12.31.2008			Fair value	Carrying value as of 12.31.2009			Fair value
	Loans and receivable and financial liabilities at amortised cost	Held to Maturity	Total not carried at fair value	as of 12.31.2008	Loans and receivable and financial liabilities at amortised cost	Held to Maturity	Total not carried at fair value	as of 12.31.2009
Non-current assets								
Long-term advances to shareholdings	0	13,093	13,093	13,093	0	35,341	35,341	35,341
Available-for-sale investments - shares	0	0	0	0	0	0	0	0
Available-for-sale investments - bonds	0	0	0	0	0	0	0	0
Other financial assets	71,449	970	72,419	72,419	45,061	906,200	951,261	987,470
Current assets								
Trade and notes receivable	804,097	0	804,097	804,097	677,120	0	677,120	677,120
Short-term interest bearing advances	230,912	0	230,912	230,912	118,681	0	118,681	118,681
Financial assets held for trading purposes	0	0	0	0	0	0	0	0
Cash and cash equivalents	2,824,542	0	2,824,542	2,824,542	1,406,779	0	1,406,779	1,406,779
Other financial assets	259,984	0	259,984	260,005	508,451	0	508,451	508,451
Non-current liabilities								
Obligations under finance lease	(30,614)	0	(30,614)	(30,614)	(9,746)	0	(9,746)	(9,746)
Other interest bearing borrowings	(2,868,409)	0	(2,868,409)	(2,752,646)	(2,792,227)	0	(2,792,227)	(2,859,848)
Other financial liabilities	(12,048)	0	(12,048)	(12,048)	(4,876)	0	(4,876)	(4,876)
Current liabilities								
Trade and notes payable	(732,998)	0	(732,998)	(732,998)	(496,659)	0	(496,659)	(496,659)
Obligations under finance lease	(5,262)	0	(5,262)	(5,262)	(1,681)	0	(1,681)	(1,681)
Borrowings and overdrafts	(1,192,827)	0	(1,192,827)	(1,192,827)	(729,956)	0	(729,956)	(729,956)
Other interest bearing liabilities	(164,457)	0	(164,457)	(164,457)	(48,131)	0	(48,131)	(48,131)
Other financial liabilities	(392,715)	0	(392,715)	(392,715)	(296,931)	0	(296,931)	(296,931)

1. Fair value of current and non-current financial derivatives

The fair value of the derivative financial instruments used by the entities of the Group 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. These tests are specifically developed for each situation and are validated by the Auditors of the involved company.

The Group uses derivative financial instruments to hedge risks linked to interest rates, exchange rates and fluctuations in raw material prices (crude oil, refined products and others).

	Assets components		Liabilities components		Net position	
,000 EUR	**2008**	**2009**	**2008**	**2009**	**2008**	**2009**
Currency forwards, futures and swaps	71	1,449	(3,040)	(1,341)	(2,969)	108
Interest rate swaps	8,181	7,877	(11,086)	(17,292)	(2,905)	(9,415)
Interest rate and currency swaps	148	0	(4,554)	0	(4,406)	0
Futures and options on commodities	136,536	34,040	(70,536)	(20,983)	66,000	13,057
Interest forwards and futures	27	0	(1,350)	(1,895)	(1,323)	(1,895)
Interest options	0	0	564	0	564	0
Put and call options on shares	0	0	(1,881)	(3,004)	(1,881)	(3,004)
Other	0	0	0	0	0	0
Total derivative financial instruments	**144,963**	**43,366**	**(91,883)**	**(44,515)**	**53,080**	**(1,149)**
of which current	136,576	35,489	(83,880)	(35,068)	52,696	421
of which non-current	8,387	7,877	(8,003)	(9,447)	384	(1,570)

The interest rate swaps aim at fixing the financing cost of non-current financial liabilities.

Futures and options on commodities are assimilated to fair value hedge and mainly include futures and options on oil products with settlement dates in 2010 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.

For risk management, please refer to pages 66 to 69.

2. Variation in the net position in the balance sheet

,000 EUR	2008	2009
At 1 January - net position of financial derivatives	**(23,904)**	**53,080**
Increase/(decrease) through the profit and loss account	111,557	(83,696)
Increase/(decrease) through the hedging reserve	(28,436)	23,376
Changes due to business combinations	0	0
Impact of assets for sale	(4,401)	7,978
Exchange differences	(1,743)	(1,969)
Issue of new investments and others	7	82
At 31 December - net position of financial derivatives	**53,080**	**(1,149)**

3. Total amount of the change in fair value estimated that was recognised in profit and loss during the period

,000 EUR	2008	2009
Fair value hedges	86,615	(76,938)
Cash flow hedges	384	21
Hedges of net investments denominated in foreign currency	1	0
Other derivatives	24,557	(6,779)
Total amount recognized in profit and loss	**111,557**	**(83,696)**

During the financial year 2009, the Group booked EUR -76.9 of change in fair value (+EUR 86.1 million in 2008) of which the main part was assimilated to fair value hedge (mainly at TRANSCOR ASTRA GROUP). These high amounts result from very volatile oil prices.
« Other derivatives » included, in 2008, the change in the fair value of options issued on TOTAL and ARKEMA shares, which did not qualify as hedging instruments.

4. Fair value of financial derivative instruments qualifying as cash flow hedge and other

	Cash-flow hedges Net position		Other Net position		Total Net position	
,000 EUR	2008	2009	2008	2009	2008	2009
Currency forwards, futures and swaps	(2,794)	254	(175)	(146)	(2,969)	108
Interest rate swaps	(3,405)	(8,575)	500	(840)	(2,905)	(9,415)
Interest rate and currency swaps	(4,406)	0	0	0	(4,406)	0
Futures and options on commodities	(22,641)	677	88,641	12,380	66,000	13,057
Interest forwards and futures	0	0	(1,323)	(1,895)	(1,323)	(1,895)
Interest options	0	0	564	0	564	0
Put and call options on shares	0	0	(1,881)	(3,004)	(1,881)	(3,004)
Other	0	0	0	0	0	0
Total derivative financial instruments	**(33,246)**	**(7,644)**	**86,326**	**6,495**	**53,080**	**(1,149)**
of which current	(24,602)	259	77,298	162	52,696	421
of which non-current	(8,644)	(7,903)	9,028	6,333	384	(1,570)

5. Derivative financial instruments: underlying amounts

	Assets components		Liabilities components		Net position	
,000 EUR	2008	2009	2008	2009	2008	2009
Currency forwards, futures and swaps	34,509	99,551	(276,827)	(117,374)	(242,318)	(17,823)
Interest rate swaps	332,876	275,945	(647,601)	(575,942)	(314,725)	(299,997)
Interest rate and currency swaps	0	0	(280,000)	0	(280,000)	0
Futures and options on commodities	175,122	259,625	(697,115)	(292,471)	(521,993)	(32,846)
Interest forwards and futures	83,375	47,247	(61,123)	(69,003)	22,252	(21,756)
Interest options	140,608	0	0	0	140,608	0
Put and call options on shares	0	0	(586,328)	(3,000)	(586,328)	(3,000)
Other	0	0	0	0	0	0
Total derivative financial instruments	**766,490**	**682,368**	**(2,548,994)**	**(1,057,790)**	**(1,782,504)**	**(375,422)**
of which current		359,178		(419,301)		(60,123)
of which non-current		323,190		(638,489)		(315,299)
of which cash-flow hedges		375,171		(700,903)		(325,732)
of which other		307,197		(356,887)		(49,690)

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.

Continuing and discontinued operations

	2008	2009
Weighted average number of ordinary shares for the purpose of basic earning per share	108,079	106,090
Effect of dilutive potential ordinary shares :	0	1,460
• Share options	0	1,460
• Other (1)	0	0
Weighted average number of ordinary shares for the purpose of diluted earning per share (1)	108,079	107,550

,000 EUR	2008	2009
Net profit (Group share) basic	(174,383)	296,536
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 (1)	(174,383)	296,536

EUR/share	2008	2009
Earnings per share - basic	-1.613	2.795
Earnings per share - diluted (1)	-1.613	2.757

Continuing operations

,000 EUR	2008	2009
Net profit attributable to equity holders of the parent	(174,383)	296,536
Adjustement to exclude net result for the period from discontinued operations	5	(33,084)
Basic net profit attributable to equity holders of the parent from continuing operations	**(174,378)**	**263,452**
Effect of dilutive potential ordinary shares	0	0
Diluted net profit attributable to equity holders of the parent from continuing operations (1)	**(174,378)**	**263,452**

EUR/share	2008	2009
Earnings per share from continuing operations - basic	-1.613	2.484
Earnings per share from continuing operations - diluted (1)	-1.613	2.449

Discontinued operations

EUR/share	2008	2009
Earnings per share from discontinued operations - basic	0.000	0.311
Earnings per share from discontinued operations - diluted (1)	0.000	0.308

(1) As the 2008 profit and loss statements shows a net loss, the impact of share options has to be cancelled, as it would have an anti-dilutive effect on data per share.

NOTE 35 – DIVIDEND

The board of directors will propose to the general meeting of shareholders on April 15, 2010, for the 2009 financial year, the distribution of a gross dividend of EUR 0.835 per share, payable to 108,000,000 shares (i.e. anticipating on the cancellation of 2,000,000 shares by the extraordinary shareholders' meeting). The dividend proposed totals EUR 90,180 (,000), which has not been booked as a liability in the financial statements that are presented here.

Dividend paid to NPM/CNP shareholders during the financial year

,000 EUR	**2008**	**2009**
Dividend paid during the financial year	81,906	85,800
Reduced by the dividend on treasury shares	(2,758)	(2,803)
Dividend paid during the financial year (excl. dividend on treasury shares)	**79,148**	**82,997**

NOTE 36 – COMMITMENTS, CONTINGENT ASSETS AND LIABILITIES

1. NPM/CNP and its subsidiaries have granted to (or obtained from) third parties, under specific circumstances (mainly joint ventures), 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 June 2008, GBL and other shareholders of SUEZ ENVIRONNEMENT, including GDF SUEZ, have concluded a shareholders' agreement for a five-year period, tacitly renewable, which provides for pre-emption and tag –along rights.

2. In the context of the disposal of several shareholdings, the NPM/CNP Group 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 give rise to provisions if it is probable that they will result in a cash outflow. Depending on the occurrence of some future events, the NPM/CNP Group might cash, in 2010 or later, additional amounts on some shareholdings sold during previous financial years; the Company does not expect these amounts to be significant.

3. At 31 December 2009, the Group has concluded various investment commitments for some EUR 110 million, which should mainly be realised in 2010. These include among others :
   - EUR 47 million in treasury share intended to be cancelled in the context of a share buy-back programme;
   - EUR 48 million, resulting from GBL and PARGESA commitments to invest in private equity funds;
   - EUR 7 million related to the construction of the new winery at CHEVAL BLANC.

4. The Group has contracted some lease commitments described in note 12.

5. In April 2009, the arbitration panel in charge of the dispute between TRANSCOR ASTRA GROUP and PETROBRAS issued an award regarding the transfer by some entities of the TRANSCOR ASTRA Group of their interests in the Pasadena refinery and a related trading entity (together referred to as PRSI) to certain members of the PETROBRAS Group. This arbitration panel ruled that certain members of the TRANSCOR ASTRA Group were entitled to - and did properly - exercise their put options. According to this award, the PETROBRAS Group should have already paid the TRANSCOR ASTRA Group some USD 468 million in April 2009 (including USD 156 million as reimbursement of a guarantee paid by TRANSCOR ASTRA on behalf of PRSI) and USD 85 million in September 2009. As of 31 December 2009, the PETROBRAS Group has still not complied with any of these payment obligations. An additional amount of USD 85 million will be due in September 2010. An order issued in March 2010 by the District Court in Texas confirms this award. This order, against which PETROBRAS can appeal, confirms the appropriateness of the accounting treatment by TRANSCOR ASTRA GROUP and NPM/CNP, consisting in the recognition of the capital gain (please refer to notes 8 and 39). It is also reminded that a litigation filed by TRANSCOR ASTRA GROUP S.A. claiming for damages for non-compliance with prior commitments is still pending against PETROBRAS before a US court.

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 2009, the total expense for the Group in connection with option plans recognized as personnel cost, amounted to EUR 8.9 million (5.1 million in 2008), of which EUR 2.6 million related to the NPM/CNP stock option plans.

Stock option plans within NPM/CNP

	2008		2009	
	Number of options	Strike price EUR	Number of options	Strike price EUR
Options at 1 January	**3,105,473**	**n.a.**	**3,171,536**	**n.a.**
Granted during the year	158,420	47.97	204,454	35.09
Cancelled during the year	0	47.68	(506)	47.68
Cancelled during the year	0	47.97	(1,218)	47.97
Cancelled during the year	0	35.09	(1,741)	35.09
Exercised during the year	(92,357)	16.67	(143,912)	16.67
Expired during the year	0	n.a.	0	n.a.
Options at 31 December	**3,171,536**	**n.a.**	**3,228,613**	**n.a.**

	Number of options	Strike price (EUR)	Maturity	Vesting
NPM/CNP	2,171,756	16.67	03/12/2013	Vested
NPM/CNP	565,026	16.67	03/12/2018	Vested
Total	**2,736,782**			

	Number of options	Strike price (EUR)	Maturity	Vesting
NPM/CNP	49,874	47.68	22/04/2017	Vested
NPM/CNP	1,013	47.68	22/04/2019	Vested
NPM/CNP	37,414	47.68	22/04/2022	Vested
NPM/CNP	28,235	47.68	22/04/2017	01/05/2010
NPM/CNP	15,380	47.68	22/04/2022	01/05/2010
Total	**131,916**			

	Number of options	Strike price (EUR)	Maturity	Vesting
NPM/CNP	27,170	47.97	20/04/2018	Vested
NPM/CNP	25,645	47.97	20/04/2023	Vested
NPM/CNP	27,170	47.97	20/04/2018	01/05/2010
NPM/CNP	25,028	47.97	20/04/2023	01/05/2010
NPM/CNP	27,170	47.97	20/04/2018	01/05/2011
NPM/CNP	25,019	47.97	20/04/2023	01/05/2011
Total	**157,202**			

	Number of options	Strike price (EUR)	Maturity	Vesting
NPM/CNP	19,581	35.09	19/04/2019	Vested
NPM/CNP	48,578	35.09	19/04/2019	01/05/2010
NPM/CNP	67,280	35.09	19/04/2019	01/05/2011
NPM/CNP	67,274	35.09	19/04/2019	01/05/2012
Total	**202,713**			

The value of NPM/CNP options (EUR 8.44 per option) granted during the 2009 financial year was established based on the following assumptions:

%	
Expected volatility	26.3%
Expected dividend growth	7.0%
Personnel turnover	0.0%
Interest rate	3.5%

NOTE 37 – SHARE-BASED PAYMENTS

Major stock option plans within NPM/CNP subsidiaries

1. Stock option plans within PARGESA HOLDING

In 2009, PARGESA granted a stock option plan related to 36,650 PARGESA shares to its employees; these options can be exercised until 2019 at a strike price of CHF 53. The rights to this plan are acquired by third every year over the first three years. No option was exercised in 2009. At 31 December 2009, 64,950 options were outstanding at exercise prices ranging from CHF 53 to CHF 133, with maturity dates from 2017 to 2019.

2. Stock option plans within GBL

In 2009, GBL granted a stock option plan related to 238,244 GBL shares to its employees; these options can be exercised until 2019 at a strike price of EUR 51.95. The rights to this plan are acquired by third every year over the first three years. In 2009, 3,566 options were exercised. At 31 December 2009, 740,055 options were outstanding at exercise prices ranging from EUR 32.24 and EUR 91.90 and with maturity dates from 2012 to 2023.

GBL also granted a plan on PARGESA shares. This plan matures in June 2012 and has an exercise price of 46.76 per share; as of end of December 2009, 225,000 had not yet been exercised. No option has been granted or exercised in 2009.

3. Stock option plans within IMERYS

IMERYS has put in place stock option plans in favour of some managers and employees of the Group. The right to exercise the related options is vested after 3 years after the attribution date; the plan has a maximum duration of 10 years.
In 2009, IMERYS granted a stock option plan related to 464,000 IMERYS shares to its employees; these options can be exercised until 2019 at a strike price of EUR 34.54. In 2009, 45,388 options were exercised and 170,111 options cancelled.
At 31 December 2009, 3,953,269 options were outstanding at exercise prices ranging from EUR 23.01 and EUR 65.61 and with maturity dates from 2010 to 2019.

4. Other stock option plans

Other minor stock option plans have been granted by companies included in the Group consolidation but none has a potentially significant impact on the Group’s value or financial statements.

NOTE 38 – INTERESTS IN JOINT VENTURES

At the end of 2009 the shareholdings in joint ventures represent the interests of the Group in PARGESA (including GBL end IMERYS), GROUPE FLO, CHEVAL BLANC, LYPARIS / GO VOYAGES, TRASYS and DISTRIPLUS.

The joint ventures are integrated in the consolidated financial statements according to the proportional consolidation method.

,000 EUR	**2008**	**2009**
Assets held in Joint Ventures :	**8,712,036**	**8,958,599**
Current assets	7,331,152	7,973,126
Non-current assets	1,380,884	985,473
Liabilities held in Joint Ventures :	**2,485,509**	**2,039,878**
Current liabilities	1,473,885	1,471,764
Non-current liabilities	1,011,624	568,113
Profit and loss of Joint Ventures :	**(281,404)**	**471,880**
Income	2,422,288	2,060,237
Expenses	(2,703,692)	(1,588,357)
Cash flow of Joint Ventures :	**(424,540)**	**(92,210)**
from operating activities	382,048	706,621
from financing activities	(801,109)	(292,418)
from investing activities	(5,479)	(506,413)

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 2008 was restated to comply with IFRS 5.

During the fourth quarter of 2007, TRANSCOR ASTRA GROUP decided that it wanted to sell its interests in the field of refining in the Gulf of Mexico region ; consequently, TRANSCOR ASTRA GROUP classified this significant line of business as « held for sale » from this moment ; the related income and expenses have been presented as «discontinued operations». In July 2008, TRANSCOR ASTRA GROUP exercised its right to put this shareholding on PETROBRAS, which this latter denied. In April 2009, the arbitration procedure confirmed the right of TRANSCOR ASTRA to exercise its put option (please refer to note 36.5). Consequently, TRANSCOR ASTRA delivered the shares and recorded the resulting capital gain (EUR 204.3 million). After tax and minority interests, the net profit for the shareholders of NPM/CNP amounted to EUR 109.5 million.

End of 2009, the Group classified its activities in the cheese industry (UNIFEM / ENTREMONT ALLIANCE) as held for sale. The first steps to initiate a sale or to associate its assets with a larger player had been initiated so that a sale transaction could be considered as probable before the end of 2010. The results of UNIFEM ENTREMONT ALLIANCE are consequently presented as discontinued operations for 2009 and the results of 2008 have been restated accordingly for comparison purposes.

,000 EUR		**2008**	**2009**
Capital gain or loss on disposal of discontinued operations		**8,016**	**204,267**
Tax on disposal of discontinued operations		0	(38,444)
Net capital gain/(loss) on disposal of discontinued operations	**(1)**	**8,016**	**165,823**
Turnover (sales)		1,693,635	1,402,712
Other operating income		3,312	6,896
Raw materials, goods for resale and consumables used		(1,249,498)	(1,011,029)
Staff costs		(167,368)	(193,327)
Depreciation expenses		(27,849)	(28,708)
Amortization expenses		(2,183)	(1,574)
Gains/(losses) and impairments on shareholdings and activities		0	(77,713)
Other operating expenses		10,110	0
Dividends and interests from available-for-sale investments		(264,875)	(211,087)
Dividends from current assets held for trading		26	0
Interest income from current assets		378	107
Interest expenses		(17,468)	(13,819)
Gains/(losses) on financial trading (including derivatives)		(1,701)	(104)
Other financial income/(expenses)		441	33
Income from associates		(31)	196
Profit/(loss) before income tax of the discontinued operations (excl. capital gains)		**(23,071)**	**(127,417)**
Tax expense on profit/(loss) from the ordinary activities of the discontinued operations		8,842	21,216
Net profit/(loss) after tax of the discontinued operations (excl. capital gains)	**(2)**	**(14,229)**	**(106,201)**
Net profit/(loss) from discontinued operations (1) + (2)		**(6,213)**	**59,622**
attributable to minority interests		(6,208)	26,537
attributable to NPM/CNP (Group share)		(5)	33,085

In 2008, the profit from discontinued operations included the profits derived from the Pasadena refinery (19,743, of which 12,951 group share), ELECTRICITE DU BOIS DU PRINCE (8,574, of which 7,403 group share), including the capital gain of 8,016 (6,921 group share) and UNIFEM / ENTREMONT ALLIANCE (-34,530, -20,359 Group share).
In 2009, it includes UNIFEM / ENTREMONT ALLIANCE (-88,780, -76,407 Group share), including an impairment loss of -69,050 (-63,746 Group share) and PRSI (148,402, 109,491 Group share), which includes a gross capital gain of 204,267 (136,859 Group share).
Cash flows from discontinued operations are disclosed separately in the cash flow statement.
At 31 December 2009, non-current assets of UNIFEM / ENTREMONT ALLIANCE amounted to 233,357, the current assets 467,815, equity 0, shareholders' advances 30,000, other non-current liabilities 79,459 and current liabilities 591,713.

NOTE 40 – CHANGE IN ACCOUNTING METHODS

In the course of the financial years ended in 2008 and 2009, the Group did not modify the accounting nor the estimation methods.

NOTE 41 – EVENTS AFTER THE BALANCE SHEET DATE

Please refer to board of directors' report (pages 12 and 13).

NOTE 42 – AUDITOR'S FEES

Please refer to page 88.

NOTE 43 – LIST OF CONSOLIDATED COMPANIES

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
NPM/CNP (1)	Belgium	100.0%	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
CARSPORT	Belgium	100.0%	100.0%	100.0%	Holding company
CENTRE DE COORDINATION DE CHARLEROI	Belgium	100.0%	100.0%	100.0%	Treasury management
CHEVAL BLANC FINANCE	France	100.0%	80.0%	100.0%	Holding company
COMPAGNIE IMMOBILIERE DE ROUMONT	Belgium	100.0%	100.0%	100.0%	Services to group companies
GROUPE JEAN DUPUIS	Belgium	100.0%	100.0%	100.0%	Holding company
ERBE FINANCE	Luxembourg	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	Luxembourg	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
SWILUX	Luxembourg	100.0%	100.0%	100.0%	Holding company
DISTRIPAR	Belgium	100.0%	100.0%	100.0%	Retail
BELGIAN ICECREAM GROUP	Belgium	100.0%	100.0%	100.0%	Ice cream production
TRANSCOR ASTRA GROUP	Belgium	100.0%	80.0%	100.0%	Oil refining and trading

(1) Including the Swiss branch, with very limited activities (closed on 31 March 2009).

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
GROUPE GIB	Belgium	50.0%	50.0%	50.0%	Holding company
FINANCIERE FLO	France	50.0%	33.0%	50.0%	Holding company
GO INVEST	France	50.0%	50.0%	50.0%	Holding company
GROUPE FLO	France	50.0%	23.7%	(2)	Restaurants
TRASYS GROUP	Belgium	50.0%	41.0%	50.0%	Holding company
TRASYS	Belgium	50.0%	41.0%	(3)	IT services
PARJOINTCO	Netherlands	44.8%	44.8%	(4)	Holding company
PARGESA HOLDING	Switzerland	50.0%	24.2%	(5)	Holding company
GROUPE BRUXELLES LAMBERT	Belgium	44.8%	12.6%	(6)	Holding company
IMERYS	France	44.8%	10.4%	(6)	Minerals and materials
CHEVAL BLANC	France	50.0%	40.0%	50.0%	Wines
LYPARIS / GO VOYAGES	France	50.0%	31.0%	50.0%	Plane tickets (e-commerce)

(1) Joint venture agreement, although NPM/CNP only holds 49% of the voting rights
(2) Group jointly controlled with ACKERMANS & van HAAREN and controlled for 71.7% by GIB
(3) Group jointly controlled with ACKERMANS & van HAAREN and controlled for 82% 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

3. Major companies accounted for using the equity method

Companies (or groups)	Country	Consolidation percentage	Transitive ownership percentage in the capital	Percentage of voting rights controlled	Main activity
LAFARGE (1)	France	9.4%	2.7%	(1)	Cement
GRUPPO BANCA LEONARDO (2)	Italy	19.5%	19.5%	19.5%	Investment and private banking
AFFICHAGE HOLDING (3)	Switzerland	25.3%	25.3%	5,0%	Outdoor advertising
ERGON CAPITAL PARTNERS (4)	Belgium	19.0%/19.3%	5.3/%5.4%	(4)	Private equity
TIKEHAU CAPITAL ADVISORS (5)	France	50.0%	47.5%	50.0%	Fund management
TIKEHAU CAPITAL PARTNERS (5)	France	17.3%	25.0%	25.0%	Investment company
FIDENTIA REAL ESTATE INV (6)	Belgium	50.0%	50.0%	50.0%	Real Estate management
FIDENTIA GREEN BUILDINGS (6)	Belgium	67.8%	67.8%	67.8%	Real Estate fund

(1) LAFARGE, 21.1% held by GBL has been equity accounted since january 2008, date from which GBL's representatives entered the Board of Directirs. As GBL is 44.8% proportionally consolidated in NPM/CNP accounts, 9.4% of LAFARGE is consequently equity accounted in NPM/CNP accounts.
(2) GRUPPO BANCA LEONARDO is equity accounted 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.
(3) AFFICHAGE HOLDING has been equity accounted since 31 December 2008; NPM/CNP has had a significant influence from that date as a NPM./CNP's representative has participated to Board meetings starting December 2008. Voting rights are limited to 5% by the bylaws and no other shareholder has a higher voting power than NPM/CNP.
(4) ERGON CAPITAL PARTNERS (ECP) consists of two investment vehicles in which GBL holds respectively 43.0 et 42.4% of the capital and voting rights ; GBL's accounts are 44.8% proportionally consolidated in NPM/CNP's accounts..
(5) TIKEHAU CAPITAL PARTNERS is the main investment vehicle of the Group TIKEHAU; NPM/CNP has a significant influence because of its presence in TIKEHAU CAPITAL ADVISORS.
(6) FIDENTIA REAL ESTATE, joint-venture active in the real estate sector, is currently equity-accounted. The same method applies to FIDENTIA GREEN BUILDINGS, in which the shareholding percentage should drop below 50%.This treatment currently better reflects the economic reality as NPM/CNP currently finances most of FIDENTIA's investments through loans amounting to some EUR 34 million while the equity only amounts to EUR 6 million as of December 2009.

NOTE 44 – LIST OF NON-CONSOLIDATED COMPANIES

Some companies were not included in the consolidation perimeter because these are not material at group level.
This is a.o. the case for CHEVAL DES ANDES, 25% owned by the Group, active in wine production.

UNIFEM / ENTREMONT ALLIANCE (64.2% held) has been classified as held for sale since December 2009. All assets, liabilities and profit and loss items are reported under one line "assets held for sale" and "profit from discontinued operations".

NOTE 45 – RELATED PARTIES

Salaries and directors' fees paid to directors and executive management

During the financial year 2009 (,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	4,158	17	0
- non-executive directors	245	0	0
	4,403	17	0
Value of options granted during the financial year to the directors and the executive management	1,226 (3)	0	0
Loans and advances granted to directors and the executive 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.
(3) This relates to 145,281 NPM/CNP options (strike price: EUR 35.09; maturity 2019).

Related party transactions not at market conditions

There is no significant related party transaction at conditions that would materially differ from market conditions.

Deloitte.

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Compagnie Nationale à Portefeuille SA

Statutory auditor's report on the consolidated financial statements for the year ended 31 December 2009 to the shareholders' meeting

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 à 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 2009, the consolidated income statement, the consolidated statement of comprehensive income, 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 16.251.419 (000) EUR and the consolidated income statement shows a consolidated profit (group share) for the year then ended of 296.536 (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 Réviseurs d'Entreprises/Instituut van de 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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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 2009, 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, 29 March 2010

The statutory auditor

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

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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 (in accordance with article 119 of Companies Code) 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 website (www.npm-cnp.be).

BALANCE SHEETS

,000 EUR	**2008**		**2009**	
NON-CURRENT ASSETS	**4,477,634**		**4,528,531**	
Incorporation costs	**-**		**-**	
Intangible assets	**35**		**14**	
Fixed assets	**1,816**		**1,764**	
Lands and buildings		101		101
Furniture, fixtures and vehicles		40		33
Other		1,675		1,630
Long-term investments	**4,475,783**		**4,526,753**	
Subsidiaries				
Shareholdings		4,249,251		4,160,550
Advances		55,955		113,779
Related companies				
Shareholdings		166,458		252,382
Other investments				
Shareholdings		4,119		42
CURRENT ASSETS	**2,066,437**		**1,977,101**	
Long-term receivables	**843**		**365**	
Other receivables		843		365
Inventories	**-**		**-**	
Amounts receivable within one year	**429,442**		**603,072**	
Trade receivables		150		-
Other receivables		429,292		603,072
Short-term investments	**978,194**		**987,388**	
Own shares		48,948		52,229
Other short-term investments		929,246		935,159
Cash and equivalents	**653,342**		**367,575**	
Deferred expenses and accrued income	**4,616**		**18,701**	
TOTAL ASSETS	**6,544,071**		**6,505,632**	
EQUITY	**5,499,074**		**5,454,989**	
Capital	**126,500**		**126,500**	
Issued capital		126,500		126,500
Share premium	**1,052,870**		**1,052,870**	
Reserves	**133,407**		**136,798**	
Legal reserve		12,650		12,650
Unavailable reserve				
Own shares		48,948		52,229
Other		5		5
Available reserves		71,804		71,914
Profit carried forward	**4,186,297**		**4,138,821**	
PROVISIONS AND DEFERRED TAXATION	**-**		**-**	
Provisions	**-**		**-**	
Deferred taxes	**-**		**-**	
LIABILITIES	**1,044,997**		**1,050,643**	
Long-term debt	**931,313**		**931,437**	
Short-term debt	**87,637**		**92,472**	
Financial debt				
Suppliers		114		397
Taxes, salaries and social charges payable				
Taxes		-		163
Salaries and social charges		246		47
Other liabilities		87,227		91,865
Accrued expenses and deferred income	**26,047**		**26,734**	
TOTAL LIABILITIES AND EQUITY	**6,544,071**		**6,505,632**	

Brief comment on the non-consolidated balance sheet for the year 2009

The assets of the COMPAGNIE NATIONALE À PORTEFEUILLE / NATIONALE PORTEFEUILLEMAATSCHAPPIJ legal entity mainly comprise shareholdings in holding companies which are eliminated in the consolidation process; consequently, they have little economic significance.

,000 EUR	2008		2009	
Revenue	**254**		**250**	
Other operating income		254		250
Operating expenses	**(6,120)**		**(5,945)**	
Miscellaneous goods and services		(5,250)		(5,599)
Payroll expenses		(755)		(504)
Operating depreciation and amortization expenses		(75)		(76)
Amounts written down (-) / back (+) on receivables		(27)		248
Other operating expenses		(13)		(14)
Operating profit (loss)	**(5,866)**		**(5,695)**	
Financial income	**299,120**		**175,249**	
Income from long-term investments		209,934		116,049
Income from short-term assets		89,092		59,192
Other financial income		94		8
Financial expenses	**(72,410)**		**(41,470)**	
Interest expenses		(41,959)		(41,365)
Write-downs and write-backs on current assets		(17,013)		544
Other financial expenses		(13,438)		(649)
Profit before extraordinary items and taxes	**220,844**		**128,084**	
Extraordinary income	**7,844**		**3,822**	
Amounts written back on long-term investments		-		920
Gains on disposals of long-term investments		7,844		2,895
Other extraordinary income		-		7
Extraordinary expenses	**(77,632)**		**(8,965)**	
Extraordinary amortization of incorporation costs and Intangible assets and extraordinary depreciation of fixed assets		(8)		-
Write-offs on long-term investments		(77,624)		(8,965)
Before tax profit (loss)	**151,056**		**122,941**	
Income tax	**3**		**-**	
Taxes related to prior periods and income tax provision adjustments		3		-
Net profit (loss) for the year	**151,059**		**122,941**	
Movements in tax-free reserves	**-**		**-**	
Profit (loss) of the year available for appropriation	**151,059**		**122,941**	

APPROPRIATION OF PROFITS				
Profit (loss) of the year available for appropriation	**151,059**		**122,941**	
Profit (loss) carried forward from the previous year	**4,191,117**		**4,186,297**	
Profit (loss) available for appropriation	**4,342,176**		**4,309,238**	
Transfer to reserves	**70,079**		**80,237**	
To other reserves		70,079		80,237
Profit to be carried forward	**4,186,297**		**4,138,821**	
Profit to be distributed	**85,800**		**90,180**	
Dividend		85,800		90,180

Brief comment on the non-consolidated profit and loss statement for the year 2009 and prospects for the year 2010

The non-consolidated profit and loss statement of COMPAGNIE NATIONALE À PORTEFEUILLE / NATIONALE PORTEFEUILLEMAATSCHAPPIJ mainly includes intercompany dividends, which are eliminated in the consolidation process. Prospects for the year 2010 are addressed on page 18 of the business report.

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 following analysis concerns the company and its consolidated shareholdings.

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 in restricted consolidation terms, the result of this sub-group is more exposed than others to a drop in interest rates than to a rise in interest rates. The holding companies that come under restricted consolidation in particular have taken out loans that expire in the mid-term (2012-2013) at an average interest rate of around 4%. The rates currently in force for short term deposits are tangibly lower than this rate. In order to offset this situation, in February 2009, NPM/CNP deposited EUR 900 million whose maturity date falls in 2013. Along the same lines, NPM/CNP put together in the course of the spring a bond portfolio of a value of around EUR 150 million, most of which was sold in the course of the summer. NPM/CNP then reinforced its share investment portfolio, which amounted to around EUR 265 million as at 31 December 2009 (EUR 251 million in acquisition value). The restricted consolidated profits remain very exposed to the evolution in the short term rates, even if the risk of a downturn appears extremely limited, given the very low current rates. In consolidated terms, on the other hand, which posts a slight net debt (of around EUR 900 million), the evolution is of course inverse but is, to a large extent, offset by the increase in the financing margins applied by the banks.

This situation and its impact on the treasury return or the cost of the debt has, for its part, only little impact on the company's value. The interest rates and the level of the risk premiums required by the market have, on the other hand, a direct influence on market multiples and, therefore, on the stock market price of the listed assets or, for unlisted assets, on their market value, owing to the impact that these factors have on the discount rates. As such, they can therefore have a considerable effect on the value of NPM/CNP shares.

MARKET VOLATILITY

Recent events have also served as a reminder of the considerable volatility of the markets in certain circumstances. The evolution of this volatility naturally impacts the value of the derivative financial instruments acquired or issued by the company. That has been the case in the past for options on TOTAL shares issued at the end of 2005 and early 2006 and that matured at the end of 2008 and early 2009 without being exercised. While this influence may have made itself felt at times on the profit and loss account, it remained negligible on the company's value. The scale of the operations that could, possibly, be carried out in future, should not change this situation.

We believe however that one of the main effects the evolution of the volatilities can have is on the discount of the stock market price of NPM/CNP shares compared with the "fair value" assigned by the analysts. This claim is not scientifically proven but results from logical deductions based on the NPM/CNP strategic desire to be a long-term investor. In fact, as a long-term investor with relatively large (and therefore less liquid) shareholdings, NPM/CNP in a way forces its shareholders not to draw short term benefits from the price variations in the listed securities that it holds. The stronger these fluctuations in the short term, which is the case in periods of strong market volatility, the higher the cost of renouncing to the profits to be drawn from it and, in theory, the greater the discount.

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. We observe that there is currently no consensus among economists on the best strategy to follow in future, whether in the short or mid term.

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. Most of the assets of the companies consolidated within the NPM/CNP Group have a book value denominated in euros and the exchange rate fluctuations therefore have a very limited effect on the profit and loss account. In reality, and contrary to these "deceptive" 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 shares to the value of the dollar. According to our estimate, the value of NPM/CNP shares is positively correlated by up to around 45%(1) with fluctuations in the value of the USD against the EUR. In other words, and all other things remaining equal, 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 shares of around 0.45%.

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 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 0.29[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.

SIDE EFFECTS

It is important not to lose sight of the fact that there are indirect or side effects that are difficult to express in figures, which can have an impact on the others. This is the case for the evolutions in the EUR/USD exchange rate on the competitiveness of European companies in which NPM/CNP holds a shareholding.

The same goes for the price of certain materials, oil in particular, on the consumer habits of individuals, whether they are oil products or other products, following an erosion in their purchasing power. In this last case, the effect of the fluctuations in oil prices is probably overestimated, owing to the inverse side effects on the sectors in which other companies held by NPM/CNP are active.

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.

Within TRANSCOR ASTRA GROUP, the significant 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 hedging of buying and selling commitments, justifying the presence of a Chief Risk Officer devoted to reinforcing the controls within the group's various entities and to implementing information systems, integrated at group level, and, more recently, the development of a middle desk, underpinning the risk management and monitoring tool.

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.

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).

(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 2009 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.

OTHER OPERATIONAL RISKS

Generally speaking, the companies that make up NPM/CNP's portfolio are exposed to the risk of fluctuations 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 fluctuations through their selling prices. As far as ENTREMONT ALLIANCE is concerned, the problem is to a large extent inversed; profitability depending mainly on its ability to pass the variations in the sale price of its industrial products (milk powder, butter, emmental, cheddar) on to the purchase price of its milk. Following the collapse of the world prices of industrial products, it has not been possible to peg these prices to the market conditions in France, especially following the objection of producers and the intervention of the public authorities. This has meant significant operating losses for ENTREMONT ALLIANCE in 2008 and in 2009. To ensure the profitability of this group, milk, purchase prices must be exercised that do not put ENTREMONT ALLIANCE at a disadvantage compared with its foreign competitors. It should be borne in mind that, at the end of 2009, this group was classified as held for sale. According to the IFRS standards, the ENTREMONT ALLIANCE results will however continue to impact the NPM/CNP's consolidated results until its sale.

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.

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.

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. BELGIAN ICECREAM GROUP and CHEVAL BLANC for example are subjected to the influence of weather conditions, one for the consumption of its products and the other for production. The example of CHEVAL BLANC allows us to illustrate that a "risk" usually goes hand in hand with an "opportunity" ; indeed, in 2009 conditions were exceptionally favourable for our Bordeaux wine-growing estates, auguring wine of an excellent quality.

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. In this respect, the TRANSCOR ASTRA group was severely impacted (EUR 22 million) during the last quarter of 2009 by the indirect consequences of a fire at an oil terminal in Puerto Rico, that lead to the bankruptcy of the owner-operator, to whom the Group had supplied products.

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 AND COUNTERPARTY RISK

At the end of 2008, the cash positions of the Group, in restricted consolidation and in consolidated, were respectively largely positive and close to zero (net indebtedness slightly over 10% of the shareholder's equity – Group and third parties). While a higher situation of indebtedness cannot be excluded, as a holding company, NPM/CNP does not wish to be significantly indebted.

In the past, the company had announced that its net indebtedness should not exceed, at restricted consolidation holding company level, 10 to 15% of your company's value.

A liquidity crisis, such as that witnessed by the economy in 2008 and 2009, can pose a very considerable threat for those forced to sell an investment for liquidity reasons in extremely unfavourable conditions. Given its prudent financial management in this respect, we believe that NPM/CNP is reasonably protected against such threats. Conversely, for those who hold liquidities, it can generate attractive investment opportunities. These are naturally analysed with the prudence that is called for in such circumstances.

In terms of the Group's holding companies, the current situation brings with it higher counterparty risks (banks or other financial institutions) in deposit, hedging or other operations than was previously the case. Each significant situation is analysed on a case by case basis with particular attention to the financial solidity of the counterparty.

Alongside this, the PARGESA/GBL Group and each of its industrial and commercial shareholdings regularly has, or can have, 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 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. However, 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, under foreseeable circumstances.

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 of particular concern to your company.

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. Similarly, individuals that are part of an organisation can, under certain circumstances, adopt inappropriate behaviour, stray beyond their area of responsibility or make errors. In particular, it is essential that the incentives offered as part of the remuneration do not bring about or encourage such behaviour. 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. 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, LEGISLATIVE AND REGULATORY 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.

Each shareholding naturally operates within its own legal framework that may vary from one country and one sector to another. A modification to this framework may have tangible positive or negative impacts on the values of these shareholdings.

NPM/CNP naturally 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.

CORPORATE GOVERNANCE

Declaration of corporate governance

The company applies the Belgian code of corporate governance 2009 (hereafter the "2009 code"). The pertinent sections are described in this chapter.

NPM/CNP has developed over many years an efficient and high-quality model of corporate governance that promotes long-term performance for its shareholders and partners. The company has the deep conviction that prudent and transparent governance practices contribute to the creation of value in the long-term and strengthen the necessary balance between, on one hand, the company's character and performance and, on the other, the control function and the management of potential risks related to its activities.

The company's intention has always been to establish a policy of good governance taking into account the best practices in terms of corporate governance, ethics, risk management and audit. In this context, the company adheres to the principles and objectives developed in the 2009 Code, which is based on themes that it has always advocated: performance with the control and management of risks; responsibility and transparency.

NPM/CNP's Corporate Governance Charter (CG Charter) was most recently modified by the board of directors on 4 March 2010 and can be consulted by the public on the company's website (www.npm-cnp.be).

Composition of the boards of directors and presentation of the directors

The board of directors is composed of 12 directors. In accordance with the rules defined in the CG Charter, the distribution of the seats is as follows: four seats, including the chairmanship, allocated to the controlling family shareholder, two seats reserved for the family´s historical partner, BNP PARIBAS, two for the executive directors and four seats allocated to independent non-executive directors.

BOARD OF DIRECTORS

Directors [1]	Nomination	Renewal	Expiry	Main mandate or function
Executive directors				
Gilles SAMYN, Vice Chairman	1988	2008	2012	Managing Director (Chief Executive Officer)
Victor DELLOYE	1994	2009	2013	Director and general counsel
Non-executive directors representing the dominant shareholders [2]				
Gérald FRÈRE, Chairman	1988	2007	2011	Managing Director of FRÈRE-BOURGEOIS
Jean CLAMON	1988	2009	2013	General Delegate at BNP PARIBAS
Thierry DORMEUIL	1994	2007	2011	Manager of the Corporate Finance Department of the BNP PARIBAS group
Christine FRÈRE-HENNUY	2005	2008	2012	Director of FRÈRE-BOURGEOIS
Ségolène GALLIENNE	1998	2009	2013	Director of ERBE
Thierry de RUDDER [3]	1988	2009	2013	Managing Director of GROUPE BRUXELLES LAMBERT
Independent non-executive directors				
Donald BRYDEN	2009	-	2013	Senior adviser at OAKTREE CAPITAL
Robert CASTAIGNE	2008	-	2012	Company director (SANOFI-AVENTIS, VINCI, SOCIÉTÉ GÉNÉRALE)
Jean-Pierre HANSEN	2008	-	2012	Vice-chairman and managing director of ELECTRABEL and member of the executive committee of GDF SUEZ, chairman of the Group's Energy Policy committee
Siegfried LUTHER	2007	-	2011	Chairman of the board of directors of RTL GROUP

(1) The directors are categorised on the basis of the nomenclature adopted by the board of directors at the proposal of the nominations and remunerations committee.

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

(3) 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 (see page 73 of this report).

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, FRÈRE-BOURGEOIS, 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. In addition, he is Chairman of the board of directors of RTL Belgium, as well as a director of ERBE, LAFARGE, PERNOD RICARD, SUEZ-TRACTEBEL, as well as CORPORATION FINANCIÈRE POWER. He also holds the position of Regent of the NATIONAL BANK OF 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 several 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, M6, AFFICHAGE HOLDING, etc.). He is also director of the GRAND HOPITAL DE CHARLEROI and of ACIDE CARBONIQUE PUR (ACP).

DONALD BRYDEN, DIRECTOR

Independent non-executive director

Born on 11 December 1951, holding dual French and British nationality

Mr Donald BRYDEN is a graduate of the Ecole des hautes études commerciales (HEC Paris).

He began his professional life as chargé de mission in the Délégation à l´Aménagement du Territoire et à l´Action Régionale (DATAR) (1974-79).

He then joined PARIBAS bank, where he successively ran the representative office for Japan in Tokyo (1979-83), was in charge of activities on the capital markets for Asia Pacific in Paris, and then became manager in PARIBAS CAPITAL MARKETS Ltd in London (Great Britain) (1983-89).

In 1989, he joined BANKERS TRUST COMPANY as financial operations manager in Paris (1989-91), later becoming investment bank manager and finally managing director for France (1992-99).

From 1999 to 2000, he was manager for France of DEUTSCHE BANK GLOBAL INVESTMENT BANKING.

From 2001 to 2007, he held the position of managing director for France of THE ROYAL BANK OF SCOTLAND (RBS), and, from 2007 to June 2008, he was global corporate finance manager and member of the management board of RBS GLOBAL BANKING & MARKETS.

Mr BRYDEN is currently senior advisor at OAKTREE CAPITAL MANAGEMENT.

ROBERT CASTAIGNE, DIRECTOR

Independent non-executive director

Born on 27 April 1946, French

From 1972 to 2008, Mr Robert CASTAIGNE performed various roles within the TOTAL group, including that of finance director and member of the executive committee (June 1994 - May 2008). Monsieur CASTAIGNE's functions at TOTAL ceased on 1 June 2008.

In addition, he is director and member of the audit committee of SANOFI - AVENTIS, director and member of the accounts committee and of the remunerations committee of VINCI, director and member of the audit, internal control and risks committee of SOCIÉTÉ GÉNÉRALE.

JEAN CLAMON, DIRECTOR

Non-executive director representing dominant shareholders

Born on 10 September 1952, French

Mr Jean CLAMON is an engineer, graduated of the École Centrale in Paris. Having started with Paribas in 1976 in IT, he later moved on to the Financial Management Division, which he headed until July 1994. He then held various management positions, including that of Chief Financial Officer of PARIBAS, and, from 1999, of BNP PARIBAS, that of Specialised Financial Services Manager from 2000 to 2003, that of Managing Director in charge of the coordination of retail banking activities until September 2008.

Mr Jean CLAMON is currently general delegate at BNP PARIBAS and a director of various other companies, including the BNP PARIBAS LEASE GROUP, BNP P Personal Finance (formerly CETELEM), ARVAL SERVICE LEASE, BNL SpA (Italy) and ERBE.

VICTOR DELLOYE, DIRECTOR - GENERAL COUNSEL

Executive director

Born on 27 September 1953, Belgian

Mr Victor DELLOYE graduated in Law from the Université Catholique de Louvain and holds a Masters in Fiscal Sciences (ESSF- Brussels). Since the academic year 1989-1990 he has been a guest lecturer for the Masters in Fiscal Management at Solvay Business School (Université Libre de Bruxelles).

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. He is also Vice-chairman of the Association Belge des Sociétés Cotées.

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 has been the manager of the consumer goods, construction materials and oil and gas sectors of the BNP PARIBAS Corporate Finance Department.

CHRISTINE FRÈRE-HENNUY, DIRECTOR

Non-executive director representing dominant shareholders

Born on 1 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 several charity associations.

SÉGOLÈNE GALLIENNE, DIRECTOR

Non-executive director representing dominant shareholders

Born on 7 June 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 communications director of DIOR FINE JEWELRY. She is currently director of PARGESA HOLDING, ERBE and the SOCIETE CIVILE DU CHEVAL BLANC and is chairman of the Board of Directors of DIANE, a company specialised in trading artworks.

JEAN-PIERRE HANSEN, DIRECTOR

Independent non-executive director

Born on 25 April 1948, Belgian

Mr Jean-Pierre HANSEN graduated from the Université de Liège in electrical engineering, holds a degree in economics from the Université de Paris II and a doctorate in engineering from the Université de Paris-VI.

After working as a research engineer, he served as an energy advisor with the Belgian Ministry for Economic Affairs (1974-1975). In 1975 he started working in the electricity and gas industry. Since 1 January 2005, Mr Jean-Pierre HANSEN has been Vice Chairman and CEO of ELECTRABEL, a position he previously held from 1992 to 1999. He is currently Chairman of the Strategic Committee of ELECTRABEL, Vice Chairman of FLUXYS, Member of the Executive Committee of GDF SUEZ, Chairman of the Energy Policy Committee of the Group.

He is also director of SUEZ-TRACTEBEL, GDF SUEZ ENERGIE SERVICES (France), SUEZ ENERGY SERVICES ESPAÑA, SUEZ ENVIRONNEMENT COMPANY (France), GDF SUEZ ENERGY NORTH AMERICA (GSENA-EU), ACEAELECTRABEL (Italy), ELECTRABEL ITALIA, ELECTRABEL CUSTOMER SOLUTIONS, GDF SUEZ ENERGY ESPAÑA, ORES, the Université de Liège, EURELECTRIC and of the Institut Français des Relations Internationales (IFRI). In addition, he is a professor at the Université Catholique de Louvain and at the École Polytechnique (Paris)

SIEGFRIED LUTHER, DIRECTOR

Independent non-executive 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 (Luxembourg) and is also a member of the supervisory board and of various committees at several German companies (EVONIK INDUSTRIES, INFINEON TECHNOLOGIES, WINTERSHALL HOLDING, WESTLB). He is also director of the REINHARD MOHN VERWALTUNGSGESELLSCHAFT.

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 Université de Genève 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 and then in Europe. In 1986, he joined the GROUPE BRUXELLES LAMBERT and became its managing director in 1993. He is also a director of GDF SUEZ, TOTAL, LAFARGE and various subsidiaries of GROUPE BRUXELLES LAMBERT.

FAMILY TIES

Mrs Christine FRÈRE-HENNUY is the wife of Baron FRÈRE, who has two children, Mr Gérald FRÈRE and Mrs Ségolène GALLIENNE (see section "Information on the shareholding structure" page 81 of this report).

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

INDEPENDENT DIRECTORS

The following directors are considered as independent:

- Donald BRYDEN;
- Robert CASTAIGNE;
- Jean-Pierre HANSEN;
- Siegfried LUTHER.

Begin 2010, they formally confirmed their independence, stating that they still satisfied to the criteria laid down in article 526ter of the Code on Companies.

Reports on the activities of the board of directors and of the different committees

REPORT ON THE ACTIVITIES OF THE BOARD OF DIRECTORS

The board of directors met 5 times during 2009 with a 78% attendance rate by the directors.

The board of directors´ main tasks at its meetings were:

- the approval of the interim accounts;
- the monitoring the company´s strategy and the evolution of shareholdings;
- the discussion and/or the approval of several acquisition or disposal proposals[1];
- the monitoring the group's financial policy;
- the preparation of the ordinary and extraordinary general meetings of 16 April 2009, and among others the decision to proceed with the cancellation of 2,200,000 of its own shares;
- the study and approval of the share buy-back programme authorised by the general meeting and the determination of its terms and conditions;
- the study and implementation of the annual share option scheme granted to the company´s personnel[2] subject to the approval of the annual general meeting of shareholders;
- corporate governance issues (the nomination or the renewal of the mandate of directors, evaluation of the board of directors, evaluation of the interaction between executive management and the board of directors, etc.), updating and adapting the CG Charter following the entry into force of the 2009 Code, of the law of 17 December 2008 establishing an audit committee in listed companies (...), etc.);
- the examination of the reports on the activities of the different committees and the decision taking based on the proposed recommendations;
- the approval of the donations policy and of the company´s social integration.

During 2009, the board of directors and the committees carried out a regular evaluation of their size, composition and operation, and the board of directors carried out an evaluation of its interaction with executive management. This did not result in any recommendation being made to change the way they operate.

(1) The investment or disposal operations are described on page 12 of the business report.

(2) The terms and conditions of the annual stock option plan set up in 2009 can be found on page 79 of this report.

INDIVIDUAL DIRECTORS' ATTENDANCE RATES

Directors	Board of directors	Audit committee	Nominations and remuneration committee (1)
Gérald FRÈRE, chairman	100 %	-	100 %
Gilles SAMYN, vice-chairman - managing director	100 %	-	-
Victor DELLOYE, director – general counsel	100 %	-	-
Donald BRYDEN (2)	100 %	100 %	n.a. (1)
Robert CASTAIGNE	100 %	100 %	-
Jean CLAMON	20 %	-	-
Thierry DORMEUIL	80 %	100 %	-
Christine FRÈRE-HENNUY	60 %	-	-
Jean-Pierre HANSEN	40 %	-	0 % (3)
Ségolène GALLIENNE	40 %	-	-
Siegfried LUTHER	60 %	80 %	100 %
Thierry de RUDDER	60 %	-	-
TOTAL	**78 %**	**85 %**	**75 %**

(1) Mr DE SMEDT attended the meeting of the nominations and remuneration committee of 5 March 2009. The renewal of his mandate as director, which expired at the end of the ordinary general meeting of 16 April 2009, was not requested as Mr DE SMEDT completed three successive terms as an independent director since he joined the board in 1997 and would consequently no longer have satisfied the criteria of independence if it were to be renewed.

(2) Mr BRYDEN has been an independent director of the company and a member of the audit committee and of the nominations and remuneration committee since his appointment by the ordinary general meeting of 16 April 2009.

(3) A single meeting of the nominations and remuneration committee took place in 2009, which Mr HANSEN was unable to attend.

ACTIVITY REPORTS OF THE COMMITTEES

AUDIT COMMITTEE

The audit committee meets prior to each meeting of the board of directors that has to deal with issues relevant to its competences and reports on its work to the board. As part of its mission, it periodically meets with the Statutory Auditor.

During 2009, the committee met 5 times.

The audit committee had, among others, to rule on the following points:

- the review of the draft accounts and, in particular, the need to record any impairment loss or write-offs on the Group´s assets;
- the economic analysis of the periodic results;
- the content of the documents relating to the communication of the financial results;
- risk analysis and internal controls;
- the internal evaluation of the operation of the audit committee.

The Statutory Auditor participated, partially or totally, in two meetings of the audit committee within the framework of the review of the consolidated annual and half-year accounts.

The audit committee did not entrust additional tasks to the Statutory Auditor in the course of 2009.

COMPOSITION :

- Thierry DORMEUIL, chairman
- Donald BRYDEN (from 16 April 2009)
- Robert CASTAIGNE
- Pierre-Alain DE SMEDT (up to 16 April 2009)
- Siegfried LUTHER

NOMINATIONS AND REMUNERATION COMMITTEE

During 2009, the committee met once and reported on its work to the board of directors.

During this meeting, the nominations and remuneration committee notably:

- proposed the renewal of the mandates of Mrs Ségolène GALLIENNE, as well as Messrs Jean CLAMON and Thierry de RUDDER as directors and of Mr Victor DELLOYE as director – general counsel.
- proposed the nomination of Mr Donald BRYDEN as independent director and member of the audit committee and of the nominations and remuneration committee;
- analysed the progress of the existing stock option schemes and proposed the extension of the period for exercising earlier schemes in the context of the the law on economic recovery. It also gave its agreement to the setting up of an annual stock option scheme for 2009;
- tackled issues of succession of certain executive managers;
- evaluated the adequacy of its own rules;

COMPOSITION :

- Gérald FRÈRE, chairman
- Donald BRYDEN (from 16 April 2009)
- Pierre-Alain DE SMEDT (up to 16 April 2009)
- Jean-Pierre HANSEN
- Siegfried LUTHER

Remuneration report

DIRECTORS' REMUNERATION

Each of the directors, both executive and non-executive, receives an annual fixed basic gross remuneration of EUR 15,000; non-executive directors who are members of board committees receive additional gross remuneration of EUR 10,000. The Chairman of the board of directors annually receives additional gross remuneration of EUR 15,000.

The directors' remuneration was revised in 2006 for a period of four years. Consequently, the next revision will take place in 2010.

The gross remuneration paid to the board members for the financial year 2009 is presented in the table below. This remuneration is made on a prorate temporis basis.

gross amounts in EUR

Directors	Board of Directors	Audit committee	Nominations and remuneration committee	Total
Gérald FRÈRE, chairman	30,000	-	10,000	40,000
Gilles SAMYN, vice-chairman – managing director[1]	15,000	-	-	15,000
Victor DELLOYE, director – general counsel[1]	15,000	-	-	15,000
Donald BRYDEN[2]	10,625	7,083	7,083	24,792
Robert CASTAIGNE	15,000	10,000	-	25,000
Jean CLAMON	15,000	-	-	15,000
Pierre-Alain DE SMEDT[3]	4,375	2,917	2,917	10,208
Thierry DORMEUIL	15,000	10,000	-	25,000
Christine FRÈRE-HENNUY	15,000	-	-	15,000
Ségolène GALLIENNE	15,000	-	-	15,000
Jean-Pierre HANSEN	15,000	-	10,000	25,000
Siegfried LUTHER	15,000	10,000	10,000	35,000
Thierry de RUDDER	15,000	-	-	15,000
Total	**195,000**	**40,000**	**40,000**	**275,000**

(1) This table only gives the emoluments received by the executive directors for the fulfilment of their functions as directors. The total remuneration received by the executive directors may be consulted on page 77 and 78 of this report.

(2) Mr BRYDEN has been an independent director of the company and member of the audit committee and the nominations and remuneration committee since his appointment by the ordinary general meeting on 16 April 2009.

(3) Mr DE SMEDT's term of office expired at the end of the ordinary general meeting of shareholders of 16 April 2009. The renewal of his mandate was not requested as Mr DE SMEDT had completed three successive terms as an independent director since joining the board in 1997 and would consequently no longer have been able to satisfy the criteria for independence in the event of his mandate being renewed.

REMUNERATION AND OTHER BENEFITS GRANTED IN 2009 TO NON-EXECUTIVE DIRECTORS BY OTHER COMPANIES WHICH ARE MEMBERS OF THE NPM/CNP GROUP

The amounts shown in the table above do not include sums received by the company´s directors for positions held in other entities which are members of the NPM/CNP Group, in which they perform executive duties independently from their duties as NPM/CNP directors.

Mr Gérald FRÈRE received gross remuneration from AGESCA NEDERLAND in the amount of EUR 12,500. The remuneration received respectively by Mrs Ségolène GALLIENNE and Mr Gérald FRÈRE as payment for their duties at PARGESA HOLDING may be consulted in that company´s Annual Report.

Likewise, the total remuneration received by Messrs Gérald FRÈRE and Thierry de RUDDER for the fulfilment of their functions within GBL may also be consulted in that 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 EXECUTIVE MANAGEMENT

Executive Management is composed of the executive members of the board of directors and two officers.

Members of executive management (1)

Gilles SAMYN	Managing director - Chief Executive Officer
Victor DELLOYE	Director - General counsel
Roland BORRES	Chief Financial Officer
Maximilien de LIMBURG STIRUM	Chief Investment Officer

(1) Mr Michel LOIR was a member of executive management, responsible for treasury and market operations, up to 31 January 2009.

EXECUTIVE MANAGEMENT REMUNERATION

The remuneration policy of the executive directors and of 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 6 factors:

- fixed basic remuneration being the core component of the remuneration;
- long-term incentive scheme (annual stock option scheme);
- pension scheme;
- severance pay;
- various fringe benefits, mainly a company car and health insurance;
- as well as training and education "credits".

Fixed remuneration was reviewed in 2006 for the period 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 price, compared with the other companies making up the BEL 20 or the CAC 40. Consequently, no procedure to revise remuneration was initiated during the period to which this report relates.

The next revision will take place during 2010 and will set the executive management remuneration for the period 2010-2012, following the decision to fix the interval between the periodical reviews of executive management remuneration to 3 years from 2010.

The remuneration system remains basically fixed, with an appropriate portion linked to long-term performance. Indeed, the principle chosen is to set the minimum remuneration in line with the market average, the top remuneration bracket being paid only if the performance of NPM/CNP over 10 years to 2009 are in the top third (CAC 40) or quartile (BEL 20) of comparable companies. NPM/CNP does not pay any annual variable remuneration based on annual individual performance criteria. The adjustment factor as described above is fixed during the revision of executive management remuneration in line with the criteria listed above and will not vary until it is next revised, planned to be every three years. The next revision will take place mid May 2010 and will be determined by the relative performance of NPM/CNP over ten years (2000 to 2009) compared with the companies making up BEL 20 and CAC 40.

The remuneration received by the executive directors solely for fulfilling their duties as directors is presented in the section "remuneration of directors" (see page 76 and 78 of this report).

The staff and 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), with a capital providing an annuity equal to a percentage of the highest fixed annual remuneration they received before the age of 57; this percentage is on a sliding scale in bands.

Mr Gilles SAMYN reached the limit of 28 years experience fixed by the pension plan and is, in respect of service beyond this limit, the beneficiary of a complementary system of "defined contribution".

Remuneration for the year of 2009 of the CEO, executive directors and executive management is shown in the following table. The first table shows the breakdown of fixed remuneration, while the second shows pension and insurance costs as well as share options.

The executive directors are mainly independent. The amount of remuneration received directly or indirectly by members of the executive management team includes remuneration linked to mandates they hold in companies in which they represent NPM/CNP.

FIXED REMUNERATION

The remuneration of the CEO as well as that of the other members of the executive management team remained stable in 2009 compared to 2008.

gross amounts in EUR	Gilles SAMYN Chief Executive Officer		Executive directors		Executive management[1]	
	2008	2009	2008	2009	2008	2009
Fixed remuneration paid by the entities of the NPM/CNP Group:	**1,165,723**	**1,163,591**	**1,831,132**	**1,835,475**	**2,856,400**	**2,649,819**
NPM/CNP itself	57,973	62,211	115,947	124,423	192,774	136,479
including remuneration received for the position as director	15,000	15,000	30,000	30,000	30,000	30,000
companies consolidated proportionally or globally	1,092,750	1,084,499	1,700,185	1,694,171	2,648,626	2,496,459
equity-accounted companies	15,000	16,880	15,000	16,880	15,000	16,880
Other benefits [2]	**12,893**	**15,587**	**15,164**	**18,888**	**21,385**	**25,490**
Total fixed remuneration	**1,178,616**	**1,179,178**	**1,846,296**	**1,854,363**	**2,877,785**	**2,675,309**
taking into account the consolidation and equity-accounted percentages	1,081,732	1,078,754	1,724,635	1,726,712	2,731,034	2,511,415

(1) Mr Michel LOIR was a member of the executive management team, responsible for treasury and market operations, until 31 January 2009.

2) Other benefits mainly relate to the provision of a company car.

PENSIONS AND OTHER BENEFITS

In addition to fixed remuneration, the remuneration of members of the executive management team is made up of pension contributions, insurance and share options.

The value of the share options attributed in April 2009 is the amount shown in the IFRS accounts, determined in accordance with the Black & Scholes method, while in previous years, it was shown at their fiscal value in accordance with Belgian law. In the below table, the value of share options attributed in 2008 has been restated in line with the new methodology to make the information comparable with that of 2009.

gross amounts in EUR	Gilles SAMYN Chief Executive Officer		Executive directors		Executive management[1]	
	2008	2009	2008	2009	2008	2009
Pension	407,452	464,610	676,184	755,125	1,094,866	1,150,496
Insurances (accident - disability - medical care - death)	214,536	206,999	290,466	287,327	376,149	349,080
Stock options granted during the financial year	818,754	657,028	1,172,114	940,587	1,627,169	1,226,172

(1) Mr Michel LOIR was a member of the executive management team, responsible for treasury and market operations, until 31 January 2009.

NPM/CNP share options held by the executive management and staff

The long-term motivation of staff and executive management is encouraged by several NPM/CNP share option plans.

In 2009, an annual options plan relating to 204,454 NPM/CNP share options was put in place following its approval by the general meeting of shareholders of 16 April 2009. The options, awarded at no cost, give the right to acquire one NPM/CNP share, from 1st January 2013 up to 19th April 2019 at the latest, at a price of EUR 35.085. For the members of the executive committee, a first third of these options will be vested on 1st May 2010 (the first third of these options is vested immediately for the other beneficiaries), with a second third on 1st May 2011 and the balance from 1st May 2012 or earlier in particular cases (death, incapacity, retirement and, under certain conditions, redundancy or in the event of a change of control).

The table below shows, for each individual, the number of share options attributed in April 2009 to members of the executive management team.

Number of stock options granted in April 2009	Gilles SAMYN Chief Executive Officer	Victor DELLOYE Director General Counsel	Roland BORRES Chief Financial Officer	Maximilien de LIMBURG STIRUM Chief Investment Officer	Total Executive Management
Plan 2009 - 2019	**77,847**	**33,597**	**19,457**	**14,380**	**145,281**

A summary of the option plans prior to 2009 as well as a description of the 2009 plan are available on page 55 of this report. In 2009, 143,912 options relating to the 2003-2013 plan have been exercised at the price of EUR 16.667 per share, of which 35,912 by members of the executive management team (20,912 by Mr Gilles SAMYN and 15,000 by Mr Victor DELLOYE). COMPAGNIE IMMOBILIERE DE ROUMONT, subsidiary of NPM/CNP, held 3,228,613 shares to cover stock option plans as at 31 December 2009.

The board of directors will submit to the approval of the general meeting of shareholders on 15 April 2010 the proposal to set at EUR 6,000,000 the maximum value of shares relative to options to be attributed in 2010 to the two executive directors and members of staff of the NPM/CNP Group.

Elsewhere, it should be noted that, in the context of the law for economic renewal of 27 March 2009, the company has proposed to beneficiaries of the option plans concluded in 2003, 2007 and 2008, to extend the exercise period of these plans by a maximum of five years, without any additional tax charge and up to a limit of a fiscal value of options of EUR 100,000 for all the plans.

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

As mentioned in previous management reports submitted to the company's general assembly, a system of early retirement payments was put in place for the executive directors. This system results from a decision of the board of directors of 5 December 2006 approving a recommendation by the audit committee, in accordance with art. 523 of the Code on Companies. Within the perspective of the probable adoption of new legal provisions on the matter, it is, to the extent necessary, reiterated that this system consists of the attribution to the executive directors, in the case of their early retirement, other than in the case of gross negligence or fraud, a payment corresponding to X/12ths of their total annual remuneration in accordance with the following table:

- 1.5/12ths per year of service for the first 18 years.
- 1.0/12ths per year from the 19th year, with an absolute limit of 36/12ths or three times gross annual remuneration. The resulting rights and commitments are by rights an integral part of the mandates concerned by this system.

Other elements

REPRESENTATION OF THE COMPANY

In accordance with the articles of association, the company is validly bound by the signature of two directors or the signature of the managing director alone in the context of 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, to the chairman of the board of directors and an executive director. The board of directors has also delegated special, limited authority to persons chosen from outside the board, in particular to members of the executive management team.

PROCESS OF EVALUATION OF THE BOARD OF DIRECTORS, ITS COMMITTEES AND DIRECTORS

In conformity with its internal regulations, the board of directors evaluates its size, composition and operation every three years based on an individual evaluation questionnaire. This questionnaire covers the collective performance of the board as well as the individual contribution of the directors.

This questionnaire also contains sections relating to the evaluation of the committees by the board as a whole, as well as by the members of the committees concerned.

The most recent evaluation was carried out at the end of 2009 and the next will take place in three years, in 2012.

Once per year, the non-executive directors, in the absence of the executive directors, evaluate their interaction with the executive management team with a view to improving it. The most recent evaluation of this interaction took place after the meeting of the board of directors of 10 November 2009.

These evaluations are the subject of reports that are discussed during meetings of the board of directors which draws useful guidance, as appropriate.

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 resources and investment fields.

The CEO is assisted in the fulfilment of his mission by the director - 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 2009

In accordance with the "Comply or Explain" approach, the CG Charter respects the 2009 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.

1. It is brought to your attention that NPM/CNP has deviated from article 8.8. of the 2009 Code 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 believes that it complies with the spirit of the 2009 Code 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.
2. Moreover, the terms of reference of the board of directors deviates from article 4.5. of the 2009 Code by providing that the limit of the maximum number of 5 director´s mandates may be exceeded in the event that the director accumulates mandates in related listed companies or in companies in which the company has a significant shareholding.
3. There is also a deviation from article 7.17 of the 2009 Code to the extent that the members of the executive management team who are not directors are appointed by the CEO, acting on the advice of the nominations and remuneration committee, and not by the board of directors. The board has resolutely opted to maintain this policy, which has been in force for many years, because of the particular characteristics of NPM/CNP, the existing operational structure and the predominant role devolved to the CEO. It is noted that the members of the board of directors have direct access to each member of the executive management team, in complete transparency.

The full text after modification of the CG Charter and of the 2009 Code is available on the company´s website, www.npm-cnp.be.

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 company has been informed that an agreement exists between FRÈRE-BOURGEOIS and BNP PARIBAS, according to which all the important decisions concerning ERBE, its shareholdings and its subsidiaries controlled solely or jointly with the FRÈRE-BOURGEOIS group, with the exclusion of PARJOINTCO and its subsidiaries PARGESA HOLDING, GBL and their subsidiaries and assets, will be taken by the FRÈRE-BOURGEOIS Group after consultation with BNP PARIBAS. This agreement has no impact on the exclusive control exercised by the FRÈRE-BOURGEOIS Group on ERBE and its subsidiaries (including NPM/CNP and its subsidiaries). BNP PARIBAS held, on 28 August 2009, directly or via exclusively controlled subsidiaries 47% of the shares with voting rights in ERBE, and 0.82 % of the shares with voting rights in NPM/CNP.

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 Statutory Auditor and the audit committee. In the event of conflict of interests, transactions or decisions are subject to the rules set out by articles 523 and 524 of the Code on Companies and by the CG Charter.

INFORMATION ON THE SHAREHOLDING STRUCTURE (TOB LAW)

By virtue of article 74, § 8, of the Law of 1 April 2007 on takeover bids, on 1 September 2009 the company received an update of the controlling shareholding structure on this same date, the main terms and conditions of which are given below.

The full text of the statement can be consulted on the company´s internet site.

NUMBER AND PERCENTAGE OF SHARES WITH VOTING RIGHTS HELD IN CONCERT, AT 1 SEPTEMBER 2009, BY THE DECLAREES

Shareholders	Number of shares with voting rights held	%
FINGEN	51,159,486	46.51
FRÈRE-BOURGEOIS	22,570,643	20.52
FINANCIÈRE DE LA SAMBRE	289,149	0.26
COMPAGNIE IMMOBILIÈRE DE ROUMONT	3,468,999	3.15
COMPAGNIE NATIONALE À PORTEFEUILLE	813,555	0.74

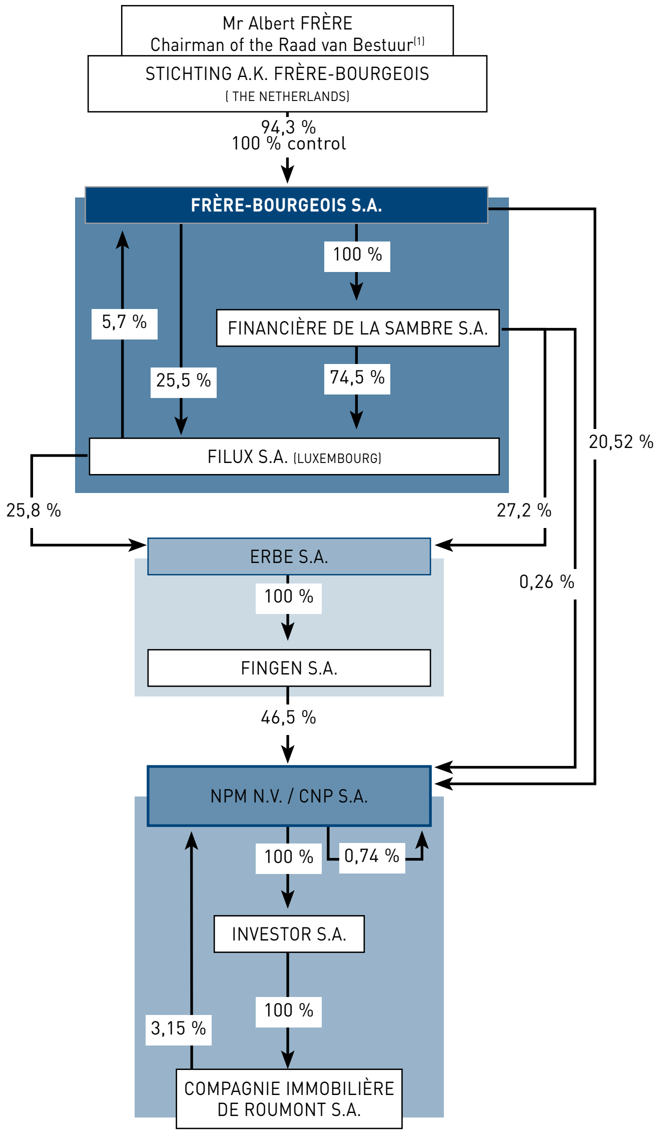
PHYSICAL PERSON HOLDING, AT 1 SEPTEMBER 2009, ULTIMATE CONTROL OVER THE DECLARING LEGAL ENTITIES

Mr Albert FRÈRE as Chairman of the "Raad van bestuur" of the Stichting Administratiekantoor FRÈRE-BOURGEOIS (Rotterdam - The Netherlands)

N.B.: In the chain of control concerning Mr Albert Frère, the companies whose nationality is not mentioned are Belgian and have their registered office located at 6280 Loverval (Gerpinnes), 12 rue de la Blanche Borne.

(1) in accordance with the articles of association of the Stichting Administratiekantoor Frère-Bourgeois – Rotterdam – Nederland

CHAIN OF CONTROL AS AT 1ST SEPTEMBER 2009



ADVERTISING ON SIGNIFICANT SHAREHOLDINGS (TRANSPARENCY LAW)

On 20 April 2009, the company, in application of the law of 2 May 2007, received notification of shareholding from its controlling shareholder (FRERE-BOURGEOIS Group).

Since its declaration of 29 October 2008, the P&V Group has not made any notification.

In compliance with article 14 paragraph 4 of the Law of 2 May 2007 on the advertising of significant shareholdings, the shareholding structure as it results from the notifications received by the company on this date is included in pages 93 and 94 of this report.

No notification was sent to the company after the close of the financial year.

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 Code on Companies, were applied during the meeting of the board of directors of 17 April 2009 ruling notably on the granting of options on NPM/CNP shares. In accordance with this provision, the Statutory Auditor was informed of this situation and the minutes devoted to this point are published in the annual report on page 90.

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

Since some of the two Groups´ companies have registered and administrative offices in the same buildings, certain expenses, operating costs and services are shared or reinvoiced.

MEASURES AIMED AT PREVENTING INSIDER TRADING AND MARKET MANIPULATION

Appendix 6 of the CG Charter presents the measures that express the company´s internal policy with regard to preventing market abuses, as defined by the Law of 2 August 2002 on 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 of the legislation on the subject and has been entrusted with making sure that these rules are followed.

MECHANISMS TO PREVENT TAKEOVER BIDS

There is no specific mechanism in place within the company to prevent takeover bids. The board of directors did not believe it opportune to ask the general meeting of shareholders, firstly, for 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, secondly, for authorisation to acquire or alienate its own shares where these actions are necessary to avoid serious and imminent damage. As FRÈRE-BOURGEOIS and its subsidiaries hold over 50% of the shares and the voting rights of NPM/CNP, the perspective of a takeover bid seems quite unlikely.

However, it is brought to the attention of the reader that undertakings - applicable in the event of change in the control of NPM/CNP - have been given within the framework of agreements between shareholders and third parties concerning the control of PARGESA HOLDING (see note 36 page 54 of this report).

It should also be noted that the rules governing the share option schemes (2007, 2008 and 2009) granted to staff provide for the possibility for holders of options to exercise them in the event of a change of control.

Auditing of accounts

The Statutory Auditor´s mandate, of three years' duration, expires in 2010 and is renewable.

The board of directors, based on the opinion of the audit committee, will propose to the general meeting of shareholders of 15 April 2010 to renew the mandate of the current auditor:

The Statutory Auditor of the company is:
DELOITTE
Reviseurs d'Entreprises S.C. s.f.d. S.C.R.L.
Represented by Mr Eric NYS.

Subject to the approval by the general meeting of shareholders of 15 April 2010, the remuneration of the Statutory Auditor will be based on a fixed fee in the amount of EUR 47,700 excluding VAT per year, allowing it to carry out its statutory audit role.

DELOITTE is the Statutory Auditor of the entire chain of holdings, from FRÈRE-BOURGEOIS upstream to GBL downstream, as well as of most of the industrial and commercial subsidiaries.

The Statutory Auditor is also at the disposal of the audit committee to carry out any additional work permitted by law that the latter deems necessary.

Supplementary remuneration is granted for any work falling outside the scope of the audit mission; their amount is communicated in the "Legal Notices" section (see page 88), where are also mentioned the fees taken in charge by the subsidiaries of the NPM/CNP.

STAFF AND ORGANISATION

Chief Executive Officer
Gilles SAMYN *

General Counsel
Victor DELLOYE *

Shareholdings
Gilles SAMYN *
Maximilien de LIMBURG STIRUM *
Sandro ARDIZZONE
Roland BORRES *
Xavier LE CLEF
Frédéric POUCHAIN
Nicolas VAN BRANDT **

* Member of the executive management.
** Managing director of DISTRIPAR.

Markets
Michel LOIR * (until January 31st 2009)
Sandro ARDIZZONE
Étienne COUGNON

Finance and information
Roland BORRES *
Sandro ARDIZZONE
Pascal CLAUSE
Étienne COUGNON
Mathieu DEMARÉ (until December 31st 2009)
Jacques LAMBEAUX (until January 31st 2010)
Daniel STIENON (as from February 15th 2010)

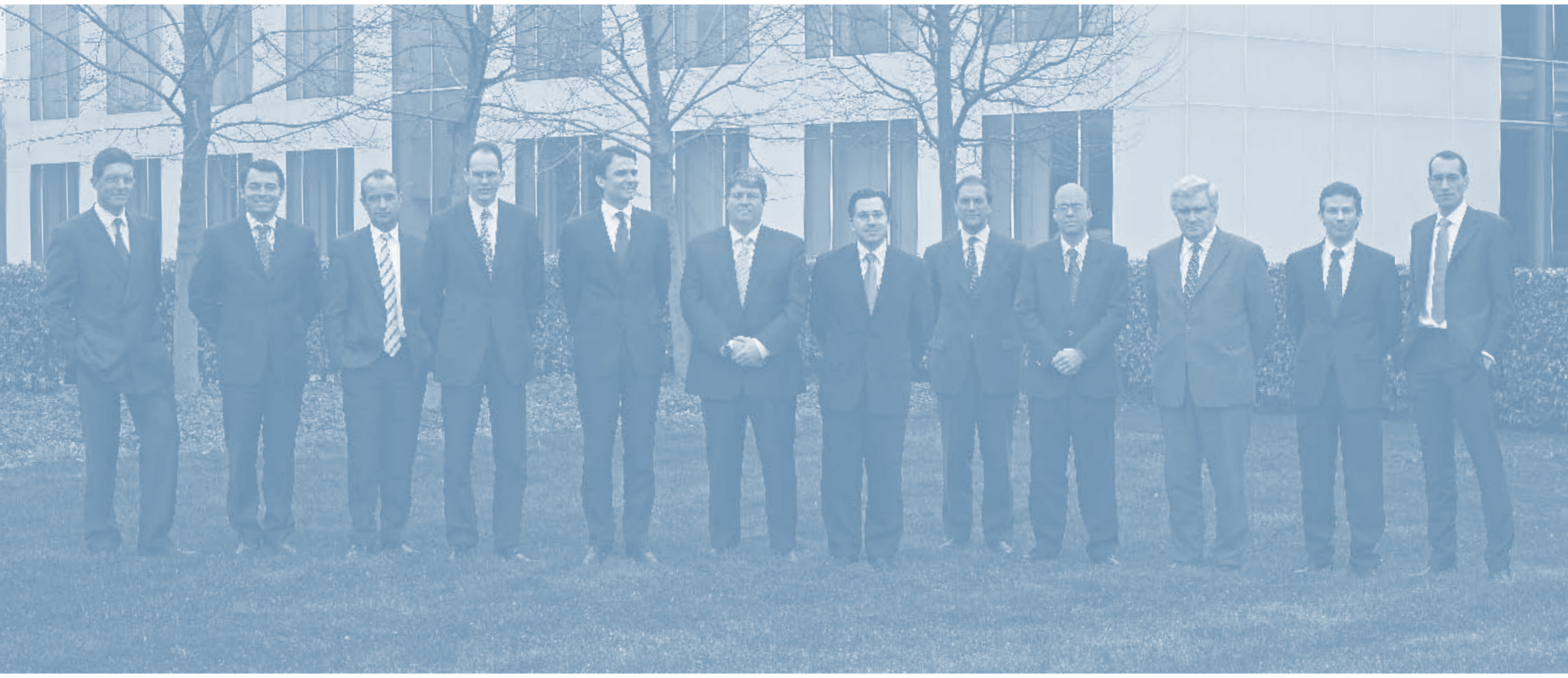
General services
Jean-Charles d'ASPREMONT LYNDEN
Pascal CLAUSE
Mathieu DEMARÉ (until December 31st 2009)
Jean-Marie LABRASSINE
Jacques LAMBEAUX (until January 31st 2010)
Daniel STIENON (as from February 15th 2010)

Compliance Officer
Jean-Charles d'ASPREMONT LYNDEN

LUXEMBOURG
Marie-Claire CASTELLUCCI
Valérie PRIEUR

NETHERLANDS
Ernst COOIMAN

Swiss branch (until March 2009)
Andrew ALLENDER
Gaël BALLERY



From left to right : Gilles SAMYN, Nicolas VAN BRANDT, Roland BORRES, Maximilien de LIMBURG STIRUM, Xavier LE CLEF, Etienne COUGNON, Sandro ARDIZZONE, Victor DELLOYE, Daniel STIENON, Jean-Charles d'ASPREMONT LYNDEN, Pascal CLAUSE, Frédéric POUCHAIN.

Gilles SAMYN (cfr page 71).

Victor DELLOYE (cfr page 72).

Sandro ARDIZZONE

Born on 19 December 1975, Belgian.

Graduated 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 (BAFA).

Sandro ARDIZZONE started his career with ARTHUR ANDERSEN and ELECTRABEL and joined NPM/CNP in 2004. He is responsible for the supervision of certain industrial operations and for the management of Treasury and Market Operations.

Jean-Charles d'ASPREMONT LYNDEN

Born on 5 May 1957, Belgian

Graduated 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 tax adviser. Since 2006, he is also the company's Compliance Officer.

Roland BORRES

Born on 3 July 1961, Belgian

Graduated 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.

Xavier LE CLEF

Born on 4 August 1976, Belgian

Graduated 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

Graduated 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 Chief Investment Officer in 2003.

Frédéric POUCHAIN

Born on 17 December 1971, Belgian

Graduated in Commercial Engineering from the Institute of Administration and Management (Université Catholique de Louvain), he holds a Master of the Community of European Management Schools and an MBA from the Graduate School of Business, University of Chicago. Since the academic year 2007-2008, he is guest lecturer at the Louvain School of Management, Université Catholique de Louvain.

He started his career at 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 is in charge of the supervision of the shareholdings held by DISTRIPAR, of which he is the managing director.

OTHER LEGAL INFORMATION

Agenda and resolutions proposed to the shareholders

SHAREHOLDERS ARE INVITED TO ATTEND THE ORDINARY GENERAL MEETING WHICH WILL BE HELD ON THURSDAY 15 APRIL 2010 AT 10.00 AM, AT THE REGISTERED OFFICE OF THE COMPANY, AT 6280 GERPINNES (LOVERVAL), RUE DE LA BLANCHE BORNE 12.

1. REPORTS AND ANNUAL FINANCIAL STATEMENTS

- Presentation of the management report of the board of directors and the auditor's reports for the 2009 financial year
- Presentation of the consolidated annual financial statements for the 2009 financial year
- Presentation and proposal to approve the unconsolidated annual financial statements of the company at 31 December 2009, including the allocation of the company's profit and the distribution of a gross dividend of EUR 0.835 per share.

2. DISCHARGE TO THE DIRECTORS

Proposal to give discharge to the directors for the exercise of their mandate during the 2009 financial year.

3.DISCHARGE TO THE AUDITOR

Proposal to give discharge to the auditor for the exercise of his mandate during the 2009 financial year.

4. MANDATE OF THE AUDITORS

The mandate of the DELOITTE partnership, Statutory auditors, represented by Mr Eric NYS, terminates at the close of the ordinary general meeting of 15 April 2010.

Proposal to renew the mandate of the DELOITTE partnership, Statutory auditors, represented by Mr Eric NYS, for a period of 3 years until the end of the ordinary general meeting of 2013 and to fix its fees at EUR 47,700 per year, not indexed and excluding VAT.

5. PROGRAMME FOR THE PURCHASE OF OWN SHARES

In the context of the temporary authorisation to acquire its own shares that was granted to the company at the ordinary general meeting of 16 April 2009, proposal to approve a new programme for the purchase of the company's own shares financed by the restricted consolidated profit for 2009 not distributed in the form of a dividend, namely EUR 89,370,000, this amount to be used in principle during the 2010 and 2011 financial years.

The objectives of the programme are:

a) to reduce the share capital of CNP (in value and/or in number of shares)

b) to enable CNP to honour any obligations it may have in connection with loan stock convertible into shares and/or share option programmes or other allocations of shares to the two executive directors and to the members of staff of CNP and its associated companies.

Prior to the execution of this new programme, which must be reconciled with the existing stock repurchase programme in force, CNP will make public all additional information required by the regulations.

6. ANNUAL SHARE OPTION PLAN UNDER WHICH THE TWO EXECUTIVE DIRECTORS AND MEMBERS OF STAFF OF CNP AND ITS ASSOCIATED COMPANIES MAY ACQUIRE SHARES IN S.A. CNP

6.1. Proposal to approve the principle of an annual share option plan under which the two executive directors and the members of staff of CNP and its associated companies may acquire shares in S.A. CNP.

6.2. Proposal to fix at EUR 6,000,000 the maximum value of the shares relating to the options to be allocated in 2010.

7. EARLY EXERCISE OF SHARE OPTIONS IN THE EVENT OF A CHANGE OF CONTROL OF THE COMPANY

Proposal to approve, in accordance with Article 556 of the Code des sociétés, any clause giving to the beneficiaries of options for the company's shares the right to acquire shares in the company without having to take account of the period for exercising options, in the event of a change of control exercised over the company, included in the share option plan that the company wishes to implement during 2010 and in any agreement concluded between the company and the beneficiaries of the share option plan described above.

8. MISCELLANEOUS

SHAREHOLDERS ARE INVITED TO ATTEND THE EXTRAORDINARY GENERAL MEETING WHICH WILL BE HELD ON THURSDAY 15 APRIL 2010 AT 9.00 AM, AT THE REGISTERED OFFICE OF THE COMPANY, AT 6280 GERPINNES (LOVERVAL), RUE DE LA BLANCHE BORNE 12.

1. CANCELLATION OF OWN SHARES

Cancellation of CNP's own shares acquired under Article 620, § 1, of the Code des Sociétés

a) proposal to cancel 2,000,000 of CNP's own shares;

b) proposal to reduce the non-distributable reserve set up for the holding of own shares which will be reduced in the amount of the value at which these shares were entered into the statement of assets and liabilities;

c) consequently, proposal to amend Article 5 and Title X of the Articles of Association in order to make the representation of the share capital and its history consistent with the cancellation of 2,000,000 own shares.

2. AMENDMENT OF ARTICLE 22 OF THE ARTICLES OF ASSOCIATION

Proposed amendment of article 22 of the articles of association:

- in the title: to delete the words "AND AUDIT COMMITTEE";
- point 2°: to replace it with the following text:

"The Board of Directors shall establish an audit committee and a remuneration committee from within its ranks and under its responsibility in accordance with the relevant legal provisions.

The Board of Directors may also, from within its ranks and under its responsibility, establish one or more other advisory committees whose composition and role it shall define, such as an appointments committee or other."

3. PROPOSAL TO CONFER ALL POWERS:

- to the board of directors for the execution of the resolutions to be taken concerning the items above;
- to the special representative(s) (acting together or separately), with authority to sub-delegate, to be appointed for the purpose of carrying out all formalities on behalf of the company with all the relevant administrative authorities.

Legal notices

1. APPLICATION OF ARTICLE 134 OF THE CODE ON COMPANIES RELATING TO SPECIAL AUDITORS' FEES

DELOITTE received the following special fees in 2009:

(,000 EUR) excluding VAT	NPM/CNP	Fully or proportionally consolidated subsidiaries	Total	Total expenses considering consolidation percentage
Statutory audit	45	4,723	4,768	2,894
Other *	19	520	539	471
Total	**64**	**5,243**	**5,307**	**3,365**

* Including other statutory duties (15), tax advices (273) and other non-statutory duties (251).

2. APPLICATION OF ARTICLE 624 OF THE CODE ON COMPANIES RELATING TO THE COMPANY´S OWN SHARES PURCHASED BY THE COMPANY AND BY ITS DIRECTLY HELD SUBSIDIARIES

The own shares held by the group and its direct subsidiaries are intended for cancellation or to hedge obligations towards third parties (debt financial instruments convertible into equity instruments, stock option schemes for staff, etc.).

Via ING BELGIUM, NPM/CNP acquired its own shares in the stock market. These repurchases, undertaken in the amount of the surplus of the restricted consolidated operating profit over the distributed dividend, were implemented within the framework of own share buy-back programmes.

The programme 2008-2009 was implemented in May 2008 within the framework of the authorisation given by the general meeting of 17 April 2008; it related to a total amount of some EUR 86 million. During the 2008 financial year, 1,204,440 shares were acquired in this respect at an average unit price of EUR 44.74. During the four first months of 2009, 912,491 shares were acquired within the framework of this programme. The general meeting of shareholders of 16 April 2009 cancelled 2,200,000 own shares.

The programme 2009-2010 was implemented in April 2009 within the framework of the authorisation given by the general meeting by the general meeting of 16 April 2009; it related to a total amount of EUR 95 million. During the 2009 financial year, 1,343,000 shares were acquired within the framework in this respect at an average unit price of EUR 35.75. This programme was carried on in 2010 and a cancellation of 2,000,000 own shares will be proposed to the general meeting of shareholders of 15 April 2010.

A weekly report on the own share buy-backs is made available to the public on the company´s website.

The ordinary general meeting of shareholders will also have to decide on instituting a new buy-back programme relating to some EUR 89.4 million; prior to the launching of this new programme, which will have to be coordinated with the current one, NPM/CNP will make public all additional information required by the applicable regulations.

No own share was purchased by the company or by its direct subsidiaries outside of the buy-back programmes.

As at 31 December 2009, the NPM/CNP and its direct subsidiaries held 1,462,955 NPM/CNP shares for an amount of EUR 52.2 million, i.e. an average cost price of EUR 35.70.

The movements on own shares during the financial year are broken down as follows:

Number of NPM/CNP shares held	NPM/CNP [4]	% capital
As at 31 December 2008	1,407,464	1.2%
Purchases on the stock market as part of the 2008-2009 buy-back programme [1]	912,491	
Cancellation of own shares [2]	-2,200,000	
Purchases on the stock market as part of the 2009-2010 buy-back programme [3]	1,343,000	
As at 31 December 2009	**1,462,955**	**1.3%**
accounting par value in thousand EUR (EUR 1,15 per share)	1,682	

Acquisition and sale price in thousand EUR	NPM/CNP [4]
As at 31 December 2008	48,948
Acquisitions on the stock market as part of the 2008-2009 buy-back programme [1]	32,220
Cancellation of own shares [2]	-76,847
Acquisitions on the stock market as part of the 2009-2010 buy-back programme [3]	48,018
Write-downs as at 31 December 2009	-110
As at 31 December 2009	**52,229**

(1) Set up during May 2008, in accordance with the authorisation granted by the general meeting of 17 April 2008 and terminated on 22 April 2009

(2) Decided by the general meeting of 16 April 2009

(3) Initiated on 23 April 2009, in accordance with the authorisation granted by the general meeting of 16 April 2009

(4) The shares acquired by NPM/CNP are intended for cancellation

3. APPLICATION OF ARTICLE 523 OF THE CODE ON COMPANIES RELATING TO CONFLICTS OF INTEREST OF THE DIRECTORS

Article 523 of the Code on Companies was found to apply during the meeting of the board of directors of 17 April 2009. In accordance with this provision, an extract of the minutes of this meeting bearing on this point is published below:

ANNUAL STOCK OPTION SCHEME / DETERMINATION OF THE TERMS AND CONDITIONS OF THE SCHEME AND IN PARTICULAR THE OFFER PRICE

Before discussing this matter, Gilles SAMYN and Victor DELLOYE, executive directors, declared that they had a direct patrimonial interest within the meaning of article 523 of the Code on Companies as beneficiaries of the share option scheme.

In accordance with the legal procedure, they will also inform the company´s Statutory Auditor of this.

Gilles SAMYN and Victor DELLOYE, not being able to participate in the deliberation and in the decision-making process concerning the options that are attributed to them, left the meeting.

The Chairman reminded the directors that the Annual General Meeting of Shareholders of 16 April 2009 had approved the principle of an annual share option scheme under the terms of which the two executive directors and the staff members of NPM/CNP and of related companies included in the restricted consolidation perimeter can acquire existing NPM/CNP shares.

It was also decided to cap the value of underlying NPM/CNP shares to be attributed to a maximum of EUR 7,500,000.

Gérald FRÈRE also summarizes the main terms and conditions of the Scheme included in a document sent earlier to all the directors.

The options will be offered free of charge by the COMPAGNIE IMMOBILIERE DE ROUMONT, subsidiary of NPM/CNP, to the beneficiaries on Monday, 20 April 2009, the exercise price being the lowest amount between, on the one hand, the average closing price of the NPM/CNP share during the 30 days preceding the offer and, on the other hand, the closing price on 17 April 2009. In this case, the retained exercise price will be fixed after the closing of EURONEXT Brussels' stock exchange at 5.35 pm.

Considering these elements, the Board decides to authorise the NPM/CNP Group to offer the beneficiaries of the Scheme a number of options resulting from the division of EUR 7,500,000 by the exercise price as defined here above and allocated based on their remuneration.

As the NPM/CNP Group has adopted an option hedging policy through the buy-back of shares in line with the various regulations and as the scheme only relates to a maximum of 0.20% of the capital, the patrimonial consequences for NPM/CNP are extremely slight.

Article 21 of the law of economic renewal of 27 March 2009 provides the possibility, for the option plans granted between January 1st 2003 and August 31st 2008, to extend the period for exercising these plans by a maximum of five years, without any additional tax charge and up to a limit of a fiscal value of options of EUR 100,000 per beneficiary for all the plans. The board of directors adopts this measure and will propose it to the beneficiaries of the concerned plans.

4. MANAGEMENT REPORT - APPLICATION OF ARTICLE 119 OF THE CODE ON COMPANIES

In accordance with article 119 of the Code on Companies, this management report is a combined unique document relating to the statutory and consolidated annual accounts closed at 31 December 2009. The various provisions laid down by this article and applicable to NPM/CNP can be found throughout this document.

General information about the company

NAME, REGISTERED AND ADMINISTRATION OFFICES

NATIONALE PORTEFEUILLEMAATSCHAPPIJ N.V. / COMPAGNIE NATIONALE À PORTEFEUILLE S.A., abbreviated as NPM/CNP.

The registered office of the Company is located 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 appendices to the Belgian « Official Gazette » dated 3-4 December 1906, under number 6133.

The last time the articles of association were amended was by public deed executed by Maître Hubert MICHEL, public Notary in Charleroi, and Maître Sophie Maquet, Notary public in Brussels on 16 April 2009.

OBJECTS OF THE COMPANY

According to Article 3 of the articles of association:

«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.

ISSUED CAPITAL

The fully paid share capital of the Company amounts to EUR 126,500,000. It is represented by 110,000,000 shares with no designated nominal value. If the Extraordinary Shareholders' Meeting of 15 April 2010 approves the proposed cancellation of 2,000,000 shares, the capital will be represented by 108,000,000 shares.

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 the 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

Following the approval by the Shareholders' Extraordinary General Meeting of 16 April 2009, the Board of Directors is authorised, for a period of five years starting on the date of publication in the Belgian « Official Gazette », 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.

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, with or without share premium.

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 (with or without share premium).

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.

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 articles of association of the Company do not include provisions regarding capital and rights modifications which would be more restrictive than the legal provisions.

OWN SHARES

Following the approval by the General Shareholders' Meeting of 16 April 2009, the Board of Directors is authorised, for a period of 5 years taking effect on the date of the general meeting, to acquire, in compliance with the legal provisions, a maximum number of 20,000,000 of the company's shares, at a unit price which may not be less, by more than 20 % lower than the lowest closing price for the last 60 trading days preceding the operation, or greater, by more than 20% that the highest closing price for the last 60 trading days preceding the operation, and for authorising the company's subsidiaries in accordance with article 627 of the Code on Companies, to acquire the company's shares under the same conditions. A specific program for buy-back of own shares is proposed to the Shareholders' meeting; please refer to item 5 of the agenda of the annual general meeting (page 86).

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.

STATUTORY THRESHOLDS

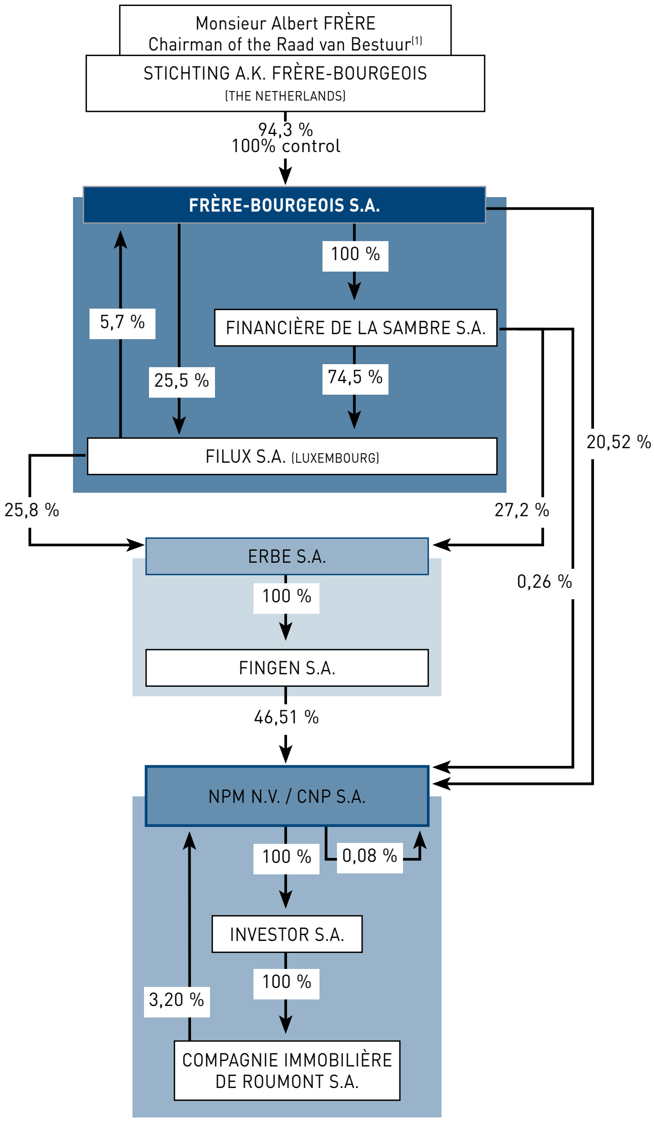
The statutory or legal declaration thresholds are as follows: 2%, 3%, 4%, 5%, 7.5%, 10% and, thereafter, every multiple of 5%.

SIGNIFICANT SHAREHOLDERS - TRANSPARENCY

Based upon notifications received on or before 31 December 2009, the capital of the Company was held as follows:

Shareholders	Date of notification	Number of shares	Percentage
FRÈRE-BOURGEOIS S.A.		22,570,643	20.52
FINANCIÈRE DE LA SAMBRE S.A.		289,149	0.26
FINGEN S.A.		51,159,486	46.51
NPM N.V. / CNP S.A.		82,772	0.08
COMPAGNIE IMMOBILIERE DE ROUMONT S.A.		3,514,999	3.20
FRÈRE-BOURGEOIS and related companies	**20.04.2009**	**77,612,049**	**70.56**
P&V ASSURANCES S.C.R.L.		4,099,098	3.73
VIVIUM S.A.		1,078,926	0.98
P&V Group	**29.10.2008**	**5,178,024**	**4.71**

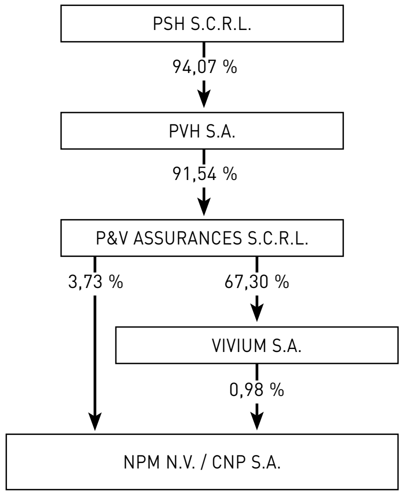
ORGANISATION CHART BASED ON THE LATEST NOTIFICATION RECEIVED FROM THE FRÈRE-BOURGEOIS GROUP (16/04/2009)



N.B.: In the control chain concerning Mr Albert FRÈRE, companies without any reference to nationality are Belgian and have their registered head office at 6280 Loverval (Gerpinnes), 12 rue de la Blanche Borne

(1) in accordance with the articles of association of the Stichting Administratiekantoor FRÈRE-BOURGEOIS – Rotterdam – Netherlands

ORGANISATION CHART BASED ON THE LATEST NOTIFICATION RECEIVED FROM THE P&V GROUP (29/10/2008)



AVAILABILITY OF COMPANY DOCUMENTS FOR PUBLIC CONSULTATION

Shareholders' access to information on the Company's website:

In order to make access to information easier, NPM/CNP has developed a website (www.npm-cnp.be). This website, which includes the information required by the Royal Decree of 14th November 2007 related to the obligations for issuers of financial instruments listed on a regulated market, is updated on a timely basis. It includes o.a. the financial statements, the annual reports, all press releases issued by the Company, the Company's articles of association, as well as all relevant information regarding the Shareholders' meetings.

The annual information, document summarizing or listing all information published by NPM/CNP for the 12-month period preceding the Board of Directors meeting of 4 March 2010 is available on the website www.npm-cnp.be.

Other places for public consultation of Company's documents:

The company's articles of association are also available for consultation at the Registry of the Charleroi commercial court. The financial statements can be obtained from the National Bank of Belgium. All appointments and resignations of the representatives of NPM/CNP are published in the appendixes to the Belgian Official Gazette.

Financial announcements regarding the Company are published in the Belgian financial press.

The annual reports are sent to the registered shareholders and to anyone who requested them from the Company.

The other documents available to the public may be consulted at the registered office of NPM/CNP.

Responsible editor:
Roland BORRES, Chief Financial Officer
c/o NPM/CNP
Rue de la Blanche Borne, 12
6280 Gerpinnes (Loverval) – Belgium

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