

GENERALE

Contents

<i>Introduction</i>	<i>1</i>
<i>Main Shareholdings</i>	<i>3</i>
<i>Financial Highlights of the Group</i>	<i>4</i>
<i>Letter to Shareholders</i>	<i>6</i>
<i>Management Structure</i>	<i>1 0</i>
<i>Group Management Report</i>	<i>1 2</i>
<i>Patronage</i>	<i>1 7</i>
<i>The key companies of the Group</i>	<i>1 9</i>
<i>Consolidated Accounts</i>	<i>4 1</i>
<i>Management Report and Accounts</i>	<i>6 3</i>
<i>Offices of the Générale Group</i>	<i>8 6</i>



During the course of 1993 Société Générale de Belgique continued to implement the strategy it announced last year and concentrated its efforts on reducing the impact of cyclical industrial activities on its results.

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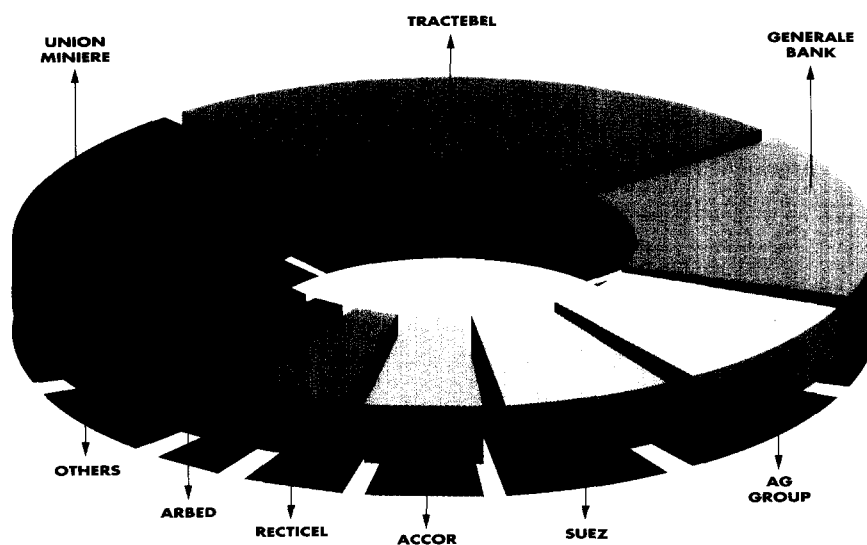
This included the sale of Société Générale de Belgique's holding in the cement producer, CBR, and a substantial reduction of its interests in Union Minière and the Luxembourg Arbed group.

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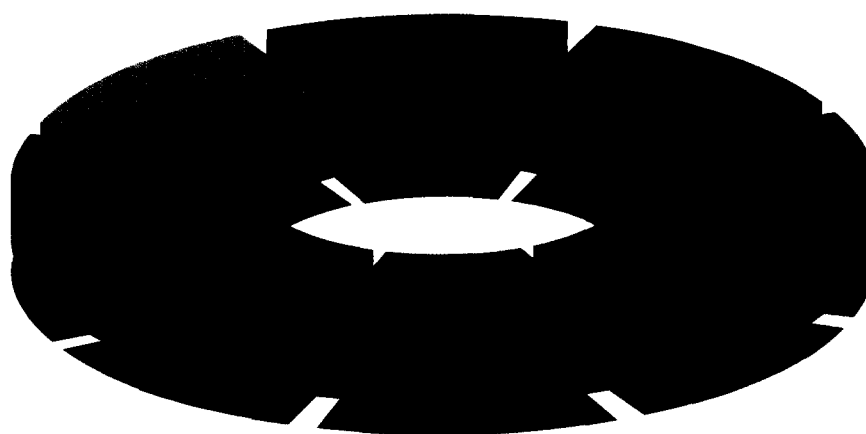
Despite the recession most of the Générale group companies succeeded in maintaining their results at last year's level and in many cases even showed an improvement. This positive performance was achieved as a result of various measures adopted with the aim not only of boosting productivity but also of placing the group in a position to take full advantage of the expected economic recovery when it finally occurs.

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Estimated value of shareholdings (31/12/93)



Principal shareholdings (31/12/93)



- Fully Consolidated Companies
- Companies accounted for by the equity method
- Non-consolidated companies
- Company which was sold off in 1993

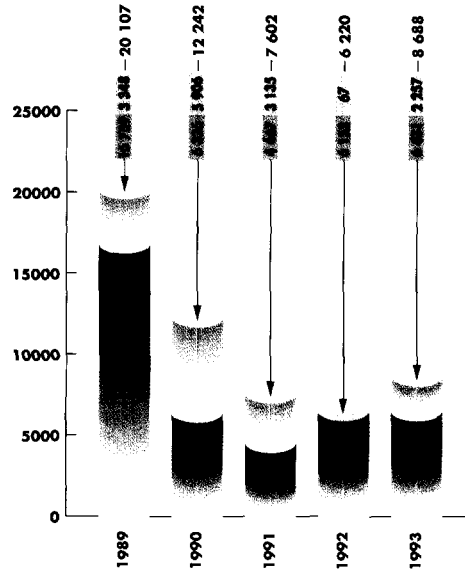
Remarks:

- The figures on the left indicate direct holdings, figures on the right denote indirect holdings.
- Also included in the Generale's portfolio : Finoutremer and Compagnie de Suez.

Financial highlights of the Group

Structure of the Results (Group share)

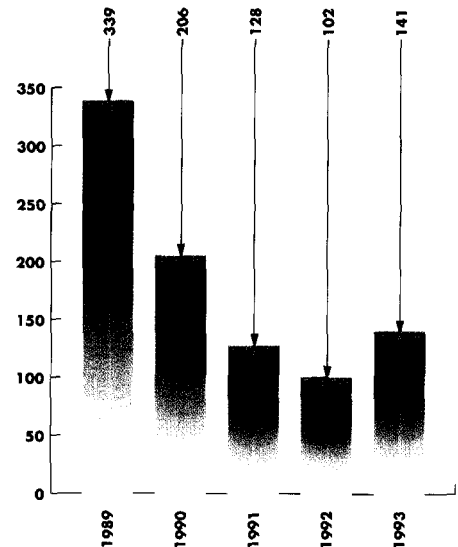
1989-1993 (millions of BEF)



Current result
Exceptional result

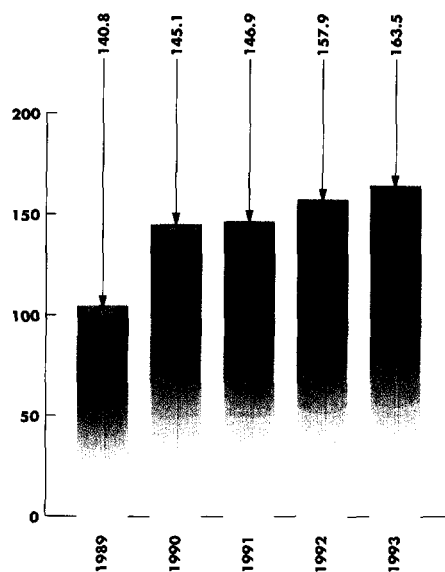
Net Profit per Share (Group Share)

1989-1993 (BEF)



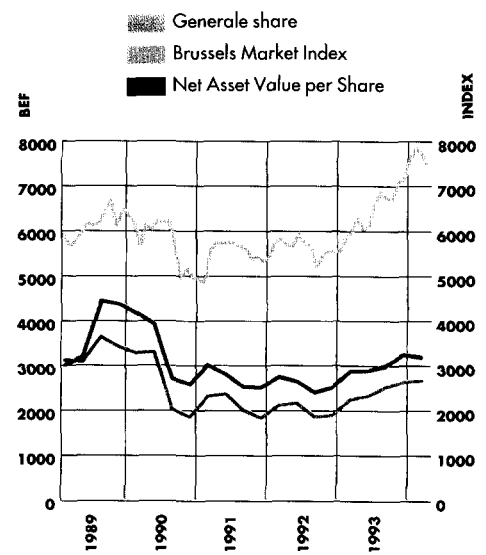
Capital and Reserves (Group Share)

1989-1993 (billions of BEF)



Generale Share and Brussels Market Index

1989-1993



FINANCIAL HIGHLIGHTS OF THE GROUP

	1993	1992	1991	1990	1989
Results * (BEF millions)					
Profit on ordinary activities	3 049	4 330	1 706	6 351	21 438
Exceptional Profit (Loss)	1 835	(420)	1 724	4 619	6 716
Profit of Companies included under the Equity Method	7 270	6 892	8 508	8 726	11 228
Consolidated Profit	10 504	8 449	9 968	17 182	34 013
Total Net Profit - Group Share	8 688	6 220	7 602	12 242	20 107

Balance Sheet (BEF millions)

Tangible Fixed Assets	36 170	72 906	71 826	121 870	115 535
Financial Fixed Assets	132 621	131 259	132 066	131 731	171 985
Total Capital and Reserves (1)	192 345	199 090	185 432	196 621	239 919
Group Capital and Reserves (1)	163 519	157 862	146 861	145 130	140 782
Amounts Payable after one year	17 757	47 349	49 325	86 345	87 209
Working capital	40 485	42 978	29 576	20 398	42 836

Number of Shares issued and Market Capitalization

Shares Outstanding at 31.12	64 182 790	64 182 790	64 182 790	64 060 540	64 059 589
Shares calculated on full dividend entitlement basis at 31.12	61 680 838	60 398 760	59 137 417	59 015 167	59 014 216
Market Capitalization at 31.12 (BEF millions) (2)	169 443	121 947	106 828	107 885	207 175

Figures Per Ordinary Share, Adjusted (BEF)

Total Net Profit - Group Share	141	103	128	206	339
Gross Dividend	114	112	112	112	112
Group Capital and Reserves	2 548	2 460	2 464	2 441	2 374
Estimated Net Asset Value at 31.12	3 245	2 517	2 515	2 583	4 371
Market Price : high	2 725	2 285	2 520	3 520	3 860
low	1 895	1 655	1 725	1 860	3 010
at 31.12	2 640	1 900	1 840	1 860	3 410

Ratios

Return on Equity : $\frac{\text{(Group net profit)}}{\text{(Group capital and reserves (3))}}$	5.5%	3.9%	5.2%	8.7%	15.3%
Debt Ratio (gearing) : $\frac{\text{(amounts payable after one year)}}{\text{(total capital and reserves (3))}}$	9.2%	23.8%	26.6%	43.9%	36.3%
Yield : $\frac{\text{(gross dividend)}}{\text{(year end market price)}}$	4.3%	5.9%	6.1%	6.0%	3.3%
Market Return : $\frac{\text{(price variation + gross dividend)}}{\text{(year end market price)}}$	46.3%	8.6%	3.8%	(43.6%)	5.8%

(1) At 31.12

(2) Number of shares outstanding multiplied by year-end Brussels' stock market price of ordinary shares, less uncalled capital (BEF 11,268 million) from 1989 to 1991.

(3) At 31.12 + newly created shares in proportion to their dividend entitlement.

* These amounts are taken from the Consolidated Income Statement and include minority interests, unless specified otherwise; the figures given in the press release of 31 March 1994 and the data in the chart on page 4 (upper left hand corner) on the current and exceptional results only include the Group share.

Letter to Shareholders

Ladies and Gentlemen,

The line followed by the Générale over the course of the last three financial years explains the confidence we are feeling today.

As the approach we adopted when setting our targets was straightforward, it is all the easier to measure our degree of success in meeting these targets today.



With the economy showing signs of slowing down, we felt that our first priority should be to reduce our level of debt. Under the programme adopted in 1991 disposals of the order of BEF 25 billion were scheduled. These disposals took place in the first nine months of the year. The only company to be sold off to a non-group purchaser was Compagnie Maritime Belge, as part of a transaction which guaranteed its future expansion.

Our second target was to render the relationship between the Générale and its subsidiaries more transparent by clearly defining their respective roles. The Générale sees itself as a professional shareholder with stable interests, in the form of either controlling or principal shareholdings, in internationally, or, at the very least, European oriented companies operating in the industrial or service sector. The management of these companies is delegated to company officers. The strategies followed, together with the appointment of directors, are ultimately decided by the shareholder.

The Générale's organizational structure was brought into line with its newly defined tasks. In addition to the vital management control department, a strategy unit, financial, legal, communications and human resources departments were required. The holding company's overheads were reduced by half, now representing 0.30% of the assets managed, a negligible charge in terms of the consolidated accounts.

Over the course of the past three years this structure has proved its worth and has facilitated the harmonious management of our diversified group.

A very decisive approach was taken as regards the underlying objective, in other words improving the Générale's profitability to the benefit of all the shareholders. The measures implemented here were geared towards:

- *taking active steps to cut operating costs*
- *reducing the group's exposure to industrial cycles.*

The first objective was attained with a remarkable degree of success, thanks to the men in charge of the Group's companies. Union Minière met its target of cutting its costs by BEF 4 billion, Recticel achieved a turnaround and moved back into profit, Generale Bank consolidated the progress made under the "Excel" plan, AG completed the integration of Fortis, and Arbed, Accor and Tractebel implemented important measures to boost productivity.

We were also successful in reducing the Group's exposure to cyclical industrial activities. We now feel that our portfolio is balanced and that our objective has been attained.

Various measures were taken to bring about this result:

- *on 31 December 1993 our holding in Union Minière was profitably reduced from 82% to 63%. If the warrants issued in October 1993 are taken up the Générale's holding in Union Minière could be brought down to 50.1% by 31 December 1994.*
- *Union Minière's sensitivity to zinc market trends was reduced by closing the Overpelt refinery (200.000 tonne capacity) and by selling off Union Mines, a zinc mining and refining operation in the United States.*

In percentage terms this represents a reduction of 50% of the Générale's exposure to zinc industrial cycles.
- *Recticel disposed of its American investment, Foamex.*

- *An agreement was concluded with the Luxembourg government jointly to set up a limited liability partnership, holding 12.45% of the Arbed shares which could be sold to a new industrial partner. As a result of this agreement Arbed was removed from the Générale's consolidated accounts with effect from the 1993 financial year.*
- *At the end of December our holding in CBR was sold to Heidelberger Zement.*

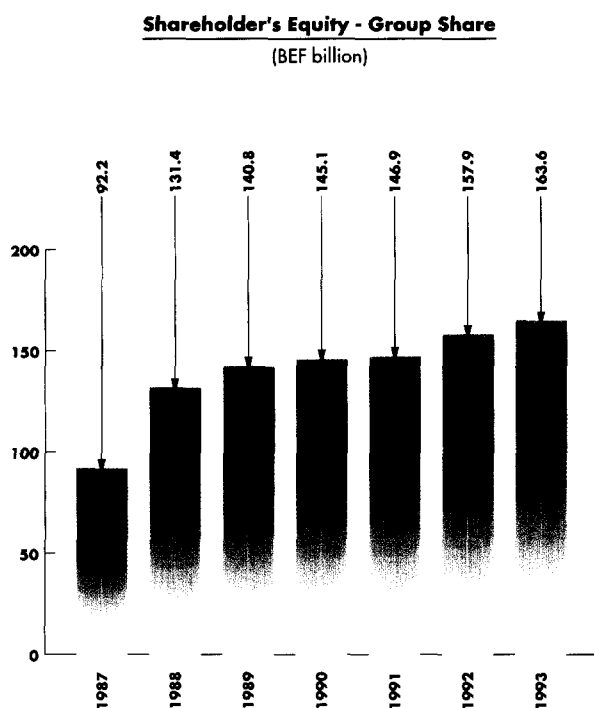
As a result, the Générale's profits continued on an uptrend sustained by the new portfolio balance, the strong strategic positions of our companies and their sound financial structure. As a sign of its confidence in the future, the Board has proposed a bonus share issued on a one for ten basis.

At the same time as the above operations were taking place, the Générale was continuing to strengthen its position and expand its activities, and here too the group enjoyed a considerable degree of success with all its investments.

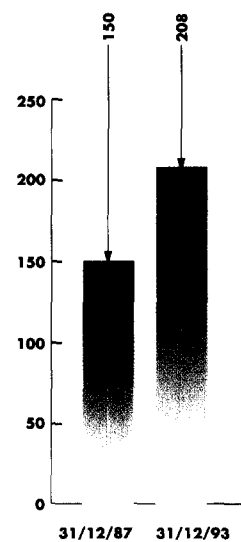
The following operations were particularly significant in this connection: Generale Bank's acquisition of Banque Parisienne de Crédit, Fortis' joint venture with la Caixa in Spain (CAIFOR) and Fortis' acquisition of a controlling interest in CGER/ASLK (Bank and Insurance), Arbed's prospects of becoming Klöckner-Stahl's industrial operator, Tractebel's success with its international expansion and with the privatization of Distrigaz and Recticel's breakthrough onto the Austrian, Hungarian, Polish and Czech markets.

The Générale fulfilled its role as a professional shareholder by furthering the expansion of its subsidiaries by means of increasing its holdings in Generale Bank (from 21% to 26%) and by subscribing to AG's and Recticel's capital increases.

You may be interested to see how the Générale in 1994 compares with the old version that existed prior to the events of 1988. These two tables speak for themselves. Today our company is bigger, more integrated and in a much better position to expand.



Net Asset Value of Portfolio (*)
+ Cash in hand
(BEF billion)



(*) Adjusted values based on the BEL-20 index as at 31/12/93

It has appreciable financial scope to expand (BEF 25 billion) and intends to reinvest these resources in sectors with considerable growth potential where it can play its chosen role to the full.

Thanks to the support from our shareholders, the calibre of our staff and our clear, concrete strategy we can assure you today, Ladies and Gentlemen, that our achievements in the past guarantee that we can realize our ambitions in the future.

G. Mestrallet
Chief Executive Officer

E. Davignon
Chairman

Management Structure

Board

Chairman

Etienne Davignon

Deputy Chairmen

Maurice Lippens

Gérard Worms

Chief Executive Officer

Gérard Mestrallet

Board Members

Jean Arvis (since 19 May 1993)

Philippe Bodson

Alain Chaigneau

Valère Croes

Jean-Claude Debovre

François de Laage de Meux

Bernard Egloff

Georges Faber († 1 October 1993)

Jean Gandois

Jean Godeaux

Antoine Jeancourt-Galignani

Joseph Kinsch (since 7 December 1993)

Philippe Malet

Xavier Moreno

Patrick Ponsolle

Piet Van Waeyenberge

Karel Vinck

Secretary

Jean-Pierre Standaert

Executive Committee

Chairman

Gérard Worms (since 4 May 1993)

Maurice Lippens (until 4 May 1993)

Members

Philippe Bodson

Alain Chaigneau

Etienne Davignon

Jean Godeaux

Philippe Liotier (since 1 January 1994)

Gérard Mestrallet

Xavier Moreno

Patrick Ponsolle (until 31 December 1993)

Jean-Pierre Rodier

Group Committee

Chairman

Etienne Davignon

Deputy Chairman

Gérard Mestrallet

Members

Philippe Bodson

Chairman of the General Management Committee - Managing Director, Tractebel

Donald Fallon (until 31 January 1994)

Chief Executive Officer- Chairman of the General Management Committee, CBR

Manfred Loeb

Chairman of the Board, CIB

Bruno Morelli

Chief Executive Officer, Sibeka

Jean-Pierre Rodier

Chief Executive Officer, Union Minière

Luc Vansteenkiste

Chief Executive Officer, Recticel

and the Members of the

Management Committee

Secretary

Vincent Bribosia

Representatives Abroad

Lino Giudice

People's Republic of China

Isabelle Hupperts

Japan/Korea

Pierre Linard de Guertechin

Zaire

Advisers

Edgard Bossuyt

Paul De Keersmaecker

Philippe de Woot de Trixhe

Manfred Loeb (until 31 December 1993)

Michel Vandestruck (until 31 December 1993)

Jean Van Marcke

Joint Statutory Auditors

• PRICE WATERHOUSE
Company Auditors SCC
represented by Paul Pauwels

• TINNEMANS, POURBAIX, VAES & Co SCC
Deloitte, Touche, Tohmatsu International
represented by Claude Pourbaix

Management Committee



From left
to right:

First row
E. Davignon
G. Mestrallet

Second row
J.P. Standaert
P. Buffet
F. Depré
K. Wendel
J.J. Massart

Chairman

Gérard Mestrallet

Chief Executive Officer

Members

Patrick Buffet

Director, Industrial Holdings and Strategy
(since 21 March 1994)

Etienne Davignon

Chairman of the Board

Francis Depré

Finance Director

Philippe Liotier

Director, in charge of Industrial Holdings and Strategy
(until 31 October 1993)

Jean-Jacques Massart

Director Communication and Director Human Resources

Jean-Pierre Standaert

Secretary General, Director Legal Affairs

Klaus Wendel

Director Management Systems

Secretary

Vincent Bribosia

Group Management Report

Group Management Report *

The policy first adopted two years ago was pursued in 1993 and this was reflected by the Group's activities throughout the financial year. Measures taken to improve the profit from ordinary activities continued to be applied by all the Group's operating companies. • The work on restoring balance to the Group companies' financial situation has now been completed. The various acquisitions and sales of holdings are listed below and on page 64 (Events in the life of the parent company), the most noteworthy being the disposal of CBR, the sale of an 18.4% holding in Union Minière and the purchase of an additional 5.02% interest in Generale Bank. • The Group's net profit stands at BEF 8.7 billion, a 40% improvement on the previous year. The following key events had a major impact on the Group's accounts over the course of the year: the Générale's disposal of CBR and the sale of an 18.4% holding in Union Minière, Union Minière's sale of a 30% interest in Union Mines and the fact that Arbed ceased to be accounted for by the equity method. As regards business trends, Recticel is now making a positive contribution to overall results again, following the upturn registered in 1993. In addition, Union Minière is now no longer a decisive factor in determining the general trend shown by the Générale Group's results, as can be seen from the fact that although Union Minière closed the year with a higher net loss on ordinary activities, the Group posted a 5% increase in profits on ordinary activities for the year. The companies accounted for by the equity method - Tractebel, Generale Bank and AG Group - saw a slight rise in their contribution to Group profits. • More detailed comments on the year's results are given on page 42. • The number of *Compagnie de Suez* shares held by the Group did not change over the course of the year. Holders of these shares took up the stock dividend option and the resultant shares were sold on the market at a profit. It should be added that 4,154,600 of the 6,475,279 *Suez* shares held were sold on the market in January 1994. The balance represents 1.51% of the shares issued.

* The key events in the life of *Société Générale de Belgique S.A.* are listed on page 64.

Key Events in the Lives of Générale Group Companies (1993-1994)

ACCOR

- In January 1993 Accor took over the catering and overnight train operations of RENFE, the Spanish national railways. Croisières Paquet, a subsidiary of Accor, acquired a holding (24%) in the Spanish company, Costa Crociere, making the new group the largest in Europe with 11 vessels.
- In March 1993 the company acquired a 51% holding in the Hungarian Pannonia group, the country's leading hotel and catering chain.
- In May 1993 a merger took place between the Australian hotel chains, Pacific Hotels and Quality Pacific Chain. The new company, AAPC Limited, is listed on the Sydney stock exchange.
- In December 1993 a joint venture was set up with several Chinese companies to build a new Novotel hotel in the province of Shandong in north-east China and to renovate and operate a significant number of two and three-star hotels in the People's Republic.

Financial and industrial links with Accor's Italian partner, IFIL (Agnelli Group) were strengthened, with IFIL acquiring a 31% stake in the Formule 1 group and Accor increasing its holding in the SEF 1 chains to 70%.

- In January 1994 cooperation agreements were signed with the Belgian Quick group to extend existing cooperation and grant Accor exclusive rights to the Quick franchise for catering concessions in France.
- In January 1994 holding in Générale de Restauration (30%) sold off.
- In February 1994 Ticket Restaurant acquired the Czech company, Pragotur, the leader in its sector.
- In February 1994 a joint large-scale catering company was set up with the Samball group in Sweden.
- In March 1994 Accor and the American group Carlson Travel signed an agreement aimed to merge their network of travel agencies.

AG GROUP/FORTIS

- In January 1993 AG Group/Fortis increased its holding in the Metropolitan group companies to 100%.
- In April 1993 strategic holding in Generale Bank sold off.
- In June 1993 Fortis Finance floated a bond issue in Euroguldes for NLG 250 million.
- In August 1993 the holding in Banque Bruxelles Lambert was sold off.

- In November 1993 a holding was acquired in the newly privatized CGER/ASLK-Bank and CGER/ASLK-Insurance and a BEF 9 billion capital increase operation was launched for AG Group.

ARBED

- In January 1993 Arbed's industrial activities were grouped in a separate subsidiary, which now operates as the group's management company.
- In February 1993 Arbed announced the implementation of a LUF 12.5 billion plan for the long products sectors for 1993-1995. In particular this plan includes a gradual shift towards electric arc furnaces in order to achieve significant reductions in operating costs.
- In October 1993 M. Kinsch was appointed Chairman of the Board of Directors.
- In December 1993 the steel marketing subsidiaries of the Usinor-Sacilor group and Arbed merged to form a new company, Arus.
- In February 1994 Arbed announced that Sidmar would be acquiring a 51% stake in the German steel maker, Klöckner Stahl, within the next two years.

CBR

- In January 1993 the company increased its holding in the Czech cement producer, CVM Mokra, to 37.5%.
- In July 1993 minority interests - scheduled to become majority interests within four years - were acquired in two Polish cement companies, Gorazdze and Strzelce Opolskie.
- In October 1993 CBR acquired a 67.03% holding in the Czech aggregate company, Sterkovny Brno.
- In December 1993 Société Générale de Belgique's holding in CBR (42.6%) was taken over by the German cement group, Heidelberger Zement.

GENERALE BANK

- In January 1993 Generale Bank took over Compagnie de Suez's remaining interest (30%) in Banque Parisienne de Crédit (BPC).
- In March 1993 the remaining shares (2.03%) in the Dutch Bank, ABN-Amro, were sold off.
- In October 1993 a cross-holding operation was concluded, with Thibaut-Colson-De Nef (TCD) taking a 1% interest in the holding company, Lowndes Lambert Group plc (LLG), and LLG a 20% interest in TCD.
- In January 1994 the Bank acquired the balance (25%) of AG's holding in the Belgian insurance company, Alpha Life, bringing Generale Bank's holding up to 100%.

RECTICEL

- In January 1993 Eurofoam (formerly Schaumstoff Chemie Holding) acquired a 53% interest in the Polish company, Polopren.
- In May 1993 Recticel acquired the remaining 50% interest in the insulation company, Tarec.
- In summer 1993 Eurofoam acquired a 100% holding in the Hungarian company, Poran.
- In September 1993 interests were acquired in various Central European processing companies via Eurofoam: 51% in BPP in the Czech Republic, 60% in Stanpol in Poland and 51% in Poly in Slovakia.
- In November 1993 Gérard Mestrallet was appointed Chairman of the Board of Directors.

Production capacity at the Wevelgem plant was doubled, with a new line being brought on stream for the production of rigid panels without using CFCs.

- In November 1993 the remaining holding in Foamex LP (8.33%) was sold for USD 22 million; Recticel still has an outstanding claim of USD 36.6 million, which is repayable between 2005 and 2006. Recticel N.V. and Recticel Bedding merged.

TRACTEBEL

- In February 1993 Fabricom acquired a 78% holding in the Hungarian company, PVV, which specializes in electricity projects.
- In April 1993 a partnership was formed by the Fabricom group and the Polish company, Asma, for the collection and processing of waste.
- In May 1993 Tractebel acquired from Electrabel, via Powerfin, 4.8% of Electrabel's own shares for an amount of BEF 15.7 billion.
- In June 1993 the Tractebel Energy Engineering group signed a feasibility study contract for high-tension power lines in Vietnam (1,500 km).
- In July 1993 Tractebel Engineering International concluded an agreement with the Slovak government for a turn-key hospital project.
- In September 1993 various feasibility study contracts, funded by the EU, were concluded for cleaning up nuclear power stations in Russia and the Ukraine.
- In September 1993 an agreement was concluded by Electrabel and Distrigaz to build a combined heat and power generation plant in Zeebrugge.
- In October 1993 Européenne de Services (a Fabricom group subsidiary) and the Quebec company, Gestion Désourdy, announced the establishment of a joint company, Environnement Désourdy Services, specializing in processing household waste.

- In October 1993 American Tractebel Corporation (USA) acquired a 50% interest in a project to build and operate a power station of 102 MW in Ontario (Canada).
- In December 1993, the Drogenbos power station was tested at full capacity.
- In December 1993 CIB sold half of its holding in EPIC to the Caisse des Dépôts du Québec.
- In January 1994 an industrial cooperation agreement was signed by Electrabel and Société publique de Production d'Electricité (SPE) on coordinating electricity generation and distribution.
- In January 1994 Fabricom Air Conditioning concluded a contract worth BEF 1.5 billion for the air-conditioning system for the Guyana Space Centre at Kourou.
- In February 1994 the 32% holding in the Dutch company, GTI, was sold off with a capital gain.
- In February 1994 Fabricom concluded a contract worth BEF 1.4 billion for the manufacture of pre-assembled units for the Troll gas terminal in Norway.
- In February 1994 Electrabel and the leading Dutch electricity group, SEP, signed an agreement aimed at guaranteeing the two countries' electricity supply.

UNION MINIERE

- In June 1993 a BEF 5 billion commercial paper programme was launched.
- In November 1993 Asturienne sold its 1.6% holding in Union Minière to Société Générale de Belgique.
- In February 1994 the 55.92% holding in Compagnie Royale Asturienne des Mines was sold to the Franco-Swiss group, Focep.
- In February 1994 the American subsidiary, Union Mines Inc., was sold to the Australian group, Savage.
- In February 1994 Sogem and the Peruvian company, Southern Peru Copper Corporation, signed a contract to supply the Olen refinery with blister copper.

Patronage

The current economic situation, which is causing problems for an increasingly large part of the population, has prompted Société Générale de Belgique to devote particular attention to supporting charitable and social projects. In order to ensure maximum transparency with regard to the allocation of funds, the Générale decided to support officially recognized charitable associations set up in the form of "non-profit organizations". • On the cultural front, two major structural patronage projects expired and were subsequently renewed in view of the outstanding quality and professionalism of the two orchestras in question, the Orchestre Philharmonique de Liège et de la Communauté Française, and the internationally acclaimed I Fiamminghi ensemble. In Brussels Société Générale de Belgique provided the Société Philharmonique with substantial support to cope with its difficulties. The Générale was also involved in one way or another in several major cultural festivals in 1993, the most important being in connection with the "Antwerp, European City of Culture" project and the "Tout Simenon" and "Europalia Mexico" exhibitions. • But there can be no doubt that the most significant cultural event will be an exhibition to be held at the Royal Academy of Arts in London from July to October 1994, titled "Impressionism to Symbolism: the Belgian Avant-Garde 1880-1900". This project, which was started in 1993 and which is being fully financed by Société Générale de Belgique, Tractebel and Union Minière, is the first major event devoted to Belgian culture since 1952. Thousands of visitors are expected at the Sackler Gallery where around 60 works by Belgian painters and sculptors will be on display, mainly from the Ghent, Antwerp and Brussels schools. • On the scientific front the research project at the Antwerp Institute of Tropical Medicine has now been completed. It has given rise to some interesting conclusions on malaria, particularly as regards mosquitoes, the carriers of the disease. Société Générale de Belgique also supported the International Institute of Cellular and Molecular Pathology (ICP); other research projects are currently being studied and should start within the next few months.



Emile Claus: "Summer"

The key companies of the Group

■ Fully Consolidated Companies

• *Recticel* 20

• *Union Minière* 22

■ Companies accounted for by the equity method

• *AG Group* 26

• *Generale Bank* 28

• *Tractebel* 30

■ Non-consolidated companies

• *Accor* 34

• *Arbed* 36

■ Company which was sold off in 1993

• *CBR* 38

Figures of the eight companies of the Group (pages 20 to 38):

- Figures are in millions of BEF, unless otherwise specified;
- Capital and reserves are inclusive of third - party share and after distribution;
- Stock market capitalization = total shares outstanding x stock price of the ordinary share as at 31.12.

The chart gives the relative share of each company in the Générale's portfolio based on net asset value as at 31.12.

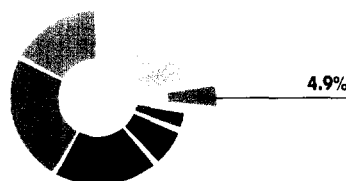
A n n u a l

Recticel

FULLY CONSOLIDATED COMPANIES



CONTINUING ITS EUROPEAN EXPANSION STRATEGY, RECTICEL ACQUIRED A 100% HOLDING
IN THE HUNGARIAN COMPANY, PORAN.



Recticel specializes in developing, producing, processing and marketing polyurethane foams for the bedding, furniture, industrial, insulation and automotive sectors. The group's operations are concentrated in Europe, where it has expanded appreciably in recent years, particularly in Eastern Europe. • In 1993 Recticel posted turnover of BEF 27.9 billion, as against BEF 28.5 billion in 1992, i.e. a decrease of 2%. Consolidated results increased to BEF 267 million, compared with BEF (367) million in 1992. As at 31 December 1993 the group's labour force totalled 6,600. • As the final phase of the strategy of refocussing on Europe and core businesses, which the company first defined and implemented in 1992, the remaining interest (8.33%) in the American company, Foamex LP, was sold off in 1993 for an amount of USD 22 million. This leaves Recticel with an outstanding claim of USD 36.6 million on Foamex which is scheduled for repayment in 2005 or 2006. • Under its new name, Eurofoam, the joint venture Schaumstoff-Chemie Holding, which is jointly owned by Recticel and the Austrian Greiner group, continued its policy of expansion in Central Europe. In Poland Eurofoam acquired a 53% interest in Polopren, which specializes in producing foams, and in Hungary it took a 71% interest in Poran. Eurofoam also acquired the remaining 29% of Poran, bringing its holding up to 100%. At the beginning of 1994 Eurofoam consolidated its position in the Slovak Republic by acquiring a 51% holding in Poly, which specializes in processing foams. These recent acquisitions follow the investments in Stanpol in Poland and BPP in the Czech Republic, both of which specialize in processing foams. • Recticel also continued to expand in Western Europe, increasing its holding in the Tarec group (a subsidiary jointly owned with the British Tarmac group) from 50% to 100%. This should help Recticel reinforce its position in the insulation sector, which in future should generate 16% of Recticel's turnover as opposed to 11% previously. • In Belgium Recticel doubled the production capacity of its Wevelgem plant in the Courtrai area by bringing on stream a second production line for insulating panels. This BEF 220 million investment offers two not inconsiderable advantages: foams can be produced without CFCs and waste material can be recycled in full.

(BEF millions)	1992	1993
Turnover	28 492	27 997
Net profit (Loss)	(353)	260
Profit (Loss) per share (BEF)	(13.99)	9.74
Shareholders' equity	8 897	9 154
Stock market capitalisation	8 512	13 276
Direct holding	73.57%	73.57%
Dividend per share (BEF)	-	13



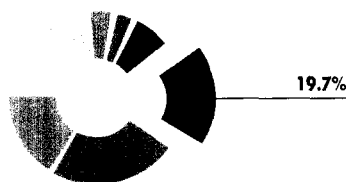
Luc Vansteenkiste
Chief Executive Officer

Union Minière

FULLY CONSOLIDATED COMPANIES



THE LA CIOTAT PLANT (MARSEILLES AREA) WAS AWARDED
AN ENVIRONMENT PRIZE BY THE FRENCH REGULATORY
BODY RESPONSIBLE FOR INDUSTRIAL PLANTS.



Union Minière is one of the world's leading non-ferrous industrial groups. It was created in 1989 following the merger between Acec-Union Minière, Métallurgie Hoboken-Overpelt, Vieille-Montagne and Mechim. Union Minière is involved in all stages of production and manufactures and markets more than 20 different non-ferrous metals used in basic and high-technology industries, the construction industry and research. These metals are divided into five major Business Units: zinc, copper, complex metallurgy of lead, precious and special metals, cobalt and germanium. As at 31 December 1993 the group employed more than 13,000 people. • Compared with the previous year, 1993 saw a marked deterioration in Union Minière's operating environment, particularly on its major European markets and in the building and automotive sectors. In the zinc sector, where Union Minière is the world's leading producer, the Zinc Business Unit was hit by a combination of over-capacity and imports from Eastern Europe, with the result that stocks almost doubled and prices plummeted by 22%. The appreciation in the US dollar was not sufficient to offset these developments. Despite this difficult background, thanks to the restructuring measures implemented it was possible to limit the loss on ordinary activities to BEF 1.7 billion as against a slightly positive result of BEF 764 million in 1992, whilst turnover dropped by 12% to BEF 105 billion, compared with BEF 120 billion in 1992. • The Union Minière group is active in several European countries, mainly Belgium and France. It also has a holding in the Cananea copper mine in Mexico, which accounts for nearly 25% of its supplies. In Africa Union Minière discontinued its mining operations in Morocco and Guinea. • Union Minière's trading subsidiary, Sogem, is a world leader on the non-ferrous markets with 29 representative offices throughout the world, the most recent being in Johannesburg (South Africa). At the beginning of 1994 Sogem signed an important copper supply contract with the Peruvian group, Southern Peru Copper Corporation. • Mechim, the group's engineering subsidiary which specializes in applying technology developed by Union Minière, was faced with a difficult start to the year but enjoyed a recovery during the second half. However, it posted an operating loss for the year as a whole. • During the course of 1993 Union Minière's Recycling Business Unit, which specializes in particular in the production of zinc oxide from remelted zinc (recycled zinc) and processing non-ferrous scrap from vehicle bodies, was faced with major difficulties brought about by the combination of limited supplies and high prices for secondary raw materials, coupled with reduced downstream demand and extremely competitive pricing. In France the La Ciotat plant in the Marseilles area was awarded an environment prize by the regulatory authorities for industrial facilities. • In 1993 Union Minière defined the main guidelines of its future

(BEF millions)	1992	1993
Turnover	120 759	105 179
Net profit (Loss)	(2 277)	(2 566)
Profit (Loss) per share (BEF)	(114)	(100)
Shareholders' equity	45 201	44 187
Stock market capitalisation	53 819	60 624
Direct holding	76.5%	59.7%
Dividend per share (BEF)	-	-



Jean-Pierre Rodier
Chief Executive Officer

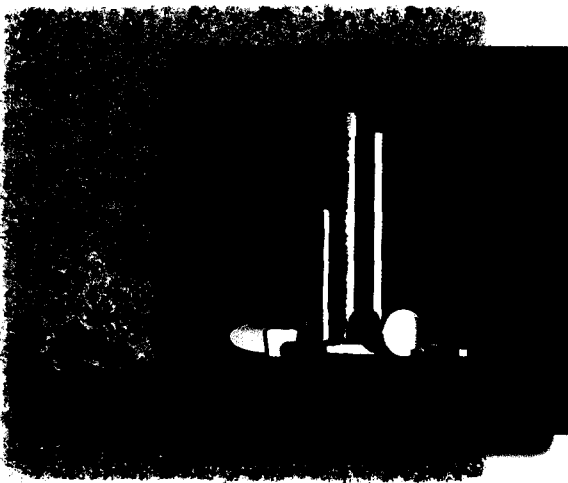
Union Minière

FULLY CONSOLIDATED COMPANIES

strategy. The first series of measures will concentrate on the zinc sector with the aim of gradually reducing production costs. Investments will also be frozen as the plants in this sector are at the leading edge of technology. A second programme of measures will be aimed at guaranteeing copper supplies by means of commercial contracts, prefinancing arrangements or the acquisition of interests in smelting works. Finally, a third package of measures will be directed towards financing new investments by means of non-strategic asset sales. These sales, possibly representing nearly 20% of the total portfolio, will take place within the next five years and will be intended to strengthen Union Minière's operations in priority sectors such as copper and precious metals. In 1994 the group will initiate feasibility studies on rebuilding the Olen copper refinery and modernizing the basic metallurgy and precious metals facilities at Hoboken. • The first phase of this strategy was

implemented at the beginning of 1994 when Union Minière sold off its entire holding (56%) in Compagnie Royale Asturienne de Mines to the Franco-Swiss group, Focep, and sold Union Mines Inc. to the Australian group, Savage. Under the terms of the agreement Union Minière also has an option on 15 million Savage shares. • The past financial year was marked by two successful placements of Union Minière shares with international investors by the main shareholder, Société Générale de Belgique. These sales brought the Générale's holding down to 64% and confirmed the marked interest shown by investors in Union Minière's strategy.

• • •



The Sibeka group is a world leader in the diamond tools and industrial diamonds sector. • In 1993 the company posted a sharp rise in profits on ordinary activities, from BEF 378 million to BEF 459 million. This increase was due to the improvement in financial earnings, which were boosted by the rise in dividend income from subsidiaries and the reduction in the average level of debt and interest rates. • The upturn in results was particularly marked in the case of diamond tool operations, which moved back into the black in 1993, showing a net profit of BEF 109 million, compared with 1992's loss of BEF 248 million. • This encouraging result was achieved thanks to the rationalization measures which

have applied for the past few years, coupled with a more intensive marketing policy and the introduction of new products.

- The industrial diamonds sector was characterized by increasingly severe competition and falling prices. As a result a major restructuring programme was adopted to cope with these changes in the company's operating environment.

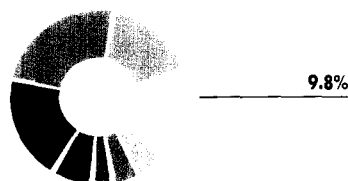


AG Group

COMPANIES ACCOUNTED FOR BY THE EQUITY METHOD



CAIFOR, A JOINT-VENTURE INSURANCE COMPANY WITH "LA CAIXA" IN SPAIN, IS AN EXAMPLE OF THE EXPANSION DRIVE IN EUROPE
BY THE FORTIS GROUP, WHICH IS ALSO PRESENT ON THE AMERICAN, SOUTH-EAST ASIAN AND AUSTRALIAN MARKETS.



A G Group and NV AMEV are the parent companies of Fortis, an international group specializing in insurance, financial services and banking. The group was created by pooling the operations of two large European companies, AG Group in Belgium and NV AMEV in the Netherlands, each of which holds a 50% stake in Fortis. The group is established in Belgium, the Netherlands, Spain and other European countries, and also in the United States and Australia. As at 31 December 1993 Fortis had more than 32,000 employees on its payroll. • As at 31 December 1993 Fortis' assets as per the balance sheet totalled ECU 79 600 million and its equity stood at ECU 4 084 million. For 1993 Fortis posted a profit of ECU 476 million up by 14% on 1992. Earnings from the insurance and banking sectors increased by 11% and 30% respectively. • There is no doubt that the most important event of 1993 was Fortis' participation in the first major privatization operation to take place in Belgium, i.e. the privatization of Caisse Générale d'Epargne et de Retraite/Algemene Spaar- en Lijfrentekas (CGER/ASLK). Under the terms of an agreement concluded with CGER/ASLK-Holding Fortis now holds 49.9% of the capital of both CGER/ASLK-Bank and CGER/ASLK-Insurance. These holdings were acquired in two instalments of 25% and 24.9% respectively. Fortis also has a call option for a further 0.1% of the two companies' shares which it can exercise from 1 January 1995 onwards, at which time CGER/ASLK-Holding may, if it so wishes, sell a further 9.8% stake in the two companies in question to Fortis. • This recent acquisition, which was financed by a combination of own funds and a capital increase for AG Group, has made Fortis the largest insurance and financial services group in the Benelux countries, particularly in the "bancassurance" sector, where CGER/ASLK was already a leader on the Belgian market. In the Netherlands AMEV Nederland and VSB had already acquired considerable experience of "bancassurance" and the two companies developed this business further in 1993. • In Spain the joint venture life insurance company with La Caixa made a positive contribution to earnings in 1993; business trends were also positive in the non-life insurance sector. • Earnings were also up in the United States, particularly in the health insurance sector. By contrast, invalidity insurance made a less positive contribution to earnings owing to the somewhat slow economic recovery. • Over the course of the past three years most of the targets set when Fortis was established have been attained. Fortis has expanded appreciably in a short space of time, particularly in Belgium, the Netherlands, the United States and Spain.

(BEF millions)	1992	1993
Net profit (Fortis)	17 403	19 244
Shareholders' equity (Fortis)	134 144	164 668
Stock market capitalisation (AG)	65 002	99 578
Direct holding	19.58%	18.87%
Dividend per share (BEF)	52	57

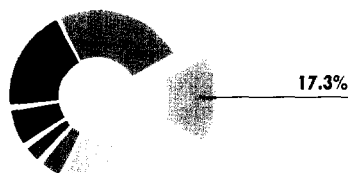


Maurice Lippens
Chairman • Chief Executive Officer

Generale Bank

A high-contrast, black and white collage. At the top, five coins are visible, including a 200 Euro coin. Below them, several banknotes are scattered, including a 1000 Euro note with the word 'GOLDEN' and a 1000 US dollar note with 'QUANTAMILA' and '10150540'. A dark, central figure, possibly a person, is partially visible through the collage. At the bottom, there are two Polaroid-style photos, one of which says 'PAPERMAN SPARK', and a dark rectangular object with 'BERLIN BANK' visible. The entire composition is set against a dark, textured background.

GENERALE BANK STEPPED UP ITS MARKET PRESENCE NOT ONLY IN EUROPE, BUT ALSO IN THE FAR EAST
VIA THE BELGIAN BANK IN HONG KONG.



The leading banking group in Belgium with more than 1,100 branches, Generale Bank ranks 27th at European and 56th at international level in terms of total assets. The group comprises approximately 150 banks and companies of all sizes, with a total workforce of 24,000, including nearly 17,000 in Belgium, the group's priority market. In 1993 activities outside Belgium generated 40% of total profits, with countries bordering on Belgium - where the Bank is continuing to set up centres of operations - accounting for no less than three quarters of this amount. • During the course of 1993 the Bank continued its policy of expanding its operations within a 400 kilometre radius of Brussels. This area accounts for 60% of Belgian exports and 50% of imports. In France Banque Régionale du Nord strengthened its market presence by opening new branches in Valenciennes (1993) and Roubaix (beginning of 1994) and by taking over National Westminster Bank's activities in Lille. In the Netherlands, following on from Maastricht last year, new branches were opened in Breda, Eindhoven and Utrecht and in Germany two new centres of operations, Mönchengladbach and Wuppertal, were opened in addition to Cologne and Aachen. New branches are scheduled for Düsseldorf and Essen in 1994. • The Bank has also established a market presence in other parts of the world where its customers' main business interests are located: in Southern, Central and Eastern Europe, Africa and also the Far East, where its Hong Kong subsidiary, the Belgian Bank, has been authorized to open an office in Taipei (Taiwan) and has applied to open an office in Canton (People's Republic of China). • In Belgium Generale Bank continued to act as a driving force behind the economy. Despite the drop in demand for credit and the deteriorating economic situation in 1993, which led to a sharp rise in write-downs on loans and provisions for lending risks, loans to the private sector showed a 4.5% increase, with investment credits rising by 5% and small business loans by more than 6%. • In addition, the fall in interest rates triggered off a rise in activity on the financial and stock markets and a revival in interest for all forms of savings. Savings certificates climbed by 6% and the collective investment undertakings managed by the Bank showed a 36% increase in assets invested. • Consequently, despite the recession and a sharp rise in taxes the Bank posted a consolidated net profit of BEF 11.6 billion, up by 8% on the previous year. Total assets increased by 6.7% to BEF 3,680 billion

(BEF millions)	1992*	1993
Total balance sheet	3 449 748	3 680 046
Net profit (Loss)	12 809	13 724
Profit (Loss) per share (BEF)	746	803
Shareholders' equity	107 330	109 980
Stock market capitalisation	100 766	131 490
Direct holding	20.8%	25.8%
Dividend per share (BEF)	320	340

Restated*



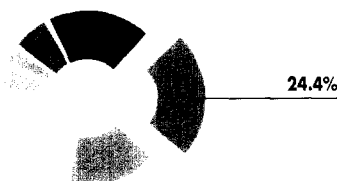
Ferdinand Chaffart
Chairman of the General Management Committee

Tractebel

COMPANIES ACCOUNTED FOR BY THE EQUITY METHOD



BACKED UP BY ITS KNOW-HOW DEVELOPED IN BELGIUM, THE TRACTEBEL GROUP IS
EXPANDING BY INCREASING THE INTERNATIONAL SCOPE OF ITS ACTIVITIES
AND IS ESTABLISHING A WORLDWIDE MARKET PRESENCE.



Tractebel is a Belgian industrial group with an international dimension. Through its subsidiaries it operates in various sectors such as electricity, gas, cable television, water, environmental services, real estate, infrastructures and industrial installations. The group is structured around seven operational units, which concentrate on their own core business but at the same time are also complementary. This gives Tractebel an appreciable competitive advantage when tendering for major national and international projects. • Tractebel closed 1993 with a consolidated net profit (Tractebel's share) of BEF 9.9 billion, up 6.3% on 1992. This increase, which was achieved despite stagnating earnings from regulated activities (electricity and gas in Belgium), is primarily due to the excellent performances generated by newly consolidated foreign acquisitions: NIGEN (power stations in Northern Ireland) and TIBSA (gas distribution in Argentina).

Electricity in Belgium

Electrabel generates 94% of the electricity and distributes 87% and 92% respectively of the electricity and gas consumed in Belgium. Turnover for 1993 totalled BEF 202.6 billion and profit from ordinary activities stood at BEF 21.7 billion, practically unchanged on 1992, in spite of the poor economic climate which hit particularly hard the heavy industry sector, and in spite of the increased tax burden. • 1993 saw a new GST (Gas/Steam Turbine) power station come on line at Drogenbos which can generate 460 MW using state-of-the-art environmentally friendly technology. • In 1994 Electrabel defined the principles governing industrial cooperation with Société publique de Production d'Electricité (SPE) to generate and distribute electricity. Electrabel also concluded an agreement with the main electricity producer in the Netherlands (SEP) aimed at guaranteeing regular supplies of electricity for Belgium and the Netherlands and making more efficient use of the two companies' generating capacities.

(BEF millions)	1992	1993
Turnover	252 495	263 495
Net profit (Loss)	26 997	26 585
Profit (Loss) per share (BEF)	679	722
Shareholders' equity	233 361	237 629
Stock market capitalisation	107 375	146 802
Direct holding	27.73%	27.73%
Dividend per share (BEF)	330	340

Gas in Belgium

The Belgian government decided to sell the interest held by the State in Société Nationale d'Investissement (SNI), which itself had a 50% holding in Distrigaz. Tractebel formed a partnership with the Ackermans & van Haaren group and made a bid for these shares, which was accepted by the Council of Ministers, subject to certain conditions, on 14 January 1994. In particular one third of the interest in Distrigaz will be offered for sale on the stock market, one third allocated by Tractebel to the intercommunal agencies and the remaining third deposited with a company jointly owned by the intercommunal agencies and Tractebel. This was finally approved by the Council of Ministers on 21 February 1994.



Philippe Bodson

Chairman of the General Management Committee
Managing Director

Tractebel

COMPANIES ACCOUNTED FOR BY THE EQUITY METHOD



Electricity and Gas Abroad

Following the April 1993 acquisition of the 17 MW power station at Fitchburg (Massachusetts), American Tractebel Corporation (ATC) acquired a 50% interest in the combined heat/power plant under construction at Windsor (Ontario, Canada) with a generating capacity of 102 MW of power and 95 t/h of steam. • In November and December 1993 Tractebel sold off two major assets to Powerfin: a 100% holding in ATC (power stations in North America) and a 19% holding in TIBSA. Powerfin will acquire a further 6% holding in TIBSA at the end of 1994.

Communications

Coditel expanded its interests in the mobile telephone and satellite sectors by subscribing to the capital increases launched by Cofira (France), USCC (United States) and SES (Luxembourg).

Technical Installations and Community Services

In Spain Tractebel, together with its subsidiary Desma, was awarded the concession to operate the public drinking water supply and waste water treatment services in the Velez-Malaga area (population 55,000). This project is in line with Tractebel's aim of developing its water operations to cover the entire cycle, from water catchment to delivery to end-users. It already supplies 45 million m³ of water per year to consumers in Belgium and Spain. • In Eastern Europe Fabricom's subsidiary, Européenne de Services, concluded a cooperation agreement in April 1993 with the Polish company, Asma, for collecting and processing waste. In February Fabricom acquired a 78% holding in the Hungarian company, PVV, which specializes in electricity projects. • In October 1993 Européenne de Services and the Désourdy group set up a joint company in Quebec (Canada) specializing in integrated waste management. • Fabricom continued to expand at international level in 1993, particularly in Norway, where it obtained a contract to supply 38 pre-assembled units for the Troll gas terminal.

Real Estate

In the real estate sector 1993 was marked by the inauguration of the building intended for special sessions of the European Parliament in Brussels. This building is the first phase of the "Espace Léopold" project. • Compagnie Immobilière de Belgique sold off its 50% interest in EPIC ("Centre Borschette") to the Caisse des Dépôts du Québec in Canada.

Engineering

Tractebel Engineering took over a consulting engineering company in Bonn (Germany) specializing in liquid gas; these operations have been transferred to a new subsidiary, Tractebel Gas Engineering GmbH. • Belgatom, a subsidiary of Tractebel and Belgonucléaire, won 9 study contracts for nuclear power stations in the CIS. • In the Far East, under Vietnam's more open market policy Tractebel concluded a study agreement for 1,500 km of high-voltage power lines. • The services provided in 1993 represented a total of 3.9 million hours of work, with exports accounting for 26%.

Tractebel's earnings from its Belgian activities, particularly public utilities, are very stable. Backed up by its strong position on the domestic market, Tractebel will continue to focus its growth plans on international activities in 1994.



Accor

NON CONSOLIDATED COMPANIES



THE ACCOR GROUP, WHICH IS PRESENT WORLDWIDE, EXPANDED SIGNIFICANTLY IN THE ASIAN-PACIFIC REGION; IT ALSO HAS MAJOR PROJECTS IN CHINA, WHERE IT IS ALREADY ESTABLISHED, AS IS ILLUSTRATED BY THE SHANGHAI SOFITEL.



Accor is the world's largest hotel group (not counting franchise operations) and is also an international leader in its five other core businesses: large-scale catering, service vouchers, services connected with the railway sector, travel agencies and car hire. • In 1993 the group posted turnover of FRF 29.1 billion and net profits of FRF (Group share) 615 million, as against FRF 30.6 billion and FRF 802 million respectively in 1992. • 1993 was marked by further integration of one of the group's main subsidiaries, Wagons-Lits, restructuring of the hotel sector, development of the budget hotel business, and especially the group's remarkable expansion in Asia and the Pacific region. • Throughout the course of the year Accor increased its acquisitions in the Far East, banking on the huge tourism potential of this part of the world. In the Pacific region in particular it acquired the Australian hotel chain, Quality Pacific Corporation which operates a network of 25 hotels in Australia, and merged it with its other operations to form Accor Asia Pacific Corporation (AAPC). • The group also intends to establish itself in other parts of Asia, in particular in India, Thailand, Vietnam and Indonesia, preferably in association with local partners. It has concluded a partnership agreement with the Chinese authorities for renovating about one hundred hotels throughout the country. These hotels will operate under the Novotel or Ibis banner and will extend the Novotel network which is already well established in China. • In Eastern Europe Accor acquired a 51% stake in the privatized Hungarian hotel chain, Pannonia, with 25 hotels in Hungary, Austria and Germany, to which Accor's three Mercure hotels in Austria can now be added. The group also built a Formule 1 hotel in Budapest, the first in the area. • In the Mediterranean region Accor linked up with the French group Sotair, a subsidiary of Air France, to run the Palmiriva hotel chain, which has no less than eight hotels and clubs in Egypt, Morocco, Turkey and Greece. • The structure of the hotel pool (2,000 units) has been simplified and the number of names reduced. Only the better known names, such as Novotel, Sofitel, Mercure and Formule 1 have been retained, and the other chains, Arcade, Altéa and Pullman, now operate under these names. • Large-scale catering operations expanded in the Czech Republic, following the acquisition of Pragotur, the leading operator in the sector, and in Sweden, where a joint company was set up with the national leader in the field, Samball. In 1994 Accor also sold off its 30% holding in the French group, Générale de Restauration, and forged closer links with the Belgian Quick group by obtaining exclusive rights to the Quick motorway catering concession in France. • Accor continued to implement its policy of non-strategic asset sales in order to finance these acquisitions. Total asset sales to the end of 1994 are estimated at FRF 4 billion.

(FRF millions)	1992	1993
Turnover	30 569	29 115
Net profit (Loss)	1 090	821
Profit (Loss) per share (FRF)	36.30	25.90
Shareholders' equity	13 219	12 010
Stock market capitalisation	16 883	14 666
Direct holding	10.09%	11.4%
Dividend per share (FRF)	18	18



Paul Dubrule et Gérard Pélisson
Co-Chairmen

Arbed

NON CONSOLIDATED COMPANIES

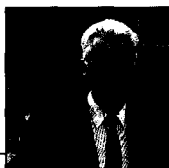


IN ADDITION TO ITS PRODUCTION SITES IN EUROPE, SOUTH AMERICA AND ASIA, ARBED ALSO OPERATES A STEELCORD
MANUFACTURING PLANT IN ARKANSAS (USA).



Arbed, the Luxembourg iron and steel group, has not escaped the impact of worldwide over-production of steel at a time when the main consumers, particularly the automobile and construction industries, are suffering from a slowdown in activity. • In 1993 Arbed posted a consolidated loss of LUF 5.7 billion (group share LUF 4.7 billion) as against LUF 3.3 billion (group share LUF 2.9 billion) in 1992. This is due to a combination of external factors: the recession in Europe, resulting in a fall in demand on the part of the main steel users, such as the automobile industry, construction and capital goods; the pressure from cheap imports from Eastern Europe, while the American market was practically closed during the first half year. The situation was compounded by competition from certain large nationalized groups in Europe (Italy, Spain and Germany) which enjoy state subsidies. The overall impact of these factors was a major reduction in profit margins. • In order to cope with this new crisis in the iron and steel sector Arbed drew up an emergency plan containing a series of rationalization and cost-cutting measures, with the emphasis on long products and new technologies, in other words a gradual changeover from the traditional blast furnace to the electric arc furnace. Cost prices are substantially lower (improved productivity, abundant supplies of raw materials) with the electric arc furnace, which also offers maximum flexibility. As regards long products Arbed has set up an ambitious investment programme, totalling LUF 12.5 billion, which includes plans to build three new electric arc furnaces. The first, at Esch-Schiffange in Luxembourg, is already in operation, and the other two, at Differdange (Luxembourg) and the Stahlwerk Thüringen site (former East Germany), are under construction. • In the flat products sector, Sidmar has completed its cold rolling mills investment plans and has successfully started up a new coating line - Sikel - for the automobile industry. • On the trading front, Arbed stepped up its cooperation with the French giant, Usinor-Sacilor. The two groups merged their steel distribution networks - Nozal (Usinor-Sacilor) and Hardy-Tortuaux (Arbed) - so creating one of the largest groups in this sector in Europe. The new company, Arus, will generate turnover of around LUF 37 billion.

(LUF millions)	1992	1993
Turnover	188 511	192 028
Net profit (Loss)	(3 328)	(5 714)
Profit (Loss) per share (LUF)	(407)	(668)
Shareholders' equity	94 781	90 119
Stock market capitalisation	19 710	32 364
Direct holding	25.56%	19.34%
Dividend per share (LUF)	-	-



Joseph Kinsch

*Chairman of the Board
Chairman of the General Management Committee*

CBR

[illegible]

CBR CEMENT PLANT AT TEHACHAPI, SOUTHERN CALIFORNIA.

CBR is an international group which specializes in producing and marketing cement, aggregates and ready-mix concrete. It has centres of operations in Western Europe, North America and, since 1992, in Central Europe. As at 31 December 1993 CBR's workforce totalled more than 11,500. • CBR posted a consolidated net profit of BEF 3.2 billion in 1993, compared with BEF 3.1 billion in 1992, with cash flow increasing by 5.7% to BEF 8.2 billion. This healthy performance confirms the group's ability to withstand the recession which has hit most of its markets. After two difficult years the North American operations picked up and generated a significant upturn in operating income. This was due to a combination of healthy markets in Canada and the USA (excluding California), improved efficiency at the Tebachapi, Tilbury and Edmonton cement plants and the positive impact of the restructuring measures implemented in 1992 and 1993. • CBR's operations in Central Europe also made a positive contribution to group results, compensating for the weaker construction market in the Benelux countries and North Rhine-Westphalia. • Over the course of the past two years Central Europe has played an increasingly important role in CBR's activities and now accounts for 35% of total group capacity. Following the initial stake acquired in the Czech cement producer, CVM Mokra, in 1992, CBR acquired strategic, albeit minority, interests in two Polish cement companies, Gorazdze and Strzelce Opolskie. These interests are scheduled to be increased to majority interests by 1995 for the Czech operations and by 1997 at the latest for the Polish operations. • In the aggregates sector CBR also established a foothold in Eastern Europe by acquiring a 67.03% stake in the Czech company, Sterkovny Brno, which operates ten quarries with an annual production capacity of 3.5 million tonnes of chippings, sand and gravel located close to the cement producer, CVM Mokra. • But the major event that marked the end of 1993 was the sale by Société Générale de Belgique of its 42.6% interest to the cement group, Heidelberger Zement. This sale was announced in September and finalized on 21 December 1993, once approval had been obtained from the relevant international authorities. • With Heidelberger Zement's support CBR should continue to expand internationally and gradually increase its range of activities to include new products and services linked to its core businesses.

(BEF millions)	1992	1993
Turnover	47 012	48 354
Net profit (Loss)	3 084	3 155
Profit (Loss) per share (BEF)	606	604
Shareholders' equity	31 941	35 628
Stock market capitalisation	35 896	53 799
Direct holding	43%	0%
Dividend per share (BEF)	270	267.3

CBR


Donald Fallon
Chief Executive Officer

Consolidated accounts

NOTES TO THE 1993 CONSOLIDATED ACCOUNTS

CBR was sold to Heidelberger Zement AG in 1993, as explained in note 2.7 on the scope of consolidation. The sale was concluded on 23 September 1993 subject to certain suspensive conditions being met. The sale was finalized on 21 December 1993, when the shares were transferred to Heidelberger Zement and the sale proceeds were received by Société Générale de Belgique. The Group's balance sheet as at 31 December 1993 reflects the sale of CBR but CBR's income statement is consolidated by the Générale since the Générale managed this subsidiary for the full twelve months of the financial year (moreover, Heidelberger Zement will only include CBR's income statement in its consolidated accounts with effect from 1 January 1994). Significant changes in certain asset and liability accounts are attributable to the disposal of CBR.

RESULTS

The **net profit** for 1993 attributable to Société Générale de Belgique's shareholders amounts to BEF 8,688 million, an improvement of BEF 2,468 million (40%) on the previous year's profit.

The bulk of this increase (BEF 1,800 million) is due to the parent company and the financial subsidiaries which are an extension of its activities; among the sub-groups, significant positive fluctuations come from Recticel (BEF 372 million) and Arbed (BEF 775 million as a result of Arbed no longer being consolidated - see note 2.5 for more details) and a decline at Union Minière, which contributed BEF 420 million less than in 1992. As regards the other companies the year-to-year differences were insignificant.

Turnover amounted to BEF 182.4 billion, nearly 7% (BEF 13.5 billion) down on 1992 (see table below). This is due to Union Minière, which saw its sales decline by BEF 14.4 billion, primarily as a result of the fall in the price of metals (especially zinc) but also due to the depreciation of certain currencies against

the Belgian franc and the drop in Diamant Boart's sales of diamond-tipped tools, linked to the fact that Craelius is no longer consolidated. Recticel's sales fell by BEF 0.5 billion owing to slack markets; the downturn in its traditional markets was only partly offset by the consolidation of new acquisitions. By contrast, CBR boosted its sales by BEF 1.3 billion as a result of including the Polish cement companies' operations for the last five months of the year.

The consolidated companies' **operating profit** fell by BEF 2.3 billion to BEF 5.3 billion; Union Minière and Recticel accounted for BEF 1.7 and BEF 0.7 billion respectively of this decrease.

The past two years' upward trend in **financial results** continued, thanks to Recticel, which was recapitalized at the end of 1992, but the net position remains negative to the tune of BEF 2.3 billion. All the operating companies posted negative financial results for the year, while the overall results for the financial subsidiaries were positive.

The changes in the individual companies' contribution to the **profit from ordinary activities** are given in the table below. It shows a decline in Union Minière's contribution and a turnaround on the part of the parent company and its financial subsidiaries, as well as the major contribution from CBR.

Exceptional items result in net income of BEF 1.8 billion, as against a net charge of BEF 420 million for the Group in 1992.

The Générale and Union Minière recorded the highest exceptional income and charges and account for the BEF 2.3 billion improvement in exceptional items. The main individual components are as follows:

At the Générale:

- the capital gain realized on the sale of CBR (BEF 7.9 billion) and on the sales of Union Minière shares in June and November 1993 (BEF 2.8 billion)
- other exceptional income from winding up the social fund of the former FN (BEF 0.4 billion)

Results per company

Company	Turnover		Profit (loss) on ordinary activities		Profit (loss) of companies included under the equity method	
	1993	1992	1993	1992	1993	1992
Union Minière	105 161	119 520	(1 617)	521	25	450
CBR	48 326	47 012	5 071	4 816	31	56
Recticel	27 997	28 505	443	455	-	-
Others	907	837	(848)	(1 462)	4	-
Tractebel					3 470	3 458
Arbed					-	(775)
Generale Bank					2 597	2 534
AG Group					1 143	1 169
Total	182 391	195 874	3 049	4 330	7 270	6 892

- BEF 3.8 billion written off in accordance with the relevant accounting principles in respect of cumulative translation differences on Tanks Consolidated Investments since the Générale's acquisition of the company in October 1981, as a result of the decision to finally dismantle this British company;
- a BEF 3.9 billion write-down on Arbed (see note 2.5)

At Union Minière:

- capital gains realized on the sale of a 30% stake in Union Mines (BEF 1.1 billion) and the sale of property in rue du Marais in Brussels (BEF 263 million)
- exceptional charges in connection with the France-Transfo litigation (BEF 573 million) and restructuring charges (BEF 783 million).

The pre-tax **profit for the year** of the fully consolidated companies amounts to BEF 4.9 billion, or BEF 1 billion more than in 1992. Tax charges of BEF 1.7 billion, this year represent 34% of pre-tax profit.

Companies accounted for by the equity method contributed BEF 7.3 billion to the **profit**, an increase of 5%. As can be seen from the table on page 42, Union Minière's share declined by BEF 425 million and the fact that Arbed ceased to be consolidated means that there is no negative contribution in 1993 (1992: BEF (775) million). The other companies' contributions remain at the previous year's level.

BALANCE SHEET

Total **assets** - BEF 352 billion in 1992, BEF 286 billion in 1993 - show a year-on-year fall of BEF 66 billion; as described in the introduction to the Commentary on the 1993 consolidated balance sheet results, this decrease is primarily due to the deconsolidation of CBR.

ASSETS

The net value of **intangible fixed assets** is practically reduced by half following the disposal of CBR. Details of the analysis and changes in this item are given in note 5.1.

At the end of the financial year **consolidation goodwill** stood at BEF 12.1 billion, down by BEF 6.9 billion, of which BEF 6.2 billion was due to the sale of CBR. The table in note 7 gives details of the changes in this item.

Tangible fixed assets decreased from BEF 72.9 to 36.2 billion. The table in note 5.2 gives details of this substantial reduction, BEF 35.2 billion of which is due to the sale of CBR. Other changes include Union Minière's sale of property in rue du Marais in Brussels together with investments, depreciation and write-downs for the year.

Owing to the accounting treatment applied in 1993 to the holding in Arbed (see note 2.5) **financial fixed assets** which vary relatively little overall, show a major transfer from interests accounted for by the equity method to non-consolidated interests. Details of all the changes in these items are given in note 5.3.

The BEF 22.6 billion reduction in **current assets** is due to the sale of CBR, whose inventories, receivables and short-term investments no longer appear in the accounts, and also to the decrease in assets held by the Générale's financial subsidiaries.

LIABILITIES

The table in note 6 gives an analysis and details of changes in **shareholders' equity**. At the end of 1992 negative **translation differences** amounted to BEF 7.3 billion, but by the end of 1993 this item had dropped to only BEF 1.6 billion. This reduction is due to the BEF 3.8 billion on Tanks Consolidated Investments which was recorded under exceptional charges in 1993 and to the exclusion of CBR and Arbed from the consolidated accounts (BEF 610 and 450 million).

Minority interests declined by BEF 12.5 billion, with the sale of CBR accounting for a decrease of nearly BEF 20 billion and the Générale's reduced interest in Union Minière resulting in a BEF 7.5 billion increase in new minority interests.

The statement of **provisions and deferred taxes** (see note 8) shows that the sale of CBR accounted for more than BEF 8 billion of the reduction in this item; the provisions set aside by Union Minière, which represent two thirds of overall Group provisions, also decreased, by BEF 1 billion.

Creditors declined by BEF 50 billion. Here too, the sale of CBR accounts for 60%. Proceeds from the sale of CBR and Union Minière were used to repay certain debts, with the balance being placed on short-term deposit. This gives rise to numerous, complex changes in short-term debts and certain current assets.

CONSOLIDATED BALANCE SHEET AT DECEMBER 31

ASSETS

(millions of BEF)

	1993	1992
	182 340	225 909
FIXED ASSETS		
Intangible assets	1 475	2 818
Concessions, patents, licenses	86	86
Goodwill (purchased)	775	1 008
Software	45	73
Other intangible fixed assets	543	1 651
Advance payments	26	0
Consolidation goodwill	12 074	18 926
Tangible fixed assets	36 170	72 906
Land and buildings	13 288	22 545
Plant, machinery and equipment	19 053	38 555
Ships, containers and floating stock	0	276
Furniture and vehicles	1 555	5 249
Leasing and other similar rights	574	624
Other tangible fixed assets	335	1 702
Assets under construction and advance payments	1 365	3 955
Financial fixed assets	132 621	131 259
Investments included under equity method	82 259	92 898
Non-consolidated investments	45 808	33 852
Amounts receivable	4 554	4 509
CURRENT ASSETS	103 866	126 444
Amounts receivable after one year	174	612
Trade debtors	19	157
Other amounts receivable	155	455
Stocks and contracts in progress	28 612	39 267
Stocks	28 455	37 946
Contracts in progress	157	1 321
Amounts receivable within one year	29 742	48 579
Trade debtors	18 221	25 810
Other amounts receivable	11 521	22 769
Current investments	38 582	30 567
Other investments	38 582	30 567
Cash at bank and in hand	3 220	3 277
Deferred charges and accrued income	3 536	4 142
TOTAL ASSETS	286 206	352 353

LIABILITIES AND SHAREHOLDERS' EQUITY

(millions of BEF)

	1993	1992
	192 241	199 090
CAPITAL AND RESERVES		
Group capital and reserves	163 519	157 862
Capital	53 571	53 571
Share premium account	47 524	47 524
Reserves	60 052	58 462
Negative goodwill	3 954	5 563
Cumulative translation differences	(1 582)	(7 258)
Minority interests	28 722	41 228
PROVISIONS AND DEFERRED TAXES	13 001	23 060
Provisions for liabilities and charges	11 937	16 912
Pensions and similar obligations	6 154	7 408
Taxation	154	136
Major repairs and maintenance	509	1 470
Other liabilities and charges	5 120	7 898
Deferred taxes	1 064	6 148
CREDITORS	80 964	130 203
Amounts payable after one year	17 757	47 349
Financial debts	16 406	45 807
Advances received on contracts	0	24
Other amounts payable	1 351	1 518
Amounts payable within one year	59 378	77 292
Current portion of amounts payable after one year	10 731	7 092
Financial debts	20 117	31 815
Trade debts	12 308	16 868
Advances received on contracts	506	720
Taxes, remuneration and social security	5 674	7 365
Other amounts payable	10 042	13 432
Accrued charges and deferred income	3 829	5 562
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	286 206	352 353

CONSOLIDATED INCOME STATEMENT

(millions of BEF)

	1993	1992
Operating income	184 531	195 040
Turnover	182 391	195 874
Increase (decrease) in stocks of finished goods, work and contracts in progress	(1 083)	(4 757)
Own work capitalized	479	616
Other operating income	2 744	3 307
Operating charges	179 189	187 355
Raw materials, consumables and goods for resale	98 522	107 370
Purchases	92 792	114 183
(Increase) decrease in stocks	5 730	(6 813)
Services and other goods	26 718	25 168
Remuneration, social security costs and pensions	40 413	41 345
Depreciation and amounts written off intangible and tangible fixed assets	11 246	10 780
Increase (decrease) in amounts written off stocks, contracts in progress and trade debtors	(123)	743
Increase (decrease) in provisions for liabilities and charges	(442)	(765)
Other operating charges	2 855	2 714
Operating profit	5 342	7 685
Financial income	9 019	8 398
Income from financial fixed assets	1 707	1 599
Income from current assets	3 140	2 335
Other financial income	4 172	4 464
Financial charges	11 312	11 753
Interest and other debt charges	6 572	6 928
Amounts written off current assets	112	115
Other financial charges	4 628	4 710
Financial profit (loss)	(2 293)	(3 355)
Profit (loss) on ordinary activities	3 049	4 330

CONSOLIDATED INCOME STATEMENT

(millions of BEF)

	1993	1992
Exceptional income	14 796	7 640
Adjustments to depreciation and other amounts written off intangible and tangible fixed assets	89	16
Adjustments to amounts written off financial fixed assets	48	92
Adjustments to provisions for exceptional liabilities and charges	185	2 156
Capital gains on disposals of fixed assets	13 130	3 070
Other exceptional income	1 344	2 306
Exceptional charges	12 961	8 060
Exceptional depreciation and amounts written off intangible and tangible fixed assets	496	1 390
Amounts written off financial fixed assets	4 917	2 052
Provisions for exceptional liabilities and charges; allocated (applied)	(1 047)	978
Loss on disposals of fixed assets	201	277
Other exceptional charges	8 394	3 363
Exceptional profit (loss)	1 835	(420)
Profit for the year before tax	4 884	3 910
Income taxes	(1 650)	(2 353)
Profit for the year of consolidated companies	3 234	1 557
Group share of results of companies included under the equity method	7 270	6 892
Profit	7 334	7 893
Loss	(64)	(1 001)
Consolidated shares	10 504	8 449
Minority interest	1 816	2 229
Group share	8 688	6 220

CONSOLIDATED APPROPRIATION ACCOUNT

(millions of BEF)

	1993	1992
Appropriation of Group share	8 688	6 220
Transfers from (to) reserves	(1 590)	583
(Remuneration of company shareholders)	(7 098)	(6 803)
Appropriation of minority share	1 816	2 229
Transfers from (to) minority share	(1 249)	(611)
(Remuneration of minority shareholders)	(567)	(1 618)

STATEMENT OF CASH FLOWS

(millions of BEF)

	1993	1992	1991
Operating activities			
Net consolidated profit, Group share	8 688	6 220	7 602
Net consolidated profit, minority share	1 816	2 229	2 366
Net profit of companies included under the equity method	(2 725)	(2 639)	(4 353)
Depreciation of tangible fixed assets	9 414	9 697	12 430
Amortisation of intangible fixed assets and goodwill	2 238	2 457	2 534
Release of capital subsidies	(220)	(315)	(288)
Amounts written off (written back to) financial fixed assets	4 885	1 959	1 385
Other exceptional charges (income) with no impact on the cash balance	3 854	(1 449)	0
Movements of provisions for liabilities and charges	(1 389)	(691)	4 245
(Gain) Loss on disposals of fixed assets	(13 005)	(2 998)	(8 143)
Cash flow	13 556	14 470	17 778
Change in working capital	12 735	(4 438)	4 459
Impact of changes in scope of consolidation and translation differences on working capital	(6 985)	(1 982)	(8 090)
Net cash provided by (used in) operating activities	19 306	8 050	14 147
Investing activities			
Acquisition of tangible fixed assets	(8 116)	(8 916)	(16 120)
Acquisition of intangible fixed assets	(468)	(198)	(235)
Acquisition of new companies	(2 040)	(1 122)	(329)
Acquisition of additional shares in Group companies	(7 966)	(2 853)	(1 740)
Purchase of shares in non-consolidated companies	(932)	(1 084)	(6 209)
New loans granted, including purchase of debentures	(753)	(1 869)	(4 195)
Sub-total of acquisitions	(20 275)	(16 042)	(28 828)
Sale of tangible fixed assets	1 050	2 494	3 392
Sale of intangible fixed assets	27	102	1
Sale of Group companies	10 844	120	16 282
Sale of shares in Group companies	10 644	193	1 584
Sale of shares in non-consolidated companies	2 154	10 508	14 411
Repayment of loans and disposal of debentures	644	2 267	3 997
Sub-total of sales	25 363	15 684	39 667
Net cash provided by (used in) investing activities	5 088	(358)	10 839
Financing activities			
Amounts received from shareholders following a capital increase	5 744	5 717	278
Amounts paid to shareholders following a capital repayment	(163)	0	0
Capital subsidies	16	17	140
New loans	4 840	8 626	21 021
Repayment of loans	(6 571)	(11 798)	(17 456)
Dividends paid by the parent company to its shareholders	(6 867)	(6 679)	(6 672)
Dividends paid by subsidiaries to minority shareholders	(1 705)	(1 737)	(2 397)
Net cash provided by (used in) financing activities	(4 706)	(5 854)	(5 086)
Change in cash and cash equivalents less short-term debts to financial institutions	19 688	1 838	19 900
Cash and cash equivalents at beginning of financial year	923	(915)	(20 815)
Cash and cash equivalents at end of financial year	20 611	923	(915)

COMMENTARY ON THE STATEMENT OF CASH FLOWS

The various items making up the overall cash flow are clearly defined and may be found in the income statement and notes to the accounts. However, it should be pointed out that other exceptional charges which do not affect the cash position relate to the cumulative translation differences on Tanks. Capital gains and losses on disposals of fixed assets (BEF 13 billion) were generated by transactions carried out by the parent company (BEF 11 billion on the sale of CBR, Union Minière shares, Cobac) and by Union Minière (BEF 1.7 billion on the sale of a 30% interest in Union Mines and the sale of Afficuvre, the property in rue du Marais and land); disposals by CBR before it left the Group account for the balance.

The year's investments in tangible fixed assets (BEF 8.1 billion), which are described in detail in note 5.2, include BEF 4 billion invested by CBR, BEF 2.3 billion by Union Minière and BEF 1.6 billion by Recticel. Acquisitions of new companies mainly comprise CBR's Polish cement companies; additional interests in companies already included in the consolidated accounts (BEF 8 billion) comprise: Generale Bank and AG acquired by the Générale (BEF 5.5 and 1.3 billion), Mokra by CBR (BEF 0.4 billion) and Tarec by Recticel (BEF 0.4 billion).

CBR was the only company completely sold off by the Group (BEF 10.8 billion). The amount on this line does not represent the full amount of the sale proceeds since the positive cash flow of the CBR group at the time of the sale (BEF 11.7 billion) was deducted from the sale proceeds (BEF 22.5 billion). Sale of shares in Group companies relates to the Générale's disposal of Union Minière shares.

NOTES TO THE 1993 CONSOLIDATED ACCOUNTS

NB: Unless otherwise indicated, all amounts are in millions of BEF.

§ 1 CRITERIA FOR METHOD OF CONSOLIDATION

Full consolidation is applied to companies in which the consolidating company has a de facto or de jure controlling interest.

Proportional consolidation is applied to companies jointly held and managed by a limited number of shareholders.

The equity method is applied for associated companies over which significant influence is exercised by one or more companies included in the consolidation.

In significant cases where one of these criteria is not applied, the reason is given in § 2 below.

§ 2 SCOPE OF CONSOLIDATION

§ 2.1 List of the main companies and their subsidiaries fully consolidated by the Générale

Name, registered office and country	Percentage interest in	
	1993	1992
Société Générale de Belgique, Brussels - B	100.00	100.00
Union Minière, Charleroi - B	63.35	81.57
Union Minière France, Bagnolet - F	63.35	81.57
Union Minière SF, Brussels - B	63.35	81.57
Union Mines, Denver - USA (1)	63.25	81.44
Sogem, Brussels - B	62.98	81.05
Cie Royale Asturienne des Mines, Brussels - B	35.42	54.36
Union Minière Mexico, Mexico City - MEX	25.34	33.59
Metalrame, Avellino - I	63.35	81.57
K.M.Z.M., Machelen - B	53.41	68.77
Asturienne Penamet, Pantin - F	63.34	81.56
Sibeka, Brussels - B	34.51	44.44
Syndiaco, Tortola - BVI	34.51	44.44
Diamant Boart Investment, Kansas City - USA	34.50	44.38
Diamant Boart ICC, Brussels - B	34.32	43.76
Diamant Boart SA, Brussels - B	34.50	44.44
Sibinter, Luxembourg - L	34.51	44.44

(1) Union Minière sold a 30% interest in Union Mines on 31 December 1993.

NOTES TO THE 1993 CONSOLIDATED ACCOUNTS

§ 2.1 List of the main companies and their subsidiaries fully consolidated by the Générale (continued)

Name, registered office and country		Percentage interest in	
		1993	1992
Cimenteries CBR, Brussels - B	(1)	42.43	42.58
CBR IS, Brussels - B	(1)	41.22	41.62
CBR Materials Corp., Calgary - CDN	(1)	42.43	42.58
ENCI, 's Hertogenbosch - NL	(1)	29.27	29.38
CBR Investment, San Mateo - USA	(1)	42.43	42.58
CBR Finance, Luxembourg - L	(1)	42.43	42.58
Interbeton, Brussels - B	(1)	20.48	23.72
Gralex, Brussels - B	(1)	21.21	21.29
Mokra, Mokra - CZ	(1)	15.91	14.74
CEDEE, Brussels - B		100.00	100.00
Centrans, Eygelshoven - NL		100.00	100.00
Cenanfi, Paris - F		0	100.00
Centre de Coordination "Générale", Brussels - B		100.00	100.00
CIG-Intersys Group, Brussels - B		66.79	65.09
Finoutremer, Brussels - B		55.16	55.16
Agriges, Brussels - B		55.16	55.16
Agricom, Brussels - B		52.38	51.23
Chanic, Brussels - B		30.86	30.86
Recticel, Brussels - B		73.57	73.57
Recticel, Wetteren - B		73.57	73.57
Recticel Deutschland, Bexbach - D		73.57	73.57
Recticel, Kesteren - NL		73.57	73.57
Schlarrafia, Bochum - D		73.57	73.57
Recticel UK, Afreton - UK		73.57	73.57
Recticel Foam Corp., Laporte - USA		73.57	73.57
Recticel Holdnoord, Kesteren - NL		73.57	73.57
Genfina, Brussels - B		60.00	60.00
GIF, Luxembourg - L		100.00	100.00
GIF, Rotterdam - NL		100.00	100.00
GIF, Curaçao - NA		100.00	100.00
Sogenbel, Brussels - B		100.00	100.00
Tanks, Nassau - BAH		100.00	100.00
UFI, Liège - B		99.98	99.98

§ 2.2 List of the main companies included under the equity method by the Générale

Arbed, Luxembourg - L	(2)	-	25.56
Sidmar, Ghent - B	(2)	-	17.12
ALZ, Genk - B	(2)	-	7.91
MMRA, Rodange - L	(2)	-	11.91
Belgo-Mineira, Sabara - BRA	(2)	-	9.02
Tractebel, Brussels - B		34.46	34.54
CIB, Brussels - B		10.59	10.87
Rineau, Nantes - F		31.04	30.63

(1) The income statement is still consolidated in 1993 but in view of the disposal of CBR on 21 December 1993, the assets and liabilities are no longer included in the Group's balance sheet.

(2) As explained in § 2.5 below, Arbed ceased to be accounted for by the equity method with effect from 1 January 1993.

§ 2.2 List of the main companies included under the equity method by the Générale (continued)

Name, registered office and country	Percentage interest in	
	1993	1992
Fabricom, Brussels - B	32.00	31.95
Gecoli, Linkebeek - B	11.04	10.09
Powerfin, Brussels - B	21.01	21.16
Distrigaz, Brussels - B	11.46	11.49
Electrabel, Brussels - B	11.79	10.74
Generale Bank, Brussels - B	26.21	22.25
Banque Parisienne de Crédit, Paris - F	26.21	15.58
Banque Belgo-Zairoise, Brussels - B	14.09	11.96
Générale de Banque Belge pour l'Etranger, Brussels -B	26.21	22.25
Banque Générale du Luxembourg, Luxembourg - L	11.38	9.36
Eurolease, Brussels - B	26.21	22.25
Compagnie de Gestion et de Banque Gonet, Geneva - CH	26.21	22.25
Generale Bank & Co, Cologne - D	26.21	22.25
AG Group, Brussels - B	18.87	19.58
AG 1824, Brussels - B	9.44	9.79
Amev/VSB 1990, Utrecht - NL	8.89	9.22
Caiñor, Barcelona - S	4.72	4.90
AG 1990, Brussels - B	17.77	18.44
AG 1990, Utrecht - NL	17.77	18.44

§ 2.3 List of companies

The two lists above include only those subsidiaries and associated companies held directly by the Générale, as well as the main companies included in their consolidated accounts.

In 1993, the full scope of consolidation of the Générale Group comprised : 316 fully consolidated companies, 36 proportionally consolidated companies and 648 companies accounted for by the equity method. For the previous year, these figures were 315, 43 and 828 respectively.

The full list of consolidated subsidiaries and companies accounted for by the equity method comprises a large number of relatively insignificant holdings. As such it would be of little interest to the reader to publish this list here. This list has been deposited with the National Bank of Belgium together with the company and consolidated accounts; it can also be obtained on request from the Communication Department of the Générale.

The annual reports of the main companies consolidated or included under the equity method by the Générale also supply further detailed information on their respective scopes of consolidation.

§ 2.4 Non-consolidated companies

Subsidiaries not consolidated:
because they are not significant :

- Société Générale de Belgique (Japan) Co. Ltd, Tokyo - J
- Société d'Investissement du Bassin Liégeois, Liège - B

in liquidation :

- De Coene, Courtrai - B
- Belgatel, Brussels - B

Associated company not included under the equity method because its consolidation would not be significant : Société Espace Léopold, Brussels - B

The full list of unconsolidated subsidiaries and companies not included under the equity method at subsidiary and sub-subsidiary level comprises 416 companies. It would be of little interest to the reader to publish this list here, given the small size of these companies. This list has also been deposited with the National Bank of Belgium together with the company and consolidated accounts and can be obtained on request from the Communication Department of the Générale.

§ 2.5. End of the application of the equity method to Arbed

As at 31 December 1992 the Générale held 25.56% of Arbed's capital and 29.19% of its voting rights, the Grand-Duchy of Luxembourg having corresponding holdings of 40.34% and 31.87%.

At the press conference held on 8 April 1993 on the results of the 1992 financial year the Générale announced that it had concluded an agreement on 24 March 1993, after several months of negotiations, with the Luxembourg government - the Générale and the Luxembourg government being the two largest shareholders in Arbed - for the purpose of looking for a new industrial partner who could acquire an interest in the Luxembourg steel maker in due time.

NOTES TO THE 1993 CONSOLIDATED ACCOUNTS

Details of this agreement were given in the press release of 8 April 1993 and in the 1992 Annual Report (page 8); the Chairman, Etienne Davignon, also commented on the agreement at the Annual General Meeting on 19 May 1993.

In support of Arbed's crisis plan, but without any financial contribution on the part of the Générale, the two shareholders, acting in the spirit of the agreement they had concluded, took the following measures during the first half of 1993 in order to maintain the company's stability at a difficult time;

- they exchanged 440,000 ordinary shares held by the Générale for the same number of non-voting shares held by the Grand-Duchy of Luxembourg in order to maintain the latter's voting power;
- they set up a limited partnership incorporated under Luxembourg law (LGA sca), in which the two parties were equal partners, the managing partner being a private limited liability company incorporated under Luxembourg law, whose main task was to find a new industrial partner for Arbed; in order to give concrete backing to this objective, each partner contributed 440,000 shares with voting rights;
- they abandoned their obligation to adopt a joint position with regard to appointments to the board of directors; they are continuing to consult each other on all significant matters relating to Arbed but each party remains free to exercise its voting rights as it wishes. It should be recalled that Arbed's Board consists of 21 directors, including 3 representing the Générale.

If a new industrial partner has not been found by 31 December 1995 the shareholders may, subject to the approval of the managing partner, decide to wind up LGA sca or the Grand-Duchy of Luxembourg may acquire the Générale's holding in LGA sca.

The exchange and contribution of shares did not affect either the consolidated results or the parent company's results.

Following these transactions, the Générale now holds only 19.43% of Arbed's capital and 14.97% of voting rights. The corresponding percentages for the Luxembourg government are 34.11% and 31.87% and for LGA sca 12.45% and 14.22%. LGA sca is managed by the managing partner, LGA Management, a private limited company incorporated under Luxembourg law, in which the Générale has no interest whatsoever. In addition, the Générale has no power to give the managing partner direct or indirect instructions as to how the Arbed voting rights held by the limited partnership should be exercised.

As a result of this agreement, the Générale irreversibly ceased to exercise any significant influence over the management of Arbed; consequently it decided that Arbed should no longer be accounted for by the equity method with permanent effect from 1 January 1993.

On the basis of Arbed's consolidated accounts, and if Arbed had still been accounted for by the equity method in 1993, the share of the Générale in Arbed's loss for the year would have been BEF 1,200 million.

When the use of the equity method was ended, the Board of Directors decided to carry the Arbed shares in the accounts at the latest value under the equity method; this is why the goodwill on the Arbed shares still held will be maintained under liabilities and shareholders' equity until the shares are sold. The shares have been written-down by BEF 3.9 billion.

§ 2.6. Consolidation of Tractebel

The Board of Directors of Société Générale de Belgique has re-examined the problem of the consolidation of the Tractebel group in the light of the points raised by the Banking and Finance Commission last year.

The regulatory body and the Générale disagree on the interpretation of article 14 § 1 of the Royal Decree of 6 March 1990 on consolidated accounts, which stipulates that a de facto subsidiary may be excluded from the scope of consolidation if the inclusion of such a subsidiary would be contrary to the obligation to present a true and fair view.

However, the concept of a "true and fair view" is not defined in Community directives. According to Belgian legislation a true and fair view is achieved by applying the formats and accounting principles laid down by law, although allowance is made for certain exceptions. Interpretations range from strict

Consolidated balance sheet after appropriation (millions of BEF)

ASSETS	31.12.1993	31.12.1992
Fixed assets	420 042	412 696
Intangible fixed assets	11 005	8 262
Tangible fixed assets	235 927	233 761
Financial fixed assets	173 110	170 673
<i>Investments included under the equity method</i>	<i>129 759</i>	<i>123 681</i>
<i>Other shareholdings</i>	<i>39 286</i>	<i>43 431</i>
<i>Amounts receivable</i>	<i>4 065</i>	<i>3 561</i>
Current assets	141 752	135 550
Total assets	561 794	548 246

LIABILITIES		
Capital and reserves	237 629	233 361
<i>Group capital and reserves</i>	<i>90 608</i>	<i>90 668</i>
<i>Minority interests</i>	<i>147 021</i>	<i>142 693</i>
Provisions for liabilities and charges	30 669	28 025
Creditors	293 496	286 860
Amounts payable after one year	126 523	123 744
Amounts payable within one year	155 301	153 497
Accrued charges and deferred income	11 582	9 619
Total liabilities	561 794	548 246

Consolidated income statement (millions of BEF)

	1993	1992(*)
Turnover	270 771	257 264
Cost of sales	261 940	247 938
Operating income (charge)	8 831	9 326
Financial income (charge)	22 674	22 185
Profit (loss) on ordinary activities	33 358	32 470
Exceptional income (charge)	1 659	549
Pre-tax profit (loss) for the year	35 017	33 019
Income taxes	8 432	(6 022)
Consolidated profit (loss)	26 585	26 997
Minority interests	16 681	17 679
Group share	9 904	9 318

(*) An amount of BEF 624 million was transferred from operating charges to income taxes; this amount corresponds to the tax on cooling water discharged from power stations.

application of the law to a pragmatic approach to economic reality.

The Board of Directors continues to believe that full consolidation of the Tractebel group's accounts would give a view of the Générale's policy which does not correspond to the position which the Générale adopts with regard to its subsidiaries, not only because of the imperfect nature of control over a regulated sector company but also in view of the disproportionate weight this sub-group would represent in the various balance sheet and income statement headings, and also in view of the Group's limited economic interest in Electrabel.

By virtue of the way in which it is structured and the way in which it operates the Générale Group is very different from the classic types of groups operating in the United Kingdom and United States, which were the first countries to draw up consolidation principles. Moreover, even in Belgium the type of its holdings and the relationship between the holding company and the various companies in which it has interests mean that it is very difficult to place the Générale in one of the categories which have now become current, i.e. industrial, operating or financial holding company. The Générale is not an industrial operator in the gas and electricity sector, which is the impression which would be given if Tractebel, and particularly Electrabel, were included in the accounts on the basis of full consolidation.

A more accurate view of the Group's current economic position is achieved by

accounting for the Tractebel group under the equity method. The use of this treatment makes no difference to the Générale Group's equity or its share of the consolidated results. As was the case with previous years' annual reports, Tractebel's consolidated accounts are given here for information.

§ 2.7 Movements during the year

A. The Générale

- CBR and Cenanfi left the Group;
- End of equity method accounting for Arbed as at 1 January 1993;
- holding in Union Minière decreased following the sales in June and November;
- holding in AG reduced;
- holding in Generale Bank increased.

B. Among the subsidiaries, the main changes in the scope of consolidation were as follows:

- Union Minière consolidated Bowden Industries and ceased to include Staiger, Sogemetais, Sogem Mexico and Mexicana de Cananea in its scope of consolidation;
- Recticel consolidated Polopren and Poran for the first time and increased its holding in Tarec;
- Tractebel included Nigen and Ecobel in its scope of consolidation.

§ 3 LIST OF THE MAIN NON-CONSOLIDATED COMPANIES IN WHICH THE GENERALE HOLDS MORE THAN 10%

For the Générale, this applies to the following significant companies: Suez Investicni, Société Espace Léopold, Arbed, Belfin and Accor.

Among the subsidiaries, the main holdings are as follows:

Recticel: SBA Bâtiment

Union Minière: Contimine, DAR, Hydro Aubrac, Laser Power Corporation

Readers will find the relevant information on these companies under point V of the notes to the accounts in the annual reports of each of the shareholder companies.

§ 4 ACCOUNTING PRINCIPLES

Restatements and eliminations

The application of uniform accounting principles and valuation methods within the Group means that the consolidated companies accounts can be prepared on the same economic basis and may require company accounts to be restated in accordance with the accounting principles described below.

After the balance sheets and income statements have been combined, after being restated where necessary, intra-group balances are eliminated, together with losses and profits on transactions between Group companies.

Gains or losses of interest

A gain or a loss is recorded when there is a reduction in the effective percentage holding in a consolidated company following a capital increase.

When the Group increases its percentage holding in the same circumstances, the subsequent consolidation differences are treated as goodwill.

Conversion of assets and liabilities denominated in foreign currency

Assets and liabilities denominated in foreign currency are translated at the official exchange rates at the end of the financial year. For Belgian companies,

this affects items not denominated in Belgian francs. For foreign companies, it concerns items denominated in a currency other than that used for their financial statements. The gains or losses resulting from these conversions as well as the exchange differences realised on the financial year's transactions are recorded in the income statement.

Translation of the financial statements of foreign companies and branches

Balance sheets of foreign companies and branches are translated into Belgian francs at the official exchange rates at the end of the financial year, and income statements at the average rates for the financial year. The differences resulting from the translation of the balance sheets are debited or credited to shareholders equity; the Group's share in these differences appears in the item Translation differences, as part of consolidated shareholders' equity.

End of the financial period

The consolidated accounts are drawn up for the year ending 31 December, the end of the financial period for the parent company and for most consolidated companies. When a company's financial period ends between 30 September

and 31 December, its annual accounts are used without modification. If the financial period ends before 30 September, an interim statement as at 31 December is prepared for consolidation purposes.

Intangible and tangible assets

Assets are carried at historical cost less accumulated depreciation, calculated over the estimated economic life of the assets concerned using the straight-line or reducing balance method.

The useful economic lives applied are as follows:

- Buildings: 20 to 50 years (straight line);
- Equipment and movable assets: 3 to 10 years (straight line or reducing balance);
- Complex installations, machines and specific tools: 5 to 20 years (straight line or reducing balance);
- Ships and floating stock: 20 years (straight line);
- Containers: 10 years (straight line).

Acquisitions are recorded at cost price. Repairs and maintenance are charged to the income statement. Assets acquired under financial leases are recorded as fixed assets at their original value and rentals paid are replaced in the income statement by depreciation and interest expenses.

Goodwill

When a company is acquired, a difference arises between the cost price of the investment and the corresponding share in the company's equity. This difference is often justified by the existence of unrecorded gains or losses in respect of the underlying assets and liabilities of the acquired company, or in view of the expected future profitability of the investment.

With effect from 1 January 1988, the main differences arising from the reappraisal of assets and liabilities have been added to or deducted from the balance sheet items concerned, and written off, depreciated or adjusted in the income statement according to the rules applicable to the assets and liabilities concerned. The residual intangible difference is included in the consolidated balance sheet under the heading Goodwill and is written off on a straight-line basis over a period not exceeding 20 years.

Financial fixed assets

In the consolidated balance sheet, investments included under the equity method are valued on the basis of the share in the equity determined according to the rules of consolidation rather than on the basis of the book value in the holding company.

Investments in non-consolidated companies represent long-term investments which enable a decisive or significant influence to be exercised within the issuing company, or allow business relations to be established with it, but which do not meet the criteria for consolidation. They are recorded at their acquisition value, taking into account any amounts still not paid up. A specific reduction in value is recorded when the valuation reveals a permanent impairment of value.

Stocks

Stocks are valued at the historical cost obtained by applying the first in, first out (FIFO) method or by the method of the weighted average cost calculated over a period not exceeding the average duration of stocking. Certain non-ferrous

products whose prices are subject to significant cyclical fluctuations, are valued according to the last-in, first-out (LIFO) method, so as to give a more faithful view of the economic activity. If the realisable value of stocks is less than the cost price, they are reduced in value accordingly.

The cost price of purchased products includes the net acquisition cost and ancillary expenses. For finished products and stocks in progress, the cost price takes into account a proportion of the direct and indirect production expenses.

Contracts in progress

The cost price of long-term contracts is determined in the same way as work in progress; it may also include the financial expenses directly incurred to finance these contracts.

Long-term contracts are valued according to the percentage of completion method.

Amounts receivable and amounts payable

Amounts receivable and amounts payable are carried at their nominal value. If they are denominated in foreign currencies, they are carried at their Belgian franc equivalent at the rate in force on the day of acquisition.

At the end of the financial year, they are valued on the basis of the last exchange rate of the financial year. With regard to receivables, the rules for recording impairment of value are similar to those adopted for securities.

Current investments

This heading includes short-term deposits with credit institutions as well as securities acquired as market opportunities arose or where temporary excess funds had to be placed. They are valued at their acquisition value or at the stock market value for listed securities and the estimated value for unlisted securities, if the latter is lower than cost.

Provisions for pensions

Retirement pensions due under various obligatory retirement schemes to which employers and employees contribute are generally managed by specialist external organisations. The contributions due for the financial year are charged against the profit for the period.

Additional pension plans which generate obligations for the companies concerned are covered by provisions. These amounts are calculated by actuarial methods on the basis of the expected future salaries at the end of the employee's career.

Company taxes

In the consolidated accounts, deferred taxes are recorded on all temporary differences, resulting from expenses and income which are included or excluded from the accounting profit of one financial year but may be deducted from or included in the taxable basis of other financial years in the course of which these differences will reverse. Deferred taxes are calculated on the basis of the latest known tax rate on the date the accounts are drawn up. On this date and for each of the taxable concerns included in consolidation, tax assets and liabilities on all temporary differences are offset. Only the net balance of deferred tax liabilities remaining after offsetting qualifying assets is recorded in the balance sheet.

§ 5 5.1 Statement of intangible fixed assets.

	Concessions, patents, trade licences	Purchased Goodwill	Software	Other intangible fixed assets	Advance Payments	Total
A. Acquisition value						
• At the beginning of the financial year	237	1 265	234	3 042	0	4 778
• Movements						
- Changes in consolidation scope	(9)	(1 356)	(81)	(991)	0	(2 437)
- Acquisitions	24	381	21	16	25	467
- Own work capitalized	0	0	0	0	2	2
- Sales	(34)	(18)	(5)	(12)	0	(69)
- Retirals	(85)	0	(7)	(11)	0	(103)
- Transfers	0	662	14	(716)	(1)	(41)
- Translation differences	13	59	7	232	0	311
- Subtotal of movements	(91)	(272)	(51)	(1 482)	26	(1 870)
• At the end of the financial year	146	993	183	1 560	26	2 908

B. Depreciation and amounts written off

• At the beginning of the financial year	151	257	161	1 391	0	1 960
• Movements						
- Changes in consolidation scope	(2)	(310)	(62)	(600)	0	(974)
- Charge for the year	24	143	39	323	0	529
- Amounts written back	(10)	0	0	(54)	0	(64)
- Sales	(20)	(6)	(5)	(12)	0	(43)
- Retirals	(85)	0	(7)	(11)	0	(103)
- Transfers	(1)	124	6	(137)	0	(8)
- Translation differences	3	10	6	117	0	136
- Subtotal of movements	(91)	(39)	(23)	(374)	0	(527)
• At the end of the financial year	60	218	138	1 017	0	1 433

C. Net book value at

• the beginning of the financial year	86	1 008	73	1 651	0	2 818
• the end of the financial year	86	775	45	543	26	1 475

NOTES TO THE 1993 CONSOLIDATED ACCOUNTS

5.2 Statement of tangible fixed assets

	Land and buildings	Plant, machinery and equipment	Ships, containers and floating stock	Furniture and vehicles	Leasing and other similar rights	Other tangible fixed assets	Assets under construction and advance payments	Total
A. Acquisition value								
• At the beginning of the financial year	42 308	91 030	831	13 514	1 204	2 804	3 955	155 646
• Movements								
- Changes in consolidation scope	(19 288)	(40 481)	(868)	(8 761)	30	(1 818)	(1 554)	(72 740)
- Acquisitions	2 041	2 642	24	926	15	46	1 945	7 639
- Own work capitalized	28	422	0	3	0	5	19	477
- Sales	(617)	(747)	(3)	(599)	(55)	(713)	(60)	(2 794)
- Retirals	(155)	(863)	0	(142)	(16)	(55)	0	(1 231)
- Transfers	(68)	1 994	0	76	24	1 020	(3 000)	46
- Translation differences	544	1 000	16	297	68	23	60	2 008
- Other movements	0	0	0	0	0	0	0	0
- Subtotal of movements	(17 515)	(36 033)	(831)	(8 200)	66	(1 492)	(2 590)	(66 595)
• At the end of the financial year	24 793	54 997	0	5 314	1 270	1 312	1 365	89 051

B. Depreciation and amounts written off

• At the beginning of the financial year	19 763	52 475	555	8 265	580	1 102	0	82 740
• Movements								
- Changes in consolidation scope	(9 003)	(21 213)	(599)	(5 498)	4	(558)	0	(36 867)
- Charge for the year	1 808	5 780	38	1 505	113	216	0	9 460
- Amounts written back	(25)	(22)	0	0	0	0	0	(47)
- Sales	(354)	(547)	(2)	(480)	(32)	(526)	0	(1 941)
- Cancellations	0	0	0	0	0	0	0	0
- Transfers	(711)	(69)	0	(30)	6	816	0	12
- Translation differences	169	389	8	136	41	11	0	754
- Other movements	(142)	(849)	0	(139)	(16)	(84)	0	(1 230)
- Subtotal of movements	(8 258)	(16 531)	(555)	(4 506)	116	(125)	0	(29 859)
• At the end of the financial year	11 505	35 944	0	3 759	696	977	0	52 881

C. Net book value

• at the beginning of the financial year	22 545	38 555	276	5 249	624	1 702	3 955	72 906
• at the end of the financial year	13 288	19 053	0	1 555	574	335	1 365	36 170

5.3 Statement of financial fixed assets

A. Holdings included under the equity method

• Value at the beginning of the financial year		92 898
• Movements		
- Changes in consolidation scope		(20 186)
- Gains/losses of interest		(6)
- Capital increases		16
- Dividends paid		(4 149)
- Profit (loss) for the financial year		7 271
- Allocation of goodwill net of amortisation		0
- Sales		(517)
- Acquisitions		6 587
- Transfers		167
- Translation differences		178
- Other movements		0
- Subtotal of movements		(10 639)
• Value at the end of the financial year		82 259

B. Unconsolidated shareholdings

	Acquisition value	Provisions
• At the beginning of the financial year	42 532	8 680
• Movements		
- Movements in consolidation scope	17 925	128
- Acquisitions	988	0
- Sales	(2 813)	(1 033)
- Provisions	0	4 871
- Amounts written back	0	(4)
- Translation differences	543	121
- Transfers and other movements	(625)	(21)
- Subtotal of movements	16 018	4 062
• At the end of the financial year	58 550	12 742

	Net book value	Market value
• At the beginning of the financial year	33 852	29 307
• At the end of the financial year	45 808	44 369

C. Amounts receivable

	Acquisition value	Amounts written off
• At the beginning of the financial year	7 211	2 702
• Movements		
- Movements in consolidation scope	(444)	0
- Additions and acquisitions	637	0
- Provisions and amounts written back	0	3
- Repayments and disposals	(595)	0
- Translation differences	82	9
- Transfers and other movements	123	(254)
- Subtotal of movements	(197)	(242)
• At the end of the financial year	7 014	2 460

	Net book value
• At the beginning of the financial year	4 509
• At the end of the financial year	4 554

NOTES TO THE 1993 CONSOLIDATED ACCOUNTS

§ 6 CHANGES IN SHAREHOLDERS' EQUITY

	Number of shares	Capital	Share premium account	Reserves	Goodwill	Translation differences	Total
• At 31 December 1992	64 182 790	53 571	47 524	58 462	5 563	(7 258)	157 862
• Movements :							
- Translation differences						5 676	5 676
- Movements in goodwill					(1 609)		(1 609)
- Profit generated in 1993				8 688			8 688
- Dividends declared				(7 098)			(7 098)
• At 31 December 1993	64 182 790	53 571	47 524	60 052	3 954	(1 582)	163 519

§ 7 STATEMENT OF GOODWILL ARISING ON CONSOLIDATION

						Goodwill	Negative goodwill
Net book value							
• At the beginning of the financial year						18 926	5 563
• Movements							
- Changes in consolidation scope						(5 351)	(1 324)
- Depreciation charge						(1 753)	0
- Sales						(783)	0
- Acquisitions						1 191	0
- Translation differences						142	0
- Other movements						(298)	(285)
- Subtotal of movements						(6 852)	(1 609)
• At the end of the financial year						12 074	3 954

§ 8 STATEMENT OF PROVISIONS AND DEFERRED TAXES

	Pensions and similar obligations	Taxation	Major repairs and maintenance	Other liabilities and charges	Deferred taxes	Total
Net book value						
• At the beginning of the financial year	7 408	136	1 470	7 898	6 148	23 060
• Movements						
- Movements in consolidation scope	(1 422)	0	(946)	(1 155)	(5 391)	(8 914)
- Charges	1 932	65	953	2 757	538	6 245
- Amounts applied	(1 578)	(26)	(916)	(3 999)	(78)	(6 597)
- Amounts released	(221)	(26)	(66)	(493)	(231)	(1 037)
- Amounts transferred	14	4	7	2	0	27
- Translation differences	21	1	7	114	78	221
- Other movements	0	0	0	(4)	0	(4)
- Subtotal of movements	(1 254)	18	(961)	(2 778)	(5 084)	(10 059)
• At the end of the financial year	6 154	154	509	5 120	1 064	13 001

§ 9 STATEMENT OF DEBTS PAYABLE AFTER ONE YEAR

A. Breakdown by maturity date

	y+2	y+3	y+4	y+5	y+6 to 10	y+11 to 15	over y+15	Total
Subordinated loans	0	0	0	0	28	0	0	28
Unsubordinated debentures	49	0	1 000	0	805	0	0	1 854
Leasing and similar agreements	122	129	139	92	166	10	0	658
Loans from credit institutions	2 890	4 968	2 507	634	1 495	12	0	12 506
Other loans	934	171	168	15	72	0	0	1 360
Subtotal of financial debts	3 995	5 268	3 814	741	2 566	22	0	16 406
Other debts*	228	120	116	93	141	34	0	732
Total	4 223	5 388	3 930	834	2 707	56	0	17 138

B. Breakdown by currency

	BEF	FRF	DEM	GBP	USD	JPY	NLG	Others	Total
Subordinated loans	0	0	0	0	0	0	0	28	28
Unsubordinated debentures	1 854	0	0	0	0	0	0	0	1 854
Leasing and similar agreements	2	297	0	0	358	0	0	1	658
Loans from credit institutions	5 328	2 589	986	405	2 040	0	195	963	12 506
Other loans	736	465	10	3	0	0	112	34	1 360
Total financial debts	7 920	3 351	996	408	2 398	0	307	1 026	16 406

* Excluding capital subsidies of BEF 619 million

§ 10 A. AVERAGE NUMBER OF STAFF

1. Breakdown by grade and geographical area

	Consolidated companies				
	Manual	Clerical	Managers	Executives	Total
• Belgium	7 849	2 503	1 153	86	11 591
• France	1 884	1 516	389	53	3 842
• Rest of Europe	8 488	2 965	570	100	12 123
• North & South America	3 213	1 102	608	27	4 950
• Africa	703	162	53	7	925
• Asia	8	41	14	13	76
• Total	22 145	8 289	2 787	286	33 507
• CBR	8 265	2 220	928	56	11 469
• Without CBR	13 880	6 069	1 859	230	22 038

2. Companies included under the equity method: 90,886 persons.

The total is lower than in 1992 since Arbed which employs 48,818 people has been deconsolidated. Moreover, AG/Fortis has included CGER/ASLK with the result that its staff has increased from 22,470 to 32,826.

NOTES TO THE 1993 CONSOLIDATED ACCOUNTS

§ 10 B. Reconciliation of theoretical and effective tax charge

	1993	1992
Theoretical tax charge:	3,910 x 0.39 =	1 525
	4,884 x 0.4017 =	
• Dividends from non-consolidated companies (income already taxed)	1 962	
• Non-taxable dividends distributed (AFV)	(303)	(362)
• Use of deferred tax debits of previous financial years and recoverable tax losses	(32)	(452)
• Effect of the financial year's losses	(528)	(416)
• Change in deferred tax rate	2 799	2 297
• Foreign tax rate differences	81	0
• Items taxed on other bases	(76)	(430)
• Non-deductible depreciation	(7 096)	(1 642)
• Investment deductions	750	527
• Miscellaneous deductions and adjustments	(137)	(19)
• Tax credit	4 370	1 380
Effective tax charge as per the income statement	(140)	(55)
	1 650	2 353

§ 11 RIGHTS AND COMMITMENTS NOT REFLECTED IN THE BALANCE SHEET

	1993	1992
• Guarantees given by third parties on behalf of the Group	8 416	3 013
• Guarantees given by the Group on behalf of third parties	4 624	11 443
• Guarantees given by the Group on own property and on its own behalf	367	1 346
• Guarantees received	1 697	294
• Property and stocks held by third parties in their own name but at the Group's risk	99	1 486
• Commitments to acquire/sell fixed assets	2 014	14 265
• Forward contracts	130 608	73 328
• Third parties' goods and property held by the Group	5 974	6 317
• Miscellaneous rights and commitments	2 906	13 410

As was the case last year, two Group companies, Recticel and Union Minière, are involved in litigation. The amounts involved are substantial and it is impossible to foresee the outcome at the present time. Various proceedings have been instituted against Recticel: by some former executives of PRB, in respect of the pollution of certain sites in Tennessee (USA), in respect of a claim by Comilog against Sadacem, by the Belgian State in respect of the demilitarization of the former PRB site at Balen, and by OVAM for rehabilitation of the same site. In the case of Union Minière's litigation over transformers supplied by ACEC to France Transfo, a ruling was finally given by the court of appeal with the result that some BEF 500 million had to be booked as a charge. The tax dispute in

France was resolved without any impact on the year's results, as was the litigation with regard to the sale of a former participating interest of Sogem. Union Minière is also faced with the problem of polluted sites in Belgium, France and the Netherlands. Having duly considered the facts at issue, the Board of Directors of these subsidiaries, together with the Board of Directors of the Générale, have set aside provisions to cover the amounts which, in their opinion, will have to be disbursed.

These companies' annual reports contain details of these risks and give an indication of the potential maximum impact.

§ 12 RELATIONSHIPS WITH AFFILIATED COMPANIES AND COMPANIES LINKED BY PARTICIPATING INTERESTS WHICH HAVE NOT BEEN CONSOLIDATED

This information has been omitted as it is insignificant with regard to the true and fair view and also owing to the fact that obtaining and processing this information would have entailed excessive charges.

§ 13 A. DIRECTORS' FEES

Total : BEF 107.8 million.

In accordance with our responsibilities as auditors and the legal requirements applicable to publicly quoted companies we have examined the consolidated accounts of the Société Générale de Belgique drawn up as at 31 December 1993. In the course of our examination we took all steps necessary in accordance with the auditing standards of the Belgian Institute of Auditors and those generally accepted internationally. We have obtained from the directors and officials of the group all the explanations and information which we requested from them. We did not examine the consolidated accounts of certain companies accounted for under the equity method. The consolidated accounts of the companies in question have been certified without qualification by their auditors and our opinion on their contribution to the consolidated results and net worth of the Société Générale de Belgique which represents BEF 2,597 million and BEF 24,622 million respectively is based solely on the opinion of these auditors.

We have examined the report of the Board of Directors which includes the information required by the Royal Decree of 6 March 1990 and is in agreement with the information contained in the consolidated accounts.

As a result of the agreements reached with the Luxembourg government between 24 March and 28 June 1993, the Société Générale de Belgique has given up the significant influence which it previously exercised over the management of Arbed. As a consequence of the loss of this significant influence the Société Générale de Belgique ceased to account for its investment in Arbed by the equity method with effect from 1 January 1993. The accounting treatment adopted, the reasons for, and the effects of which are described in note 2.5 to the consolidated accounts reflects correctly, in our opinion, the events described above.

With respect to the scope of consolidation, the continued application of the equity method to Tractebel represents a pragmatic approach. The use of the derogation provided for by article 14 § 1 of the Royal Decree of 6 March 1990 to justify the application of equity method accounting to the Tractebel Group could be challenged; it appears, nevertheless, to reflect a reality and, in our opinion, gives a view of the Group which is not misleading, in the light of the information given in paragraph 2.6 of the notes of the consolidated accounts.

In conclusion, on the basis of our examination of the consolidated companies, and the opinions we have received from the auditors of certain companies accounted for under the equity method, as described in the first paragraph, we certify without qualification that the consolidated accounts of the Société Générale de Belgique as at 31 December 1993 showing total assets of BEF 286,206 million and a profit for the year then ended (Group share) of BEF 8,688 million, have been prepared in accordance with applicable legal and regulatory requirements and give a true and fair view of the assets and liabilities, financial position, and the results for the year of the Group in accordance with the accounting principles which it has adopted as described in the notes to the consolidated accounts. The explanations given in the notes are adequate.

11 April 1994.

The joint Statutory auditors,

PRICE WATERHOUSE
Reviseurs d'Entreprises SCC
Represented by Paul PAUWELS

TINNEMANS, POURBAIX, VAES & CO SCC
Deloitte Touche Tohmatsu International
Represented by Claude POURBAIX

Non consolidated accounts

Throughout the financial year under review Société Générale de Belgique continued to follow the strategic guidelines set out in last year's annual report.

In order to reduce the impact of cyclical industrial activities on its results, the Group sold major shareholdings in two subsidiaries and exchanged shares in a third.

Firstly, the Générale sold its entire holding, i.e. 42.58%, in CBR at a price of BEF 11,750 per share to the German cement group, Heidelberger Zement AG, on 23 September 1993. The suspensive conditions stipulated in the sale agreement were complied with on 21 December 1993 and the shares were transferred and payment effected on this date. The purchaser implemented measures to maintain the share price from 21 January to 10 February 1994, thus offering all shareholders the possibility of selling their shares at the same price. None of them took up this offer as the price of the shares on the Brussels stock exchange remained at a continuously higher level throughout this period.

Secondly, the Générale's direct interest in Union Minière was reduced from 76.5% to 59.7% in two separate stages. In June the English brokers, Smith New Court, purchased 1,287,000 Union Minière shares (5.2%) from the Générale at a price of BEF 2,035 in order to place them with leading foreign institutional investors. Subsequently, the Générale purchased the 392,816 Union Minière shares (1.59%) held by Asturienne and then sold 3,276,408 units (13.24%) at a price of BEF 2,350 in November. Each unit consisted of one Union Minière share plus a warrant entitling holders to acquire an additional Union Minière share from the Générale's portfolio at a price of BEF 2,450 at any time up to 15 December 1994. If all the warrants are taken up the Générale would be left with a 46.46% interest in Union Minière, which, together with the shares held by its subsidiaries (3.65%), would still give it a controlling interest in Union Minière.

Finally, as described in detail in note 2.5. to the consolidated accounts, the

Générale contributed 440,000 Arbed shares when LGA sca was set up and received in return 220,000 shares in LGA sca. The Générale exchanged 440,000 ordinary Arbed shares for the same number of non-voting preference shares held by the Luxembourg government.

Three other less important transactions involving strategic interests also took place in 1993. In December the Générale subscribed to the capital increase by AG, but restricted itself to only 70% of its overall entitlement, under the terms of an agreement concluded by AG with its stable shareholders, in order to enable foreign institutional investors to acquire an interest in AG. As a result the Générale's interest in AG fell from 19.58% to 18.99%. When Fortis was considering acquiring the 49% stake in ASLK/CGER which the Belgian government was offering for sale under the privatization programme it was deemed preferable for Fortis to dispose of most of its 14.72% stake in Generale Bank to avoid being involved in two rival banking networks, on the one hand, and to release funds, on the other. The Générale took over 5.02% and the rest was placed on the market. This brought the Générale's holding up to 25.79%. In order to simplify the financial structure and tax structure of the financial companies which are an extension of the Générale, the French subsidiary, Cenafi, which held nearly 400,000 Accor shares, was wound up and its assets transferred directly to the Générale.

Finally, two non-strategic interests were sold: Cobac in January and Boels & Bégault in December 1993.

As regards the parent company's results for the year (see comments below), disposals accounted for a major part of the exceptional profit whilst costs were held below the ceiling announced in February 1992, as confirmed by the profit from ordinary activities.

The balance sheet reflects the sound financial structure and also shows considerable assets which can be mobilized for reinvestment purposes.

Key events in the life of Société Générale de Belgique S.A.

In January 1993 a BEF 5 billion commercial paper programme was launched.

In January 1993 the 24.44% holding in COBAC was sold to the French group, SFAC.

In March 1993 agreement between the State of Luxembourg and Société Générale de Belgique to find a new partner for Arbed.

In May 1993 the holding in Generale Bank was increased by 5% following the purchase of the shares held by Bancinvest (Fortis group).

In June 1993 5.2% of the holding in Union Minière was sold to institutional investors, bringing the holding down from 80.2% to 75%.

In September 1993 sale of the 42.58% holding in CBR to the German cement Group, Heidelberger Zement.

In November 1993 a 25% holding in Union Minière was sold to international investors.

In December 1993 the outstanding balance of the capital (BEF 5.6 billion) was paid up in full by Compagnie de Suez and AG Group.

In December 1993 the 20% holding in the Belgian insurance broker, Boels et Bégault, was sold to AG Group.

In January 1994 2.9 million Compagnie de Suez shares were sold to institutional investors. The remaining holding now stands at 1.5%.

In January 1994 a 1.4% interest was acquired in the French oil company, Elf Aquitaine.

In February 1994 Patrick Buffet was appointed Director of Industrial Holdings and Strategy.

In February 1994 the 8.75% holding in Compagnie Royale Asturienne des Mines was sold to the Franco-Swiss group, Focsep.

Key figures of Société Générale de Belgique S.A.

	1993	1992	1991	1990	1989
Results (millions of BEF)					
Net current profit	4 555	4 579	2 813	4 815	9 956
[of which dividends from investments]	(6 290)	(5 446)	(5 745)	(9 714)	(13 886)
Net exceptional income	18 391	549	5 336	2 589	1 436
Net profit	22 925	5 109	8 149	7 404	11 392
Balance sheet (millions of BEF)					
Financial fixed assets of which :	132 638	134 757	131 166	139 402	151 503
Consolidated investments	49 517	64 375	66 263	68 612	101 008
Investments included by equity method	54 385	55 062	52 362	55 105	25 038
Other investments	27 008	13 855	12 541	14 876	24 413
Book value of investments	130 911	133 292	130 312	138 593	150 459
Estimated value of investments (1)	195 002	172 076	161 204	175 666	302 516
Capital and reserves (2)	136 958	121 200	111 690	110 013	109 390
Amounts payable after one year	653	7 687	10 040	10 263	8 174
Working capital	6 526	(3 996)	(8 024)	(18 068)	(33 446)
Number of shares issued (3) and market capitalization					
Shares outstanding as at 31 December	64 182 790	64 182 790	64 182 790	64 060 540	64 059 589
Shares calculated on full dividend entitlement basis	61 680 838	60 398 760	59 137 417	59 015 167	59 014 216
Market capitalization at year end 31.12 (millions of BEF) (2) (4)	169 443	121 947	106 828	107 885	207 175
Figures per ordinary share, adjusted (3) (BEF)					
Net profit	372	85	136	123	190
Gross dividend	114	112	112	112	112
Net dividend	85	84	84	84	84
Capital and reserves	2 134	1 888	1 916	1 893	1 884
Market price (3) : high	2 725	2 285	2 520	3 520	3 860
low	1 895	1 655	1 725	1 860	3 010
31.12	2 640	1 900	1 840	1 860	3 410
Ratios					
Return on equity : ($\frac{\text{Net profit}}{\text{Capital and reserves (5)}}$)	18.9%	4.6%	7.4%	6.8%	10.9%
Debt ratio (gearing) : ($\frac{\text{Amounts payable after one year}}{\text{Capital and reserves}}$)	0.5%	6.3%	9.0%	9.3%	7.4%
Yield : ($\frac{\text{Gross dividend}}{\text{Year end market price}}$)	4.3%	5.9%	6.1%	6.0%	3.3%
Market return : ($\frac{\text{Price variation} + \text{Gross dividend}}{\text{Year end market price}}$)	46.3%	8.6%	3.8%	(43.6%)	5.8%

(1) Market price at year end for listed shares, objective and consistent valuation for unlisted securities

(2) From 1988 to 1991, less uncalled capital (BEF 11,268 million)

(3) The number of shares and the figures per share have been adjusted

(4) Total number of outstanding shares times year end Brussels Stock Exchange price of ordinary shares less uncalled capital from 1988 to 1991.

(5) At previous year end + new shares prorata to dividend entitlement.

Dividend distribution

If you approve the proposed appropriation of profit, dividends will be paid as follows:

- to holders of the 38,425,237 non-AFV fully paid-up Générale shares, a gross dividend of BEF 114.48, i.e. BEF 85 net, as against BEF 112 and BEF 84 respectively in 1992.
- to holders of the 18,000,000 Générale shares which were fully paid up on 29 December 1993, a gross dividend of BEF 98.57, i.e. BEF 73.19 net, in other words an increase of BEF 10.12 and BEF 6.85 respectively, owing to the difference in the extent to which these shares are paid up and the increase in the basic dividend payable on fully paid-up shares;
- to holders of the 7,757,553 AFV Générale shares, a gross dividend of BEF 119.19, i.e. BEF 88.50 net (including a bonus dividend of BEF 4.71 and BEF 3.50 respectively).

These dividends will be payable from 19 May 1994 onwards on presentation of share coupon No. 35.

Financial position and results for the year

The **net profit** for the financial year increased from BEF 5,109 million in 1992 to BEF 22,925 million. These amounts may be analysed as follows:

Profit	1993	1992	change
Operating profit	4,534	4,560	-26
Exceptional profit	18,391	549	+17,842
Net	22,925	5,109	+17,816

The above table shows that **profit from ordinary activities** was maintained at the same level as the previous year, whereas the exceptional profit reflects the extent and number of sales of financial fixed assets over the course of the financial year. However, it should be pointed out that very few exceptional transactions were effected in 1992.

Although **profit from ordinary activities** remained at the same level, the various factors making up this profit varied significantly. Overall, dividend income rose by more than BEF 800 million, particularly due to **dividend income** received from Generale Bank (as a result of the higher dividend per share and the Générale's increased holding) and from the "Generale" Coordination Centre (a higher final dividend for 1992 was paid in 1993 in addition to the interim dividend paid in December 1993); on the other hand, Arbed did not pay a dividend in 1993, unlike the previous year.

Financial 1993 ended with net financial charges, as was the case in the previous three years: BEF 3,855, BEF 1,986, BEF 275 and BEF 1,160 million respectively from 1990 to 1993. The balance for 1992 was favourably influenced by an amount of BEF 1,111 million in non-recurrent capital gains on the sale of Cobefin shares. Consequently if allowance is made for this transaction, a

general trend of improvement in the **financial results**, which primarily comprises the net balance of interest paid and received, becomes clear. This improvement reflects the substantial reduction in the holding company's debts, coupled with the fall in interest rates over this period. Finally, **net overheads** were brought down from BEF 621 million in 1992 to BEF 586 million.

Exceptional items showed a net profit balance of BEF 18.4 billion, the most important contributory factors being: the net capital gains on the sale of the CBR holding (BEF 15.2 billion) and the sale of the Union Minière shares (BEF 6 billion), exceptional income from the liquidation of the social fund of the former FN (BEF 0.4 billion), an amount of BEF 1 billion written down on the holding in Recticel and net charges of BEF 2 billion entailed by restructuring some of the Générale's financial subsidiaries. This latter item can be analyzed as follows: amounts written down (BEF 1.4 billion) plus other exceptional charges (BEF 1.2 billion) less provisions written back (BEF 0.6 billion).

BALANCE SHEET

Total assets increased by BEF 7.3 billion. Portfolio transactions were the main source of changes in the principal balance sheet items. For the first time for many years liabilities and shareholders' equity were higher than fixed assets, owing to a combination of retained profits (BEF 16.3 billion) and the reduction in fixed assets. At the same time, total debts decreased by BEF 8 billion and current assets increased by BEF 9.6 billion.

Balance sheet: assets

The changes in investments over the course of the year resulted in an overall reduction of BEF 2.3 billion in **financial fixed assets**. This amount comprises: acquisitions (BEF 11.2 billion), subscriptions (BEF 9.8 billion), capital redemptions (BEF 6.9 billion), sales (BEF 13.7 billion) amounts written off (BEF 2.7 billion).

The following changes were made to the share portfolio:

Acquisitions

Subscription:

548,268	AG Group shares
710,000	"Générale" Coordination Centre shares
41,599	Société d'Investissement du Bassin Liégeois shares
2,077	GIF BV shares
83	Recticel shares
220,000	LGA sca shares

Purchases:

1,500	CBR shares
405,266	Union Minière shares
725,000	Generale Bank shares

Disposals

Sales:

1,919,496	CBR shares
4,563,408	Union Minière shares
41,022	Boels & Bégault shares
13,911	Accor shares
16,622	Cobac shares

Contribution:

440,000	Arbed shares
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Other transactions:

Disposals:

2,500	Cenanfi shares (wound up)
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Acquisitions:

393,065	Accor shares, following winding up of Cenanfi
20,511	Boels & Bégault shares, from converting bonds

Amounts receivable within one year increased by nearly BEF 9 billion. At the end of the previous financial year an amount of BEF 5,634 million was still outstanding on non-fully-paid-up shares. This amount was paid by shareholders at the end of 1993. This increase of more than BEF 14 billion is explained largely by the short-term placing of the proceeds of the CBR and Union Minière disposals.

Balance sheet: liabilities

Shareholders' equity rose from BEF 121 to 137 billion, as a result of a substantial part of the profit for the year being retained.

A DEM 350 million loan was issued in 1987 at 2.5% by GIF Luxembourg and the funds raised were lent on to the Générale. This loan matures on 17 February 1994 and it was consequently transferred to debts payable within one year, with the result that **debts payable after more than one year** now stand at only BEF 653 million, as against BEF 7.7 billion, and **debts payable within one year** remain at BEF 16.4 billion, compared with BEF 17.2 billion one year ago. It is worth noting that among debts payable within one year, "other debts", mainly subsidiaries' deposits, decreased by BEF 6.3 billion to BEF 7.6 billion, showing a marked reduction in the use made by the Générale of this source of funding.

BALANCE SHEET OF SOCIETE GENERALE DE BELGIQUE S.A. AS AT 31 DECEMBER

ASSETS

(Thousands of BEF)

	1993	1992
FIXED ASSETS	132 638 167	134 943 654
Tangible assets	162 004	186 705
Land and buildings	112 059	121 552
Plant, machinery and equipment	2 364	3 541
Furniture and vehicles	47 581	61 612
Financial assets	132 476 163	134 756 949
Affiliated companies	80 132 389	90 811 116
Shares	79 585 992	90 261 263
Amounts receivable	546 397	549 853
Other companies linked by participating interests	46 510 490	40 876 962
Shares	45 761 794	39 963 476
Amounts receivable	748 696	913 486
Other financial assets	5 833 284	3 068 871
Shares	5 563 231	3 067 755
Amounts receivable and cash guarantees	270 053	1 116
CURRENT ASSETS	23 939 942	14 344 728
Amounts receivable after one year	5 425	5 572
Other amounts receivable	5 425	5 572
Amounts receivable within one year	21 634 649	12 876 915
Trade debtors	92 405	39 984
Other amounts receivable	21 542 244	12 836 931
Current investments	1 672 704	789 113
Other investments and deposits	1 672 704	789 113
Cash at bank and in hand	60 027	119 486
Deferred charges and accrued income	567 137	553 642
TOTAL ASSETS	156 578 109	149 288 382

BALANCE SHEET OF SOCIETE GENERALE DE BELGIQUE S.A. AS AT 31 DECEMBER

LIABILITIES

(Thousands of BEF)

	1993	1992
CAPITAL AND RESERVES	136 957 750	121 199 708
Capital	53 571 384	53 571 384
Issued capital	53 571 384	53 571 384
Share premium account	48 106 699	48 106 699
Reserves	35 232 239	19 432 239
Legal reserves	5 357 139	5 357 139
Untaxed reserves	5 275 100	5 775 100
Available reserves	24 600 000	8 300 000
Profit carried forward	47 428	89 386
PROVISIONS FOR LIABILITIES AND DEFERRED TAXATION	1 558 632	2 067 132
Provisions for liabilities and deferred taxation	1 558 632	2 067 132
Other liabilities and charges	1 558 632	2 067 132
CREDITORS	18 061 727	26 021 542
Amounts payable after one year	652 767	7 686 862
Financial debts	511 630	7 679 837
Unsubordinated debentures	400 000	400 000
Other debentures	111 630	7 279 837
Other loans	141 137	7 025
Amounts payable within one year	16 431 315	17 194 796
Current portion of amounts payable after one year	7 170 727	2 353 580
Financial debts	729 853	602 553
Credit institutions	729 853	602 553
Trade debts	612 357	144 218
Suppliers	612 357	144 218
Taxes, remuneration and social security	240 403	236 696
Taxes	68 288	45 352
Remuneration and social security	172 115	191 344
Other amounts payable	7 677 975	13 857 749
Accrued charges and deferred income	977 645	1 139 884
TOTAL LIABILITIES	156 578 109	149 288 382

INCOME STATMENTS OF SOCIETE GENERALE DE BELGIQUE S.A.

CHARGES

(Thousands of BEF)

	1993	1992
Interest and similar charges	1 976 872	1 830 135
Other financial charges	1 729 687	1 568 499
Services and other goods	333 607	313 053
Remuneration, social security and pension costs	338 188	368 423
Other operating charges	63 682	53 630
Depreciation and amounts written off formation expenses, intangible and tangible fixed assets	32 441	42 814
Amounts written off	2 697 248	379 180
Financial fixed assets	2 690 067	320 903
Current assets	7 181	58 277
Provisions for liabilities and charges	75 000	203 632
Loss on disposal	116 442	90 450
of tangible and intangible fixed assets	1 036	1 024
of financial fixed assets	93 772	79 307
of current assets	21 634	10 119
Exceptional charges	1 679 382	17 902
Taxes	21 030	20 000
Profit for the year	22 924 947	5 108 725
TOTAL CHARGES	31 988 526	9 996 443
Profit for the year available for appropriation	23 424 947	5 108 725

APPROPRIATION ACCOUNTS

(Thousands of BEF)

	1993	1992
Transfer to reserves	16 300 000	187 139
To the legal reserve	0	187 139
To other reserves	16 300 000	0
Result to be carried forward	47 428	89 386
Profit to be carried forward	47 428	89 386
Distribution of profit	7 166 905	6 867 112
Dividends	7 097 673	6 803 449
Directors' entitlements	48 877	43 315
Other appropriations : Patronage Fund	20 355	20 348

INCOME STATEMENTS OF SOCIETE GENERALE DE BELGIQUE S.A.

INCOME

(Thousands of BEF)

	1993	1992
Income from financial fixed assets	6 385 120	5 505 325
Dividends	6 290 017	5 445 768
Interest	95 103	59 557
Income from current assets	1 042 420	661 746
Other financial income	1 326 383	1 355 785
Income from services rendered	111 001	90 792
Other operating income	70 754	66 411
Reinstatement of amounts written off	33 535	33 096
Financial fixed assets	3 883	23 377
Current assets	29 652	9 719
Release of provisions for liabilities and charges	583 500	0
Gains on disposal	21 415 679	2 232 582
of tangible and intangible fixed assets	20 262	987 752
of financial fixed assets	21 302 112	110 056
of current assets	93 305	1 134 774
Exceptional income	1 018 308	50 706
Adjustment of income taxes and release of tax provisions	1 826	0
TOTAL INCOME	31 988 526	9 996 443
Transfer from untaxed reserves	500 000	0

APPROPRIATION ACCOUNTS

(Thousands of BEF)

	1993	1992
Profit to be appropriated	23 514 333	5 443 637
Profit for the year available for appropriation	23 424 947	5 108 725
Profit brought forward	89 386	334 912
Transfer from capital and reserves	0	1 700 000
Transfer from available reserves	0	1 700 000

APPENDIX TO THE NON-CONSOLIDATED ACCOUNTS

III. STATEMENT OF TANGIBLE FIXED ASSETS

(Thousands of BEF)

	Land and buildings	Plant, machinery and equipment	Furniture and vehicules
a. Acquisition cost			
As at the end of the previous financial year	194 602	24 293	268 019
Movements during the year :			
Acquisitions including own work capitalized	0	0	10 233
Sales and disposals	0	(593)	(7 072)
At year end	194 602	23 700	271 180
c. Depreciation and amounts written off			
As at the end of the previous financial year	73 050	20 752	206 407
Movements during the year :			
Charge for the year	9 493	1 177	21 771
Cancelled	0	(593)	(4 579)
At year end	82 543	21 336	223 599
d. Net book value at the year end (a) - (c)	112 059	2 364	47 581

IV. STATEMENT OF FINANCIAL FIXED ASSETS

(Thousands of BEF)

	Affiliated companies	Companies linked by a participating interest	Others
1. Shares			
a. Acquisition cost			
At the end of the previous financial year	97 775 336	40 131 561	3 241 596
Movements during the year :			
Acquisitions	9 520 013	8 797 000	2 750 000
Sales and disposals	(17 553 092)	(2 989 233)	(14 354)
Transfers from one heading to another	0	(9 934)	9 934
At year end	89 742 257	45 929 394	5 987 176
c. Amounts written off			
At the end of the previous financial year	7 514 073	92 254	173 841
Movements during the year :			
Charge for the year	2 439 610	346	250 111
Released	(3 883)		0
Cancelled	(1 530)	0	(7)
Transfers from one heading to another	0	0	0
At year end	9 948 270	92 600	423 945
d. Uncalled amounts			
At the end of the previous year	0	75 831	0
Movements during the year	207 995	(831)	0
At year end	207 995	75 000	0
Net book value at year end (a) - (c) - (d)	79 585 992	45 761 794	5 563 231
2. Amounts receivable			
Net book value at the end of the previous year	549 853	913 486	1 116
Movements during the year :			
Additions	0	225 370	189 413
Reimbursements	(9 403)	(316 245)	(476)
Amounts written off	0	0	0
Translation differences	5 947	4 085	0
Others	0	(80 000)	80 000
Net book value at year end	546 397	746 696	270 053
Accumulated amounts written off at year end	250 000	0	0

APPENDIX

V. INVESTMENTS AND SHAREHOLDINGS IN OTHER COMPANIES

Name and Registered Office	Class of share	Shares held			Financial information as per the latest available annual accounts			
		Directly		Through subsidiaries %	Financial year end	Cur- rency	Capital and reserves (x 1000)	Net result
		Number	%					
A. Holdings in subsidiary companies								
Industry								
Recticel, Brussels VAT 405-666-668	ord. pref. AFV	12 566 823 7 333 889 253 881	73.57		31.12.93	BEF	7 092 403	228 418
Non-ferrous								
Union Minière, Charleroi VAT 401-574-852	ord. AFV1 AFV2	13 808 538 962 534 946	59.70	3.68	31.12.93	BEF	22 543 941	(2 633 186)
Cie Royale Asturienne des Mines, Brussels VAT 402-975-117	ord. AFV	130 310 160 665	8.75	55.92	31.12.93	BEF	3 016 719	(21 058)
Services								
Tractebel, Brussels VAT 403-239-886	ord. AFV1 AFV2 AFV3 AFV4 AFV5	3 498 685 117 970 49 644 48 154 92 075 36	27.74	9.53	31.12.93	BEF	77 782 512	9 617 628
Genfina, Brussels TVA 435-084-986	ord.	3 660	60.-		30.06.93	BEF	6 181 383	480 702
Financial Subsidiaries								
"TCI" Tanks Consolidated Investments, Nassau-Bahamas	Cat. A of GBP 1 Cat. B of BEF 1	90 480 000 000	90.00 100.00	10.00	31.12.93	BEF	444 427	3 473
"GIF", Luxembourg	ord.	390 000	97.50	2.50	31.12.93	BEF	925 953	85 422
"GIF", Curaçao-Neth. Antilles	ord.	4 013	100.00		31.12.93	NLG	569 251	16 100
"GIF", Rotterdam	ord.	2 077	50.93	49.07	31.12.93	NLG	73 270	69 186
Centre de Coordination "Générale", Brussels VAT 427-646-274	ord.	1 159 977	100.-		31.12.93	BEF	12 348 339	727 243
Belgatel (in liq.), Brussels VAT 430-510-348	ord.	2 140 000	100.-		31.12.93	BEF	57 645	4 660
Sogenbel, Brussels VAT 436-443-877	ord.	31 500	96.92	3.08	30.06.93	BEF	239 141	1 652
Centrans, Eygelshoven-Netherlands	ord.	2 500	100.-		31.12.93	NLG	5 329	15 460
"CEDEE" Compagnie Européenne pour le Développement Electrique et Electronique, Brussels VAT 427-337-062	ord.	312 656	99.99	0.01	31.12.93	BEF	1 785 987	(39 357)
Union Financière et Industrielle "Ufi", Liège VAT 402-305-601	ord.	4 998 491	99.98		31.12.93	BEF	(232 680)	(53 915)
"Finoutremer" Compagnie Financière Européenne et d'Outre-Mer, Brussels VAT 403-227-217	ord.	705 193	55.16	1.47	31.12.93	BEF	4 452 268	449 649
CIG-Intersys Group, Brussels VAT 434-292-952	ord.	605 000	55.-		31.12.93	BEF	28 252	20 198

V. INVESTMENTS AND SHAREHOLDINGS IN OTHER COMPANIES (continued)

Name and Registered Office	Class of share	Shares held			Financial information as per the latest available annual accounts		
		Directly		Through subsidiaries	Financial year end	Currency	Capital and reserves Net result (x 1000)
		Number	%	%			
Others holdings							
Société Générale de Belgique (Japan) C° Ltd Tokyo - Japan	ord.	500	100.-		31.12.93	JPY	34 771 1 001
Euroturk, Istanbul-Turkey	ord.	6 398	3.20		31.12.93	TRL	43 931 000 11 390 778
Banque Indosuez Turk - Turkey	ord.	1 882 150	3.20		31.12.93	TRL	76 787 000 7 817 056
Compagnie de Suez, Paris-France	FRF 75 sh.	353 810	0.23	3.97	31.12.92	FRF	43 238 186 1 198 749
Suez Investicni (in liq.), Prague-Czech Republic	sh.	500	16.67		31.12.92	CSK	34 132 4 149
Société d'Investissement du Bassin Liégeois - Liège	50% paid up	41 599	99.99	0.01			1st year of activity
Société Espace Léopold, Brussels VAT 435-890-977	"A" sh.	3 320	16.60	33.40	31.12.92	BEF	233 429 46 256
De Coene (in liq.), Courtrai	ord.	81 250	22.39	77.25	31.12.92	BEF	(651 609) (137)

B. Holdings in other companies linked by participating interests

Industry							
ARBED, Luxembourg	ord. priv. without voting rights	926 297 440 000	19.34		31.12.92	LUF	37 839 428 (2 436 899)
Financial Services							
Generale Bank, Brussels VAT 403-199-702	ord. AFV1 AFV2	3 409 931 169 817 146 362	25.79	0.12	31.12.93	BEF	74 601 987 7 895 731
AG Group, Brussels VAT 403-249-586	ord. AFV warrants	6 330 248 92 324 162 864	18.99	0.40	31.12.93	BEF	45 601 123 2 325 201
"AG 1990", Brussels VAT 440-226-283	ord.	108	0.00	1.07	31.12.93	BEF	40 311 178 1 290 137
"BELFIN" Compagnie Belge pour le financement de l'industrie, Brussels VAT 420-479-855	ord. to be paid 25%	100 000	10.00	13.00	31.12.93	BEF	547 542 17 243
Other holdings							
"SPE" Sociedade Portuguesa de Empreendimentos, Lisbon-Portugal	ord. PTE 1000	85 907	3.44	1.74	31.12.92	PTE	2 119 259 (291 336)
Sybetra, Charleroi VAT 400-398-281	Pref. "O"	181	1.32	5.42	31.12.93	BEF	233 185 92 356
Accor, Evry-France	FRF 100	2 813 029	11.38		31.12.92	FRF	8 393 668 662 307

APPENDIX

V. INVESTMENTS AND SHAREHOLDINGS IN OTHER COMPANIES (continued)

Name and Registered Office	Class of share	Shares held		Financial information as per the latest available annual accounts			
		Directly	Through subsidiaries	Financial year end	Currency	Capital and reserves	Net result
		Number	%			(x 1000)	

C. Other significant shareholdings

CFE, Brussels VAT 400-464-795	ord.	8 768	1.51		31.12.92	BEF	3 603 542	257 699
Fibelpar, Charleroi VAT 400-398-281	ord. priv.	6 780 430 5 493	5.49	13.13	30.06.93	BEF	25 864 912	1 249 038
Sambrinvest, Charleroi VAT 427-908-867	ord. "B"	1 500	7.50	7.50	30.06.93	BEF	187 861	43 128
Nivelinvest, Court-Saint-Etienne VAT 430-636-943	ord. "B"	3 000	15.-	10.-	31.12.92	BEF	21 745	1 208
Siparex Participations, Fribourg-Switzerland	ord. "A"	5 990	1.91		31.03.93	CHF	18 561	(1 572)
Brussels Airport Terminal Cy, Brussels VAT 433-137-365	ord.	52 501	6.56		31.12.92	BEF	2 618 505	255 394
Amorim Investimentos E Part., Lourosa-Portugal	PTE 1000	3 333 333	6.84		31.12.93	PTE	67 854 311	(1 527 934)
LGA, Luxembourg	ord.	220 000	50.-				1st year of activity	

VI. CURRENT INVESTMENTS, OTHER CURRENT INVESTMENTS AND DEPOSITS

(in thousands of BEF)

	Current year	Previous year
Shares	1 413 756	707 038
Book value grossed up by amount uncalled	1 515 356	708 638
Uncalled amount	(101 600)	(1 600)
Fixed income securities	13 734	35 573
Term deposits with credit institutions with a residual term or notice period:	245 213	46 502
• from maximum one month to a year	245 213	46 502

VII. DEFERRED CHARGES AND ACCRUED INCOME

(in thousands of BEF)

	Current year
Deferred charges	14 450
Accrued income	552 677

VIII. SHARE CAPITAL

	Amounts (in thousands of BEF)	Number of shares
A. Share capital		
1. Issued capital		
• At the end of the previous financial year	53 571 384	
• Movements during the year	-	
• At year end	53 571 384	
2. Structure of capital		
2.1. Categories of shares		
Ordinary shares	47 096 395	56 425 237
AFV shares	6 474 989	7 757 553
		64 182 790
2.2. Registered or bearer shares		
Registered shares		46 713 973
Bearer shares		17 468 817
E. Capital authorized but unissued	5 000 000	
G. Details of significant holdings in Société Générale de Belgique's capital base are given in Note XXII below		

IX. PROVISIONS FOR LIABILITIES AND CHARGES

(in thousands of BEF)

	Current year
Provisions for liabilities	430 000
Provisions for various risks	1 128 632

APPENDIX

X. AMOUNTS PAYABLE

(in thousands of BEF)

	Debts or portion of debts		
	due within the year	having a term over one year and less than 5 years	over 5 years
A. Analysis of amounts originally payable after one year according to their residual terms			
Financial debts	7 170 727	111 630	400 000
2. Unsubordinated debentures	0	0	400 000
4. Credit institutions	0	0	0
5. Other loans	7 170 727	111 630	0
Other amounts payable	0	0	141 137
Total	7 170 727	111 630	541 137
			Current year
C. Taxes, remuneration and social security			
1. Taxes			
b) Taxes not yet due			27 288
c) Estimated taxes due			41 000
2. Remuneration and social security			
b) Other amounts due in respect of remuneration and social security			172 115

XI. ACCRUED CHARGES AND DEFERRED INCOME

(in thousands of BEF)

	Current year
Accrued charges	79 276
Deferred income	59 003
Accrued interest	839 365

XII. OPERATING RESULTS

(in thousands of BEF, except C.1.)

	Current year	Previous year
C.1. Average number of persons employed	91	98
Manual staff	6	6
Clerical staff	54	59
Management	29	31
Others	2	2
C.2. Personnel charges		
a) Wages, salaries and direct benefits	245 657	264 493
b) Employer's social security contributions	63 689	66 217
c) Employer's premiums for non-statutory insurance	21 795	22 147
d) Other personnel expenses	7 046	15 566
D. Amounts written off		
2. Trade debtors,		
Charge for the year	0	48
F. Other operating charges		
Duties and other taxes relating to the operating activities	63 640	53 593
Other charges	42	36

XIII. FINANCIAL RESULTS

(in thousands of BEF)

	Current year	Previous year
A. Other financial income		
Exchange gains	601 358	674 129
Translation differences on foreign currencies	12 069	2 039
Commissions and miscellaneous proceeds	712 620	679 617
C. Amounts written off current assets		
Charge for the year	7 181	58 229
Released	(29 652)	(9 719)
D. Other financial charges		
Exchange losses	892 953	678 588
Translation differences	3 530	38 384
Commissions and other charges	893 204	851 527

XV. INCOME TAXES

(in thousands of BEF)

	Current year
A.1. Income taxes for the current year	21 031
a) Taxes and withholding taxes due or paid	525 150
b) Excess income tax prepayments and withholding taxes included in assets	(525 119)
c) Estimated additional tax (booked to liability heading 450/3)	21 000
B. Main sources of differences between profit before taxes as stated in the annual accounts and the estimated taxable profit	
Definitively taxed income	5 003 739
Untaxed capital gains, disallowed depreciation and amounts written off	17 883 999
Untaxed provisions, disallowed miscellaneous expenses	14 791

XVI. OTHER TAXES AND TAXES PAYABLE BY THIRD PARTIES

(in thousands of BEF)

	Current year	Previous year
A. Value added tax, equalisation taxes, special taxes charged during the year :		
1. to the company (deductible)	87 587	39 034
2. by the company	24 369	23 353
B. Amounts deducted from third parties for:		
1. Withholding tax on salaries	100 773	110 624
2. Withholding tax on investment income	914 998	974 846

APPENDIX

XVII. RIGHTS AND COMMITMENTS NOT REFLECTED IN THE BALANCE SHEET

(in thousands of BEF)

	Cuurent year
Personal guarantees given or irrevocably promised by the company as security for third parties' debts or commitments	
Maximum amount of guarantees given by company to secure other commitments of third parties	3 005 057
Goods and property held by third parties in their own name but at the risk or for the benefit of the company, if they are not carried in the balance sheet	
Loans assigned with recourse	784 246
Significant commitments to purchase fixed assets	
Various put options	116 877
Significant commitments to sell fixed assets	
Various call options	8 943 200
Forward currency markets	
Currencies purchased (receivable)	2 121 666
Currencies sold (to be delivered)	2 121 658

Supplementary provisions for pension and retirement schemes

The company guarantees its employees a retirement income or survivors' pension based on seniority and end of career salary. Insurance policies cover these commitments. The required mathematical reserves are recalculated annually.

XVIII. RELATIONSHIPS WITH SUBSIDIARY COMPANIES AND COMPANIES LINKED BY PARTICIPATING INTERESTS

(in thousands of BEF)

	Subsidiary companies		Companies linked by participating interests	
	Current year	Previous year	Current year	Previous year
1. Financial fixed assets	80 132 389	90 811 116	46 510 490	40 876 892
shareholdings	79 585 992	90 261 263	45 761 794	39 963 476
amounts : other	546 397	549 853	748 696	913 416
2. Amounts receivable	20 590 000	10 763 638	83 726	508 561
after one year	0	0	5 425	5 425
within one year	20 590 000	10 763 638	78 301	503 136
3. Current investments	86 023	283 465		
shares	86 023	283 465		
4. Amounts payable	7 699 724	16 135 438	959 708	202 165
after one year	136 843	7 136 248	111 630	146 320
within one year	7 562 881	8 999 190	848 078	55 845
5. Real or personal guarantees given or irrevocably promised by the company as security for subsidiary companies' debts and commitments	3 005 057	3 263 600		
7. Financial results				
Income				
from financial fixed assets	3 920 505	3 400 709		
from current assets	1 008 181	573 660		
other financial income	2 970	19 138		
Charges				
interest and other debt charges	1 743 579	1 745 146		
other financial charges	7 293	0		
8. Disposal of fixed assets				
gains realized	0	104 076		
losses realized	207	0		

XIX. FINANCIAL RELATIONS WITH DIRECTORS

(in thousands of BEF)

	Current year
a) Directors and managers	
4. Direct and indirect remuneration and pensions included in the Income Statement, to the extent that this disclosure does not solely or primarily concern the situation of a single identifiable person :	39 160

XX. SUMMARY OF ACCOUNTING PRINCIPLES, AS REQUIRED BY ARTICLE 7 OF THE LAW OF 17 JULY 1975

I. Formation expenses

Expenses incurred for capital increases or for issuing debentures, whether convertible or not, are written off over five years. Conversion expenses are charged during the financial year in which they are incurred.

II. Tangible fixed assets

Tangible fixed assets are carried as assets in the balance sheet at their purchase price or at their production cost or at the assigned value at the moment of contribution. Depreciation is recorded on a straight-line basis at the rates allowed for tax purposes, i.e. :

• Buildings	3 % per year;
• Shops	1 % per year;
• Buildings or parts of buildings for special use	33 1/3 % immediately, then 3 % annually on the remaining 2/3;
• Alterations to occupied buildings	10 % per year;
• Computer equipment	33 % per year;
• Other equipment	20 % per year;
• Furniture	10 % per year;
• Safes	5 % per year;

Ancillary costs and, in particular, non-recoverable VAT, are written off during the year in which they are incurred, except for costs incurred on motor vehicles, which are written off at the same rate as the purchase price.

III. Financial fixed assets

Investments and other shares held in portfolio

Except for shares held as at 31 December 1977, whose historic book value was adjusted during the 1977 transitional accounting period, by virtue of an exemption obtained from the Regulatory Authority, acquisitions are carried as assets in the balance sheet at their purchase or contribution price, taking into account any amounts still to be paid up.

At the end of each financial year, each individual share included in financial assets is assessed so as to reflect in as satisfactory a manner as possible, the position, profitability, or prospects of the company concerned.

The method of valuation is chosen objectively taking into account the nature and characteristics of the share.

It may be based on one or other of the values traditionally used for such a valuation, or else be based on the suitably weighted average of several of these values.

The method of valuing a particular share is applied consistently from one financial year to another, unless changing circumstances render it impossible. In such a case, and if the change has significant consequences, a special mention will be included in the Notes to the accounts.

When this valuation shows a lasting impairment of value against the recorded value, an amount equal to such impairment is written off.

Amounts are written back when a lasting rise in value is observed on a share which had previously been written down.

As in the past, the rule is not to revalue shares even when underlying capital gains are identified by independent valuers.

Amounts receivable

At the time of the transaction, amounts receivable are stated at their nominal value. Amounts in foreign currencies are recorded at the Belgian franc equivalent at the rate prevailing on the day of acquisition. At the end of the year, they are restated at the year-end exchange rate.

The rules for writing down receivables are similar to those for shares.

IV. Amounts receivable after and within one year

Amounts receivable are stated in the balance sheet at their nominal value. Receivables in foreign currencies are recorded in Belgian francs at the exchange rate on the day of the transaction and revalued on the basis of the exchange rate at the close of the financial year.

An amount is written off when repayment on the due date of all or part of a receivable is uncertain or doubtful or when the realizable value at the financial year end is lower than the book value, provided the impairment in value is permanent in the case of amounts receivable after one year.

V. Current investments and cash at bank and in hand

In principle, investment shares for which there is a significant market, are valued at the last Stock Exchange quotation of the financial year.

Other investments and cash at bank and in hand are valued in the same way as amounts receivable within one year.

VI. Provisions for liabilities and charges

At balance sheet date, the Board examines what provisions should be made to cover, in particular :

- major repairs or maintenance;
- risks resulting from advances or from guarantees;
- other risks, where appropriate.

Provisions from previous years are regularly reviewed and released to income if no longer required.

VII. Amounts payable after and within one year

These amounts are recorded at their nominal value.

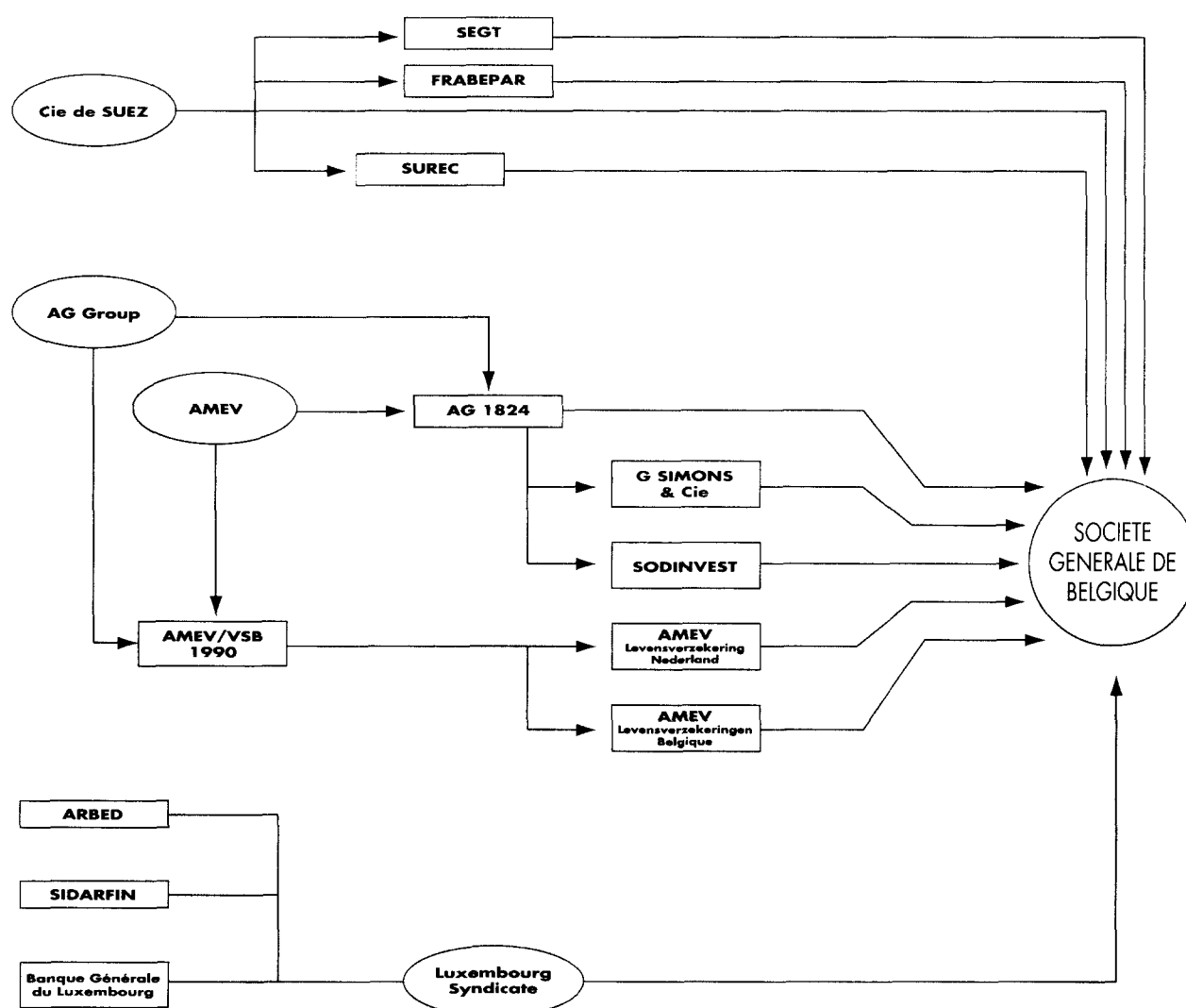
XXI. DURING THE 1993 FINANCIAL YEAR, SOCIETE GENERALE DE BELGIQUE GAVE VARIOUS SPECIAL ASSIGNMENTS TO ITS AUDITORS

The fees paid for these special assignments amount to:

BEF 3,537,552 for Price Waterhouse

BEF 2,620,000 for Tinnemans, Pourbaix, Vaes and Co.

XXII. SIGNIFICANT SHAREHOLDINGS IN SOCIETE GENERALE DE BELGIQUE



APPENDIX

Name of direct shareholders:			Date of last statement received art. 4 §2 Law of 2/3/1989	%
Compagnie de SUEZ:				60.85
Compagnie de SUEZ SA	rue d'Astorg, 1	75008 PARIS	05.08.92	36.71
FRABEPAR SA	Rue Blanche, 27	1050 BRUSSELS	05.08.92	14.20
SEGT SA	rue d'Astorg, 1	75008 PARIS	05.08.92	p.m.
SUREC SA	place des Saussaies, 4	75008 PARIS	05.08.92	9.94
AG GROUP:				11.80
AG 1824, SA	Boulevard E. Jacqmain 53	1000 BRUSSELS	08.04.91	11.77
SODINVEST SA	Boulevard E. Jacqmain 53	1000 BRUSSELS	08.04.91	p.m.
G. SIMONS & Co, SA	Suikerrui 5 - Bus 1	2000 ANTWERP	08.04.91	p.m.
AMEV Levensverzekering NV	Archimedeslaan 10	3500 UTRECHT HB	08.04.91	0.01
AMEV Levensverzekeringen NV	rue de la Loi, 13	1000 BRUSSELS	08.04.91	0.01
Luxembourg Syndicate (acting together with AG 1824) :				2.80
• ARBED SA	avenue de la Liberté, 19	2930 LUXEMBOURG	08.04.91	1.02
• Banque Générale du Luxembourg SA	rue Aldringen, 14	1906 LUXEMBOURG	08.04.91	0.72
• SIDARFIN NV	Kouter 188	9000 GHENT	08.04.91	1.06

STATEMENT ON THE CONSOLIDATED ACCOUNTS

The company prepares and publishes consolidated accounts and a consolidated management report in accordance with the provisions of the Royal Decrees of 25 November 1991 and 6 March 1990.

The annual consolidated accounts of Société Générale de Belgique are included in the consolidated accounts of Compagnie de Suez, rue d'Astorg 1, 75008 Paris. A copy of this company's consolidated accounts may be obtained from its registered office.

In accordance with legal and statutory requirements, we have carried out an examination of the annual accounts at 31 December 1993 of Société Générale de Belgique SA. Our examination was made in accordance with the general auditing standards and recommendations of the Belgian Institute of Auditors. We have been able to rely for our audit procedures on an administrative organisation which includes a system of internal control appropriate to the nature and extent of the company's activities. We have obtained from the directors and officials of the company all the explanations and information which we requested from them.

Based on our audit procedures, we confirm that :

- the accounting records are maintained and the annual accounts are drawn up in accordance with the relevant legal and regulatory requirements;
- the annual report of the Board of Directors contains the information required by law and is consistent with the annual accounts;
- the appropriation of results proposed to the general shareholders' meeting is in accordance with the company's statutes and company law;
- we have no knowledge of any transactions undertaken or decisions taken in violation of the company's statutes or company law.

In conclusion, we certify without qualification that, in our opinion, the annual accounts at 31 December 1993 of Société Générale de Belgique SA - which show a balance sheet total of BEF 156,578 million and a profit for the year then ended of BEF 22,925 million - give a true and fair view of the company's net worth, its financial position, and its results for the year, in conformity with generally accepted accounting principles. The explanations given in the notes are adequate.

11 April 1994

The joint Statutory Auditors

PRICE WATERHOUSE
Reviseurs d'Entreprises SCC
Represented by Paul Pauwels

TINNEMANS, POURBAIX, VAES & Co SCC
Deloitte Touche Tohmatsu International
Represented by Claude Pourbaix

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