



2, place de la Coupole  
La Défense 6  
92 400 Courbevoie France  
Tel. : 33 (1) 47 44 58 53  
Fax : 33 (1) 47 44 58 24

Ladislav PASZKIEWICZ  
Jérôme SCHMITT  
Pascal BREANT  
Laurent WOLFFSHEIM

Robert HAMMOND (New York)  
Tel. : (1) 212 922 3065  
Fax : (1) 212 922 3074

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- **2003 net income adjusted for special items shows strong increase:**
  - **+17% to 7.34 billion for results in euros**
  - **+40% to 8.30 billion for results expressed in dollars**
- **Hydrocarbon production increased by 5%**
- **Proposed dividend of 4.70 euros per share, a 15% increase**

<b>Net income adjusted for special items</b>			
<b>4th quarter 2003</b>		<b>Full year 2003</b>	
<b>1.75 billion euros</b>	<b>(+ 9%)</b>	<b>7.34 billion euros</b>	<b>(+17%)</b>
<b>2.79 euros per share</b>	<b>(+14%)</b>	<b>11.56 euros per share</b>	<b>(+23%)</b>
<b>3.32 dollars per share</b>	<b>(+36%)</b>	<b>13.07 dollars per share</b>	<b>(+47%)</b>

<b>Net income</b>			
<b>4th quarter 2003</b>		<b>Full year 2003</b>	
<b>1.59 billion euros</b>	<b>(+16%)</b>	<b>7.03 billion euros</b>	<b>(+18%)</b>
<b>2.54 euros per share</b>	<b>(+22%)</b>	<b>11.06 euros per share</b>	<b>(+24%)</b>
<b>3.02 dollars per share</b>	<b>(+45%)</b>	<b>12.50 dollars per share</b>	<b>(+48%)</b>

**Paris, February 19, 2004** – The Board of Directors of Total, chaired by CEO Thierry Desmarest, met on February 18, 2004 to review the 2003 fourth quarter results and to approve the 2003 consolidated and parent company accounts. Commenting on the results, Thierry Desmarest said:

« In 2003, the self-help programs that were launched in 2000 following the mergers of Total, Petrofina and Elf were completed. The ambitious objectives for growth, synergies and productivity have been achieved, and I would like to thank all the employees of Total for their hard work.

For 2003, 5% production growth, the implementation of productivity programs and the continued share buybacks drove earnings per share adjusted for special items to a record high of 11.56 euros. Expressed in dollars, earnings per share rose to 13.07, reflecting an increase of 47% for 2003 compared to 2002.

Total has set new performance objectives for the years 2004-2008, consisting of a 4% average annual growth rate for hydrocarbon production while continuing to improve returns for the Group in a constant environment.»

## Total – consolidated accounts

4Q03	4Q02	%	<i>in millions of euros</i>	2003	2002	%
27,533	26,898	+2%	Sales	104,652	102,540	+2%
3,209	2,894	+11%	Operating income from business segments (adjusted for special items)	13,004	10,995	+18%
2,652	2,520	+5%	Upstream	10,476	9,309	+13%
400	229	+75%	Downstream	1,970	909	+117%
157	145	+8%	Chemicals	558	777	-28%
1,633	1,461	+12%	Net operating income from business segments (adjusted for special items)	6,973	5,868	+19%
1,747	1,609	+9%	Net income adjusted for special items	7,344	6,260	+17%
1,590	1,372	+16%	Net income	7,025	5,941	+18%
2.79	2.44	+14%	Earnings per share (euros) adjusted for special items	11.56	9.40	+23%
2,810	2,323	+21%	Investments	7,728	8,657	-11%
578	800	-28%	Divestments at selling price	1,878	2,313	-19%
2,282	2,233	+2%	Cash flow from operating activities*	12,487	11,006	+13%

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*special items were previously referred to as non-recurring items*

*\* includes disbursements of 85 M€ in the fourth quarter 2003 and 719 M€ for the full year 2003 covered by a previously established reserve related to the Toulouse-AZF plant*

## Special items

4Q03	4Q02	<i>in millions of euros</i>	2003	2002
<u>Impact of special items on operating income</u>				
(1)	(5)	Restructuring charges	(1)	(29)
(17)	(637)*	Impairments	(17)	(659)*
(7)	(38)	Other	(7)	29
<b>(25)</b>	<b>(680)</b>	<b>Total</b>	<b>(25)</b>	<b>(659)</b>
<u>Impact of special items on net income</u>				
(8)	287	Gains on asset sales	22	626
-	87	Toulouse-AZF plant impact	-	(61)
(110)	(81)	Restructuring charges and early retirement plans	(144)	(158)
(11)	(452)**	Impairments	(11)	(467)**
(28)	(78)	Other	(186)***	(259)
<b>(157)</b>	<b>(237)</b>	<b>Total</b>	<b>(319)</b>	<b>(319)</b>

*\* includes (500) M€ related to write-downs of assets in Argentina*

*\*\* includes (310) M€ related to write-downs of assets in Argentina*

*\*\*\* includes (155) M€ provision for Chemicals*

## Number of shares

4Q03	4Q02	%	millions	2003	2002	%
625.6	658.4	-5%	Fully-diluted weighted-average shares	635.1	666.1	-5%

## Market environment

4Q03	4Q02	%		2003	2002	%
1.19	1.00	-16%*	€/\$	1.13	0.95	-16%*
29.4	26.8	+10%	Brent (\$/b)	28.8	25.0	+15%
18.9	16.1	+17%	European refining margin TRCV (\$/t)	20.9	8.0	+161%

\* change in the dollar versus the euro

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## Fourth quarter 2003 results

The fourth quarter 2003 environment was marked by a sharp fall of the dollar relative to the euro, higher hydrocarbon prices and European refining margins, as well as a persistently difficult environment for the Chemicals. Self-help programs and hydrocarbon production growth contributed to the improvement in results.

Operating income from business segments adjusted for special items increased by 11% to 3,209 million euros (M€) in the fourth quarter 2003 from 2,894 M€ in the fourth quarter 2002.

The impact of special items on the fourth quarter 2003 operating income was a negative 25 M€, made up mainly of asset impairments in the Chemicals segment. In the fourth quarter 2002, special items had a negative impact of 680 M€ on operating income and were made up mainly of write-downs of assets in Argentina.

Net operating income from business segments adjusted for special items increased by 12% to 1,633 M€ in the fourth quarter 2003 compared to 1,461 M€ in the fourth quarter 2002. The equity interest in Cepsa's net results was reallocated among the business segments for the first time in the fourth quarter 2003<sup>1</sup>.

Net income adjusted for special items increased by 9% to 1,747 M€ in the fourth quarter 2003 compared to 1,609 M€ in the fourth quarter 2002.

Reported net income increased to 1,590 M€ in the fourth quarter 2003 compared to 1,372 M€ in the fourth quarter 2002.

The impact of special items on fourth quarter 2003 net income was a negative 157 M€, made up mainly of restructuring charges in the Chemicals segment. The impact of special items on fourth quarter 2002 net income was a negative 237 M€ made up mainly of write-downs of assets in Argentina, partially offset by gains on the sale of Sanofi-Synthelabo shares.

<sup>1</sup> In the past, the entire contribution of Cepsa was reflected in the Downstream segment; the decision to allocate it among the business segments was based on the increasing contribution of Cepsa's upstream operations in 2003. The impact of this reallocation for each of the business segments by quarter for 2003 and 2002 is shown on page 15.

Fourth quarter 2003 earnings per share adjusted for special items, based on 625.6 million fully-diluted weighted-average shares, was 2.79 euros compared to 2.44 euros in the fourth quarter 2002, an increase of 14% which is larger than the increase in net income, reflecting the accretive impact of the share buyback program.

During the fourth quarter 2003, Total bought back 3.5 million of its shares for 0.48 billion euros (B€), bringing the total number of shares repurchased for the year to 31.2 million for 3.99 B€.

The number of fully-diluted shares at December 31, 2003 was 625.1 million compared to 655.0 million at December 31, 2002.

The net-debt-to-equity ratio was 25.9% at December 31, 2003 compared to 28.6% a year ago and 25.6% at September 30, 2003.

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Cash flow from operating activities was 2,282 M€ in the fourth quarter 2003. Excluding 85 M€ of disbursements covered by a previously established reserve related to the Toulouse-AZF plant, fourth quarter 2003 cash flow from operating activities increased by 6%.

Investments increased by 21% to 2,810 M€ in the fourth quarter 2003 compared to the same quarter a year ago. Expressed in dollars, investments rose by 44%. The increase was due primarily to the acquisition of part of the British Gas interest in the Kashagan field in Kazakhstan and by the acquisition of service stations in Italy and Portugal through swaps with ENI and Galp.

Divestments in the fourth quarter 2003, based on selling price, were 578 M€ and included sales of financial participations, the sale of Chemicals activities in Mexico and France, as well as the divestiture of service stations in Spain through swaps with ENI and Galp.

### **Full-year 2003 results**

Sales rose by 2% to 104,652 M€ in 2003 from 102,540 M€ in 2002.

Operating income from the business segments adjusted for special items increased by 18% to 13,004 M€ in 2003 from 10,995 M€ in 2002.

The 2.0 B€ increase in 2003 versus 2002 operating income from the business segments adjusted for special items is due to +1.1 B€ of positive impacts from self-help programs (growth: +0.6 B€; synergies and productivity: +0.5 B€), +0.8 B€ for the generally more favorable environment; +0.2 B€ related to the lower level of refinery turnarounds; and -0.1 B€ for the changes in the Chemicals portfolio.

The +0.8 B€ impact from the environment on operating income breaks down as follows:

- + 1.9 B€ from higher hydrocarbon prices
- + 1.3 B€ from higher refining margins
- - 2.0 B€ from the weaker dollar relative to the euro
- - 0.4 B€ from the further degradation of the Chemicals environment

The impact of special items on 2003 operating income from the business segments was a negative 25 M€, made up mainly of asset impairments in the Chemicals segment. In 2002, special items had a negative impact of 659 M€ related primarily to write-downs of assets in Argentina.

Net operating income from the business segments adjusted for special items increased by 19% to 6,973 M€ in 2003 from 5,868 M€ in 2002.

Net income adjusted for special items increased by 17% to 7,344 M€ in 2003 from 6,260 M€ in 2002.

Reported net income was 7,025 M€ in 2003 compared to 5,941 M€ in 2002.

Special items had a negative impact of 319 M€ on 2003 net income, made up mainly of restructuring charges and a provision in the Chemicals segment. Special items had a negative impact of 319 M€ on 2002 net income, made up mainly of write-downs of assets in Argentina, changes in the UK tax system, and gains on the sale of financial participations, notably Sanofi-Synthelabo shares.

For 2003, earnings per share adjusted for special items, based on 635.1 million fully-diluted weighted-average shares, was 11.56 euros, an increase of 23% compared to the 2002 earnings per share adjusted for special items of 9.40 euros. Earnings per share increased by more than net income, reflecting the accretive impact of the share buyback program.

Cash flow from operating activities increased by 13% to 12,487 M€ in 2003 from 11,006 M€ in 2002. Excluding 719 M€ of disbursements covered by a previously established reserve related to the Toulouse-AZF plant, 2003 cash flow from operating activities increased by 20%.

In 2003, investments were 7,728 M€, a decrease of 11% compared to 2002. Expressed in dollars, investments increased by 6%.

Divestments, based on selling price, were 1,878 M€, including the sale of the paints business.

Net cash flow<sup>2</sup> was 6,637 M€ in 2003 compared to 4,662 M€ in 2002.

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<sup>2</sup> net cash flow = cash flow from operating activities + divestments - investments

## Upstream

4Q03	4Q02	%	Upstream key figures	2003	2002	%
2,588	2,523	+3%	Hydrocarbon production (kboe/d)	2,539	2,416	+5%
1,697	1,617	+5%	• Liquids (kb/d)	1,661	1,589	+5%
4,865	4,960	-2%	• Gas (Mcf/d)	4,786	4,532	+6%
2,652	2,520	+5%	Operating income (M€) adjusted for special items	10,476	9,309	+13%
1,395	1,196	+17%	Net operating income (M€) adjusted for special items	5,259	4,648	+13%
1,748	1,493	+17%	Investments (M€)	5,302	6,122	-13%
119	133	-11%	Divestments (M€) at selling price	428	603	-29%
2,190	2,110	+4%	Cash flow from operating activities (M€)	9,214	7,721	+19%

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Proved reserves – December 31	2003	2002	%
Hydrocarbon reserves (Mboe)	11,401	11 203	+2%
• Liquids (Mb)	7,323	7 231	+1%
• Gas (Bcf)	22,267	21 575	+3%

Operating income from the Upstream segment adjusted for special items increased by 5% to 2,652 M€ in the fourth quarter 2003 from 2,520 M€ in the fourth quarter 2002.

Net operating income from the Upstream segment adjusted for special items increased by 17% to 1,395 M€ in the fourth quarter 2003. Taking into account the reallocation of the contribution of Cepsa since 2002, the increase would have been 8%.

Hydrocarbon production increased by 3% in the fourth quarter 2003 to 2,588 thousand equivalent barrels per day (kboe/d) from 2,523 kboe/d in the fourth quarter 2002.

Liquids production increased by 5% in the fourth quarter 2003 to 1,697 thousand barrel per day (kb/d) from 1,617 kb/d in the fourth quarter 2002, primarily due to the contribution of Amenam in Nigeria, Sincor in Venezuela and Ourhoud in Algeria.

Gas production declined by 2% in the fourth quarter 2003 to 4,865 million cubic feet per day (Mcf/d) from 4,960 Mcfd in the fourth quarter 2002.

Fourth quarter 2003 Upstream highlights included production start-ups at Nuggets N4 (Total-operated 100%) in the UK North Sea, Matterhorn (Total-operated 100%) in the Gulf of Mexico and Jasmim (Total-operated 40%) on offshore Block 17 in Angola.

In addition, successful exploration in the fourth quarter 2003 included the Aktote and the Kashagan SW (Total 20.4%<sup>3</sup>) discoveries in the Caspian Sea, and, in Nigeria, the extension of the offshore Usan discovery (Total-operated 20%).

In Saudi Arabia, the agreement under which a consortium comprising Saudi Aramco, Shell, and Total will explore for gas in an area covering more than 200,000 square kilometers in the southern part of the country was signed. In the United Arab Emirates, Dolphin Energy Ltd., in which Total is a 24.5% partner, announced the signing of two

<sup>3</sup> acquiring part of the British Gas stake increases Total's interest in Kashagan to 20.4% from 16.7%

gas supply contracts from the North Field in Qatar, allowing development operations to commence.

In Canada, Total announced its approval to launch the first phase of the Surmont heavy oil project (Total 43.5%) with first production expected in 2006.

In Russia, Total and Rosneft signed a 50/50 joint venture agreement to explore the Tuapse area in the Black Sea.

In Nigeria, Total signed a new production sharing contract with the national oil company, NNPC, for the deep offshore Oil Prospecting License (OPL) 221.

Gas and power activities included signing an agreement with Shell to acquire a 25% interest in the Altamira LNG regas terminal project in Mexico.

In France, Total and Gaz de France have signed a protocol of intent under which Total would become the sole shareholder of GSO, acquire part of the trading activities of CFM, and acquire a 26.7% interest in the proposed Fos II LNG regas terminal which is expected to start operating in 2007.

In renewable energies, Total inaugurated its first wind power plant on the site of its Flandres refinery in France.

For the year 2003, hydrocarbon production increased by 5%, in line with the announced objective.

Liquids production increased by 5% in 2003 due to the contribution of Sincor in Venezuela, Cepsa's production in Algeria, Balal and South Pars in Iran, and Amenam in Nigeria.

Gas production grew by 6% in 2003. The largest contributors to the increase were the Gulf of Mexico, Indonesia and the North Sea.

Proved hydrocarbon reserves increased by 2% in 2003 to a level representing 12.3 years of production at the current rate. For consolidated subsidiaries, the 2001-2003 3-year average reserve replacement rate was 145% with corresponding finding costs of 0.7 \$/b and reserve replacement costs of 4.3 \$/b.

Net operating income from the Upstream segment adjusted for special items was 5,259 M€ in 2003.

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## Downstream

4Q03	4Q02	%	Downstream key figures	2003	2002	%
2,602	2,218	+17%	Refinery throughput* (kb/d)	2,481	2,349	+6%
400	229	+75%	Operating income (M€) adjusted for special items	1,970	909	+117%
182	244	-25%	Net operating income (M€) adjusted for special items	1,460	846	+73%
704	465	+51%	Investments (M€)	1,235	1,112	+11%
346	114	+204%	Divestments (M€) at selling price	466	283	+65%
(213)	(188)	ns	Cash flow from operating activities (M€)	3,099	1,447	+114%

\* includes share of Cepsa

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Operating income from the Downstream segment adjusted for special items rose by 75% to 400 M€ in the fourth quarter 2003 from 229 M€ in the fourth quarter 2002.

Refinery throughput rose to 2,602 kb/d in the fourth quarter 2003, an increase of 17% compared to the fourth quarter last year when four refineries were shut down for turnaround operations.

Net operating income from the Downstream segment adjusted for special items was 182 M€ in the fourth quarter 2003. Taking into account the reallocation of the contribution of Cepsa since 2002, the net operating income from the Downstream segment adjusted for special items would have increased by 30% to 301 M€ in the fourth quarter 2003 from 232 M€ in the fourth quarter 2002.

For the year 2003, refinery throughput increased by 6% to 2,481 kb/d. The refinery utilization rate rose to 92% in 2003 from 88% in 2002. Refined product sales were 3,652 kb/d in 2003.

Net operating income from the Downstream segment adjusted for special items was 1,460 M€ in 2003 compared to 846 M€ in 2002. Taking into account the reallocation of the contribution of Cepsa since 2002, the increase would have been 85%.



## Chemicals

4Q03	4Q02	%	Chemicals key figures (M€)	2003	2002	%
4,335	4,587	-5%	Sales	17,260	19,317	-11%
157	145	+8%	Operating income adjusted for special items	558	777	-28%
56	21	+167%	Net operating income adjusted for special items	254	374	-32%
327	371	-12%	Investments	1,115	1,237	-10%
94	37	+154%	Divestments at selling price	891	140	x 5,4
172*	636	-73%	Cash flow from operating activities	268**	1,053	-75%

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*paints business divested in February 2003*

*\* this amount would be 257 M€ excluding the disbursement of 85 M€ related to the Toulouse-AZF reserve*

*\*\* this amount would be 987 M€ excluding the disbursement of 719 M€ related to the Toulouse-AZF reserve*

Sales for the Chemicals segment fell by 5% to 4,335 M€ in the fourth quarter 2003 from 4,587 M€ in the fourth quarter 2002.

Operating income from the Chemicals segment adjusted for special items was 157 M€ in the fourth quarter 2003 compared to 145 M€ in the fourth quarter 2002, an increase of 8%. In an environment that was more difficult than in 2002, this increase is due notably to the positive contribution of the Total/Samsung JV in South Korea (consolidated since August 2003).

In the fourth quarter 2003, petrochemical margins remained weak in Europe.

The Intermediates were affected by an unfavorable economic context made worse by the weak dollar relative to the euro.

Most of the Specialties continued to resist the poor European environment.

Net operating income from the Chemicals segment adjusted for special items was 56 M€ in the fourth quarter 2003. Taking into account the reallocation of the contribution of Cepsa since 2002, the increase would have been 16%.

For the year 2003, sales for the Chemicals segment were 17,260 M€, a decrease of 11% compared to 2002. Excluding from both years the paints business divested in February 2003, the decline in sales would have been 2%. This decline is due primarily to the evolution of exchange rates.

Net operating income from the Chemicals segment adjusted for special items was 254 M€ in 2003.

## Parent company accounts and proposed dividend

The parent company, TOTAL S.A., reported net earnings of 3,272 M€ in 2003 compared to 2,410 M€ in 2002. The Board of Directors, after closing the accounts, decided to propose at the May 14, 2004 Annual General Meeting (AGM) a cash dividend of 4.70 euros per share, representing a 15% increase from the previous year, to which will be added the *avoir fiscal* (French tax credit) pursuant to the terms in force. The dividend will be paid May 24, 2004.

## 2004 Sensitivities

	Change	2004(e)* Sensitivities		
		Operating income	Net income	EPS <sup>4</sup>
€/\$	± 0.1 \$ per €	1.05 B€	0.54 B€	0.86 €
Brent	± 1 \$ per barrel	0.54 B€	0.26 B€	0.42 €
Refining Margin (TRCV)	± 1 \$ per ton	0.10 B€	0.07 B€	0.10 €

\*sensitivities based on an environment of €/\$ = 1.10 ; Brent = 20 \$/b ; TRCV = 12 \$/t

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## Summary and outlook

The return on average capital employed (ROACE) for Total was 19% in 2003, the highest level among its major competitors. The 2003 ROACE by segment was 29% in the Upstream, 15% in the Downstream and 4% in the Chemicals. The return on equity in 2003 was 26% compared to 20% in 2002.

To take into account changes in the market environment, Total decided to adjust certain assumptions in its medium-term reference environment: the Brent oil price increased to 20 \$/b from 17 \$/b; the euro/dollar exchange rate was revised to 1.1 dollars per euro from parity; and the mid-cycle for the Chemicals was revised downward. The European refining margin (TRCV) remains unchanged at 12 \$/t. Large, long-term Upstream projects are still required to show a satisfactory return at 17 \$/b, regardless of the adjustments to the reference environment.

The table below shows 2003 ROACE calculated using the previous<sup>5</sup> and the new<sup>6</sup> reference environment assumptions.

	ROACE 2003 calculated using the previous reference environment <sup>5</sup>	ROACE 2003 calculated using the new reference environment <sup>6</sup>
Upstream	14%	17%
Downstream	14%	12%
Chemicals	11%	8%
Group	13.5%	13.5%

<sup>4</sup> based on 625.1 million fully-diluted shares at Dec. 31, 2003

<sup>5</sup> Brent = 17 \$/b ; TRCV = 12 \$/t ; €/\$ = 1 ; previous mid-cycle for Chemicals

<sup>6</sup> Brent = 20 \$/b ; TRCV = 12 \$/t ; €/\$ = 1.1 ; mid-cycle for Chemicals revised downward

Having achieved the ambitious objectives set for the 2000-2003 period, Total has set new targets for the coming 2004-2008 period:

- Upstream production is expected to grow by 4% per year on average<sup>7</sup>,
- 2006-2008 ROACE<sup>8</sup> targets are to maintain Upstream at 17% and to improve Downstream to 15% and Chemicals to 12%,
- For the same period, the ROACE<sup>8</sup> target for the Group is 15.5%.

Total's strategy for profitable growth over the 2004-2008 period is based on a sustained investment program of 9 to 10 B\$ per year with priority given to the Upstream, which will account for 75% of Capex on average. The 2004 Capex budget has been set at approximately 10 B\$.

Total intends to pursue a dynamic dividend policy targeting a pay-out ratio of 50%.

The net-debt-to-equity ratio is expected to be in the vicinity of 25% to 30%.

With a 24.4% interest in Sanofi-Synthelabo, Total is closely monitoring the progress of the proposed merger with Aventis. Total supports the proposed transaction, considering that value will be created. Further, Total confirms that its strategy to divest over the medium term is unchanged. The Group anticipates that it will benefit from increased flexibility to exit at the appropriate times and to capture the value creation.

Since the beginning of 2004, the oil market environment has remained favorable with oil prices at a high level and satisfactory refining margins, while the dollar has been relatively weak against the euro and the environment for Chemicals persistently difficult. During January 2004, the Group bought back 0.8 million of its shares for 0.12 B€. Future share buybacks will be adjusted to the environment and divestments.

The steady progress of operations and the commitment of the employees to achieve the new targets should allow Total to continue to generate strong organic growth while delivering high returns.

2, place de la Coupole  
La Défense 6  
92 400 Courbevoie France  
Tel. : 33 (1) 47 44 58 53  
Fax : 33 (1) 47 44 58 24

Ladislav PASZKIEWICZ  
Jérôme SCHMITT  
Pascal BREANT  
Laurent WOLFFSHEIM

Robert HAMMOND (New York)  
Tel. : (1) 212 922 3065  
Fax : (1) 212 922 3074

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*To listen the presentation to financial analysts by CEO Thierry Desmarest today at 11:00 (Paris time), please consult the website [www.total.com](http://www.total.com) for information or dial +44 (0) 207 162 0184 from Europe or 1 334 420 4950 from the US. For a replay, please dial +44 (0) 208 288 4459 (access code: 195 762) from Europe or 1 334 323 6222 (access code: 195 762) from the US.*

*This document may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 with respect to the financial condition, results of operations, business, strategy and plans of Total. Such statements are based on a number of assumptions that could ultimately prove inaccurate, and are subject to a number of risk factors, including currency fluctuations, the price of petroleum products, the ability to realize cost reductions and operating efficiencies without unduly disrupting business operations, environmental regulatory considerations and general economic and business conditions. The financial information contained in this document has been prepared in accordance with French GAAP, and certain elements would differ materially upon reconciliation to US GAAP. Total does not assume any obligation to update publicly any forward-looking statement, whether as a result of new information, future events or otherwise. Further information on factors which could affect the company's financial results is provided in documents filed by the Group and its affiliates with the French Autorité des Marchés Financiers and the US Securities and Exchange Commission.*

*Total reports the impact on income of special items, consisting of income and charges for the period, which are unusual or significant in nature. Items from income from business segments adjusted for special items, and net income per share adjusted for special items, presented in financial communications (operating income from business segments adjusted for special items, net operating income from business segments adjusted for special items and net income adjusted for special items) and in the footnotes to the financial statements of the Group containing segment data are non-GAAP measures obtained by adjusting the GAAP figures for special items as described above. They are presented in order to facilitate the analysis of financial performance and the comparison of income between periods.*

<sup>7</sup> 20 \$/b Brent scenario

<sup>8</sup> ROACE in the new reference environment: Brent = 20 \$/b ; TRCV = 12 \$/t ; €/€ = 1.1 ; mid-cycle for Chemicals revised downward

## OPERATING INFORMATION BY SEGMENT FOURTH QUARTER AND FULL YEAR 2003

### Upstream

#### Combined liquids and gas production by region

4Q03	4Q02	%	<i>in kboe/d</i>	2003	2002	%
891	939	-5%	Europe	880	873	+1%
770	689	+12%	Africa	723	671	+8%
56	54	+4%	North America	59	45	+31%
232	220	+5%	Asia	232	220	+5%
414	452	-8%	Middle East	441	432	+2%
214	165	+30%	South America	196	170	+15%
11	4	<i>ns</i>	Rest of world	8	5	<i>ns</i>
<b>2,588</b>	<b>2,523</b>	<b>+ 3%</b>	<b>Total production*</b>	<b>2,539</b>	<b>2,416</b>	<b>+ 5%</b>

\* includes consolidated production of 2,210 kboe/d in 2003 and 2,137 kboe/d in 2002

#### Liquids production by region

4Q03	4Q02	%	<i>in kb/d</i>	2003	2002	%
458	492	-7%	Europe	460	464	-1%
697	611	+14%	Africa	646	599	+8%
4	4	-	North America	4	5	<i>ns</i>
25	23	+9%	Asia	25	23	+9%
361	365	-1%	Middle East	388	377	+3%
141	118	+19%	South America	130	116	+12%
11	4	<i>ns</i>	Rest of world	8	5	<i>ns</i>
<b>1,697</b>	<b>1,617</b>	<b>+5%</b>	<b>Total production *</b>	<b>1,661</b>	<b>1,589</b>	<b>+5%</b>

\* includes consolidated production of 1,379 kb/d in 2003 and 1,354 kb/d in 2002

2, place de la Coupole  
La Défense 6  
92 400 Courbevoie France  
Tel. : 33 (1) 47 44 58 53  
Fax : 33 (1) 47 44 58 24

Ladislav PASZKIEWICZ  
Jérôme SCHMITT  
Pascal BREANT  
Laurent WOLFFSHEIM

Robert HAMMOND (New York)  
Tel. : (1) 212 922 3065  
Fax : (1) 212 922 3074

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## Gas production by region

4Q03	4Q02	%	in Mcfd	2003	2002	%
2,373	2,432	-2%	Europe	2,286	2,230	+3%
371	410	-10%	Africa	404	374	+8%
267	264	+1%	North America	294	214	+37%
1,137	1,117	+2%	Asia	1,156	1,122	+3%
297	482	-38%	Middle East	283	295	-4%
420	255	+65%	South America	363	297	+22%
-	-	-	Rest of world	-	-	-
<b>4,865</b>	<b>4,960</b>	<b>-2%</b>	<b>Total production *</b>	<b>4,786</b>	<b>4,532</b>	<b>+6%</b>

\* includes consolidated production of 4,540 Mcfd in 2003 and 4,299 Mcfd in 2002

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## Downstream

### Refinery throughput by region

4Q03	4Q02	%	in kb/d	2003	2002	%
1,069	883	+21%	France	968	911	+6%
1,199	1,054	+14%	Rest of Europe	1,200	1,157	+4%
334	281	+19%	Rest of world	313	281	+11%
<b>2,602</b>	<b>2,218</b>	<b>+17%</b>	<b>Total *</b>	<b>2,481</b>	<b>2,349</b>	<b>+6%</b>

\* includes share of Cepsa

### Refined product sales by region\*

in kb/d	2003	2002	%
Europe	2,744	2,604 <sup>9</sup>	+5 %
Africa	282	269	+5%
Americas	525	366	+45%
Middle East	60	59	+2%
Asia	29	67	-57%
Rest of world	12	15	-20%
<b>Total</b>	<b>3,652</b>	<b>3,380<sup>9</sup></b>	<b>+8%</b>

\*includes trading and share of Cepsa

<sup>9</sup> after correcting a reporting disparity related to sales in France

## Chemicals

4Q03	4Q02	%	Chemicals key figures (B€)	2003	2002	%
4.34	4.59	-5%	<b>Sales</b>	17.26	19.32	-11%
2.11	1.94	+9%	• Base chemicals & polymers	7.91	7.72	+2%
0.83	0.85	-2%	• Intermediates	3.60	3.77	-5%
1.40	1.79	-22%	• Specialties*	5.74	7.80	-26%
0.00	0.01	ns	• Corporate Chemicals	0.01	0.03	ns
0.16	0.15	+7%	<b>Operating income **</b>	0.56	0.78	-28%
0.05	(0.03)	ns	• Base chemicals & polymers	0.10	(0.03)	ns
0.02	0.04	-50%	• Intermediates	0.13	0.28	-54%
0.12	0.13	-8%	• Specialties *	0.43	0.60	-28%
(0.03)	0.01	ns	• Corporate Chemicals	(0.10)	(0.07)	ns

\* paints divested in February 2003

\*\* adjusted for special items

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92 400 Courbevoie France  
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Laurent WOLFFSHEIM

Robert HAMMOND (New York)  
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## Impact of allocating contribution of Cepsa to net operating income by business segment

For the first time, during the fourth quarter 2003, the contribution of Cepsa to the net operating income by business segments has been allocated among the different operating segments, whereas in the past it was included entirely in the Downstream segment. The adjustment for the first nine months has been taken into account and included in the fourth quarter 2003 adjustment.

The table below shows the line item "Equity in income (loss) of affiliates and other items" before and after the reallocation of the Cepsa contribution for each quarter and full year for 2002 and 2003.

On the "before allocation" line of the tables below, the contribution of Cepsa is included exclusively in the Downstream column.

On the "after allocation" line of the table below, the contribution of Cepsa has been allocated among the Upstream, Downstream and Chemicals segments.

2, place de la Coupole  
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### Equity in income (loss) of affiliates and other items

<b>First Quarter 2002 (M€)</b>	<b>Upstream</b>	<b>Downstream</b>	<b>Chemicals</b>	<b>Segments</b>
Before allocation of Cepsa	141	73	(7)	207
After allocation of Cepsa	143	58	6	207

<b>Second Quarter 2002 (M€)</b>	<b>Upstream</b>	<b>Downstream</b>	<b>Chemicals</b>	<b>Segments</b>
Before allocation (reported)	87	47	(13)	121
After allocation	91	32	(2)	121

<b>Third Quarter 2002 (M€)</b>	<b>Upstream</b>	<b>Downstream</b>	<b>Chemicals</b>	<b>Segments</b>
Before allocation (reported)	97	72	77	246
After allocation	102	56	88	246

<b>Fourth Quarter 2002 (M€)</b>	<b>Upstream</b>	<b>Downstream</b>	<b>Chemicals</b>	<b>Segments</b>
Before allocation (reported)	98	83	(11)	170
After allocation	100	71	(1)	170

<b>Full Year 2002 (M€)</b>	<b>Upstream</b>	<b>Downstream</b>	<b>Chemicals</b>	<b>Segments</b>
Before allocation (reported)	423	275	46	744
After allocation	436	217	91	744

<b>First Quarter 2003 (M€)</b>	<b>Upstream</b>	<b>Downstream</b>	<b>Chemicals</b>	<b>Segments</b>
Before allocation of Cepsa	64	63	(193)	(66)
After allocation of Cepsa	92	29	(187)	(66)

<b>Second Quarter 2003 (M€)</b>	<b>Upstream</b>	<b>Downstream</b>	<b>Chemicals</b>	<b>Segments</b>
Before allocation (reported)	95	93	11	199
After allocation	130	52	17	199

<b>Third Quarter 2003 (M€)</b>	<b>Upstream</b>	<b>Downstream</b>	<b>Chemicals</b>	<b>Segments</b>
Before allocation (reported)	36	77	6	119
After allocation	72	33	14	119

<b>Fourth Quarter 2003(e) (M€)</b>	<b>Upstream</b>	<b>Downstream</b>	<b>Chemicals</b>	<b>Segments</b>
Before allocation	(45)	10	(27)	(62)
After allocation	(29)	(5)	(28)	(62)

<b>Full Year 2003(e) (M€)</b>	<b>Upstream</b>	<b>Downstream</b>	<b>Chemicals</b>	<b>Segments</b>
Before allocation	150	243	(203)	190
After allocation (reported)	265	109	(184)	190

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# **Total financial statements**

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Fourth quarter and full year 2003 consolidated accounts, French GAAP



# CONSOLIDATED STATEMENTS OF INCOME

## Total

Fourth quarter 2003 (unaudited)	Fourth quarter 2002 (unaudited)	Amounts in millions of euros (1)	For the year ended 31, December 2003	For the year ended 31, December 2002
27,533	26,898	Sales	104,652	102,540
(23,090)	(22,817)	Operating expenses	(86,905)	(86,622)
(1,305)	(1,915)	Depreciation, depletion, and amortization of tangible assets	(4,977)	(5,792)
		<b>Operating income</b>		
(46)	(48)	Corporate	(209)	(210)
3,184	2,214	Business segments *	12,979	10,336
<b>3,138</b>	<b>2,166</b>	<b>Total operating income</b>	<b>12,770</b>	<b>10,126</b>
(121)	(68)	Interest expense, net	(232)	(195)
56	51	Dividend income on non-consolidated subsidiaries	152	170
(1)	(2)	Dividends on subsidiaries' redeemable preferred shares	(5)	(10)
(432)	143	Other income (expense), net	(1,060)	243
(1,185)	(1,150)	Provision for income taxes	(5,353)	(5,034)
218	222	Equity in income (loss) of affiliates	1,086	866
<b>1,673</b>	<b>1,362</b>	<b>Income before amortization of acquisition goodwill</b>	<b>7,358</b>	<b>6,166</b>
(41)	(94)	Amortization of acquisition goodwill	(139)	(212)
<b>1,632</b>	<b>1,268</b>	<b>Consolidated net income</b>	<b>7,219</b>	<b>5,954</b>
42	(104)	of which minority interest	194	13
<b>1,590</b>	<b>1,372</b>	<b>NET INCOME **</b>	<b>7,025</b>	<b>5,941</b>
2.54	2.08	Earnings per share (euros)***	11.06	8.92
3,209	2,894	* Operating income from business segments, adjusted for special items	13,004	10,995
1,633	1,461	Net operating income from business segments, adjusted for special items	6,973	5,868
1,747	1,609	** Net income (Group share), adjusted for special items	7,344	6,260
2.79	2.44	*** Earnings per share, adjusted for special items (euros)	11.56	9.40

(1) Except for earnings per share

# CONSOLIDATED BALANCE SHEET

## Total

Amounts in millions of euros

31/12/2003      30/09/2003  
(unaudited)      31/12/2002

### ASSETS

#### NON-CURRENT ASSETS

Intangible assets, net	2,017	2,089	2,752
Property, plant, and equipment, net	36,286	37,146	38,592
Equity affiliates : investments and loans	7,833	8,078	7,710
Other investments	1,162	1,228	1,221
Other non-current assets	3,152	3,527	3,735
<b>Total non-current assets</b>	<b>50,450</b>	<b>52,068</b>	<b>54,010</b>

#### CURRENT ASSETS

Inventories, net	6,137	6,163	6,515
Accounts receivable, net	12,357	12,111	13,087
Prepaid expenses and other current assets	4,779	5,057	5,243
Short-term investments	1,404	1,413	1,508
Cash and cash equivalents	4,836	9,676	4,966
<b>Total current assets</b>	<b>29,513</b>	<b>34,420</b>	<b>31,319</b>

#### TOTAL ASSETS

**79,963      86,488      85,329**

### LIABILITIES & SHAREHOLDERS' EQUITY

#### SHAREHOLDERS' EQUITY

Common shares	6,491	6,788	6,872
Paid-in surplus and retained earnings	30,408	32,352	30,514
Cumulative translation adjustment	(3,268)	(2,197)	(830)
Treasury shares	(3,225)	(6,662)	(4,410)
<b>Total shareholders' equity</b>	<b>30,406</b>	<b>30,281</b>	<b>32,146</b>

#### SUBSIDIARIES' REDEEMABLE PREFERRED SHARES

**396      429      477**

#### MINORITY INTEREST

**664      637      724**

#### LONG-TERM LIABILITIES

Deferred income taxes	5,443	5,628	6,390
Employee benefits	3,818	4,009	4,103
Other liabilities	6,344	6,623	6,150
<b>Total long-term liabilities</b>	<b>15,605</b>	<b>16,260</b>	<b>16,643</b>

#### LONG-TERM DEBT

**9,783      9,849      10,157**

#### CURRENT LIABILITIES

Accounts payable	10,304	9,496	10,236
Other creditors and accrued liabilities	8,970	10,771	9,850
Short-term borrowings and bank overdrafts	3,835	8,765	5,096
<b>Total current liabilities</b>	<b>23,109</b>	<b>29,032</b>	<b>25,182</b>

#### TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY

**79,963      86,488      85,329**

# CONSOLIDATED STATEMENTS OF CASH FLOWS

## Total

Fourth quarter 2003 (unaudited)	Fourth quarter 2002 (unaudited)	Amounts in millions of euros	For the year ended 31, December 2003	For the year ended 31, December 2002
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
1,632	1,268	Consolidated net income	7,219	5,954
1,401	2,080	Depreciation, depletion, and amortization	5,305	6,241
201	(154)	Long-term liabilities, valuation allowances, and deferred taxes	(208)	(264)
(170)	-	Impact of coverage of pension benefit plans	(170)	-
108	165	Unsuccessful exploration costs	359	487
55	(358)	(Gains)/Losses on sales of assets	182	(862)
(114)	(167)	Equity in income of affiliates (in excess of)/less than dividends received	(603)	(479)
12	1	Other changes, net	21	(7)
<b>3,125</b>	<b>2,835</b>	<b>Cash flow from operating activities before changes in working capital</b>	<b>12,105</b>	<b>11,070</b>
(843)	(602)	(Increase)/Decrease in operating assets and liabilities	382	(64)
<b>2,282</b>	<b>2,233</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES (1)</b>	<b>12,487</b>	<b>11,006</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
(2,450)	(1,974)	Intangible assets and property, plant, and equipment additions	(6,365)	(6,942)
(109)	(146)	Exploration expenditures charged to expenses	(343)	(432)
(84)	(22)	Acquisitions of subsidiaries, net of cash acquired	(421)	(127)
(43)	(46)	Investments in equity affiliates and other securities	(123)	(298)
(124)	(135)	Increase in long-term loans	(476)	(858)
<b>(2,810)</b>	<b>(2,323)</b>	<b>Total expenditures</b>	<b>(7,728)</b>	<b>(8,657)</b>
167	124	Proceeds from sale of intangible assets and property, plant, and equipment	315	290
86	(8)	Proceeds from sale of subsidiaries, net of cash sold	820	5
129	543	Proceeds from sale of non-current investments	218	1,346
196	141	Repayment of long-term loans	525	672
<b>578</b>	<b>800</b>	<b>Total divestitures</b>	<b>1,878</b>	<b>2,313</b>
8	(83)	(Increase)/Decrease in short-term investments	116	(505)
<b>(2,224)</b>	<b>(1,606)</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>(5,734)</b>	<b>(6,849)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
Issuance and repayment of shares:				
-	14	Parent company's shareholders	69	461
(478)	(1,417)	Purchase of treasury shares	(3,994)	(2,945)
39	7	Minority shareholders	76	32
-	-	Subsidiaries' redeemable preferred shares	-	-
Cash dividends paid:				
-	-	- Parent company's shareholders	(2,571)	(2,514)
(10)	(7)	- Minority shareholders	(124)	(100)
830	455	Net issuance/(repayment) of long-term debt	2,108	1,642
(5,223)	(5,271)	Increase/(Decrease) in short-term borrowings and bank overdrafts	(2,153)	746
(1)	(2)	Other changes, net	(5)	(10)
<b>(4,843)</b>	<b>(6,221)</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>(6,594)</b>	<b>(2,688)</b>
<b>(4,785)</b>	<b>(5,594)</b>	<b>Net increase/decrease in cash and cash equivalents</b>	<b>159</b>	<b>1,469</b>
(55)	(229)	Effect of exchange rates and changes in reporting entity on cash and cash equivalents	(289)	(77)
9,676	10,789	Cash and cash equivalents at the beginning of the year	4,966	3,574
<b>4,836</b>	<b>4,966</b>	<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b>4,836</b>	<b>4,966</b>

(1) including payments relating to the Toulouse AZF plant explosion, offset by a long-term liability write-back of 85 million euros for the fourth quarter 2003 and 719 million euros for the year ended December 31, 2003.

## BUSINESS SEGMENTS INFORMATION

### Total

(unaudited)

Amounts in millions of euros

Fourth quarter 2003	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Non-Group sales	5,151	18,041	4,335	6	-	27,533
Intersegment sales	2,896	577	176	34	(3,683)	-
<b>Total sales</b>	<b>8,047</b>	<b>18,618</b>	<b>4,511</b>	<b>40</b>	<b>(3,683)</b>	<b>27,533</b>
Depreciation, depletion, and amortization of tangible assets	(842)	(228)	(225)	(10)	-	(1,305)
<b>Operating income</b>	<b>2,652</b>	<b>400</b>	<b>132</b>	<b>(46)</b>	-	<b>3,138</b>
Amortization of intangible assets and acquisition goodwill	(11)	(26)	(45)	(6)	-	(88)
Equity in income (loss) of affiliates and other items	70	(124)	(225)	123	-	(156)
Tax on net operating income	(1,316)	(68)	37	139	-	(1,208)
<b>Net operating income</b>	<b>1,395</b>	<b>182</b>	<b>(101)</b>	<b>210</b>	-	<b>1,686</b>
Net cost of net debt	-	-	-	-	-	(53)
Minority interests and dividends on subsidiaries' redeemable preferred shares	-	-	-	-	-	(43)
<b>Net income</b>	-	-	-	-	-	<b>1,590</b>

Fourth quarter 2003 (special items)	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Non-Group sales	-	-	-	-	-	-
Intersegment sales	-	-	-	-	-	-
<b>Total sales</b>	-	-	-	-	-	-
Depreciation, depletion, and amortization of tangible assets	-	-	(17)	-	-	(17)
<b>Operating income</b>	-	-	<b>(25)</b>	-	-	<b>(25)</b>
Amortization of intangible assets and acquisition goodwill	-	-	-	-	-	-
Equity in income (loss) of affiliates and other items	-	-	(217)	-	-	(217)
Tax on net operating income	-	-	85	-	-	85
<b>Net operating income</b>	-	-	<b>(157)</b>	-	-	<b>(157)</b>
Net cost of net debt	-	-	-	-	-	-
Minority interests and dividends on subsidiaries' redeemable preferred shares	-	-	-	-	-	-
<b>Net income</b>	-	-	-	-	-	<b>(157)</b>

Fourth quarter 2003 (adjusted for special items)	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Non-Group sales	5,151	18,041	4,335	6	-	27,533
Intersegment sales	2,896	577	176	34	(3,683)	-
<b>Total sales</b>	<b>8,047</b>	<b>18,618</b>	<b>4,511</b>	<b>40</b>	<b>(3,683)</b>	<b>27,533</b>
Depreciation, depletion, and amortization of tangible assets	(842)	(228)	(208)	(10)	-	(1,288)
<b>Operating income</b>	<b>2,652</b>	<b>400</b>	<b>157</b>	<b>(46)</b>	-	<b>3,163</b>
Amortization of intangible assets and acquisition goodwill	(11)	(26)	(45)	(6)	-	(88)
Equity in income (loss) of affiliates and other items	70	(124)	(8)	123	-	61
Tax on net operating income	(1,316)	(68)	(48)	139	-	(1,293)
<b>Net operating income</b>	<b>1,395</b>	<b>182</b>	<b>56</b>	<b>210</b>	-	<b>1,843</b>
Net cost of net debt	-	-	-	-	-	(53)
Minority interests and dividends on subsidiaries' redeemable preferred shares	-	-	-	-	-	(43)
<b>Net income</b>	-	-	-	-	-	<b>1,747</b>

Fourth quarter 2003	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Gross expenditures	1,748	704	327	31	-	2,810
Divestitures at selling price	119	346	94	19	-	578
Cash flow from operating activities (1)	2,190	(213)	172	133	-	2,282

(1) In the Chemicals segment, this figure amounts to 257 million euros excluding an amount of 85 million euros paid relating to the Toulouse AZF plant explosion.

## BUSINESS SEGMENTS INFORMATION

### Total

(unaudited)

Amounts in millions of euros

Fourth quarter 2002	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Non-Group sales	4,381	17,930	4,587	-	-	26,898
Intersegment sales	2,860	441	73	36	(3,410)	-
<b>Total sales</b>	<b>7,241</b>	<b>18,371</b>	<b>4,660</b>	<b>36</b>	<b>(3,410)</b>	<b>26,898</b>
Depreciation, depletion, and amortization of tangible assets	(1,275)	(286)	(342)	(12)		(1,915)
<b>Operating income</b>	<b>2,089</b>	<b>117</b>	<b>8</b>	<b>(48)</b>		<b>2,166</b>
Amortization of intangible assets and acquisition goodwill	(5)	(67)	(70)	(7)		(149)
Equity in income (loss) of affiliates and other items	10	61	(70)	492		493
Tax on net operating income	(1,289)	19	13	76		(1,181)
<b>Net operating income</b>	<b>805</b>	<b>130</b>	<b>(119)</b>	<b>513</b>		<b>1,329</b>
Net cost of net debt						(59)
Minority interests and dividends on subsidiaries' redeemable preferred shares						102
<b>Net income</b>						<b>1,372</b>

Fourth quarter 2002 (special items)	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Non-Group sales	-					
Intersegment sales						
<b>Total sales</b>						
Depreciation, depletion, and amortization of tangible assets	(439)	(69)	(129)	-		(637)
<b>Operating income</b>	<b>(431)</b>	<b>(112)</b>	<b>(137)</b>	<b>-</b>		<b>(680)</b>
Amortization of intangible assets and acquisition goodwill		(41)				(41)
Equity in income (loss) of affiliates and other items	(88)	(22)	(59)	349		180
Tax on net operating income	128	61	56	(75)		170
<b>Net operating income</b>	<b>(391)</b>	<b>(114)</b>	<b>(140)</b>	<b>274</b>		<b>(371)</b>
Net cost of net debt						
Minority interests and dividends on subsidiaries' redeemable preferred shares						134
<b>Net income</b>						<b>(237)</b>

Fourth quarter 2002 (adjusted for special items)	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Non-Group sales	4,381	17,930	4,587	-	-	26,898
Intersegment sales	2,860	441	73	36	(3,410)	-
<b>Total sales</b>	<b>7,241</b>	<b>18,371</b>	<b>4,660</b>	<b>36</b>	<b>(3,410)</b>	<b>26,898</b>
Depreciation, depletion, and amortization of tangible assets	(836)	(217)	(213)	(12)		(1,278)
<b>Operating income</b>	<b>2,520</b>	<b>229</b>	<b>145</b>	<b>(48)</b>		<b>2,846</b>
Amortization of intangible assets and acquisition goodwill	(5)	(26)	(70)	(7)		(108)
Equity in income (loss) of affiliates and other items	98	83	(11)	143		313
Tax on net operating income	(1,417)	(42)	(43)	151		(1,351)
<b>Net operating income</b>	<b>1,196</b>	<b>244</b>	<b>21</b>	<b>239</b>		<b>1,700</b>
Net cost of net debt						(59)
Minority interests and dividends on subsidiaries' redeemable preferred shares						(32)
<b>Net income</b>						<b>1,609</b>

Fourth quarter 2002	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Gross expenditures	1,493	465	371	(6)		2,323
Divestitures at selling price	133	114	37	516		800
Cash flow from operating activities	2,110	(188)	636	(325)		2,233

## BUSINESS SEGMENTS INFORMATION

### Total

Amounts in millions of euros

For the year ended 31, December 2003	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Non-Group sales	18,704	68,658	17,260	30		104,652
Intersegment sales	11,546	2,289	590	115	(14,540)	-
<b>Total sales</b>	<b>30,250</b>	<b>70,947</b>	<b>17,850</b>	<b>145</b>	<b>(14,540)</b>	<b>104,652</b>
Depreciation, depletion, and amortization of tangible assets	(3,289)	(880)	(773)	(35)		(4,977)
<b>Operating income</b>	<b>10,476</b>	<b>1,970</b>	<b>533</b>	<b>(209)</b>		<b>12,770</b>
Amortization of intangible assets and acquisition goodwill	(22)	(98)	(151)	(22)		(293)
Equity in income (loss) of affiliates and other items	265	109	(614)	569		329
Tax on net operating income	(5,460)	(521)	137	424		(5,420)
<b>Net operating income</b>	<b>5,259</b>	<b>1,460</b>	<b>(95)</b>	<b>762</b>		<b>7,386</b>
Net cost of net debt						(162)
Minority interests and dividends on subsidiaries' redeemable preferred shares						(199)
<b>Net income</b>						<b>7,025</b>

For the year ended 31, December 2003 (special items)	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Non-Group sales	-	-	-	-	-	-
Intersegment sales	-	-	-	-	-	-
<b>Total sales</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Depreciation, depletion, and amortization of tangible assets	-	-	(17)	-		(17)
<b>Operating income</b>	<b>-</b>	<b>-</b>	<b>(25)</b>	<b>-</b>		<b>(25)</b>
Amortization of intangible assets and acquisition goodwill	-	-	-	-		-
Equity in income (loss) of affiliates and other items	-	-	(430)	40		(390)
Tax on net operating income	-	-	106	(10)		96
<b>Net operating income</b>	<b>-</b>	<b>-</b>	<b>(349)</b>	<b>30</b>		<b>(319)</b>
Net cost of net debt						-
Minority interests and dividends on subsidiaries' redeemable preferred shares						-
<b>Net income</b>						<b>(319)</b>

For the year ended 31, December 2003 (adjusted for special items)	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Non-Group sales	18,704	68,658	17,260	30	-	104,652
Intersegment sales	11,546	2,289	590	115	(14,540)	-
<b>Total sales</b>	<b>30,250</b>	<b>70,947</b>	<b>17,850</b>	<b>145</b>	<b>(14,540)</b>	<b>104,652</b>
Depreciation, depletion, and amortization of tangible assets	(3,289)	(880)	(756)	(35)		(4,960)
<b>Operating income</b>	<b>10,476</b>	<b>1,970</b>	<b>558</b>	<b>(209)</b>		<b>12,795</b>
Amortization of intangible assets and acquisition goodwill	(22)	(98)	(151)	(22)		(293)
Equity in income (loss) of affiliates and other items	265	109	(184)	529		719
Tax on net operating income	(5,460)	(521)	31	434		(5,516)
<b>Net operating income</b>	<b>5,259</b>	<b>1,460</b>	<b>254</b>	<b>732</b>		<b>7,705</b>
Net cost of net debt						(162)
Minority interests and dividends on subsidiaries' redeemable preferred shares						(199)
<b>Net income</b>						<b>7,344</b>

For the year ended 31, December 2003	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Gross expenditures	5,302	1,235	1,115	76		7,728
Divestitures at selling price	428	466	891	93		1,878
Cash flow from operating activities (1)	9,214	3,099	268	(94)		12,487

(1) In the Chemicals segment, this figure amounts to 987 million euros excluding an amount of 719 million euros paid relating to the Toulouse AZF plant explosion.

Balance sheet as of December 31, 2003	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Property, plant, and equipment, net	23,443	6,750	5,867	226		36,286
Intangible assets, net	196	496	1,281	44		2,017
Investments in equity affiliates	1,564	1,057	545	3,703		6,869
Total non-current assets	27,104	9,586	8,482	5,278		50,450
<b>Capital employed (2)</b>	<b>16,777</b>	<b>9,064</b>	<b>8,702</b>	<b>4,301</b>		<b>38,844</b>

(2) After taking into account, in the Chemicals segment, a pre-tax contingency reserve (civil liability) of 276 million euros related to Toulouse AZF plant explosion.

## BUSINESS SEGMENTS INFORMATION

### Total

Amounts in millions of euros

For the year ended 31, December 2002	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Non-Group sales	16,225	66,984	19,317	14	-	102,540
Intersegment sales	11,525	2,002	355	117	(13,999)	-
<b>Total sales</b>	<b>27,750</b>	<b>68,986</b>	<b>19,672</b>	<b>131</b>	<b>(13,999)</b>	<b>102,540</b>
Depreciation, depletion, and amortization of tangible assets	(3,823)	(965)	(955)	(49)		(5,792)
<b>Operating income</b>	<b>8,923</b>	<b>773</b>	<b>640</b>	<b>(210)</b>		<b>10,126</b>
Amortization of intangible assets and acquisition goodwill	(21)	(140)	(217)	(18)		(396)
Equity in income (loss) of affiliates and other items	318	253	(329)	1,356		1,598
Tax on net operating income	(5,182)	(170)	(71)	255		(5,168)
<b>Net operating income</b>	<b>4,038</b>	<b>716</b>	<b>23</b>	<b>1,383</b>		<b>6,160</b>
Net cost of net debt						(196)
Minority interests and dividends on subsidiaries' redeemable preferred shares						(23)
<b>Net income</b>						<b>5,941</b>

For the year ended 31, December 2002 (special items)	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Non-Group sales						
Intersegment sales						
<b>Total sales</b>						
Depreciation, depletion, and amortization of tangible assets	(461)	(69)	(129)			(659)
<b>Operating income</b>	<b>(386)</b>	<b>(136)</b>	<b>(137)</b>			<b>(659)</b>
Amortization of intangible assets and acquisition goodwill		(41)				(41)
Equity in income (loss) of affiliates and other items	(105)	(22)	(375)	787		285
Tax on net operating income	(119)	69	161	(174)		(63)
<b>Net operating income</b>	<b>(610)</b>	<b>(130)</b>	<b>(351)</b>	<b>613</b>		<b>(478)</b>
Net cost of net debt						
Minority interests and dividends on subsidiaries' redeemable preferred shares						159
<b>Net income</b>						<b>(319)</b>

For the year ended 31, December 2002 (adjusted for special items)	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Non-Group sales	16,225	66,984	19,317	14	-	102,540
Intersegment sales	11,525	2,002	355	117	(13,999)	-
<b>Total sales</b>	<b>27,750</b>	<b>68,986</b>	<b>19,672</b>	<b>131</b>	<b>(13,999)</b>	<b>102,540</b>
Depreciation, depletion, and amortization of tangible assets	(3,362)	(896)	(826)	(49)		(5,133)
<b>Operating income</b>	<b>9,309</b>	<b>909</b>	<b>777</b>	<b>(210)</b>		<b>10,785</b>
Amortization of intangible assets and acquisition goodwill	(21)	(99)	(217)	(18)		(355)
Equity in income (loss) of affiliates and other items	423	275	46	569		1,313
Tax on net operating income	(5,063)	(239)	(232)	429		(5,105)
<b>Net operating income</b>	<b>4,648</b>	<b>846</b>	<b>374</b>	<b>770</b>		<b>6,638</b>
Net cost of net debt						(196)
Minority interests and dividends on subsidiaries' redeemable preferred shares						(182)
<b>Net income</b>						<b>6,260</b>

For the year ended 31, December 2002	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Gross expenditures	6,122	1,112	1,237	186		8,657
Divestitures at selling price	603	283	140	1,287		2,313
Cash flow from operating activities	7,721	1,447	1,053	785		11,006

Balance sheet as of December 31, 2002	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Property, plant, and equipment, net	25,189	7,061	6,047	295		38,592
Intangible assets, net	264	473	1,940	75		2,752
Investments in equity affiliates	1,409	1,431	328	3,466		6,634
<b>Total non-current assets</b>	<b>29,109</b>	<b>10,341</b>	<b>9,279</b>	<b>5,281</b>		<b>54,010</b>
<b>Capital employed (1)</b>	<b>18,998</b>	<b>10,207</b>	<b>9,341</b>	<b>3,580</b>		<b>42,126</b>

(1) After taking into account, in the Chemicals segment, a pre-tax contingency reserve (civil liability) of 995 million euros related to Toulouse AZF plant explosion.



# CONSOLIDATED STATEMENTS OF INCOME (Impact of special items)

## Total

Amounts in millions of euros	For the year ended 31, December 2003			For the year ended 31, December 2002
	Adjusted for special items	Special items	Consolidated statement of income	Adjusted for special items
Total sales	104,652	-	104,652	102,540
Operating expenses	(86,897)	(8)	(86,905)	(86,622)
Depreciation, depletion, and amortization of tangible assets	(4,960)	(17)	(4,977)	(5,133)
<b>Operating income</b>				
Corporate	(209)	-	(209)	(210)
Business segments	13,004	(25)	12,979	10,995
<b>Total operating income</b>	<b>12,795</b>	<b>(25)</b>	<b>12,770</b>	<b>10,785</b>
Interest expense, net	(232)	-	(232)	(195)
Dividend income on non-consolidated subsidiaries	152	-	152	170
Dividends on subsidiaries' redeemable preferred shares	(5)	-	(5)	(10)
Other income (expense), net	(670)	(390)	(1,060)	(41)
Provision for income taxes	(5,449)	96	(5,353)	(4,971)
Equity in income (loss) of affiliates	1,086	-	1,086	866
<b>Income before amortization of acquisition goodwill</b>	<b>7,677</b>	<b>(319)</b>	<b>7,358</b>	<b>6,604</b>
Amortization of acquisition goodwill	(139)	-	(139)	(172)
<b>Consolidated net income</b>	<b>7,538</b>	<b>(319)</b>	<b>7,219</b>	<b>6,432</b>
of which minority interest	194	-	194	172
<b>NET INCOME</b>	<b>7,344</b>	<b>(319)</b>	<b>7,025</b>	<b>6,260</b>

Amounts in millions of euros	Fourth quarter 2003 (unaudited)			Fourth quarter 2002 (unaudited)
	Adjusted for special items	Special items	Consolidated statement of income	Adjusted for special items
Total sales	27,533	-	27,533	26,898
Operating expenses	(23,082)	(8)	(23,090)	(22,774)
Depreciation, depletion, and amortization of tangible assets	(1,288)	(17)	(1,305)	(1,278)
<b>Operating income</b>				
Corporate	(46)	-	(46)	(48)
Business segments	3,209	(25)	3,184	2,894
<b>Total operating income</b>	<b>3,163</b>	<b>(25)</b>	<b>3,138</b>	<b>2,846</b>
Interest expense, net	(121)	-	(121)	(68)
Dividend income on non-consolidated subsidiaries	56	-	56	51
Dividends on subsidiaries' redeemable preferred shares	(1)	-	(1)	(2)
Other income (expense), net	(215)	(217)	(432)	(36)
Provision for income taxes	(1,270)	85	(1,185)	(1,320)
Equity in income (loss) of affiliates	218	-	218	222
<b>Income before amortization of acquisition goodwill</b>	<b>1,830</b>	<b>(157)</b>	<b>1,673</b>	<b>1,693</b>
Amortization of acquisition goodwill	(41)	-	(41)	(54)
<b>Consolidated net income</b>	<b>1,789</b>	<b>(157)</b>	<b>1,632</b>	<b>1,639</b>
of which minority interest	42	-	42	30
<b>NET INCOME</b>	<b>1,747</b>	<b>(157)</b>	<b>1,590</b>	<b>1,609</b>