TOTAL FINA ELF

Corporate Objectives

June 14, 2000 - Thierry DESMAREST, Chairman & CEO

Creating a new high-potential Group

- ***Continuity of strategy on a larger scale***
  - Priority to profitable growth for the Upstream
  - Maintain strict investment discipline in the Downstream
  - Focus on high-return Chemical assets
  - Progressively divest Sanofi-Synthélabo (approx. 11 B€)

- ***Merger benefits***
  - Upstream assets expanded and better balanced
  - Downstream achieves critical mass
  - Disposals and capital savings from a larger base
  - Recurring synergies of 2.35 B€/year by 2003

2003 financial targets

Based on a constant environment: €/$ = 1.1 ; Brent = 15 $/b ; TRCV = 12$/t

- ***Operating income :*** **+70% compared to 1999* (6.35 B€ to 10.75 B€)**

+ 4.4 B€
- **about half due to synergies**
- **about half due to growth and productivity**

- ***Net income** :*** **+100% compared to 1999* (3.35 B€ to 6.70 B€)**

+ 3.4 B€
- **higher operating income**
- **lower financial charges due to debt reduction**

- ***EPS** :*** **more than 100% increase compared to 1999* (4.8 €/share to more than 10 €/share)**

More than double EPS
- **higher net income**
- **buy-backs (authorization passed at AGM for up to 10% of the capital)**

*pro forma
**excluding non-recurring items

Return targets by segment

	Environment (€/$ = 1.1)	ROCE targets* 2003
Upstream	Brent at $17/b**	17.5%
Downstream	Refining margin = $12/t	14.0%
Chemicals***	Petrochemicals in mid-cycle	14.0%
Total segments		16.0%

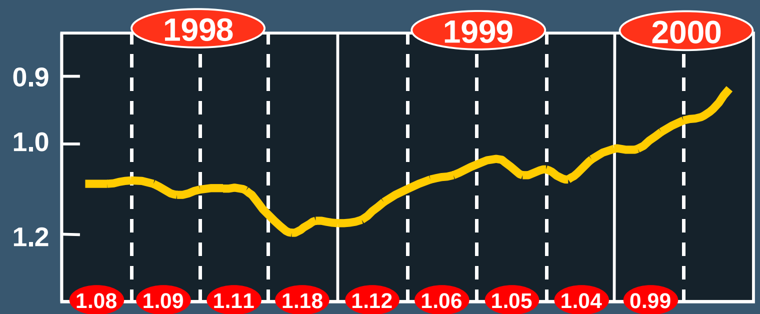
*ROCE = (net income + after-tax interest) / capital employed at Jan. 1
**at 15$/brent, Upstream ROCE = 15%
***excluding goodwill

2000 environment and achievements

Favorable environment in first half 2000

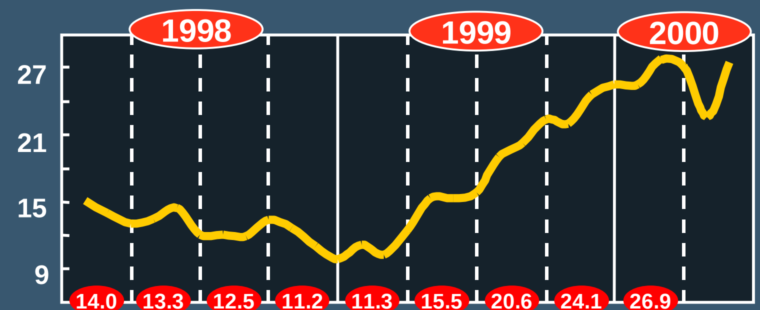
€/$

Dollar



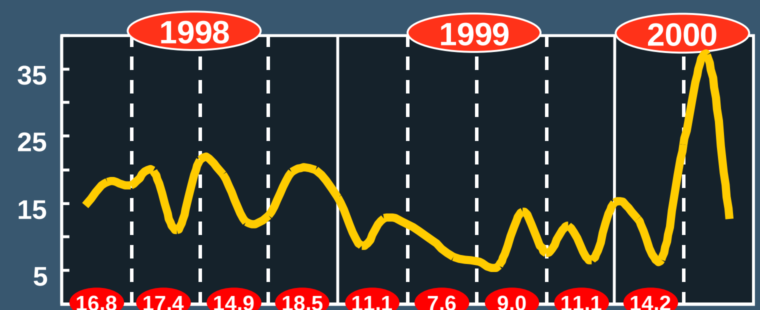
$/b

Brent



$/t

European Refining Margins (TRCV)



Economic environment

- ***Sustained economic growth***
- ***Increased OPEC discipline***
- ***Volatile but increasing European refining margins***
- ***Petrochemical margins improving***

Q1 2000 record earnings

- ***Q1 2000 performance versus Q1 1999 pro forma***
  - Net income* tripled from about 550 M€ to 1.65 B€
  - Debt-to-equity ratio decreasing by more than 1 percentage point per month since beginning of 2000

One of the best performers in the industry, closing the gap with the super majors in terms of ROE

- ***Favorable trend maintained for Q2 2000***
- ***Quarterly reporting starting from Q1 2001***

*excluding non-recurring items

Maintain superior profitable growth

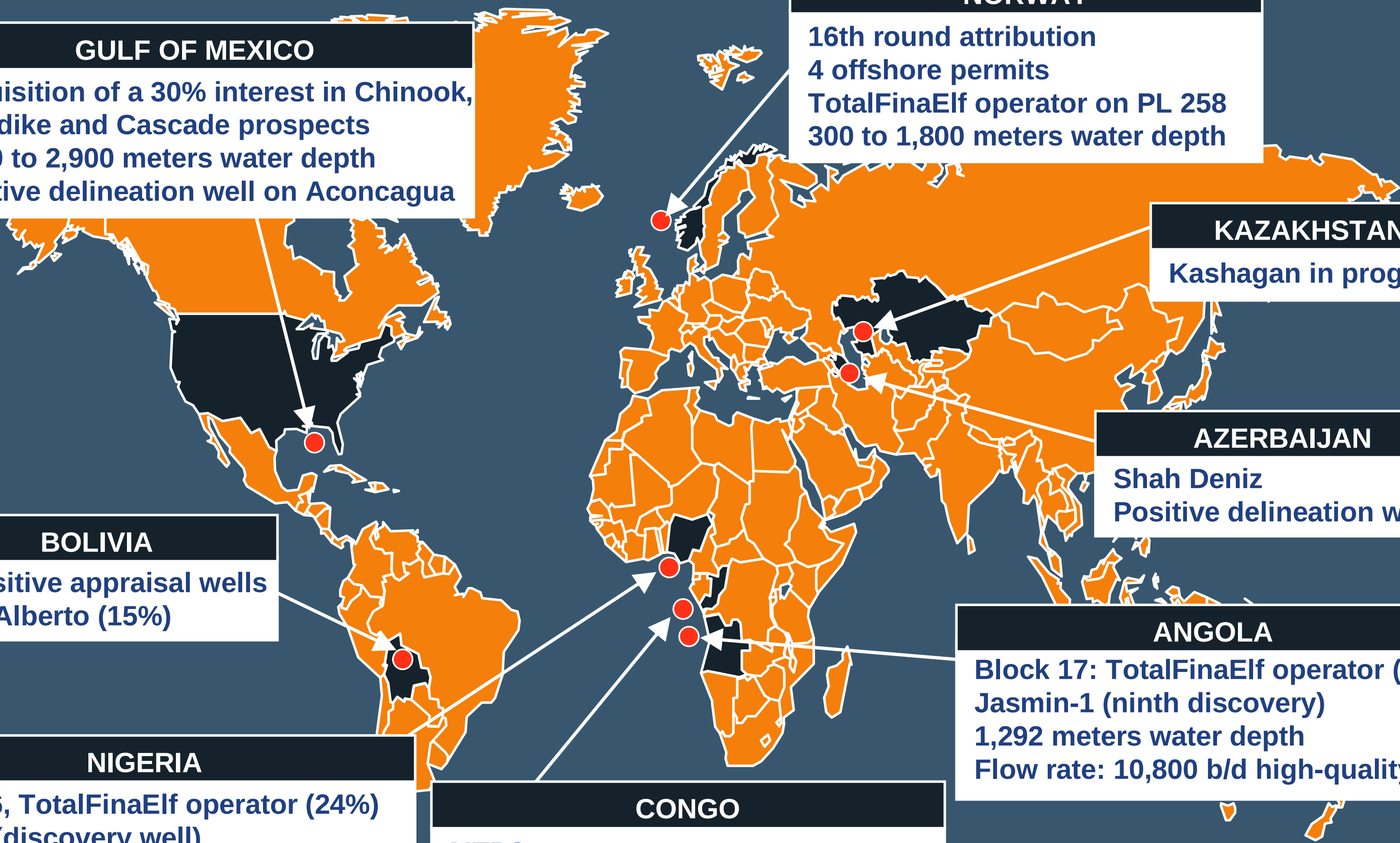
	Gross 2000 (e) Capex	Gross 2000 (e) Capex / Capital employed (1999)	
	B€	%	Rank
TotalFinaElf	**8**	**20%**	**# 1**
BP Amoco	10	17%	# 2
ExxonMobil	13	16%	# 3
RD Shell	10	14%	# 4

- *2/3 of Capex in Upstream, directed to identified high-quality investments*
- *Strict hurdle rates maintained despite a more favorable environment*

Gradually close the gap with the super majors

source: company reports
TotalFinaElf, excluding health

Upstream: growing the reserve base rapidly through major exploration successes



GULF OF MEXICO
Acquisition of a 30% interest in Chinook, Klondike and Cascade prospects
2,000 to 2,900 meters water depth
Positive delineation well on Aconcagua

NORWAY
16th round attribution
4 offshore permits
TotalFinaElf operator on PL 258
300 to 1,800 meters water depth

KAZAKHSTAN
Kashagan in progress

AZERBAIJAN
Shah Deniz
Positive delineation well

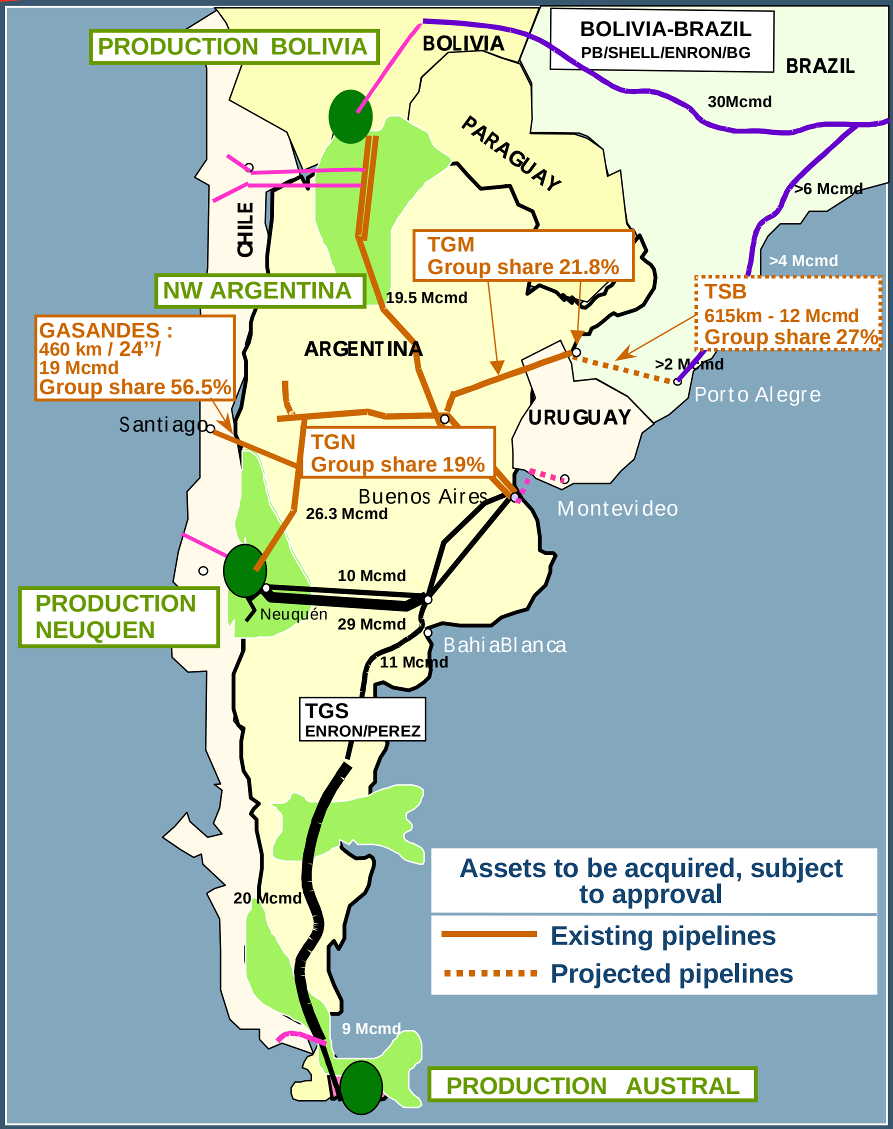
BOLIVIA
2 positive appraisal wells
San Alberto (15%)

ANGOLA
Block 17: TotalFinaElf operator (40%)
Jasmin-1 (ninth discovery)
1,292 meters water depth
Flow rate: 10,800 b/d high-quality oil

NIGERIA
OPL 246, TotalFinaElf operator (24%)
Akpo-1 (discovery well)
1,375 meters water depth
Flow rate: 9,000 b/d high-quality oil

CONGO
MTPS
TotalFinaElf operator (40%)
1,893 meters water depth
Flow rate: 7,000 b/d

Downstream Gas: Southern Cone



Acquisition of gas transmission assets in Argentina, Chile and Brazil

- ***Develop strategic positions in logistics***
- ***Take advantage of deregulation opportunities***
- ***Attractive investment in fast growing markets***
- ***Mid-term valorization of large gas reserves in Latin America***

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Active portfolio management

- ***Downstream***
  - Focus on large low breakeven assets
  - Concentrate on areas with strong market share (Europe, Africa)
    - ➨ Disposal of Big Spring refinery (TX) and associated logistics and network (about 1,700 Fina stations)
- ***Chemicals***
  - Selective growth
    - ➨ Acquisition of Barry Wright Corp. by Hutchinson (elastomeric products for aerospace and industry markets)
    - ➨ Port Arthur (TX): steamcracker under construction
    - ➨ Extension of the Feluy (Belgium) polypropylene plant

Consistent with announced strategy

Active e-business developments

- ***Strategic priority for the Group***
  - 1 Comex member dedicated to new developments
- ***Major projects underway***
  - e-procurement market place
  - IntercontinentalExchange (oil and derivatives trading)
  - Trading platform for chemical products
- ***About 100 projects at different stages of development***

Synergy benefits and productivity programs progressing according to plan

- ***Productivity plan in Southwest of France agreed (800 people)***
- ***Organization plan for France submitted to employee representatives***
  - 1,120 net job reductions (excluding Chemicals and some Downstream subsidiaries)
  - Implementation through mid-2003
- ***Paris headquarters relocation: completed by mid-2000***
- ***Exchange of best practices underway in Upstream and Downstream***
- ***Initiated procurement benefits (eg. Insurance: 50 M€)***
- ***Operational savings outside France started (US, UK...)***
- ***Simplification of legal structures (500 legal entities to be dissolved)***

Targeted merger benefits will be delivered on time

TotalFinaElf launches Exchange Offer for the remainder of Elf Aquitaine shares

- ***Exchange Offer objective***
  - Simplify structures and accelerate merger implementation
  - Greater liquidity for Elf Aquitaine's minority shareholders (4.44% of the Capital)

- ***Terms of the Offer***
  - Offer launched in France and North America
  - 4 TotalFinaElf shares for 3 Elf Aquitaine shares
  - Premium for Elf Aquitaine shareholders
    - based on the closing prices of May 23, 2000: 11% (implied value of 219.6 € for each Elf Aquitaine share)
    - based on the average share price over the last month: 11%
    - based on the average share price over the last 6 months: 16%

Strengths of TotalFinaElf

- ***Upstream***
  - Large, well-diversified reserve base
  - Production growth well above industry average
- ***Downstream and Chemicals***
  - Profitable leading positions established
  - Net cash contributors
- ***Sizeable Capex program driven by high-return projects***
- ***Unrivalled potential to improve results (synergies, growth, productivity)***
- ***Financial strength allowing flexibility (more than 15 B€* to be gradually disposed of)***

Target to double 1999 proforma net income in 4 years well on track**

***including Sanofi-Synthélabo (approx. 11 B€)**
****based on a constant reference environment**