TOTAL FINA ELF

Gas & Power strategy

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New trends for gas

- ***Steady growth of worldwide gas reserves***
  - gas reserves have grown much more rapidly than oil reserves
  - gas reserves are as large as oil reserves
- ***Strong increase in demand (+3.8% in 2000 vs 1999*)***
  - environment-friendly
  - gas is the main source for new power plants
- ***Deregulation of gas and electricity markets***

New context offers attractive opportunities

* source: Cedigaz

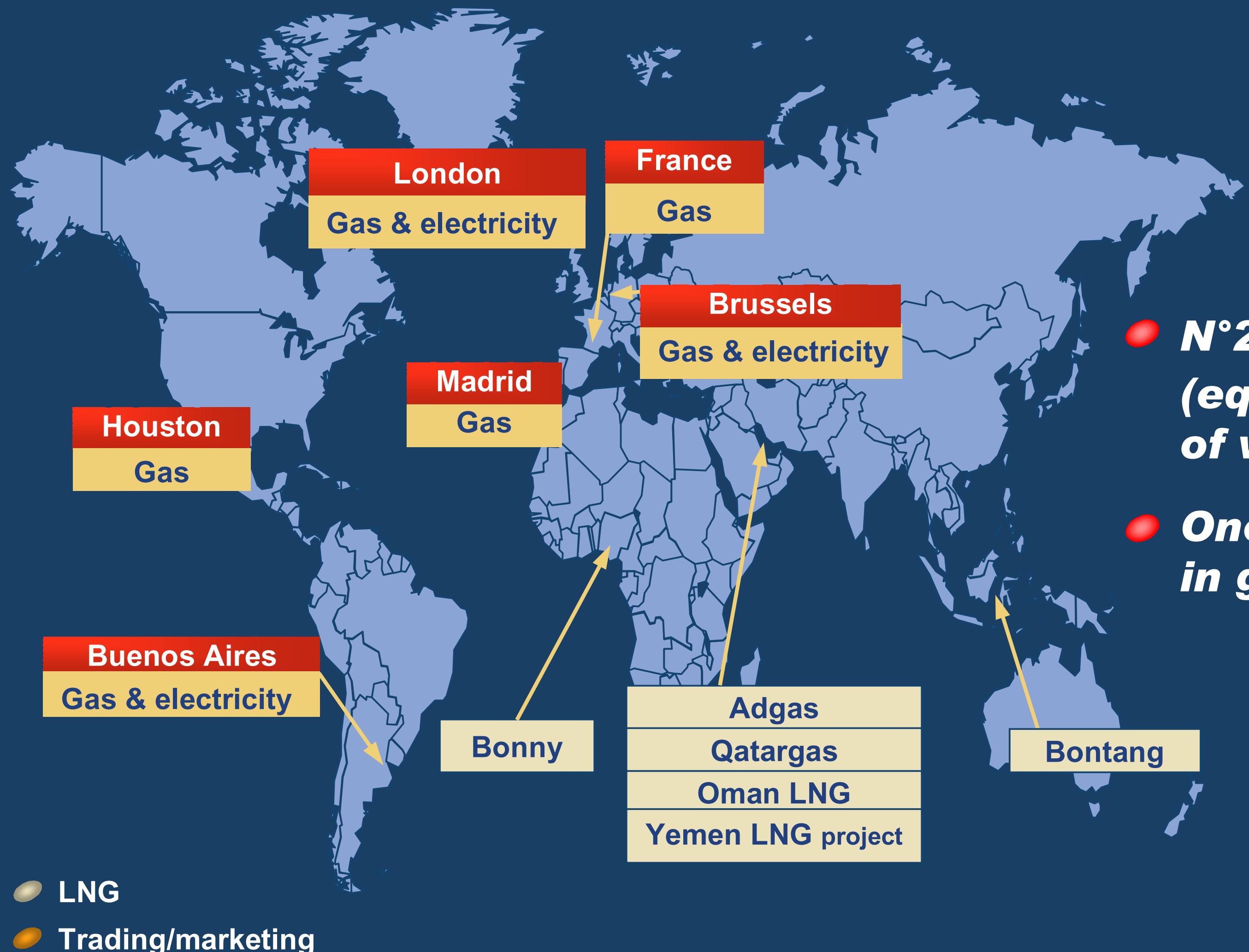
TotalFinaElf: well-positioned low-cost reserves

2000 gas reserves in Tcf

2000 proved SEC gas reserves: 20.7 Tcf
Ranking n°4 in gas reserves*

* among international oil companies

TotalFinaElf: far-reaching presence in gas & power marketing/trading

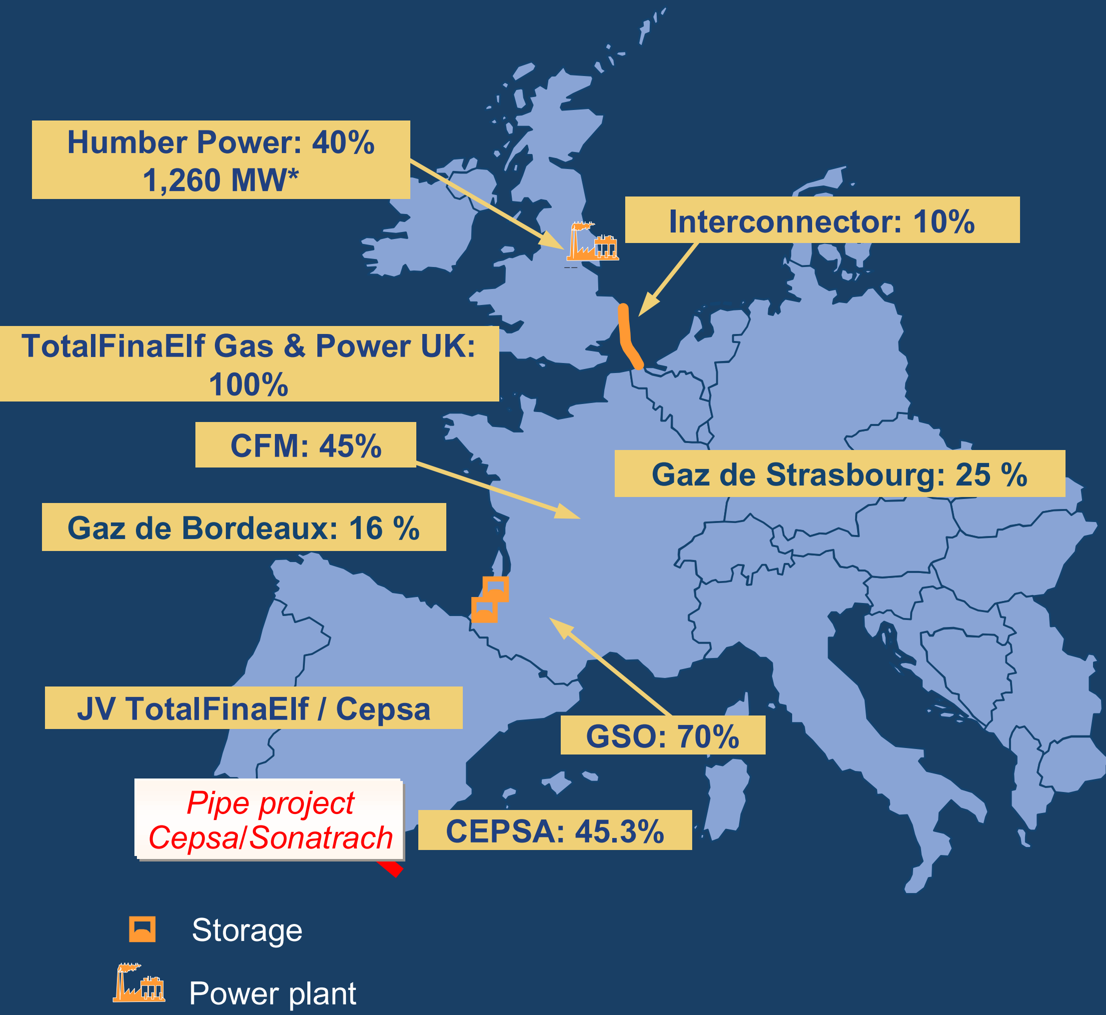


- ***N°2 LNG player (equity interest in 50% of worldwide capacity)***
- ***One of the leaders in gas trading***

Strategy: developments adapted to market specificities

- ***Trading & marketing gas in Europe***
- ***Playing a leading role in the Southern Cone***
- ***Securing outlets for large and diversified LNG supply***
- ***Strengthening presence through Gas & Power projects in the Middle East***

Western Europe: take advantage of deregulation



* 100%

Capitalize on existing gas positions

- ***First-rank upstream assets***
- ***Strong positions in marketing***
  - France: second player, strong positions in storage
  - UK: 10% of IC market
  - Spain: Joint-venture with Cepsa

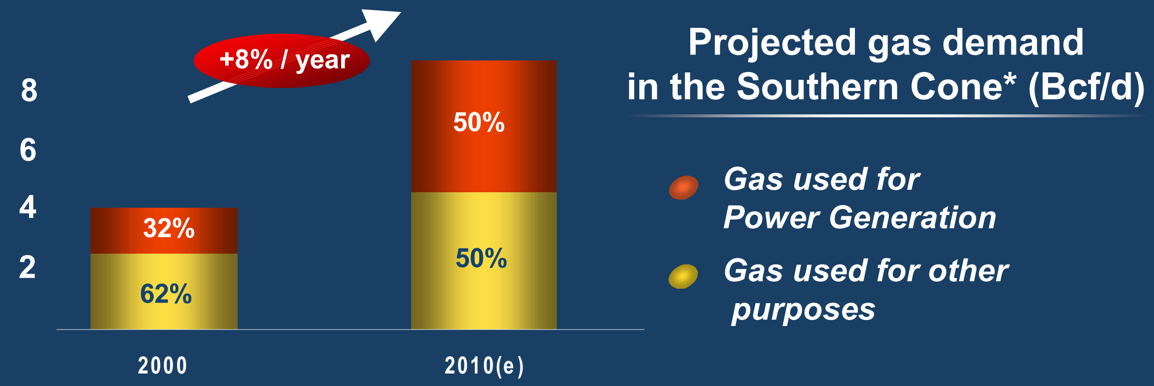
Focused developments

- ***Developing gas hub in Southwest of France***
- ***Establishing gas marketing & trading in continental Europe***
- ***Building market share in Spain***

Southern Cone: integration along the gas chain (I)

Trends

- ***Fast-growing energy demand in open markets:***



- ***Rapidly growing demand in South Brazil***

- ***Increasing connections within Mercosur countries (pipes and wires)***

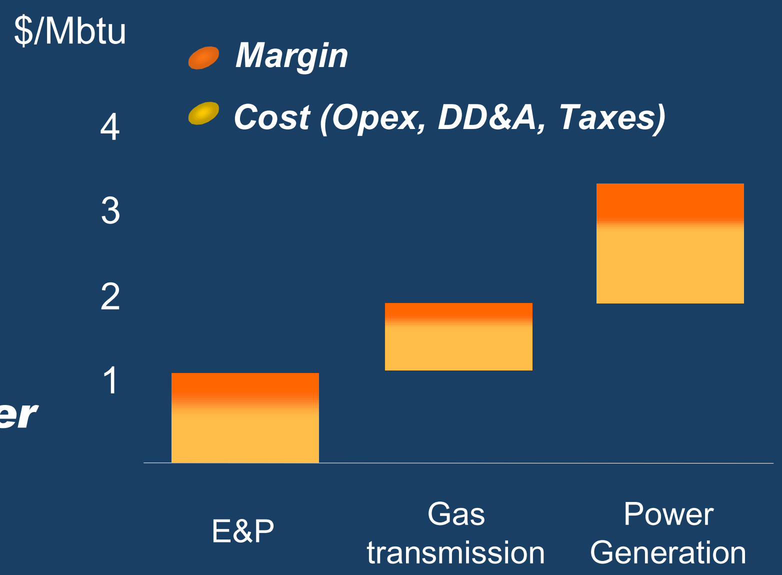
* TotalFinaElf estimates

Southern Cone: integration along the gas chain (II)

Parameters driving profitability

- ***Cost and location of upstream reserves***
- ***Availability of gas transmission systems***
- ***Demand / supply balance for gas and power***

Example of margin allocation in Argentina



Capture profitability along the gas chain

Southern Cone: integration along the gas chain (III)

Well-balanced positions

Strong Upstream base

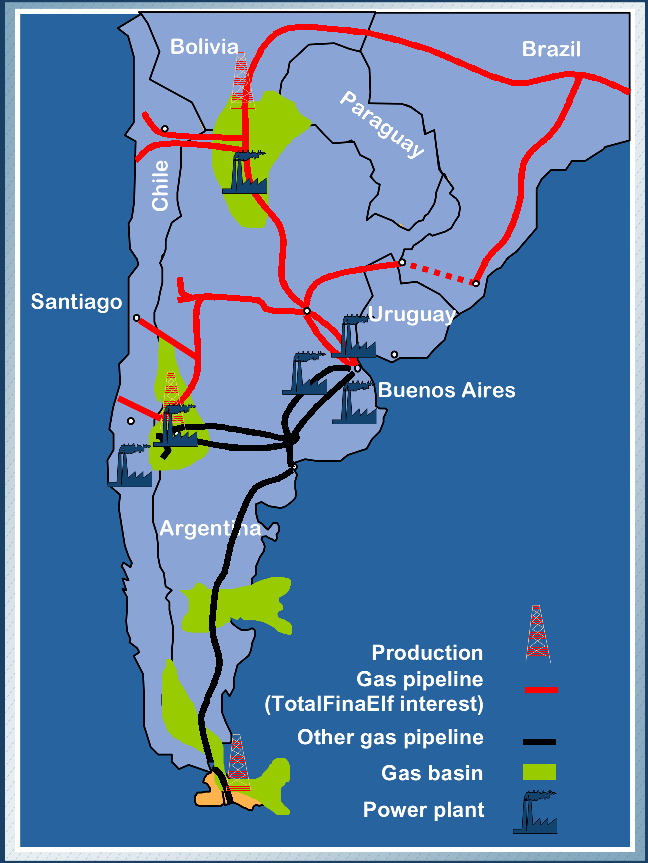
- Reserves: 9 Tcf*, production 2000: 232 Mcf/d

Well-established gas transmission position

- Bolivia / Brazil line to supply South Brazil from Bolivia
- Gasandes to supply Chile from Argentina
- Central and North Argentina networks connecting Mercosur markets

*Strong power generation base in Argentina***

- Second largest power producer (2,600 MW Group share)
- First gas consumer (10% of Argentinean's consumption)



Attractive investments in growing markets

* Group share (proved + probable)

** pending upon final approval

Strong LNG supply positions mainly focused for Asia

Secure outlets for the long-term

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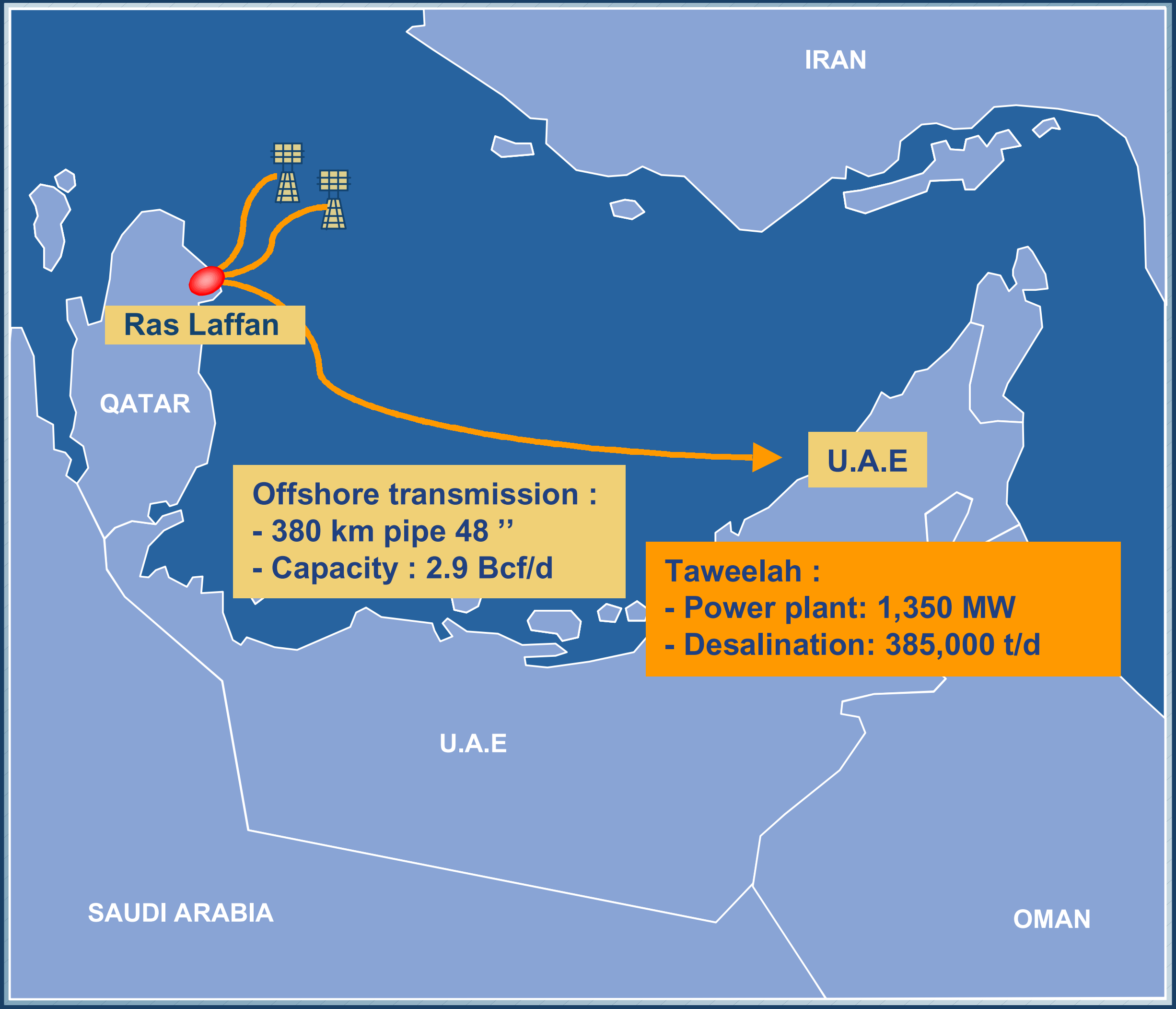
Middle East: growing presence through large-scale gas & power projects

- ***Taweelah / Abu Dhabi***
  - acquisition and extension of the Taweelah A1 power station and desalination plant (TotalFinaElf: 20%)
- ***Dolphin / Qatar-Abu Dhabi***
  - marketing gas of the Dolphin project (TotalFinaElf: 24.5%)
- ***Core Venture 3 contract / Saudi Arabia***
  - production, power generation, desalination, petrochemicals (TotalFinaElf: 30%)

Dolphin and Taweelah projects



Gas & Power: guidelines & priorities

- ***Opportunistic approach adapted to market trends & specific forces***
- ***Returns required to be in line with Group targets for all projects***

- ***Obtain accelerated monetization of Group's gas reserves***
- ***Capitalize on gas trading and marketing skills in deregulating markets***