

CONSOLIDATED STATEMENT OF INCOME

TotalFinaElf

	Amounts in millions of euros (1)	
	1st quarter 2002 (unaudited)	1st quarter 2001 (unaudited)
Sales	23 784	27 322
Operating expenses	(20 122)	(22 572)
Depreciation, depletion, and amortization	(1 296)	(1 083)
Operating income		
Corporate	(66)	(81)
Business segments *	2 432	3 748
Total operating income	2 366	3 667
Interest expense, net	(35)	(99)
Dividend income on non-consolidated subsidiaries	6	22
Dividends on subsidiaries' redeemable preferred shares	(2)	(5)
Other income (expense), net	(14)	99
Provision for income taxes	(1 049)	(1 666)
Equity in income (loss) of affiliates	241	278
Income before amortization of goodwill	1 513	2 296
Amortization of goodwill	(36)	(39)
CONSOLIDATED NET INCOME	1 477	2 257
of which minority interest	48	51
NET INCOME **	1 429	2 206
Earnings per share ***	2,13	3,12
* Operating income from business segments, excluding non-recurring items	2 432	3 748
Net operating income from business segments, excluding non-recurring items	1 356	2 299
** Net income (Group share), excluding non-recurring items	1 419	2 206
*** Earnings per share, excluding non-recurring items (euro)	2,12	3,12

(1) Except for earning per share

CONSOLIDATED STATEMENT OF CASH FLOW

TotalFinaElf

	Amounts in millions of euros	
	1st quarter 2002 (unaudited)	1st quarter 2001 (unaudited)
CASH FLOW FROM OPERATING ACTIVITIES		
Consolidated net income	1 477	2 257
Depreciation, depletion, and amortization	1 377	1 171
Long-term liabilities, valuation allowances, and deferred taxes	52	257
Impact of coverage of pension benefit plans	-	-
Unsuccessful exploration costs	124	132
(Gains)/Losses on sales of assets	(233)	(8)
Equity in income of affiliates (in excess of)/less than dividends received	(203)	(243)
Other changes, net	2	(122)
Cash flow from operating activities before changes in working capital	2 596	3 444
(Increase)/Decrease in operating assets and liabilities	(138)	1 128
CASH FLOW FROM OPERATING ACTIVITIES	2 458	4 572
CASH FLOW FROM INVESTING ACTIVITIES		
Intangible assets and property, plant, and equipment additions	(1 617)	(1 620)
Exploration expenditures charged to expenses	(107)	(115)
Acquisitions of subsidiaries, net of cash acquired	(55)	(13)
Investments in equity affiliates and other securities	(47)	(531)
Increase in long-term loans	(283)	(154)
Total expenditures	(2 109)	(2 433)
Proceeds from the sale of intangible assets and property, plant, and equipment	78	118
Proceeds from the sale of subsidiaries, net of cash sold	-	521
Proceeds from the sale of non-current investments	313	323
Repayment of long-term loans	195	206
Total divestitures	586	1 168
(Increase)/Decrease in short-term investments	38	52
CASH FLOW FROM INVESTING ACTIVITIES	(1 485)	(1 213)
CASH FLOW FROM FINANCING ACTIVITIES		
Issuance and repayment of shares :		
Parent company's shareholders	6	
Share buy back	(408)	(652)
Minority shareholders	10	
Subsidiaries' redeemable preferred shares	-	
Cash dividends paid :		
- Parent company's shareholders	-	
- Minority shareholders	(3)	(6)
Net issuance/(repayment) of long-term debt	839	41
Increase/(Decrease) in short-term borrowings and bank overdrafts	3 827	3 042
Other changes, net	(2)	(5)
CASH FLOW FROM FINANCING ACTIVITIES	4 269	2 420
Net increase/decrease in cash and cash equivalents	5 242	5 779
Effect of exchange rates and changes in reporting entity on cash & cash equivalents	75	(88)
Cash and cash equivalents at the beginning of the year	3 574	4 600
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	8 891	10 291

TOTAL FINA ELF

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST QUARTER OF 2002

I. ACCOUNTING POLICIES

The consolidated financial statements of TotalFinaElf and its subsidiaries have been prepared in accordance with generally accepted accounting principles in France (French "GAAP") and comply with the principles and methodology relative to consolidated financial statements, Regulation No. 99-02 approved by the decree dated June 22, 1999 of the French Accounting Regulations Committee.

The Company applies the standards issued by the Financial Accounting Standards Board which comply with French regulations. The exceptions to the use of FAS standards involve APB No. 16 (Business Combinations) for the acquisitions of Petrofina and Elf, FAS No. 115 (Accounting for Certain Investments in Debt and Equity Securities), FAS No. 123 (Accounting for Stock- Based Compensation), APB No. 6 (treasury stock) and FAS N° 133, 137, & 138 (hedging and derivatives). Applying these standards should not have a significant impact, except for APB No. 16 and FAS No. 142, in relation with the use of purchase accounting with respect to the business combinations between Total, PetroFina, and Elf.

The accounting policies applied for the consolidated financial statements as of March 31, 2002 are the same as those used for the financial statements as of December 31, 2001. No changes in accounting policies and practices have been made during the first three months of 2002.

II. CHANGES IN THE GROUP STRUCTURE

During the first quarter of 2002, the Group has not significantly modified its structure.

III- NON RECURRING ITEMS

For the 1st quarter 2002

There were no non-recurring items affecting the operating income in 2002.

Non-recurring items of net income

Restructuring charges	(31)
Assets impairment (FAS 121)	-
AZF plant explosion - Toulouse	(102)
Other items	-
Gain on sale of assets	143
TOTAL	10

The positive non-recurring items are principally composed of gains on sales of financial investments; the negative non-recurring items are additional restructuring charges in the Chemicals and a complementary provision related to the decision of the Group not to start again the operations of the Toulouse AZF plant after the explosion of September 21, 2001.

For the 1st quarter 2001

There were no non-recurring items affecting the operating income or net income in 2001.

IV. SHAREHOLDERS' EQUITY

Shares held by the parent company, TOTAL FINA ELF SA

As of March 31, 2002, TOTAL FINA ELF SA held 23,054,880 of its own shares, representing 3.27 % of its share capital, detailed as follows:

- 7,681,880 shares allocated to covering share purchase option plans for Company employees; these shares are recorded as short-term investments and maintained within the total assets; 2,900 shares have been sold for this objective during the first quarter of 2002.

- 15,373,000 shares purchased in 2001 and in the first quarter of 2002, pursuant to the authorization granted by the Ordinary Shareholders' meeting held on May 17, 2001, are deducted from the consolidated shareholders' equity; 2,600,000 shares have been purchased for this objective during the first quarter of 2002.

Shares held by the subsidiaries

As of March 31, 2002, TOTAL FINA ELF S.A. held indirectly, through its subsidiaries, 25,082,217 of its own shares, representing 3.55 % of its share capital and unchanged since December 31, 2001.

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

<i>(in millions of euros)</i>	Common shares issued		Paid-in surplus and retained Earning	Cumulative Translation adjustments	Treasury shares		Shareholders' Equity
	Number	Amount			Number	Amount	
As of December 31, 2000	740 465 798	7 405	29 283	667	(36 582 129)	(4 954)	32 401
Cash dividend	-	-	-	-	-	-	-
Net income - 1st quarter 2001	-	-	2 206	-	-	-	2 206
Elf and Petrofina transactions	110 257	1	4	-	-	-	5
Other issuance of common shares	39 805	-	-	-	-	-	-
Purchase of treasury shares	-	-	-	-	(4 210 000)	(652)	(652)
Translation adjustments	-	-	-	516	-	-	516
Gains on sales of assets	-	-	417	-	-	-	417
As of March 31, 2001	740 615 860	7 406	31 910	1 183	(40 792 129)	(5 606)	34 893
Cash dividend	-	-	(2 278)	-	-	-	(2 278)
Net income for April - Dec. 2001	-	-	5 452	-	-	-	5 452
Elf and Petrofina transactions	217 360	1	8	-	-	-	9
Other issuance of common shares	469 739	5	19	-	-	-	24
Purchase of treasury shares	-	-	-	-	(32 031 000)	(4 953)	(4 953)
Cancellation of repurchased shares	(35 368 000)	(353)	(5 270)	-	35 368 000	5 623	-
Translation adjustments	-	-	-	69	-	-	69
Gains on sales of assets	-	-	999	-	-	-	999
Other changes, net ⁽¹⁾	-	-	(296)	-	105 230	13	(283)
As of December 31, 2001	705 934 959	7 059	30 544	1 252	(37 349 899)	(4 923)	33 932
Cash dividend	-	-	-	-	-	-	-
Net income - 1st quarter 2002	-	-	1 429	-	-	-	1 429
Elf and Petrofina transactions	84 930	1	5	-	-	-	6
Other issuance of common shares	90 639	1	6	-	-	-	7
Purchase of treasury shares	-	-	-	-	(2 600 000)	(408)	(408)
Cancellation of repurchased shares	-	-	-	-	-	-	-
Translation adjustments	-	-	-	113	-	-	113
Other changes, net	-	-	2	-	-	-	2
As of March 31, 2002	706 110 528	7 061	31 986	1 365	(39 949 899)	(5 331)	35 081

⁽¹⁾ The change in the category "Other" is primarily due to the effect of the minimum liability adjustment (MLA) in relation to provision for post-retirement benefits, in compliance with U.S. accounting principles adopted by the Group.

V. SUBSIDIARIES' REDEEMABLE PREFERRED SHARES

There were no movements of these preferred shares during the first quarter of 2002.

VI. LONG-TERM DEBT

The Group has issued debenture loans through its subsidiary TotalFinaElf Capital:

- Debenture 3% 2002-2007 (600 million Swiss francs)
- Debenture 4.74% 2002-2007 (75 million US dollars)
- Debenture 5.125% 2002-2007 (300 million US dollars)
- Debenture 5.89% 2002-2012 (20 million US dollars)

The Group has reimbursed a debenture loan for TOTAL FINA ELF S.A. (debenture loan at 8.25% 1992-2002 for 300 million deutschmarks)

In the context of its active cash management, the Group may increase temporarily its short-term borrowings, particularly in the form of commercial paper. The short-term borrowings and the cash and cash equivalents resulting from this cash management in the quarterly financial statements are not necessarily representative of a steady position.

VII. INFORMATION BY BUSINESS SEGMENT

Some companies accounted by the equity method are listed on stock exchanges and do not issue any quarterly financial statements. Consequently, the level of detail of the information by segment for the first quarters has been adapted and is different from the one applicable on a semestrial basis. This presentation will also be used for the financial statements for the 3rd quarter and the first nine months of the year.

1st quarter 2002 (excluding non-recurring items)	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
- Non-Group sales	4 129	14 903	4 748	4		23 784
- Intersegment sales	2 620	365	75	24	(3 084)	0
Total sales	6 749	15 268	4 823	28	(3 084)	23 784
Depreciation, depletion, and amortization	(850)	(229)	(207)	(10)		(1 296)
Operating income excluding non-recurring items	2 016	295	121	(66)		2 366
Amortization of intangible assets and acquisition goodwill						(68)
Equity in income (loss) of affiliates						241
Other items in net operating income						75
Tax on net operating income						(1 093)
Net operating income excluding non-recurring items	1 066	250	40	153		1 509
Net cost of net debt						(40)
Minority interests and dividends on subsidiaries' redeemable preferred shares						(50)
Net income excluding non-recurring items						1 419
Gross expenditures	1 643	132	256	78		2 109
Divestitures at selling price	223	35	32	296		586
Cash flow from operating activities	1 692	581	(10)	195		2 458

1st quarter 2001 (excluding non-recurring items)	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
- Non-group sales	4 041	17 987	5 283	11		27 322
- Intersegment sales	3 296	528	95	182	(4 101)	0
Total sales	7 337	18 515	5 378	193	(4 101)	27 322
Depreciation, depletion, & amortization	(644)	(235)	(193)	(11)		(1 083)
Operating income excluding non-recurring items	2 573	856	319	(81)		3 667
Amortization of intangible assets and acquisition goodwill						(66)
Equity in income (loss) of affiliates						278
Other items in net operating income						202
Tax on net operating income						(1 703)
Net operating income excluding non-recurring items	1 422	697	180	79		2 378
Net cost of net debt						(116)
Minority interests and dividends on subsidiaries' redeemable preferred shares						(56)
Net income excluding non-recurring items						2 206
Gross expenditures	1 838	129	400	66		2 433
Divestitures at selling price	152	922	78	16		1 168
Cash flow from operating activities	2 115	1 008	367	1 082		4 572

