

# **Total financial statements**

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Second quarter and first half 2003 consolidated accounts, French GAAP



# CONSOLIDATED STATEMENTS OF INCOME

## Total

2nd quarter 2003 <i>(unaudited)</i>	2nd quarter 2002 <i>(unaudited)</i>	Amounts in millions of euros (1)	1st half 2003 <i>(unaudited)</i>	1st half 2002 <i>(unaudited)</i>
24,347	26,435	Sales	52,650	50,219
(20,298)	(22,352)	Operating expenses	(43,508)	(42,474)
(1,179)	(1,324)	Depreciation, depletion, and amortization	(2,408)	(2,620)
		<b>Operating income</b>		
(67)	(40)	Corporate	(122)	(106)
2,937	2,799	Business segments *	6,856	5,231
<b>2,870</b>	<b>2,759</b>	<b>Total operating income</b>	<b>6,734</b>	<b>5,125</b>
(42)	(32)	Interest expense, net	(84)	(67)
71	78	Dividend income on non-consolidated subsidiaries	76	84
(1)	(3)	Dividends on subsidiaries' redeemable preferred shares	(3)	(5)
(231)	33	Other income (expense), net	(494)	19
(1,254)	(1,437)	Provision for income taxes	(2,851)	(2,486)
275	174	Equity in income (loss) of affiliates	526	415
<b>1,688</b>	<b>1,572</b>	<b>Income before amortization of acquisition goodwill</b>	<b>3,904</b>	<b>3,085</b>
(36)	(48)	Amortization of acquisition goodwill	(66)	(84)
<b>1,652</b>	<b>1,524</b>	<b>Consolidated net income</b>	<b>3,838</b>	<b>3,001</b>
47	21	of which minority interest	113	69
<b>1,605</b>	<b>1,503</b>	<b>NET INCOME **</b>	<b>3,725</b>	<b>2,932</b>
2.52	2.23	Earnings per share (euro)***	5.80	4.37
2,937	2,845	* Operating income from business segments, excluding non-recurring items	6,856	5,277
1,719	1,526	Net operating income from business segments, excluding non-recurring items	3,770	2,882
1,767	1,632	** Net income (Group share), excluding non-recurring items	3,887	3,051
2.77	2.42	*** Earnings per share, excluding non-recurring items (euro)	6.05	4.54

(1) Except for earnings per share

# CONSOLIDATED BALANCE SHEETS

## Total

	Amounts in millions of euros			
	June 30, 2003 <i>(unaudited)</i>	March 31, 2003 <i>(unaudited)</i>	December 31, 2002	June 30, 2002 <i>(unaudited)</i>
<b>ASSETS</b>				
<b>NON-CURRENT ASSETS :</b>				
Intangible assets, net	2,205	2,248	2,752	2,977
Property, plant, and equipment, net	36,661	37,773	38,592	39,273
Equity affiliates : investments and loans	7,738	7,857	7,710	7,605
Other investments	1,235	1,221	1,221	1,180
Other non-current assets	3,669	3,851	3,735	2,916
<b>Total non-current assets</b>	<b>51,508</b>	<b>52,950</b>	<b>54,010</b>	<b>53,951</b>
<b>CURRENT ASSETS :</b>				
Inventories, net	5,980	5,982	6,515	6,397
Accounts receivable, net	12,418	13,498	13,087	14,079
Prepaid expenses and other current assets	4,950	4,637	5,243	5,917
Short-term investments	1,663	1,489	1,508	1,283
Cash and cash equivalents	9,532	13,117	4,966	3,863
<b>Total current assets</b>	<b>34,543</b>	<b>38,723</b>	<b>31,319</b>	<b>31,539</b>
<b>TOTAL ASSETS</b>	<b>86,051</b>	<b>91,673</b>	<b>85,329</b>	<b>85,490</b>
<b>LIABILITIES &amp; SHAREHOLDERS' EQUITY</b>				
<b>SHAREHOLDERS' EQUITY :</b>				
Common shares	6,881	6,874	6,872	7,101
Paid-in surplus and retained earnings	31,776	32,689	30,514	31,382
Cumulative translation adjustment	(1,946)	(1,463)	(830)	(332)
Treasury shares	(6,960)	(6,001)	(4,410)	(5,388)
<b>Total shareholders' equity</b>	<b>29,751</b>	<b>32,099</b>	<b>32,146</b>	<b>32,763</b>
<b>SUBSIDIARIES' REDEEMABLE PREFERRED SHARES</b>	<b>438</b>	<b>459</b>	<b>477</b>	<b>501</b>
<b>MINORITY INTEREST</b>	<b>620</b>	<b>715</b>	<b>724</b>	<b>795</b>
<b>LONG-TERM LIABILITIES :</b>				
Deferred income taxes	6,106	6,121	6,390	6,427
Employee benefits	3,896	3,931	4,103	3,236
Other liabilities	6,462	6,708	6,150	5,971
<b>Total long-term liabilities</b>	<b>16,464</b>	<b>16,760</b>	<b>16,643</b>	<b>15,634</b>
<b>LONG-TERM DEBT</b>	<b>9,906</b>	<b>10,728</b>	<b>10,157</b>	<b>11,000</b>
<b>CURRENT LIABILITIES :</b>				
Accounts payable	9,256	9,961	10,236	10,137
Other creditors and accrued liabilities	10,331	10,444	9,850	11,259
Short-term borrowings and bank overdrafts	9,285	10,507	5,096	3,401
<b>Total current liabilities</b>	<b>28,872</b>	<b>30,912</b>	<b>25,182</b>	<b>24,797</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>86,051</b>	<b>91,673</b>	<b>85,329</b>	<b>85,490</b>

# CONSOLIDATED STATEMENTS OF CASH FLOWS

## Total

2nd quarter 2003 <i>(unaudited)</i>	2nd quarter 2002 <i>(unaudited)</i>	Amounts in millions of euros	1st half 2003 <i>(unaudited)</i>	1st half 2002 <i>(unaudited)</i>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
1,652	1,524	Consolidated net income	3,838	3,001
1,266	1,447	Depreciation, depletion, and amortization	2,564	2,824
240	73	Long-term liabilities, valuation allowances, and deferred taxes	(166)	125
101	120	Unsuccessful exploration costs	161	244
(49)	(175)	(Gains)/Losses on sales of assets	155	(408)
(13)	71	Equity in income of affiliates (in excess of)/less than dividends received	(191)	(132)
1	(13)	Other changes, net	3	(11)
<b>3,198</b>	<b>3,047</b>	<b>Cash flow from operating activities before changes in working capital</b>	<b>6,364</b>	<b>5,643</b>
(64)	(197)	(Increase)/Decrease in operating assets and liabilities	592	(335)
<b>3,134</b>	<b>2,850</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES (1)</b>	<b>6,956</b>	<b>5,308</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
(1,320)	(1,733)	Intangible assets and property, plant, and equipment additions	(2,531)	(3,350)
(89)	(106)	Exploration expenditures charged to expenses	(142)	(213)
8	(50)	Acquisitions of subsidiaries, net of cash acquired	8	(105)
(33)	(60)	Investments in equity affiliates and other securities	(38)	(107)
(74)	(151)	Increase in long-term loans	(299)	(434)
<b>(1,508)</b>	<b>(2,100)</b>	<b>Total expenditures</b>	<b>(3,002)</b>	<b>(4,209)</b>
49	25	Proceeds from sale of intangible assets and property, plant, and equipment	126	103
2	5	Proceeds from sale of subsidiaries, net of cash sold	735	5
66	339	Proceeds from sale of non-current investments	68	652
40	94	Repayment of long-term loans	221	289
<b>157</b>	<b>463</b>	<b>Total divestitures</b>	<b>1,150</b>	<b>1,049</b>
(174)	(317)	(Increase)/Decrease in short-term investments	(155)	(279)
<b>(1,525)</b>	<b>(1,954)</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>(2,007)</b>	<b>(3,439)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
Issuance and repayment of shares :				
44	437	Parent company's shareholders	45	443
(959)	(57)	Share buy back	(2,550)	(465)
16	8	Minority shareholders	23	18
-	-	Subsidiaries' redeemable preferred shares	-	-
Cash dividends paid :				
(2,571)	(2,514)	- Parent company's shareholders	(2,571)	(2,514)
(96)	(81)	- Minority shareholders	(108)	(84)
417	245	Net issuance/(repayment) of long-term debt	1,409	1,084
(1,938)	(4,222)	Increase/(Decrease) in short-term borrowings and bank overdrafts	3,507	(395)
(1)	(3)	Other changes, net	(3)	(5)
<b>(5,088)</b>	<b>(6,187)</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>(248)</b>	<b>(1,918)</b>
<b>(3,479)</b>	<b>(5,291)</b>	Net increase/decrease in cash and cash equivalents	<b>4,701</b>	<b>(49)</b>
(106)	263	Effect of exchange rates and changes in reporting entity on cash & cash equivalents	(135)	338
13,117	8,891	Cash and cash equivalents at the beginning of the year or period	4,966	3,574
<b>9,532</b>	<b>3,863</b>	<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>9,532</b>	<b>3,863</b>

(1) including payments relating to the Toulouse-AZF plant explosion, offset by a long-term liability write-back of 150 million euros for the second quarter 2003, 332 million euros for the first half 2003.

## BUSINESS SEGMENTS INFORMATION

### Total

(unaudited)

In millions of euros

2nd quarter 2003	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
- Non-Group sales	4,268	15,885	4,190	4	-	24,347
- Intersegment sales	2,626	451	98	29	(3,204)	-
<b>Total sales</b>	<b>6,894</b>	<b>16,336</b>	<b>4,288</b>	<b>33</b>	<b>(3,204)</b>	<b>24,347</b>
Depreciation, depletion, and amortization of tangible assets	(777)	(214)	(186)	(2)	-	(1,179)
<b>Operating income</b>	<b>2,297</b>	<b>456</b>	<b>184</b>	<b>(67)</b>	-	<b>2,870</b>
Amortization of intangible assets and acquisition goodwill	(5)	(30)	(36)	(4)	-	(75)
Equity in income (loss) of affiliates and other items	95	93	(202)	188	-	174
Tax on net operating income	(1,169)	(113)	(43)	51	-	(1,274)
<b>Net operating income</b>	<b>1,218</b>	<b>406</b>	<b>(97)</b>	<b>168</b>	-	<b>1,695</b>
Net cost of net debt	-	-	-	-	-	(42)
Minority interests and dividends on subsidiaries' redeemable preferred shares	-	-	-	-	-	(48)
<b>Net income</b>	-	-	-	-	-	<b>1,605</b>

2nd quarter 2003 (non-recurring items)	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
- Non-Group sales	-	-	-	-	-	-
- Intersegment sales	-	-	-	-	-	-
<b>Total sales</b>	-	-	-	-	-	-
Depreciation, depletion, and amortization of tangible assets	-	-	-	-	-	-
<b>Operating income</b>	-	-	-	-	-	-
Amortization of intangible assets and acquisition goodwill	-	-	-	-	-	-
Equity in income (loss) of affiliates and other items	-	-	(213)	40	-	(173)
Tax on net operating income	-	-	21	(10)	-	11
<b>Net operating income</b>	-	-	<b>(192)</b>	<b>30</b>	-	<b>(162)</b>
Net cost of net debt	-	-	-	-	-	-
Minority interests and dividends on subsidiaries' redeemable preferred shares	-	-	-	-	-	-
<b>Net income</b>	-	-	-	-	-	<b>(162)</b>

2nd quarter 2003 (excluding non-recurring items)	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
- Non-Group sales	4,268	15,885	4,190	4	-	24,347
- Intersegment sales	2,626	451	98	29	(3,204)	-
<b>Total sales</b>	<b>6,894</b>	<b>16,336</b>	<b>4,288</b>	<b>33</b>	<b>(3,204)</b>	<b>24,347</b>
Depreciation, depletion, and amortization of tangible assets	(777)	(214)	(186)	(2)	-	(1,179)
<b>Operating income</b>	<b>2,297</b>	<b>456</b>	<b>184</b>	<b>(67)</b>	-	<b>2,870</b>
Amortization of intangible assets and acquisition goodwill	(5)	(30)	(36)	(4)	-	(75)
Equity in income (loss) of affiliates and other items	95	93	11	148	-	347
Tax on net operating income	(1,169)	(113)	(64)	61	-	(1,285)
<b>Net operating income</b>	<b>1,218</b>	<b>406</b>	<b>95</b>	<b>138</b>	-	<b>1,857</b>
Net cost of net debt	-	-	-	-	-	(42)
Minority interests and dividends on subsidiaries' redeemable preferred shares	-	-	-	-	-	(48)
<b>Net income</b>	-	-	-	-	-	<b>1,767</b>

2nd quarter 2003	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Gross expenditures	1,130	194	160	24	-	1,508
Divestitures at selling price	44	13	32	68	-	157
Cash flow from operating activities (1)	1,884	1,483	(104)	(129)	-	3,134

(1) In the Chemicals segment, this figure amounts to 46 million euros excluding an amount of 150 million euros paid relating to the Toulouse- AZF plant explosion, offset by a long-term liability write-back.

## BUSINESS SEGMENTS INFORMATION

### Total

(unaudited)

In millions of euros

2nd quarter 2002	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
- Non-Group sales	3,888	17,387	5,157	3	-	26,435
- Intersegment sales	2,843	368	106	29	(3,346)	-
<b>Total sales</b>	<b>6,731</b>	<b>17,755</b>	<b>5,263</b>	<b>32</b>	<b>(3,346)</b>	<b>26,435</b>
Depreciation, depletion, and amortization of tangible assets	(882)	(224)	(206)	(12)	-	(1,324)
<b>Operating income</b>	<b>2,295</b>	<b>262</b>	<b>242</b>	<b>(40)</b>	<b>-</b>	<b>2,759</b>
Amortization of intangible assets and acquisition goodwill	(6)	(42)	(63)	(6)	-	(117)
Equity in income (loss) of affiliates and other items	87	47	(135)	373	-	372
Tax on net operating income	(1,371)	(60)	(18)	4	-	(1,445)
<b>Net operating income</b>	<b>1,005</b>	<b>207</b>	<b>26</b>	<b>331</b>	<b>-</b>	<b>1,569</b>
Net cost of net debt	-	-	-	-	-	(42)
Minority interests and dividends on subsidiaries' redeemable preferred shares	-	-	-	-	-	(24)
<b>Net income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,503</b>

2nd quarter 2002 (non-recurring 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	(21)	-	-	-	-	(21)
<b>Operating income</b>	<b>(30)</b>	<b>(16)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(46)</b>
Amortization of intangible assets and acquisition goodwill	-	-	-	-	-	-
Equity in income (loss) of affiliates and other items	-	-	(122)	173	-	51
Tax on net operating income	(166)	5	41	(39)	-	(159)
<b>Net operating income</b>	<b>(196)</b>	<b>(11)</b>	<b>(81)</b>	<b>134</b>	<b>-</b>	<b>(154)</b>
Net cost of net debt	-	-	-	-	-	-
Minority interests and dividends on subsidiaries' redeemable preferred shares	-	-	-	-	-	25
<b>Net income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(129)</b>

2nd quarter 2002 (excluding non-recurring items)	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
- Non-Group sales	3,888	17,387	5,157	3	-	26,435
- Intersegment sales	2,843	368	106	29	(3,346)	-
<b>Total sales</b>	<b>6,731</b>	<b>17,755</b>	<b>5,263</b>	<b>32</b>	<b>(3,346)</b>	<b>26,435</b>
Depreciation, depletion, and amortization of tangible assets	(861)	(224)	(206)	(12)	-	(1,303)
<b>Operating income</b>	<b>2,325</b>	<b>278</b>	<b>242</b>	<b>(40)</b>	<b>-</b>	<b>2,805</b>
Amortization of intangible assets and acquisition goodwill	(6)	(42)	(63)	(6)	-	(117)
Equity in income (loss) of affiliates and other items	87	47	(13)	200	-	321
Tax on net operating income	(1,205)	(65)	(59)	43	-	(1,286)
<b>Net operating income</b>	<b>1,201</b>	<b>218</b>	<b>107</b>	<b>197</b>	<b>-</b>	<b>1,723</b>
Net cost of net debt	-	-	-	-	-	(42)
Minority interests and dividends on subsidiaries' redeemable preferred shares	-	-	-	-	-	(49)
<b>Net income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,632</b>

2nd quarter 2002	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Gross expenditures	1,556	228	284	32	-	2,100
Divestitures at selling price	106	47	9	301	-	463
Cash flow from operating activities	1,705	805	48	292	-	2,850

## BUSINESS SEGMENTS INFORMATION

### Total

(unaudited)

In millions of euros

1st half 2003	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
- Non-Group sales	9,290	34,603	8,743	14		52,650
- Intersegment sales	5,790	1,151	249	58	(7,248)	-
<b>Total sales</b>	<b>15,080</b>	<b>35,754</b>	<b>8,992</b>	<b>72</b>	<b>(7,248)</b>	<b>52,650</b>
Depreciation, depletion, and amortization of tangible assets	(1,606)	(424)	(366)	(12)		(2,408)
<b>Operating income</b>	<b>5,322</b>	<b>1,235</b>	<b>299</b>	<b>(122)</b>		<b>6,734</b>
Amortization of intangible assets and acquisition goodwill	(8)	(48)	(69)	(10)		(135)
Equity in income (loss) of affiliates and other items	159	156	(395)	298		218
Tax on net operating income	(2,850)	(352)	129	182		(2,891)
<b>Net operating income</b>	<b>2,623</b>	<b>991</b>	<b>(36)</b>	<b>348</b>		<b>3,926</b>
Net cost of net debt						(85)
Minority interests and dividends on subsidiaries' redeemable preferred shares						(116)
<b>Net income</b>						<b>3,725</b>

1st half 2003 (non-recurring items)	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
- Non-Group sales						
- Intersegment sales						
<b>Total sales</b>						
Depreciation, depletion, and amortization of tangible assets	-	-	-	-		-
<b>Operating income</b>	-	-	-	-		-
Amortization of intangible assets and acquisition goodwill						
Equity in income (loss) of affiliates and other items			(213)	40		(173)
Tax on net operating income			21	(10)		11
<b>Net operating income</b>	-	-	<b>(192)</b>	<b>30</b>		<b>(162)</b>
Net cost of net debt						-
Minority interests and dividends on subsidiaries' redeemable preferred shares						-
<b>Net income</b>						<b>(162)</b>

1st half 2003 (excluding non-recurring items)	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
- Non-Group sales	9,290	34,603	8,743	14	-	52,650
- Intersegment sales	5,790	1,151	249	58	(7,248)	-
<b>Total sales</b>	<b>15,080</b>	<b>35,754</b>	<b>8,992</b>	<b>72</b>	<b>(7,248)</b>	<b>52,650</b>
Depreciation, depletion, and amortization of tangible assets	(1,606)	(424)	(366)	(12)		(2,408)
<b>Operating income</b>	<b>5,322</b>	<b>1,235</b>	<b>299</b>	<b>(122)</b>		<b>6,734</b>
Amortization of intangible assets and acquisition goodwill	(8)	(48)	(69)	(10)		(135)
Equity in income (loss) of affiliates and other items	159	156	(182)	258		391
Tax on net operating income	(2,850)	(352)	108	192		(2,902)
<b>Net operating income</b>	<b>2,623</b>	<b>991</b>	<b>156</b>	<b>318</b>		<b>4,088</b>
Net cost of net debt						(85)
Minority interests and dividends on subsidiaries' redeemable preferred shares						(116)
<b>Net income</b>						<b>3,887</b>

1st half 2003	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Gross expenditures	2,296	319	335	52		3,002
Divestitures at selling price	224	57	787	82		1,150
Cash flow from operating activities (1)	4,455	3,043	(185)	(357)		6,956

(1) In the Chemicals segment, this figure amounts to 147 million euros excluding an amount of 332 million euros paid relating to the Toulouse AZF plant explosion, offset by a long-term liability write-back.

## BUSINESS SEGMENTS INFORMATION

### Total

(unaudited)

In millions of euros

1st half 2002	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
- Non-Group sales	8,017	32,290	9,905	7	-	50,219
- Intersegment sales	5,463	733	181	53	(6,430)	-
<b>Total sales</b>	<b>13,480</b>	<b>33,023</b>	<b>10,086</b>	<b>60</b>	<b>(6,430)</b>	<b>50,219</b>
Depreciation, depletion, and amortization of tangible assets	(1,732)	(453)	(413)	(22)		(2,620)
<b>Operating income</b>	<b>4,311</b>	<b>557</b>	<b>363</b>	<b>(106)</b>		<b>5,125</b>
Amortization of intangible assets and acquisition goodwill	(11)	(64)	(103)	(7)		(185)
Equity in income (loss) of affiliates and other items	228	120	(341)	664		671
Tax on net operating income	(2,457)	(156)	14	76		(2,523)
<b>Net operating income</b>	<b>2,071</b>	<b>457</b>	<b>(67)</b>	<b>627</b>		<b>3,088</b>
Net cost of net debt						(82)
Minority interests and dividends on subsidiaries' redeemable preferred shares						(74)
<b>Net income</b>						<b>2,932</b>

1st half 2002 (non-recurring items)	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
- Non-Group sales						
- Intersegment sales						
<b>Total sales</b>						
Depreciation, depletion, and amortization of tangible assets	(21)					(21)
<b>Operating income</b>	<b>(30)</b>	<b>(16)</b>				<b>(46)</b>
Amortization of intangible assets and acquisition goodwill						
Equity in income (loss) of affiliates and other items			(321)	355		34
Tax on net operating income	(166)	5	107	(78)		(132)
<b>Net operating income</b>	<b>(196)</b>	<b>(11)</b>	<b>(214)</b>	<b>277</b>		<b>(144)</b>
Net cost of net debt						
Minority interests and dividends on subsidiaries' redeemable preferred shares						25
<b>Net income</b>						<b>(119)</b>

1st half 2002 (excluding non-recurring items)	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
- Non-Group sales	8,017	32,290	9,905	7	-	50,219
- Intersegment sales	5,463	733	181	53	(6,430)	-
<b>Total sales</b>	<b>13,480</b>	<b>33,023</b>	<b>10,086</b>	<b>60</b>	<b>(6,430)</b>	<b>50,219</b>
Depreciation, depletion, and amortization of tangible assets	(1,711)	(453)	(413)	(22)		(2,599)
<b>Operating income</b>	<b>4,341</b>	<b>573</b>	<b>363</b>	<b>(106)</b>		<b>5,171</b>
Amortization of intangible assets and acquisition goodwill	(11)	(64)	(103)	(7)		(185)
Equity in income (loss) of affiliates and other items	228	120	(20)	309		637
Tax on net operating income	(2,291)	(161)	(93)	154		(2,391)
<b>Net operating income</b>	<b>2,267</b>	<b>468</b>	<b>147</b>	<b>350</b>		<b>3,232</b>
Net cost of net debt						(82)
Minority interests and dividends on subsidiaries' redeemable preferred shares						(99)
<b>Net income</b>						<b>3,051</b>

1st half 2002	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Gross expenditures	3,199	360	540	110		4,209
Divestitures at selling price	329	82	41	597		1,049
Cash flow from operating activities	3,397	1,386	38	487		5,308