

Total financial statements

Second quarter and first half 2004 consolidated accounts, French GAAP



CONSOLIDATED STATEMENTS OF INCOME

Total

2nd quarter 2004 (unaudited)	2nd quarter 2003 (unaudited)	Amounts in millions of euros (1)	1st half 2004 (unaudited)	1st half 2003 (unaudited)
28,897	24,347	Sales	56,757	52,650
(23,707)	(20,298)	Operating expenses	(46,868)	(43,508)
(1,231)	(1,179)	Depreciation, depletion, and amortization of tangible assets	(2,424)	(2,408)
		Operating income		
(50)	(67)	Corporate	(108)	(122)
4,009	2,937	Business segments *	7,573	6,856
3,959	2,870	Total operating income	7,465	6,734
(43)	(42)	Interest expense, net	(83)	(84)
79	71	Dividend income on non-consolidated subsidiaries	94	76
(2)	(1)	Dividends on subsidiaries' redeemable preferred shares	(3)	(3)
(230)	(231)	Other income (expense), net	(253)	(494)
(1,949)	(1,254)	Provision for income taxes	(3,631)	(2,851)
313	275	Equity in income (loss) of affiliates	589	526
2,127	1,688	Income before amortization of acquisition goodwill	4,178	3,904
(27)	(36)	Amortization of acquisition goodwill	(57)	(66)
2,100	1,652	Consolidated net income	4,121	3,838
54	47	of which minority interest	114	113
2,046	1,605	NET INCOME **	4,007	3,725
3.31	2.52	Earnings per share (euros) ***	6.46	5.80
4,009	2,937	* Operating income from business segments, adjusted for special items	7,573	6,856
2,119	1,719	Net operating income from business segments, adjusted for special items	4,043	3,770
2,162	1,767	** Net income (Group share), adjusted for special items	4,140	3,887
3.49	2.77	*** Earnings per share, adjusted for special items (euros)	6.67	6.05

(1) Except for earnings per share

CONSOLIDATED BALANCE SHEET

Total

	Amounts in millions of euros			
	June 30, 2004 (unaudited)	March 31, 2004 (unaudited)	December 31, 2003	June 30, 2003 (unaudited)
ASSETS				
NON-CURRENT ASSETS				
Intangible assets, net	2,089	2,031	2,017	2,205
Property, plant, and equipment, net	37,547	37,300	36,286	36,661
Equity affiliates : investments and loans	8,215	8,224	7,833	7,738
Other investments	1,196	1,170	1,162	1,235
Other non-current assets	3,317	3,286	3,152	3,669
Total non-current assets	52,364	52,011	50,450	51,508
CURRENT ASSETS				
Inventories, net	6,263	6,067	6,137	5,980
Accounts receivable, net	14,214	14,278	12,357	12,418
Prepaid expenses and other current assets	4,710	4,746	4,779	4,950
Short-term investments	1,369	1,393	1,404	1,663
Cash and cash equivalents	11,310	16,175	4,836	9,532
Total current assets	37,866	42,659	29,513	34,543
TOTAL ASSETS	90,230	94,670	79,963	86,051
LIABILITIES & SHAREHOLDERS' EQUITY				
SHAREHOLDERS' EQUITY				
Common shares	6,538	6,497	6,491	6,881
Paid-in surplus and retained earnings	31,917	32,402	30,408	31,776
Cumulative translation adjustment	(2,626)	(2,636)	(3,268)	(1,946)
Treasury shares	(5,133)	(3,858)	(3,225)	(6,960)
Total shareholders' equity	30,696	32,405	30,406	29,751
SUBSIDIARIES' REDEEMABLE PREFERRED SHARES	411	409	396	438
MINORITY INTEREST	625	715	664	620
LONG-TERM LIABILITIES				
Deferred income taxes	5,665	5,622	5,443	6,106
Employee benefits	3,870	3,903	3,818	3,896
Other liabilities	6,426	6,375	6,344	6,462
Total long-term liabilities	15,961	15,900	15,605	16,464
LONG-TERM DEBT	10,759	11,023	9,783	9,906
CURRENT LIABILITIES				
Accounts payable	11,214	11,212	10,304	9,256
Other creditors and accrued liabilities	10,012	10,868	8,970	10,331
Short-term borrowings and bank overdrafts	10,552	12,138	3,835	9,285
Total current liabilities	31,778	34,218	23,109	28,872
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	90,230	94,670	79,963	86,051

CONSOLIDATED STATEMENTS OF CASH FLOWS

Total

2nd quarter 2004 (unaudited)	2nd quarter 2003 (unaudited)	Amounts in millions of euros	1st half 2004 (unaudited)	1st half 2003 (unaudited)
CASH FLOW FROM OPERATING ACTIVITIES				
2,100	1,652	Consolidated net income	4,121	3,838
1,329	1,266	Depreciation, depletion, and amortization	2,597	2,564
47	240	Long-term liabilities, valuation allowances, and deferred taxes	36	(166)
109	101	Unsuccessful exploration costs	182	161
(72)	(49)	(Gains)/Losses on sales of assets	(146)	155
69	(13)	Equity in income of affiliates (in excess of)/less than dividends received	(159)	(191)
10	1	Other changes, net	21	3
3,592	3,198	Cash flow from operating activities before changes in working capital	6,652	6,364
(969)	(64)	(Increase)/Decrease in operating assets and liabilities	54	592
2,623	3,134	CASH FLOW FROM OPERATING ACTIVITIES (1)	6,706	6,956
CASH FLOW USED IN INVESTING ACTIVITIES				
(1,580)	(1,320)	Intangible assets and property, plant, and equipment additions	(2,849)	(2,531)
(85)	(89)	Exploration expenditures charged to expenses	(158)	(142)
(9)	8	Acquisitions of subsidiaries, net of cash acquired	(9)	8
(58)	(33)	Investments in equity affiliates and other securities	(89)	(38)
(206)	(74)	Increase in long-term loans	(444)	(299)
(1,938)	(1,508)	Total expenditures	(3,549)	(3,002)
69	49	Proceeds from sale of intangible assets and property, plant, and equipment	143	126
-	2	Proceeds from sale of subsidiaries, net of cash sold	1	735
15	66	Proceeds from sale of non-current investments	41	68
87	40	Repayment of long-term loans	168	221
171	157	Total divestitures	353	1,150
24	(174)	(Increase)/Decrease in short-term investments	36	(155)
(1,743)	(1,525)	CASH FLOW USED IN INVESTING ACTIVITIES	(3,160)	(2,007)
CASH FLOW FROM FINANCING ACTIVITIES				
Issuance and repayment of shares:				
371	44	Parent company's shareholders	371	45
(1,275)	(959)	Purchase of treasury shares	(1,908)	(2,550)
43	16	Minority shareholders	82	23
-	-	Subsidiaries' redeemable preferred shares	-	-
Cash dividends paid:				
(2,853)	(2,571)	- Parent company's shareholders	(2,853)	(2,571)
(137)	(96)	- Minority shareholders	(141)	(108)
15	417	Net issuance/(repayment) of long-term debt	1,240	1,409
(1,792)	(1,938)	Increase/(Decrease) in short-term borrowings and bank overdrafts	5,869	3,507
(2)	(1)	Other changes, net	(3)	(3)
(5,630)	(5,088)	CASH FLOW FROM FINANCING ACTIVITIES	2,657	(248)
(4,750)	(3,479)	Net increase/decrease in cash and cash equivalents	6,203	4,701
(115)	(106)	Effect of exchange rates and changes in reporting entity on cash and cash equivalents	271	(135)
16,175	13,117	Cash and cash equivalents at the beginning of the year or period	4,836	4,966
11,310	9,532	CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	11,310	9,532

(1) including payments relating to the Toulouse AZF plant explosion, offset by a long-term liability write-back of 92 millions of euros for the second quarter 2004, 222 millions of euros for the first half 2004.

BUSINESS SEGMENTS INFORMATION

Total

(unaudited)

Amounts in millions of euros

2nd quarter 2004	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Non-Group sales	4,718	19,277	4,896	6		28,897
Intersegment sales	3,370	617	149	12	(4,148)	-
Total sales	8,088	19,894	5,045	18	(4,148)	28,897
Depreciation, depletion, and amortization of tangible assets	(810)	(215)	(197)	(9)		(1,231)
Operating income	3,135	727	147	(50)		3,959
Amortization of intangible assets and acquisition goodwill	(6)	(32)	(27)	(9)		(74)
Equity in income (loss) of affiliates and other items	154	65	(163)	142		198
Tax on net operating income	(1,787)	(224)	12	42		(1,957)
Net operating income	1,496	536	(31)	125		2,126
Net cost of net debt						(24)
Minority interests and dividends on subsidiaries' redeemable preferred shares						(56)
Net income						2,046

2nd quarter 2004 (special items)	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Non-Group sales						
Intersegment sales						
Total sales						
Depreciation, depletion, and amortization of tangible assets	-	-	-	-		-
Operating income	-	-	-	-		-
Amortization of intangible assets and acquisition goodwill	-	-	-	-		-
Equity in income (loss) of affiliates and other items	-	-	(176)	-		(176)
Tax on net operating income	-	-	58	-		58
Net operating income	-	-	(118)	-		(118)
Net cost of net debt						-
Minority interests and dividends on subsidiaries' redeemable preferred shares						2
Net income						(116)

2nd quarter 2004 (adjusted for special items)	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Non-Group sales	4,718	19,277	4,896	6		28,897
Intersegment sales	3,370	617	149	12	(4,148)	-
Total sales	8,088	19,894	5,045	18	(4,148)	28,897
Depreciation, depletion, and amortization of tangible assets	(810)	(215)	(197)	(9)		(1,231)
Operating income	3,135	727	147	(50)		3,959
Amortization of intangible assets and acquisition goodwill	(6)	(32)	(27)	(9)		(74)
Equity in income (loss) of affiliates and other items	154	65	13	142		374
Tax on net operating income	(1,787)	(224)	(46)	42		(2,015)
Net operating income	1,496	536	87	125		2,244
Net cost of net debt						(24)
Minority interests and dividends on subsidiaries' redeemable preferred shares						(58)
Net income						2,162

2nd quarter 2004	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Total expenditures	1,331	316	251	40		1,938
Divestitures at selling price	102	39	30	-		171
Cash flow from operating activities (1)	2,644	414	22	(457)		2,623

(1) In the Chemicals segment, this figure amounts to 114 millions of euros excluding an amount of 92 millions of euros paid relating to the Toulouse AZF plant explosion, offset by a long-term liability write-back.

BUSINESS SEGMENTS INFORMATION

Total

(unaudited)

Amounts 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)	-
Total sales	6,894	16,336	4,288	33	(3,204)	24,347
Depreciation, depletion, and amortization of tangible assets	(777)	(214)	(186)	(2)		(1,179)
Operating income	2,297	456	184	(67)		2,870
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)
Net operating income	1,218	406	(97)	168		1,695
Net cost of net debt						(42)
Minority interests and dividends on subsidiaries' redeemable preferred shares						(48)
Net income						1,605

2nd quarter 2003 (special items)	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Non-Group sales						
Intersegment sales						
Total sales						
Depreciation, depletion, and amortization of tangible assets	-	-	-	-		-
Operating income						
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
Net operating income			(192)	30		(162)
Net cost of net debt						-
Minority interests and dividends on subsidiaries' redeemable preferred shares						-
Net income						(162)

2nd quarter 2003 (adjusted for special 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)	-
Total sales	6,894	16,336	4,288	33	(3,204)	24,347
Depreciation, depletion, and amortization of tangible assets	(777)	(214)	(186)	(2)		(1,179)
Operating income	2,297	456	184	(67)		2,870
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)
Net operating income	1,218	406	95	138		1,857
Net cost of net debt						(42)
Minority interests and dividends on subsidiaries' redeemable preferred shares						(48)
Net income						1,767

2nd quarter 2003	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Total 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 millions of euros excluding an amount of 150 millions of euros paid relating to the Toulouse AZF plant explosion, offset by a long-term liability write-back.

BUSINESS SEGMENTS INFORMATION

Total

(unaudited)

Amounts in millions of euros

1st half 2004	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Non-Group sales	10,648	36,522	9,569	18		56,757
Intersegment sales	6,432	1,196	291	53	(7,972)	-
Total sales	17,080	37,718	9,860	71	(7,972)	56,757
Depreciation, depletion, and amortization of tangible assets	(1,588)	(428)	(391)	(17)		(2,424)
Operating income	5,954	1,273	346	(108)		7,465
Amortization of intangible assets and acquisition goodwill	(10)	(53)	(59)	(17)		(139)
Equity in income (loss) of affiliates and other items	271	116	(169)	287		505
Tax on net operating income	(3,330)	(389)	(42)	110		(3,651)
Net operating income	2,885	947	76	272		4,180
Net cost of net debt						(56)
Minority interests and dividends on subsidiaries' redeemable preferred shares						(117)
Net income						4,007

1st half 2004 (special items)	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Non-Group sales						
Intersegment sales						
Total sales						
Depreciation, depletion, and amortization of tangible assets	-	-	-	-		-
Operating income	-	-	-	-		-
Amortization of intangible assets and acquisition goodwill	-	-	-	-		-
Equity in income (loss) of affiliates and other items	-	-	(202)	-		(202)
Tax on net operating income	-	-	67	-		67
Net operating income	-	-	(135)	-		(135)
Net cost of net debt						-
Minority interests and dividends on subsidiaries' redeemable preferred shares						2
Net income						(133)

1st half 2004 (adjusted for special items)	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Non-Group sales	10,648	36,522	9,569	18		56,757
Intersegment sales	6,432	1,196	291	53	(7,972)	-
Total sales	17,080	37,718	9,860	71	(7,972)	56,757
Depreciation, depletion, and amortization of tangible assets	(1,588)	(428)	(391)	(17)		(2,424)
Operating income	5,954	1,273	346	(108)		7,465
Amortization of intangible assets and acquisition goodwill	(10)	(53)	(59)	(17)		(139)
Equity in income (loss) of affiliates and other items	271	116	33	287		707
Tax on net operating income	(3,330)	(389)	(109)	110		(3,718)
Net operating income	2,885	947	211	272		4,315
Net cost of net debt						(56)
Minority interests and dividends on subsidiaries' redeemable preferred shares						(119)
Net income						4,140

1st half 2004	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Total expenditures	2,543	542	413	51		3,549
Divestitures at selling price	201	82	49	21		353
Cash flow from operating activities (1)	4,974	2,124	(60)	(332)		6,706

(1) In the Chemicals segment, this figure amounts to 162 millions of euros excluding an amount of 222 millions of euros paid relating to the Toulouse AZF plant explosion, offset by a long-term liability write-back.

BUSINESS SEGMENTS INFORMATION

Total

(unaudited)

Amounts 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)	-
Total sales	15,080	35,754	8,992	72	(7,248)	52,650
Depreciation, depletion, and amortization of tangible assets	(1,606)	(424)	(366)	(12)		(2,408)
Operating income	5,322	1,235	299	(122)		6,734
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)
Net operating income	2,623	991	(36)	348		3,926
Net cost of net debt						(85)
Minority interests and dividends on subsidiaries' redeemable preferred shares						(116)
Net income						3,725

1st half 2003 (special items)	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Non-Group sales						
Intersegment sales						
Total sales						
Depreciation, depletion, and amortization of tangible assets	-	-	-	-		-
Operating income	-	-	-	-		-
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
Net operating income	-	-	(192)	30		(162)
Net cost of net debt						-
Minority interests and dividends on subsidiaries' redeemable preferred shares						-
Net income						(162)

1st half 2003 (adjusted for special 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)	-
Total sales	15,080	35,754	8,992	72	(7,248)	52,650
Depreciation, depletion, and amortization of tangible assets	(1,606)	(424)	(366)	(12)		(2,408)
Operating income	5,322	1,235	299	(122)		6,734
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)
Net operating income	2,623	991	156	318		4,088
Net cost of net debt						(85)
Minority interests and dividends on subsidiaries' redeemable preferred shares						(116)
Net income						3,887

1st half 2003	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Total 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 millions of euros excluding an amount of 332 millions of euros paid relating to the Toulouse AZF plant explosion, offset by a long-term liability write-back.

CONSOLIDATED STATEMENTS OF INCOME (Impact of special items)

Total

(unaudited)

Amounts in millions of euros	1st half 2004		Consolidated statement of income	1st half 2003
	Adjusted for special items	Special items		Adjusted for special items
Total sales	56,757	-	56,757	52,650
Operating expenses	(46,868)	-	(46,868)	(43,508)
Depreciation, depletion, and amortization of tangible assets	(2,424)	-	(2,424)	(2,408)
Operating income				
Corporate	(108)	-	(108)	(122)
Business segments	7,573	-	7,573	6,856
Total operating income	7,465	-	7,465	6,734
Interest expense, net	(83)	-	(83)	(84)
Dividend income on non-consolidated subsidiaries	94	-	94	76
Dividends on subsidiaries' redeemable preferred shares	(3)	-	(3)	(3)
Other income (expense), net	(51)	(202)	(253)	(321)
Provision for income taxes	(3,698)	67	(3,631)	(2,862)
Equity in income (loss) of affiliates	589	-	589	526
Income before amortization of acquisition goodwill	4,313	(135)	4,178	4,066
Amortization of acquisition goodwill	(57)	-	(57)	(66)
Consolidated net income	4,256	(135)	4,121	4,000
of which minority interest	116	(2)	114	113
NET INCOME	4,140	(133)	4,007	3,887

Amounts in millions of euros	2nd quarter 2004		Consolidated statement of income	2nd quarter 2003
	Adjusted for special items	Special items		Adjusted for special items
Total sales	28,897	-	28,897	24,347
Operating expenses	(23,707)	-	(23,707)	(20,298)
Depreciation, depletion, and amortization of tangible assets	(1,231)	-	(1,231)	(1,179)
Operating income				
Corporate	(50)	-	(50)	(67)
Business segments	4,009	-	4,009	2,937
Total operating income	3,959	-	3,959	2,870
Interest expense, net	(43)	-	(43)	(42)
Dividend income on non-consolidated subsidiaries	79	-	79	71
Dividends on subsidiaries' redeemable preferred shares	(2)	-	(2)	(1)
Other income (expense), net	(54)	(176)	(230)	(58)
Provision for income taxes	(2,007)	58	(1,949)	(1,265)
Equity in income (loss) of affiliates	313	-	313	275
Income before amortization of acquisition goodwill	2,245	(118)	2,127	1,850
Amortization of acquisition goodwill	(27)	-	(27)	(36)
Consolidated net income	2,218	(118)	2,100	1,814
of which minority interest	56	(2)	54	47
NET INCOME	2,162	(116)	2,046	1,767