

Value Investing

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TOTAL is the fourth largest international oil and gas company. Its activities cover the entire petroleum production chain, from oil and gas exploration and production, the downstream gas sector, trading, transport and refining to distribution. It is also a major player in the chemicals sector. TOTAL is the Europe's leading refining and distribution company, and directly runs 13 of the 28 refineries in which it has an interest. Its network of over 15,000 service stations is mainly located in Europe and Africa. TOTAL'S Chemicals arm, ATOFINA, is a European or world leader on each of its markets (Basic chemicals & Long polymers, Intermediate chemicals & Performance polymers, and Specialities).

TOTAL

www.total.com



2003 saw the end of the internal programmes set up in 2000 following the mergers between TOTAL, PETROFINA and ELF. The ambitious goals for growth, synergy and productivity have been achieved. The growth in hydrocarbon production, the implementation of productivity programmes and the continuation of share buy-backs have resulted in a 23% increase in the net profit per share, excluding non-recurring items, to a record EUR 11.56, compared with EUR 9.40 in 2002.

Consolidated turnover for 2003 comes to EUR 104,652 million compared with EUR 102,540 million in 2002.

Operating income for the business sectors, excluding non-recurring items, is up 18% to EUR 13,004 million compared with EUR 10,995 million in 2002. This increase is mainly due to the positive impact of the company's internal efforts and the effects of a more favourable climate in the oil industry.

The net profit, Group share, comes to EUR 7,025 million compared with EUR 5,941 million in 2002. In 2003 non-recurring items in the net profit, Group share, had a negative impact of EUR 319 million and were mainly made up of restructuring costs and the allocation of a provision for liabilities and charges

in Chemicals. The net profit per share excluding non-recurring items reached a record EUR 11.56. The previous record was EUR 10.85 in 2001.

Investments in 2003 came to EUR 7,728 million, down 11% on 2002. Expressed in dollars, investments are up 6%.

Disinvestments in 2003, valued at the sale price, came to EUR 1,878 million and included in particular the sale of the paints business.

In the Upstream sector, net operating income excluding non-recurring items comes to EUR 5,259 million for 2003, a 13% increase compared with 2002. Over 2003 as a whole, hydrocarbon production rose by 5%, in line with the target set. There was a 5% increase in liquids production due to the contribution of Sincor in Venezuela, CEPESA production in Algeria, the Balal and South Pars fields in Iran and the Amenam field in Nigeria. Gas production grew by 6%

in 2003. The Gulf of Mexico, Indonesia and the North Sea were the main contributing areas. Proven hydrocarbon reserves increased by 2% in 2003, meaning that at the current production rate, the lifetime of the reserves is 12.3 years. The proven reserves replacement ratio for the consolidated subsidiaries comes to 145% for the 2001-2003 period.

The net operating income excluding non-recurring items for the Downstream sector comes to EUR 1,460 million for 2003, compared with EUR 846 million in 2002. If CEPESA's profit had already been split between the different sectors in 2002⁽ⁱ⁾, the net operating income excluding non-recurring items for the Downstream sector would have increased by 85% in 2003. For 2003 as a whole, the volume of refined products increased by 6% to 2,481 kb/d. The utilisation rate of the refineries was 93% in 2003, compared with 88% in 2002. Product sales came to 3,652 kb/d in 2003.

In the Chemicals sector, turnover for 2003 dropped 11% to EUR 17,260 million. Disregarding the paint business, the sale of which was finalised in February 2003, the drop would only have been 2% and is mainly due to exchange rate changes. Net operating income excluding non-recurring items comes to EUR 254 million for 2003.

(i) In 2003, the share of the equity-accounted profit of CEPESA was for the first time split between the business sectors and not allocated to the Downstream sector alone. This decision is due to the strong growth in the contribution made by CEPESA's hydrocarbon production activities in 2003.

CONTRIBUTION TO:

	RESTRICTED CONSOLIDATION		CONSOLIDATION (TRANSITIVE)	
	Mio EUR	EUR/share	Mio EUR	EUR/share
2003 operating result.....	32.0	1.60	41.5	2.07
Adjusted net assets on 31.12.2003	1,210.9	60.54	1,609.5	80.47

KEY CONSOLIDATED FIGURES (EUR BILLION)

	2001	2002	2003
Equity.....	33.93	32.15	30.41
Turnover.....	105.32	102.54	104.65
Net profit, Group share*.....	7.52	6.26	7.34
Dividend excluding tax credit/share (EUR)	3.80	4.10	4.70**

* Excluding non-recurring items.

** Subject to approval by the Annual General Meeting.

With 400 restaurants, 300 of which are franchised, Quick is at the head of the fast food market in Belgium and number 2 in France.

QUICK

www.quick-restaurants.com



After a year of clarification in 2002 in terms of strategic positioning, development policy and geographical presence, 2003 saw the results of the efforts made in the form of an improvement in the company's operating performance and profits. This upturn was accompanied by a reduction in debt and financial charges through the stabilisation of the balance sheet structure. This was made possible mainly by the successful EUR 66.5 million capital increase (EUR 28 million through public issue) carried out in June 2003, followed by a restructuring of debts at more competitive rates.

At the same time, Quick continued with its strategy of rationalising the restaurant stock through the closure of restaurants that were structurally unprofitable. This policy, which was started in 2002, has borne fruit rapidly and will be continued in 2004. The operational optimisation of the restaurants is underway, with an increase in the number of franchised sites, particularly in Belgium. Finally, expansion through the opening of new sites will restart in a controlled manner in 2004, mainly in France. Any

growth outside France and Belgium will take place solely in the form of full franchises.

In France, Quick focused on its core business and successfully launched new products – including the Supreme Cheese – and a new advertising campaign promoting a significant differentiating factor, flavour.

In a sluggish economic and political climate, Quick sales increased by 4.4% to EUR 697 million in 2003. With a constant consolidation perimeter, sales in France (80%) and Belgium grew by 5% and 2% respectively.

For the second year running, operating income (EBIT) increased significantly (EUR 23.6 million compared with EUR 17.4 million in 2002); net operating profit before tax came to EUR 16.8 million (compared with EUR 6.7 million in 2002).

Consolidated net profit returned firmly to the black at EUR 12.9 million (compared with a loss of EUR 9.2 million in 2002), despite the allowance for extraordinary charges linked to the structural stabilisation of the restaurant stock and various provisions in the amount of EUR 3.9 million.

In light of this performance, at the Annual General Meeting the Board of Directors will propose the distribution of a total dividend of EUR 1.9 million (EUR 0.10 per share).

For 2004, QUICK will continue its efforts to improve profits by focusing on:

- growing turnover;
- continuing a strategy of controlled growth and operational optimisation of the restaurant stock;
- relaunching marketing efforts in Belgium, mainly in terms of products and advertising;
- accelerating investment in the renovation and modernisation of existing sites and opening new restaurants (8 to 10 per year);
- buying out certain joint venture shareholdings.

CONTRIBUTION TO:

	RESTRICTED CONSOLIDATION		CONSOLIDATION (TRANSITIVE)	
	Mio EUR	EUR/share	Mio EUR	EUR/share
2003 operating result.....	0.5	0.03	5.4	0.27
Adjusted net assets on 31.12.2003	50.6	2.53	50.6	2.53

KEY CONSOLIDATED FIGURES (EUR MILLION)

	2001	2002	2003
Equity.....	84.4	75.1	154.6
Turnover*.....	261.9	256.7	263.8
Net profit, Group share.....	(45.2)	(9.2)	12.9
Gross dividend per share (EUR).....	-	-	0.10**

* Sales and franchise income

** Subject to approval by the Annual General Meeting.

Groupe TAITTINGER owns the wine-producing business developed on the basis of the internationally famous TAITTINGER Champagne brand, and a 42% shareholding (45.4% allowing for the cancellation of own shares) in SOCIÉTÉ DU LOUVRE, which operates in hotels and luxury products.

GROUPE TAITTINGER

www.taittinger.fr

The wine-producing division groups together three main businesses, TAITTINGER CHAMPAGNE, the CARNEROS estate in the Napa Valley in the United States and BOUVET LADUBAY in the Saumur region.

In the Champagne business, the TAITTINGER vineyard covers almost 280 hectares, which gives the brand a self-supply rate of around 50%, one of the highest in the industry. Despite unfavourable weather conditions leading to a small harvest in 2003, TAITTINGER Champagne has stocks equivalent to 19.6 million bottles, which covers over 4 years' sales.

The volume of champagne shipments came to 4.7 million bottles, up 8.1% on 2002. 57% of sales of the TAITTINGER brand were for export, with the United States forming the largest foreign market.



In the United States, the CARNEROS estate produces sparkling and still wines on an estate that currently stands at 80 hectares. Vine planting underway will increase the size of the vineyard to over 120 hectares. CARNEROS shipped 496,000 bottles in 2003.

In the Val du Loire region, BOUVET LADUBAY, the most prestigious of the Saumur houses, sold almost 2.7 million bottles in 2003.

The wine-producing business, which achieved turnover of EUR 100 million (+3.4% compared with 2002), contributed 10.9 million to the Group's profits in 2003 (+9%).

Consolidated turnover in 2003 for Groupe Taittinger as a whole dropped 2.7% to EUR 773.4 million, EUR 673.2 of which was made by the businesses grouped together under Société du Louvre. With a constant consolidation perimeter and exchange rates, consolidated turnover was down 2.2%. The overall net profit came to EUR 24.8 million, Group share, a drop of 10.6% compared with 2002; the good performance of TAITTINGER CHAMPAGNE partly compensated for the effects of the more difficult economic climate in 2003 for SOCIÉTÉ DU LOUVRE.

CONTRIBUTION TO:

	RESTRICTED CONSOLIDATION		CONSOLIDATION (TRANSITIVE)	
	Mio EUR	EUR/share	Mio EUR	EUR/share
2003 operating result.....	2.2	0.11	6.1	0.30
Adjusted net assets on 31.12.2003	115.0	5.75	115.0	5.75

KEY CONSOLIDATED FIGURES (EUR MILLION)

	2001	2002	2003
Equity	310.8	328.7	334.3
Turnover	779.3	788.7	773.4
Net profit, Group share	26.3	27.8	24.8
Dividend excluding tax credit/share (EUR)	2.45	2.53	2.60*

* Subject to approval by the Annual General Meeting.

SOCIÉTÉ DU LOUVRE operates in two areas of business, hotels (budget through ENVERGURE and luxury through CONCORDE) and luxury products (BACCARAT and Parfums ANNICK GOUTAL).

SOCIÉTÉ DU LOUVRE

www.societedulouvre.fr



runs an international network of 92 hotels located in most major business and tourist destinations worldwide.

The hotels operated by CONCORDE are concentrated in two of the biggest tourist destinations in the world – Paris, where it has 6 hotels including the CRILLON and the LUTÉTIA, and the Côte d'Azur, where it has the MARTINEZ in Cannes and, since the beginning of 2004, the PALAIS DE

LA MÉDITERRANÉE in Nice.

In 2003, this division was affected by an unfavourable geopolitical climate that led to a decline in the international travel market, and achieved turnover of EUR 222.3 million (-6.9%), contributing EUR 11.3 million (-53.5%) to consolidated profits.

A few years ago, BACCARAT, the world's leading purveyor of luxury crystal objects, expanded its fields of design to jewellery. Through a worldwide chain of exclusive boutiques, BACCARAT has become a major international luxury brand, with notable credibility in its sectors.

In an unfavourable economic climate, marked particularly by the fall in the dollar, BACCARAT's consolidated turnover dropped by 12.8%, 5.1% of which with constant exchange rates, to EUR 110.5 million; the 51%-owned entity contributed a negative EUR 1.6 million to the Group's profits, following restructuring. Turnover for PARFUMS ANNICK GOUTAL (EUR 8.7 million) fell by 11.8% (7.4% with constant exchange rates), contributing EUR 0.5 million (-24.3%) to the Group's profits.

Overall, in an especially difficult economic and monetary climate for the tourism and luxury products sector, the GROUPE DU LOUVRE's consolidated turnover came to EUR 673.2 million, down 2.7% (3.2% with a constant consolidation perimeter and exchange rates). Net profit for 2003 comes to EUR 28.6 million, Group share, and was affected by a EUR 4.8 million extraordinary goodwill amortisation on BACCARAT, compared with EUR 76.2 million for the previous financial year, which included a EUR 35.5 million capital gain on the sale of TAITTINGER shares as part of the restructuring of the Group.

With 829 hotels and restaurants with a total of almost 50,000 rooms, 31% of which are fully owned, the ENVERGURE Group is the second largest European budget hotel group through a network of three chains (CAMPANILE, PREMIÈRE CLASSE and KYRIAD). This division is experiencing steady growth through the opening of new hotels in France and the neighbouring countries.

The division achieved turnover of EUR 322 million in 2003, a 4.7% increase, and contributed EUR 17.0 million to profits (+15.2%).

In the luxury hotel business, the CONCORDE Group operates 13 hotels in France, Belgium and Switzerland and

CONTRIBUTION TO:

	RESTRICTED CONSOLIDATION		CONSOLIDATION (TRANSITIVE)	
	Mio EUR	EUR/share	Mio EUR	EUR/share
2003 operating result.....	2.1	0.11	5.2	0.26
Adjusted net assets on 31.12.2003	128.3	6.42	128.3	6.42

KEY CONSOLIDATED FIGURES (EUR MILLION)

	2001	2002	2003
Equity.....	454.9	468.4	474.3
Turnover.....	686.7	692.1	673.2
Net profit, Group share.....	44.2	76.2	28.6
Dividend excluding tax credit/share (EUR).....	1.30	1.34	1.34*

* Subject to approval by the Annual General Meeting.

Electrabel belongs to the leading group of European power companies and is the biggest on the Benelux market. Electrabel manages a 28,500 MW generation system in Europe, and is involved in trading on all of the power markets. In Belgium it operates electricity and natural gas grids for distribution system operators.

ELECTRABEL

www.electrabel.com

In line with its strategy, ELECTRABEL is expanding in Europe and in 2003 achieved electricity sales that easily met its aim of doubling the 1999 volume of 74 TWh during the 2000-2004 period. The Group's electricity sales represented 137 TWh, a 10% increase, 44% of which was sold outside the Belgian market.



ELECTRABEL aims to keep its leading position on its domestic market, Benelux, and in addition to carve out a significant position on three key markets. These are France, where the company plans to strengthen its position as the leading private operator, Italy and the Iberian peninsula, which are two important growth markets in Europe, and finally Germany, Hungary and Poland, where it aims to develop its position on the basis of its existing business.

The rapid opening up of the electricity and natural gas markets in Europe, as set out in the new European Directive, increases the company's opportunities for growth by creating a more consistent framework throughout Europe in which competition can flourish.

The Group conducts its strategy through a policy of cost-effective

growth, based on entering into partnerships and making cautious, considered acquisitions that meet strict criteria in terms of profitability and synergy with its existing activities.

In the Netherlands, ELECTRABEL represents over 20% of the electricity market. In addition, natural gas sales to industrial clients commenced here in 2003. In France, the necessary commercial resources have been put in place around the ÉNERGIE DU RHÔNE platform, in partnership with COMPAGNIE NATIONALE DU RHÔNE. In Italy, the Group is basing its growth on a structural partnership with ACEA. In Spain, work has started on the construction of a combined cycle gas and steam

turbine plant. In Poland, ELECTRABEL has increased its shareholding in the POLANIEC power station to 100%.

In Belgium, 2003 was truly the first year of liberalisation; at the end of 2003, the Belgian market was 80% open for electricity and 83% open for natural gas. In Flanders, the market has been fully open to competition since 1 July 2003.

2003 was a decisive year for the stabilisation of the Belgian electricity and gas markets. The Competition Council approved the operations through which ELECTRABEL took over electricity and natural gas sales to customers who had become eligible from the mixed intermunicipal companies in the Walloon and Flemish regions. For their part, the regional governments have appointed all of the mixed intermunicipal companies as distribution system operators.

Net operating profit, Group share, comes to EUR 882 million for 2003, up 9.1%; net profit comes to EUR 1,007 million. The dividend submitted for the approval of the Annual General Meeting will be EUR 15.0 gross per share (+3.7%).

CONTRIBUTION TO:

	RESTRICTED CONSOLIDATION		CONSOLIDATION (TRANSITIVE)	
	Mio EUR	EUR/share	Mio EUR	EUR/share
2003 operating result.....	1.9	0.10	1.9	0.10
Adjusted net assets on 31.12.2003	31.4	1.57	31.4	1.57

KEY CONSOLIDATED FIGURES (EUR MILLION)

	2001	2002	2003
Equity	4,766	5,110	5,179
Turnover*.....	8,550	9,390	10,845
Net profit, Group share*.....	798	1,101	1,007
Dividend excluding tax credit/share (EUR).....	14.0	14.5	15.0**

* Excluding non-recurring items.

** Subject to approval by the Annual General Meeting