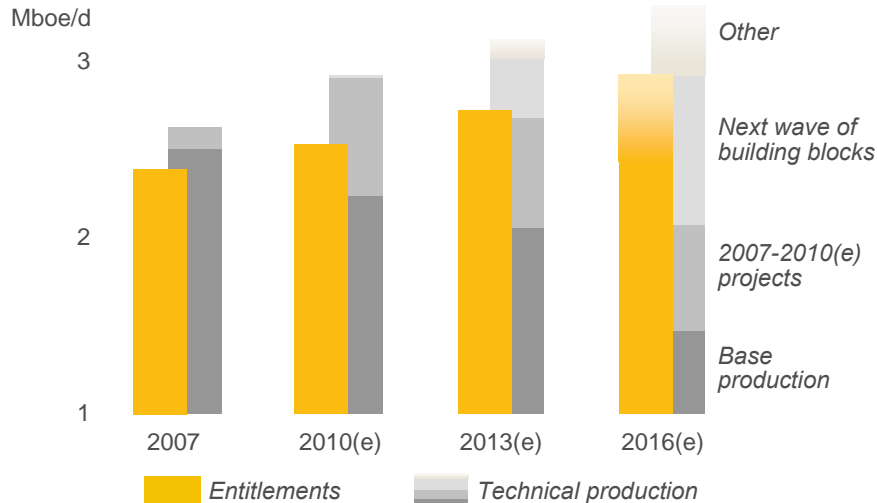


# **Growing Upstream in a new environment**

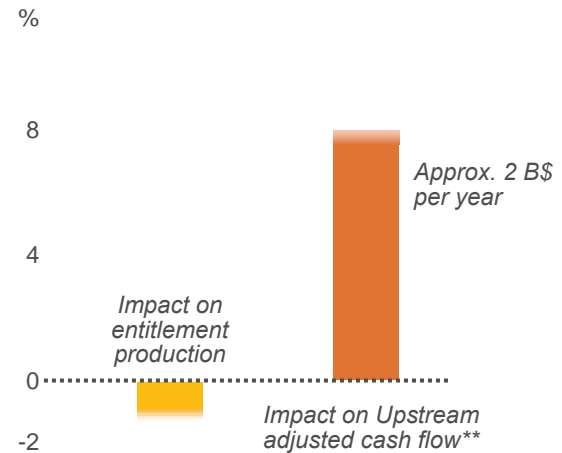
# Outlook for sustained production growth over the long-term

## Production growth in a 100 \$/b scenario (entitlement production and technical production\*)



## Upstream average sensitivity to oil price (2009-2013(e))

+10 \$/b Brent in a 80-100 \$/b Brent environment



> Limited decline rate of production base

> LNG and heavy oil provide support for long-term growth

**Operational excellence, large pipeline of projects and strong sensitivity to the oil price provide for long-term value creation**

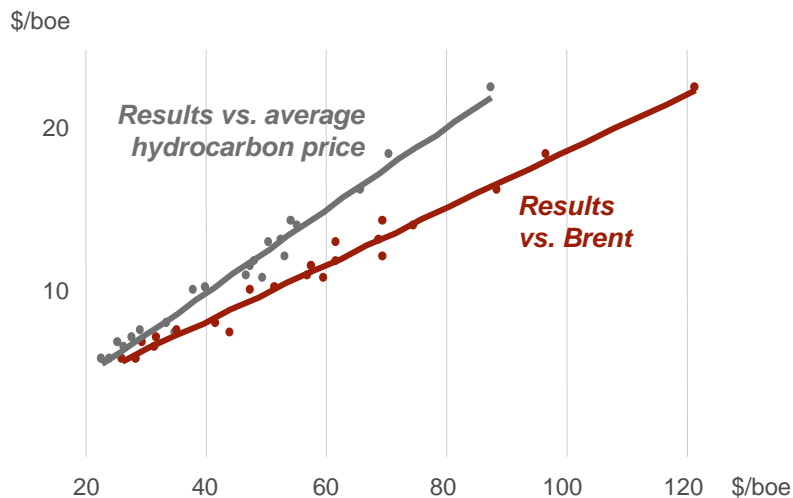
\* technical production defined as equity share of wellhead production ; entitlement production defined as FAS 69 production plus mining

\*\* defined as cash flow from operating activities before changes in working capital at replacement cost

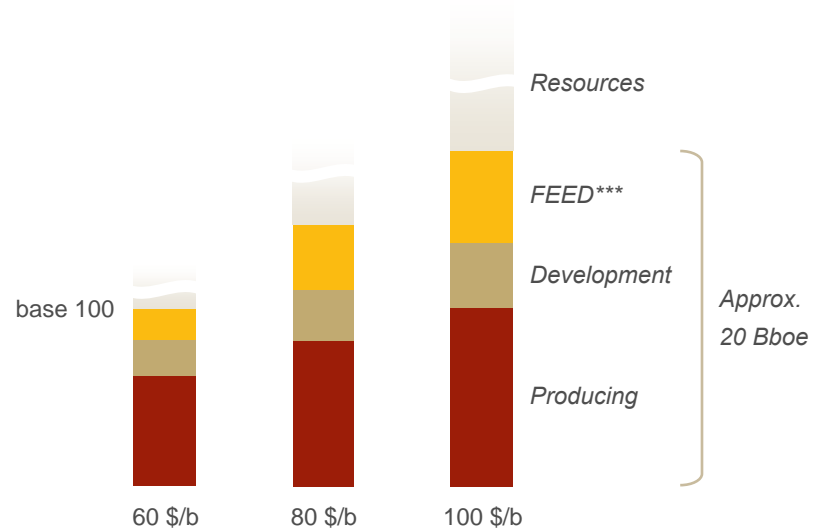
# Growing Upstream value

## Upstream results\* vs. hydrocarbon prices

(2003-1H08)



## Net present value\*\* of proved and probable reserves



***Significant value to be added from resources in portfolio and exploration potential***

***Demonstrated capacity to create new growth opportunities***

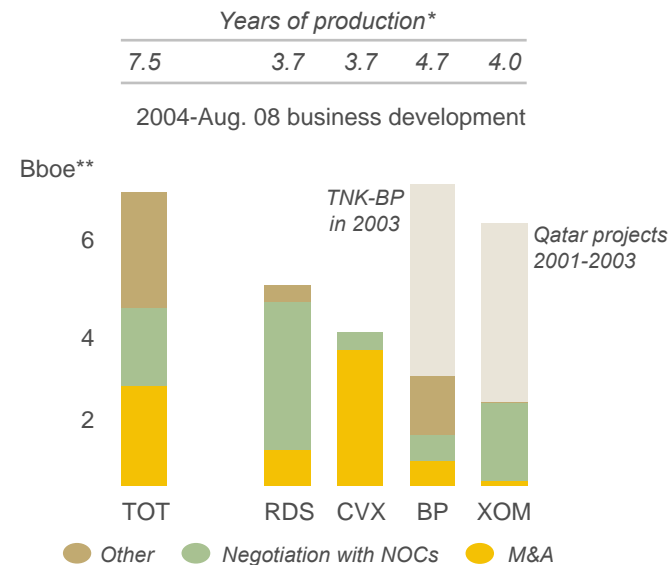
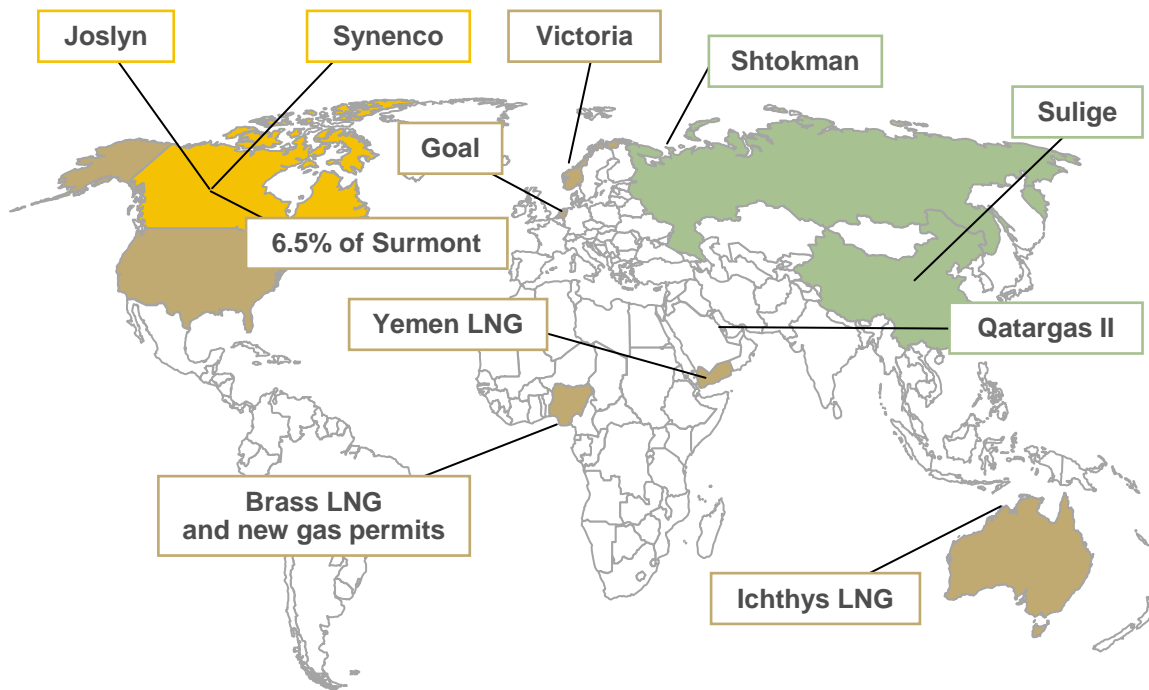
\* adjusted net operating income per boe

\*\* net present value discounted at weighted average cost of capital of the future net cash flow expressed in dollars generated by year-end 2007 proved and probable reserves

\*\*\* projects under FEED or advanced development studies

# Accelerated growth of Upstream portfolio

Additions to reserve potential since early 2004 through acquisitions and negotiations



- > **6.5 Bboe acquired or negotiated since early 2004**
  - Mainly LNG and heavy oil

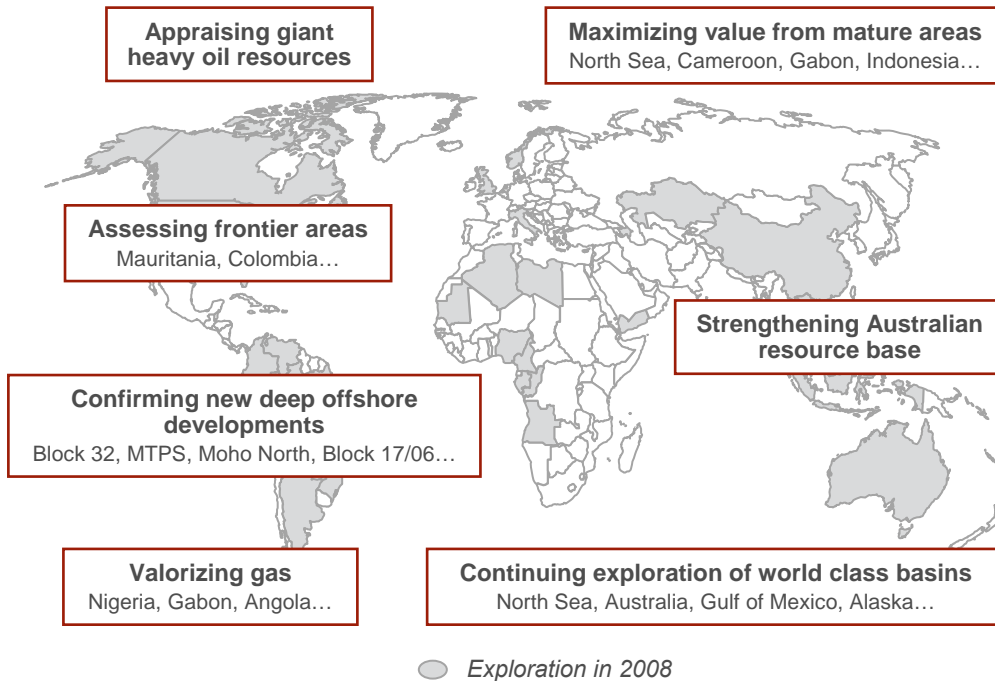
**Ability to capture new growth opportunities  
and to create major strategic partnerships : > 3 Bboe under study or negotiation**

\* based on 1H08 entitlement production

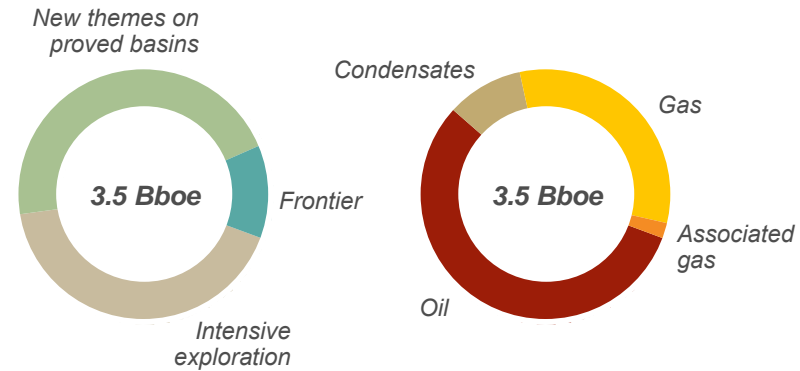
\*\* sources : Total estimates including other leases acquired in Canada since 2004 ; public sources for other majors

# More than 4 Bboe from exploration since 2004

## Main exploration programs



## Current exploration potential\*



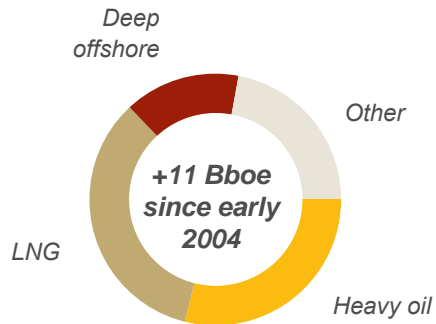
- > 70% Total-operated
- > Extensive new seismic coverage and advanced in-house processing
- > Adequate rig coverage
- > 2008 discoveries in Angola, Brunei, North Sea...

**Exploration program raised by 10% to 2 B\$/y on average for the next years**

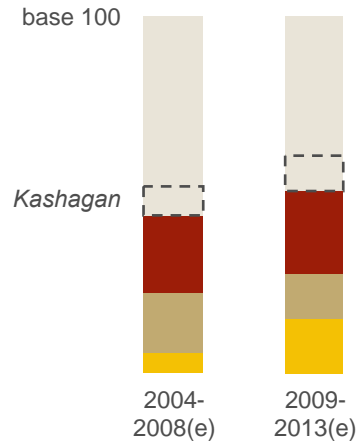
\* mean risked resources ; Group share

# Maintaining discipline and adapting oil price assumptions

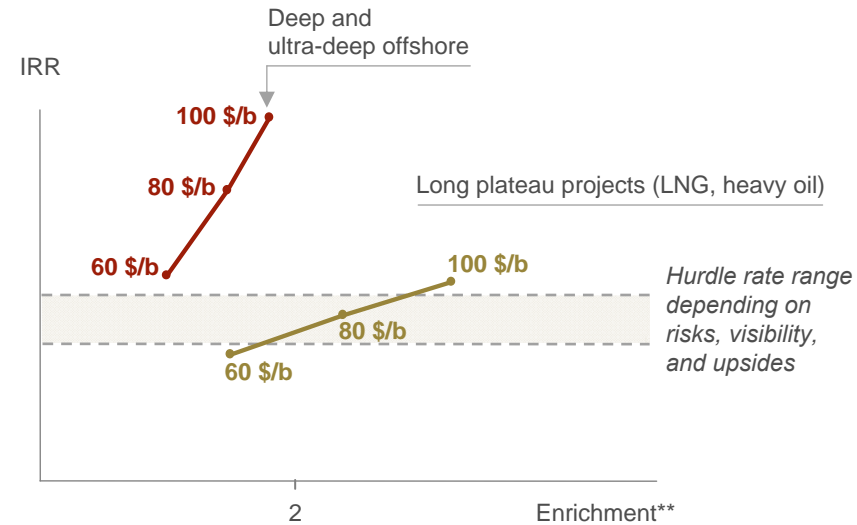
Close to 11 Bboe added to reserve potential since early 2004\*



Upstream development Capex



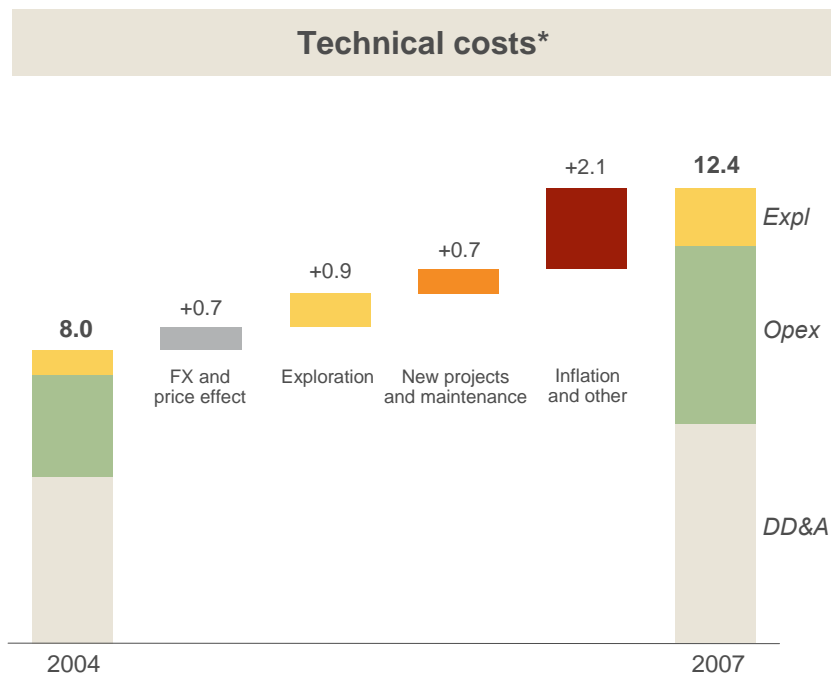
Expected profitability of major post-2010 projects



**Balancing long-term projects with strong cash flow generation and shorter lived assets with high returns**

\* contribution from exploration and business development, Total estimates, includes mining  
 \*\* cumulative net cash flow over life of project, including investment phase, divided by Capex

# Strong cost management



- > **Strengthening pre-project studies and engineering to control costs**
- > **Benefiting from new developments and existing operations**
  - Standardization of FPSOs, pooling of drilling rigs...
- > **Optimizing developments and implementing innovative technology**
  - Increasing recovery rates
  - Accessing frontier resources
- > **Adapting EPC contracts to better manage risks and upsides**
- > **Promoting new contractors**
  - Emerging countries
  - Local content

***Mitigating the impact of inflation***

***Leveraging experience built over years to optimize next wave of developments***

\* FAS 69 (Opex, DD&A and Expl), consolidated subsidiaries

# Recent start-ups raising quality of Upstream portfolio

Dalia (40%)



- > Plateau : 240 kb/d reached in 2Q07
- > Operated
- > 1 Bboe\*

Rosa (40%)



- > Plateau : 150 kb/d
- > FPSO Girassol : 265 kb/d
- > Operated
- > 0.4 Bboe\*

Dolphin (24.5%)



- > Plateau : 500 kboe/d reached in 1Q08
- > Operated by JV
- > > 4 Bboe\*

Moho Bilondo (53.5%)



- > Plateau : 90 kb/d early 2009(e)
- > Operated
- > 0.3-0.4 Bb\*

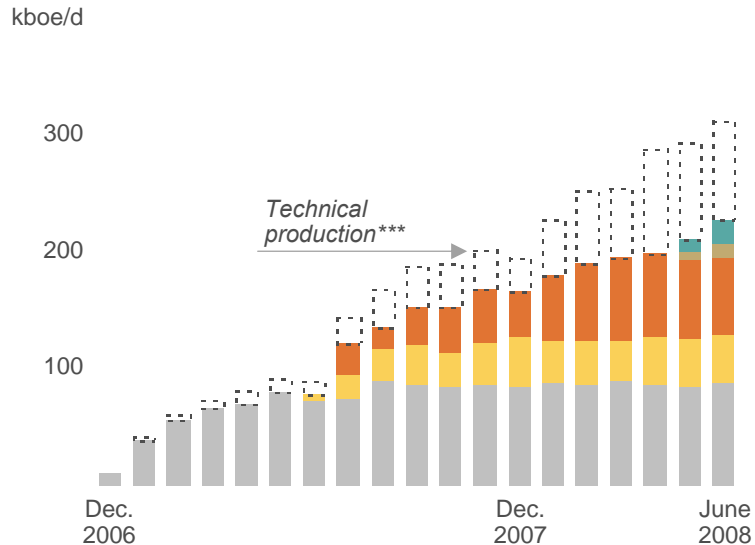
Jura (100%)



- > Plateau : 50 kboe/d in 2H08(e)
- > Operated
- > 0.2 Bboe\*

## Production from the 5 major 2007-2008 projects\*\*

(Dalia, Rosa, Dolphin, Moho Bilondo, Jura)



## Providing significant upsides and opportunities

- ➔ Preparing the developments of Islay, continuing exploration on the area
- ➔ Studying a second development on the northern part of the Moho Bilondo block
- ➔ Studying further regional developments in the Middle East
- ➔ Leveraging Dalia to develop Pazflor and CLOV, implementing polymer EOR to extend plateau and exploring Block 17/06

\* initial estimated proved and probable reserves (100%)

\*\* entitlement production, Total share ; Dalia start-up December 2006

\*\*\* technical production defined as equity share of wellhead production

# Next wave of growth projects on track

Akpo (24%)



- > Plateau : 225 kboe/d
- > Total-operated
- > 0.7 Bboe\*
- > Start-up early 2009(e)

Yemen LNG (39.6%)



- > Plateau : 190 kboe/d
- > Total-operated
- > 1.7 Bboe\*
- > Start-up early 2009(e)

Qatargas II TB (16.7%)



- > Plateau : 290 kboe/d
- > 2.6 Bboe\*
- > Start-up : 3Q09(e)

Tahiti (17%)



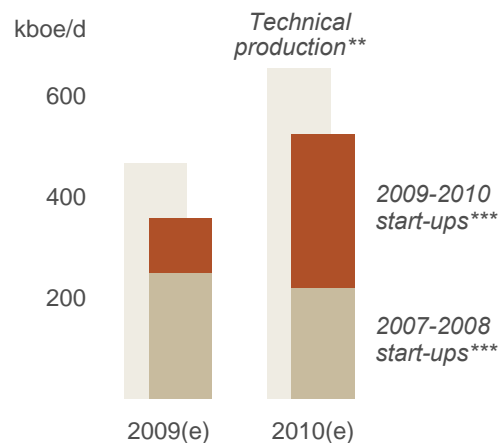
- > Plateau : 135 kb/d
- > 0.5 Bb\*
- > Start-up : 3Q09(e)

Tombua Landana (20%)

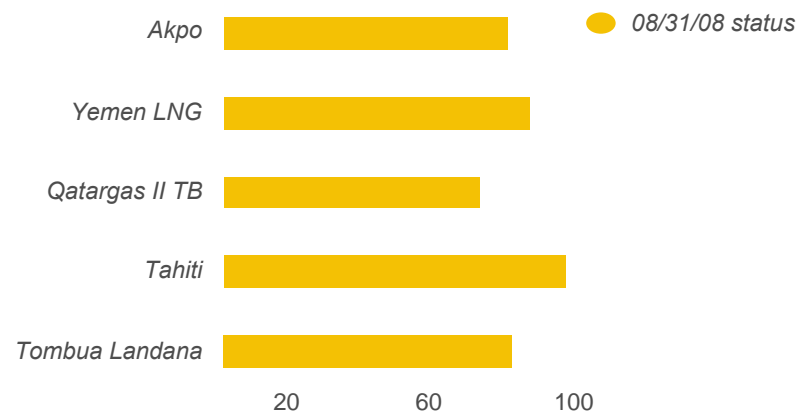


- > Plateau : 130 kboe/d
- > > 0.2 Bboe\*
- > Start-up : 3Q09(e)

## Incremental production



## % Completion



**10 main 2007-2009 start-ups represent 85% of new production in 2010(e)**

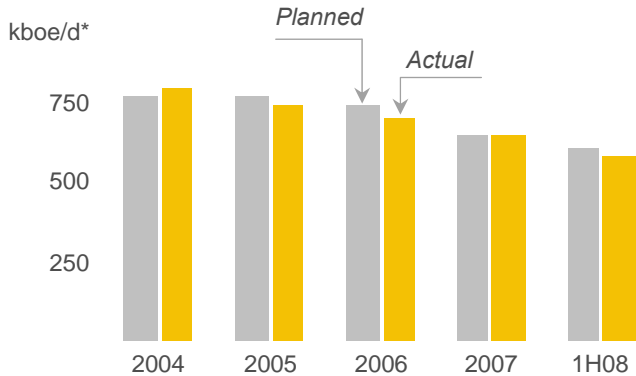
\* initial estimated proved and probable reserves (100%)

\*\* technical production defined as equity share of wellhead production

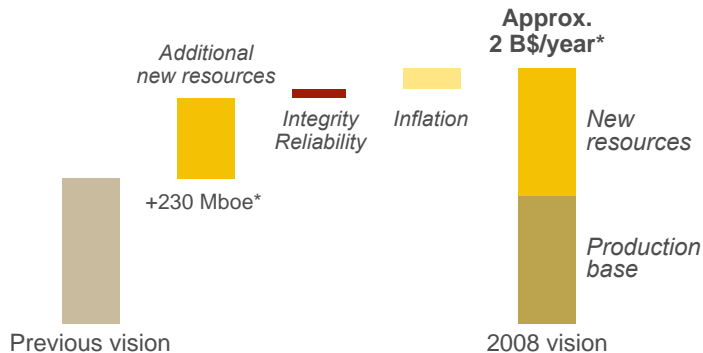
\*\*\* entitlement production, Total share ; Dalia start-up December 2006 ; based on 100 \$/b Brent

# Enhancing value from mature areas : North Sea

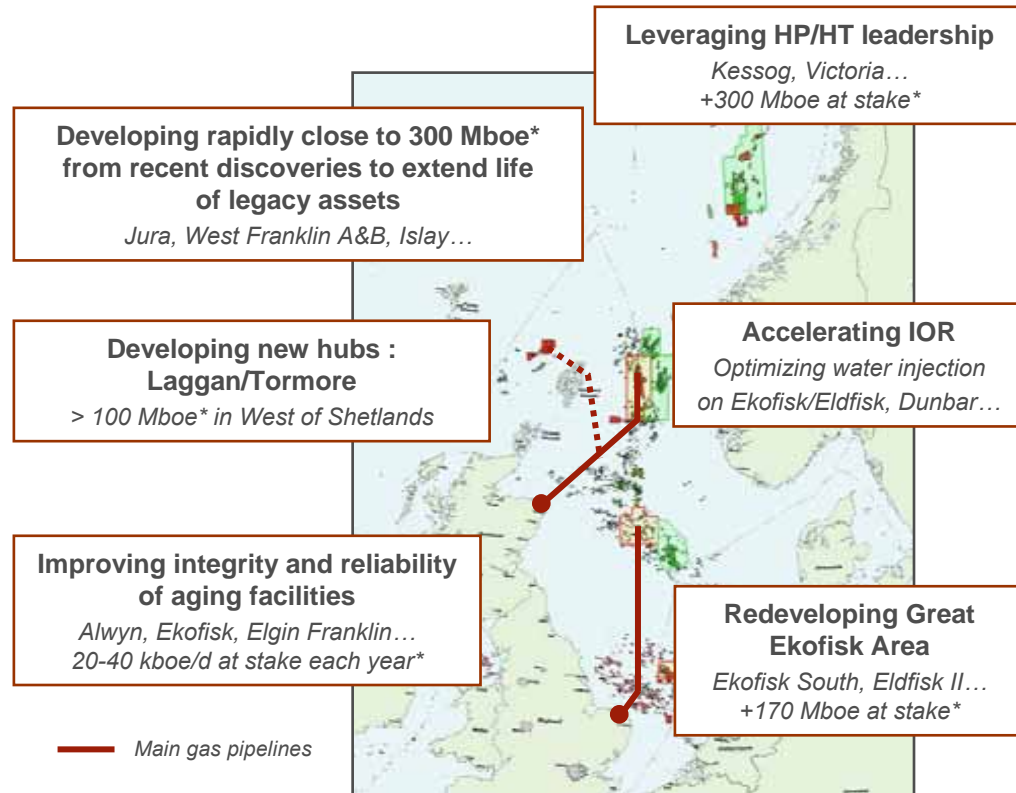
North Sea : managing the decline rate at 6-7% per year on average



## 5-year plan North Sea Capex



Extending life of legacy assets, improving North Sea reliability and valorizing recent discoveries



**Approx. 5 B\$ capital employed highly accretive to Upstream ROACE – 70% producing Resource\*\* life of approximately 20 years\*\*\* Potential upsides from EOR and exploration**

\* Total share

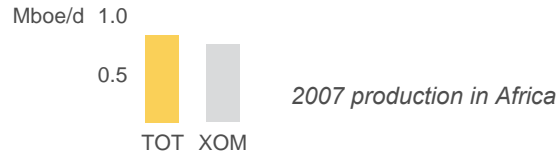
\*\* proved and probable reserves at year-end 2007 plus contingent resources (SPE-PRMS)

\*\*\* based on 1H08 North Sea production

# Preparing the next generation of building blocks



Deep offshore



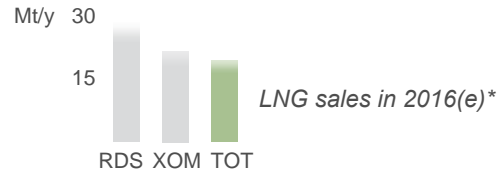
Girassol  
Dalia  
Rosa  
Moho Bilondo

Akpo  
Pazflor  
Usan

CLOV  
Egina  
Block 32  
Moho North  
MTPS



LNG



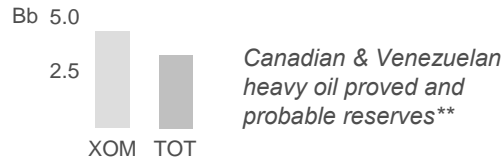
Qatargas  
NLNG  
Bontang

Yemen LNG  
Qatargas II

Angola LNG  
NLNG T7  
Brass LNG  
Ichthys LNG  
Shtokman



Heavy oil



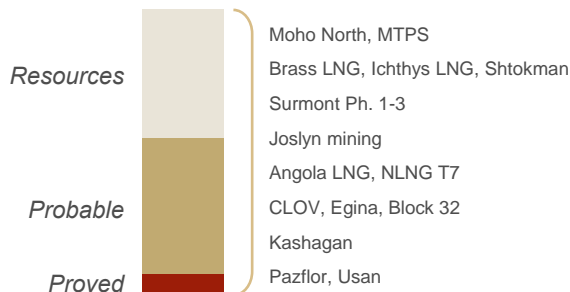
Petrocedeno  
Surmont Ph. 1

Surmont Ph. 2&3  
Joslyn mining  
Upgrader Canada

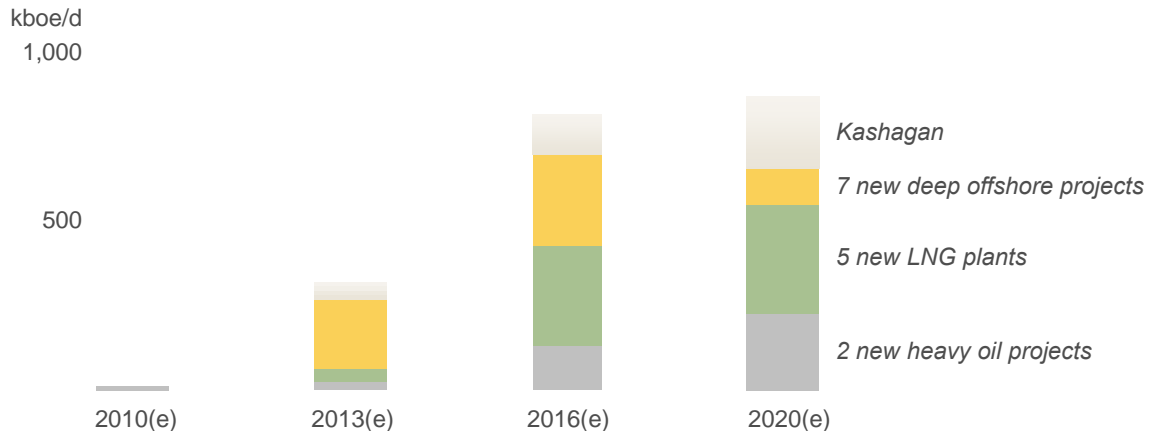
Synenco, Surmont Ph. 4  
Griffon and others

## Next generation of building blocks\*\*

Approx. 12 Bboe from 15 building blocks



## Incremental production from the next generation of building blocks\*\*\*



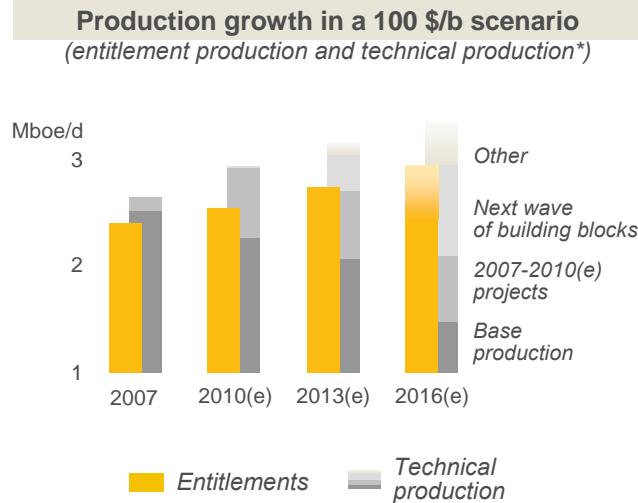
\* sales, Group share, excluding trading ; estimates for other majors

\*\* for Total, limited to proved and probable reserves estimated at year-end 2007 using company price assumptions, covered by E&P contracts on fields that have been drilled and for which technical studies have demonstrated economic development, also includes tar sands to be developed with mining ; for other majors, estimates based on public data. Resources : proved and probable reserves at year-end 2007 plus contingent resources (SPE-PRMS)

\*\*\* Total share ; entitlement production based on 100 \$/b Brent



# Large and diversified portfolio of projects



	Projects	Country		Capacity (kboe/d)	Share	Op**	Status
2013-2016(e)	Victoria	Norway	Liq/Gas	Study	40%	✓	Appr
	Pars LNG	Iran	LNG	300	30%	✓	Study
	Shah Deniz FF	Azerbaijan	Gas	475	10%		Study
	Shtokman Ph. 1	Russia	LNG/pipe	410	25%		FEED
	Kashagan Ph. 2	Kazakhstan	Liquids	850	16.8%***		Study
	Joslyn mining	Canada	Heavy oil	2x100	74%	✓	Study
	Surmont Ph. 2&3	Canada	Heavy oil	170	50%		Study
	Sulige	China	Gas	Study	100%	✓	Appr
	Block 32-CSE	Angola	Deep offshore	Study	30%	✓	Study
	Moho North	Congo	Deep offshore	Study	53.5%	✓	Study
2011-2013(e)	Ichthys LNG	Australia	LNG	335	24%		FEED
	Brass LNG	Nigeria	LNG	300	17%	✓	FEED
	Hild	Norway	Liq/Gas	70	49%	✓	Appr
	Eldfisk 2	Norway	Liquids	70	39.9%		FEED
	Ekofisk South	Norway	Liquids	60	39.9%		FEED
	Egina	Nigeria	Deep offshore	200	24%	✓	FEED
	CLOV	Angola	Deep offshore	160	40%	✓	FEED
	NLNG T7	Nigeria	LNG	250	15%		FEED
	Laggan/Tormore	UK	Liq/Gas	90	50%***	✓	FEED
	Bongkot South	Thailand	Gas	70	33.3%		EPC
	Angola LNG	Angola	LNG	175	13.6%		Dev
	Kashagan Ph. 1	Kazakhstan	Liquids	300	16.8%***		Dev
	South Mahakam Ph. 1	Indonesia	LNG	55	50%	✓	FEED
	Usan	Nigeria	Deep offshore	180	20%	✓	Dev
	Pazflor	Angola	Deep offshore	200	40%	✓	Dev
	Anguille redev.	Gabon	Liquids	40	100%	✓	Dev
	Tempa Rossa	Italy	Heavy oil	50	50%	✓	Dev
2009-2010(e)	Ofon II	Nigeria	Liquids	100	40%	✓	Dev
	Tombua Landana	Angola	Liquids	130	20%		Dev
	Tyrihans	Norway	Liq/Gas	70	23.2%		Dev
	Tahiti	US	Deep offshore	135	17%		Dev
	Qatargas II (TB)	Qatar	LNG	290	16.7%		Dev
	Yemen LNG	Yemen	LNG	190	39.6%	✓	Dev
2008(e)	Akpo	Nigeria	Deep offshore	225	24%	✓	Dev
	West Franklin	UK	Gas	45	46.2%	✓	Prod
	Jura	UK	Liquids	50	100%	✓	Prod
	Moho Bilondo	Congo	Liquids	90	53.5%	✓	Prod

\* technical production defined as equity share of wellhead production ; entitlement production defined as FAS69 production plus mining

\*\* operated by Total or through an operating company

\*\*\* reduction of interest in Kashagan from 18.5% to 16.8%, pending finalization of agreements ; participation in Tormore of 47.5%