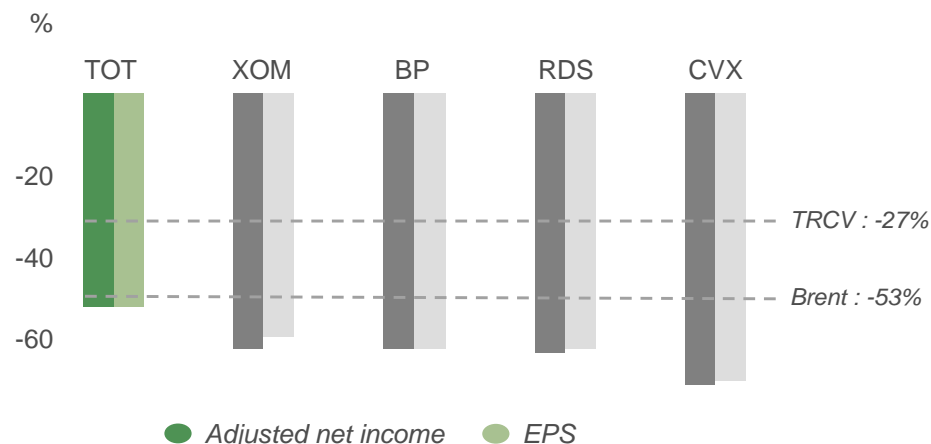


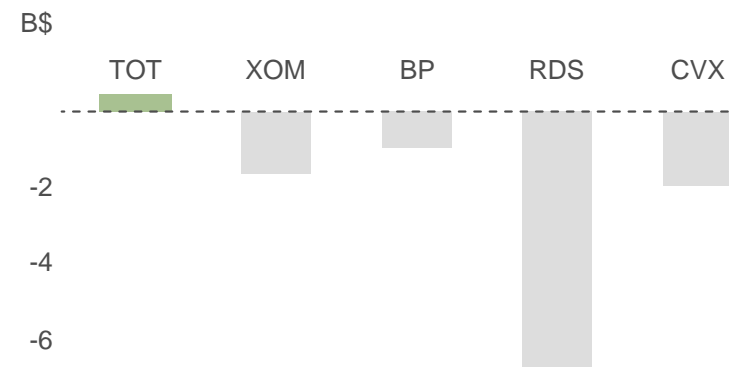
# Outlook

# Competitive performance of Total in 1H09

Adjusted net income : 1H09 vs. 1H08



1H09 cash flow\*



- > Limited impact from decrease in production
- > Upstream technical costs at the lowest level among the majors
- > Gas mainly sold on oil-indexed formulas and limited exposure to US gas price

- > Cash breakeven around 60 \$/boe in 1H09
  - Investments of 7.8 B\$ excluding acquisitions
  - Dividend payment of 3.5 B\$ in May 2009
  - Ongoing Sanofi divestment of 1.4 B\$ in 1H09

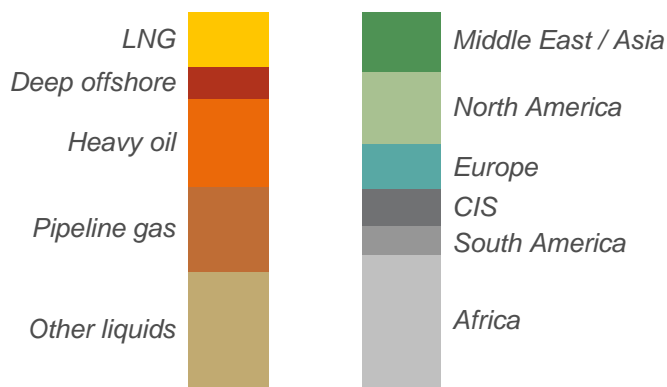
**1H09 annualized ROACE of 13%**

expressed in dollars ; estimates for other majors based on public data

\* cash flow from operation excluding change in working capital, minus net investment and dividend payments

# Strengthening Total's portfolio

## Upstream : >40 years of resources\*



> **Aiming for excellence in safety and environment**

> **Delivering stronger performance in operations and adapting to market trends**

- Successful start-up and ramp-up of new projects
- Improvement of reliability of Upstream base production
- Restructuring Refining and Chemicals in Europe
- Growth of conversion capacity and ethane based petrochemicals
- Breakeven to be progressively reduced mainly through cost reduction

> **Optimizing FID conditions for the next wave of projects**

- Large Upstream projects under FEED or study include Surmont Phase 2, CLOV, Laggan/Tormore, Shtokman, Ichthys LNG, Egina...

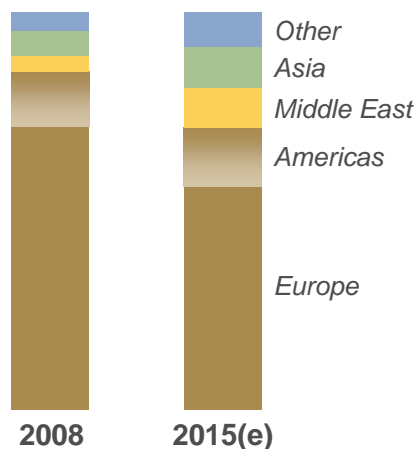
> **Increasing growth potential thanks to partnerships and exploration**

- Decision to launch Jubail development with Saudi Aramco
- Agreements with Cobalt and Novatek
- New exploration acreage : Azerbaijan, Egypt, Norway, Vietnam...
- Contract extensions : GASCO, Libya, Argentina

> **Pursuing an intensive R&D program**

- Technological leadership in frontier areas
- Increase recovery factors

## Capital employed of Downstream and Chemicals



***Well diversified to capture growth and returns***

\* year-end 2008 proved and probable reserves plus potential median recoverable reserves from known accumulations (SPE - 03/07) ; at current rate of production

# Anticipating the evolution of the energy mix



## Contributing to limitation of CO<sub>2</sub> emissions

- Carbon capture and storage pilot to start in 4Q09(e)

## Integrating on the silicon chain

- Increasing Photovoltech capacity from 80 to 260 MWc by 2012(e)
- Plan to build a wafer production unit in France
- Developing thin layer cell production

## Developing solar power plants

## Increasing R&D on non-conventional resources and X-to-Y processes

- Shale oil : AMSO
- Biomass
- DME/Bio-DME

## Reinforcing partnerships through local development projects

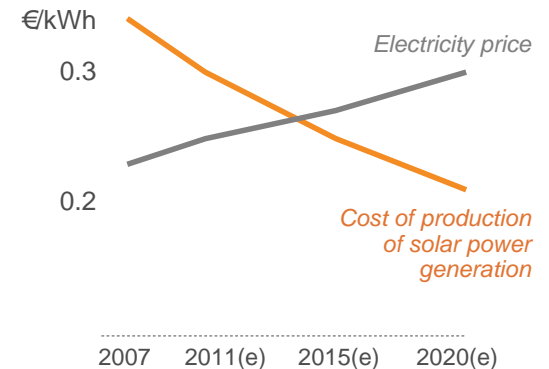
## Developing expertise in nuclear

- Participating in nuclear projects in producing countries
- Taking part in the development of one EPR in France

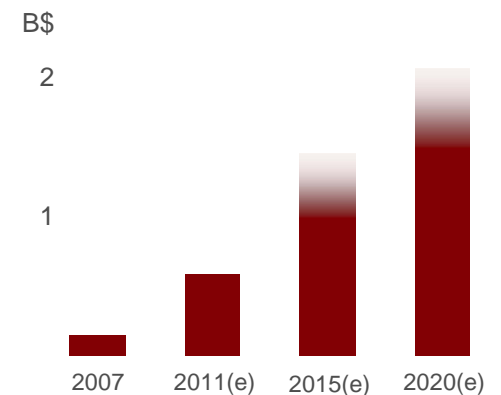
## Increasing R&D on solar technologies

- Improving efficiency and reducing costs
- Partnership with Konarka to develop organic technologies

## Grid parity (Southern Europe)



## Capital employed in new energies



**Prepared to seize opportunities in high growth segments**

**Increasing sustainability of Total's business model**

# Strict investment discipline

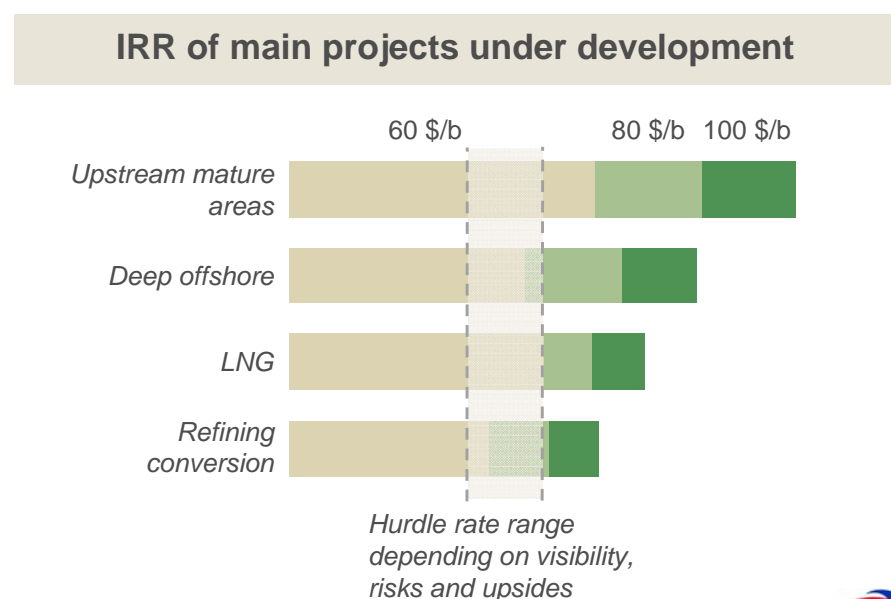
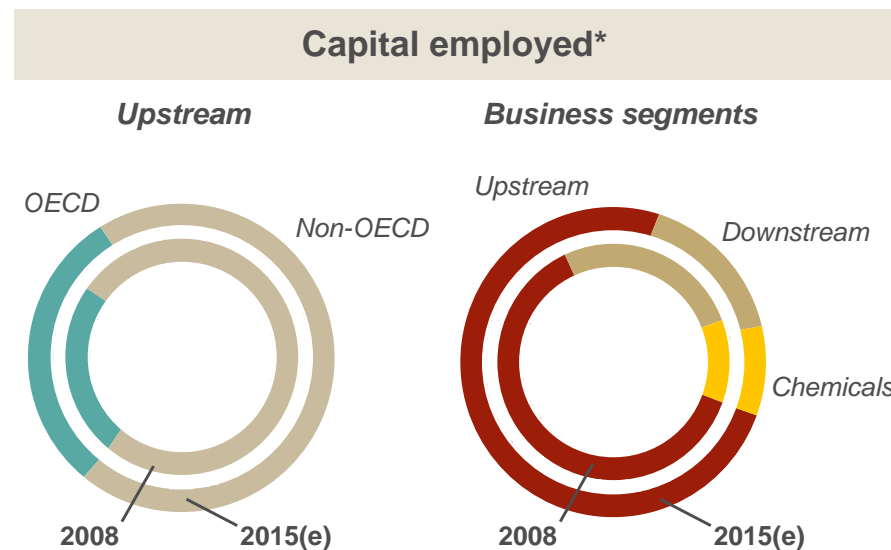
## > Allocate capital to high-value segments

- 75% of Capex in Upstream
- Downstream and Chemicals investments focused on the most profitable areas
- Disposal of non-strategic assets

## > Maintain strict criteria for investments

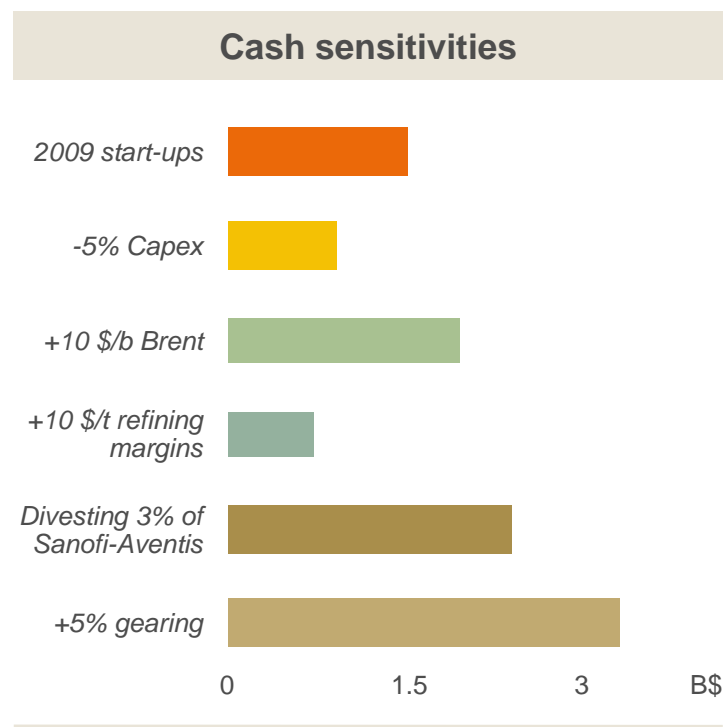
- Base case scenario at 80 \$/b for project valuation and resilience test at 60 \$/b
- Considering upsides for the long-term
- Balancing long-lived projects with strong value creation and shorter-term projects with high returns

**Maintaining strong profitability while mitigating risks**



\* at year-end, at replacement cost

# Strong balance sheet and financial flexibility



- > **Cash position of 20 B\$ as of end-June 2009**
  - 7 B\$ of bonds issued under competitive conditions
- > **Ample flexibility to manage net debt**
  - 7.5 B\$ of Sanofi shares still to be sold\*
  - Net-debt-to-equity ratio at 25%
- > **2010 cash flow benefiting from 2009 start-ups and cost reduction**

**2009 Capex within budget of 18 B\$\*\***

**Managing near term investments to reduce breakeven price**

**2009 interim dividend of 1.14 €/share**

**Committed to our dividend policy**

2009 sensitivities and impact in 2010 of main start-ups in 2009 ; calculated in a 60 \$/b environment

\* based on June 30, 2009 position and share price

\*\* includes net investment in equity affiliates and non-consolidated companies, excluding acquisitions and divestments