



TOTAL

Downstream in Nigeria

November 10, 2005

Country Environment

- A large market but low individual disposable income (GDP : 520 \$/person)
- Deteriorating infrastructure puts pressure on population and operators
- NEEDS program in place : accelerated liberalization, anti-corruption, fiscal discipline, institutional reforms
- Increasing foreign currency reserves stabilize Naira
- NLC & Civil society have managed to freeze downstream deregulation
- Fuels, a commodity market?
- Difficult to predict trends, deficit of image outside

Industry and competition

■ Opportunities

- Refined products consumption expected to grow at 4% per year going forward
- Deregulation (except PMS & HHK) with product pricing at import parity
- Commercialisation of PPMC assets should improve efficiency (pipelines and depots, refineries)

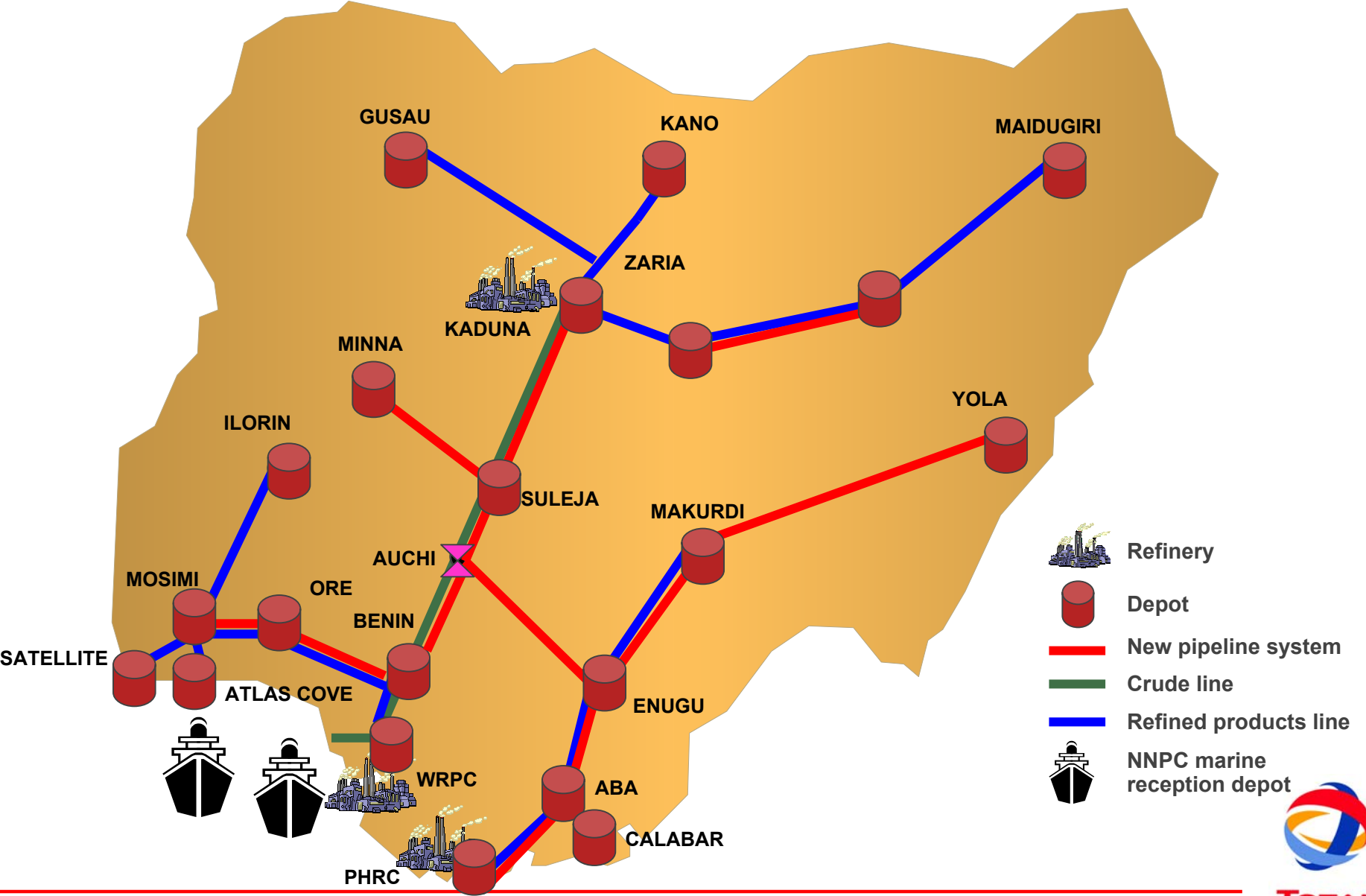
■ Threats

- Social resistance to PMS import parity
- Bill to require oil companies to refine locally up to 50% of their production
- Growing investments of independents in logistics and some going retail
- Non-level playing field impacts margins negatively

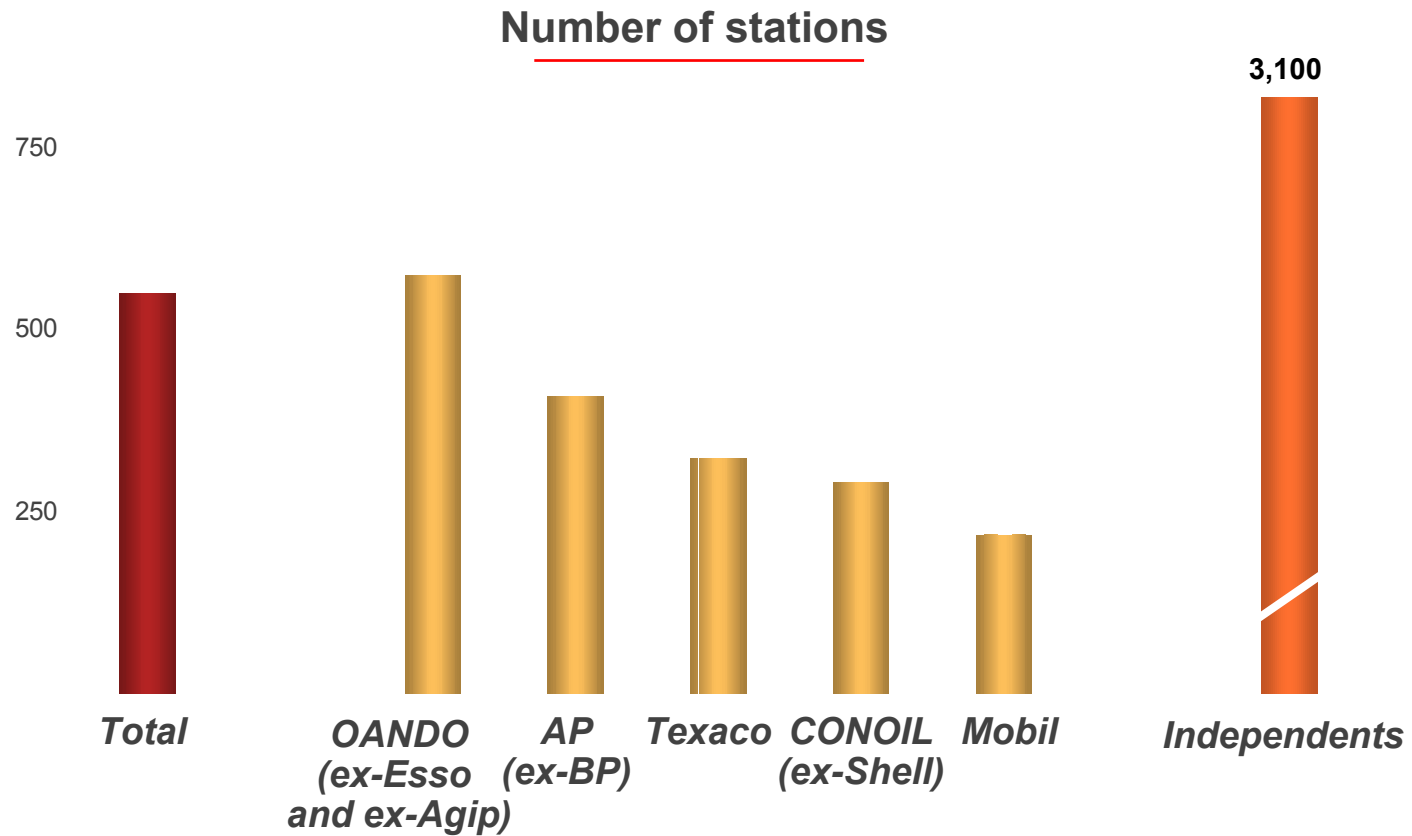


TOTAL

Products distribution map of Nigeria



Total : largest market share in Nigeria among major oil companies



Market share

14%

12%

7%

6%

7%

6%

44%

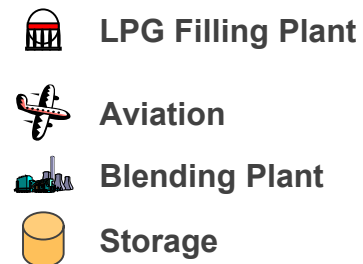


TOTAL


Total Nigeria : major assets



- 551 service-stations
- 5 regional offices
- 20 customer service-centres
- 42 network zones
- 9 LPG filling plants
- 3 Lube blending installations
- 1 bitumen plant
- 4 Aviation facilities



Ambitious strategy & action plans towards 2010

		2002	2004	2005(e)	2010(e)
<ul style="list-style-type: none"> ■ Increase market share 	Market share (%)	13	14	14	15
<ul style="list-style-type: none"> ■ Make strategic investments 	CAPEX (M\$/y)	<10	10 – 15		
<ul style="list-style-type: none"> ■ Increase income through margins optimization and self-help 	Operating income M\$/y	20			25

Total Nigeria : social actions and sustainable development

■ Health

- HIV/AIDS awareness campaigns for staff and families, but also business partners

■ Medical coverage

- Efficient and effective health delivery system (appointment of HMO in Feb.2004)

■ Safety

- Internal and external campaigns (Road Safety for Children)

■ Education and training

- Staff training host communities in Koko

■ Product transportation : PATROM

■ Reducing environmental footprint

- Collecting used lubricants, monitoring and training of service station staff and tanker-truck drivers



TOTAL