

**KPMG Audit**  
*Département de KPMG S.A.*  
Commissaire aux Comptes  
Membre de la Compagnie de Versailles  
1, cours Valmy  
92923 Paris La Défense Cedex

**ERNST & YOUNG Audit**  
Commissaire aux Comptes  
Membre de la Compagnie de Versailles  
Faubourg de l'Arche  
11, allée de l'arche  
92037 Paris La Défense Cedex

**Total Capital S.A.**

**Statutory auditors' report on  
financial statements**

Year ended 31 December 2007  
Total Capital S.A.  
2, place de la Coupole – La Défense 6 – 92400 Courbevoie  
*This report contains 21 pages*  
RA-08-1-01

**KPMG Audit**  
Département de KPMG S.A.  
Commissaire aux Comptes  
Membre de la Compagnie de Versailles  
1, cours Valmy  
92923 Paris La Défense Cedex

**ERNST & YOUNG Audit**  
Commissaire aux Comptes  
Membre de la Compagnie de Versailles  
Faubourg de l'Arche  
11, allée de l'arche  
92037 Paris La Défense Cedex

*This is a free translation into English of the statutory auditors' report issued in French and is provided solely for the convenience of English speaking users. The statutory auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the opinion on the financial statements and includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the financial statements.*

*This report should be read in conjunction with, and is construed in accordance with, French law and professional auditing standards applicable in France.*

## **Total Capital S.A.**

Registered office: 2, place de la Coupole – La Défense 6 – 92400 Courbevoie  
Share capital: €300 000

## **Statutory auditors' report on the financial statements**

Year ended 31 December 2007

To the Shareholders,

Following our appointment as statutory auditors by your general meetings, we hereby report to you, for the year ended 31 December 2007, on:

- the audit of the accompanying financial statements of Total Capital S.A.;
- the justification of our assessments;
- the specific verifications and information required by law.

These financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

## **1 Opinion on the financial statements**

We conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements give a true and fair view of the Company's financial position and its assets and liabilities, as of 31 December 2007, and of the results of its operations for the year then ended in accordance with the accounting rules and principles applicable in France.

## **2 Justification of our assessments**

In accordance with the requirements of article L.823-9 of the Commercial Code relating to the justification of our assessments, we bring to your attention the following matter:

- Dispensation from accounting principles.

Total Capital departs from use of foreign exchange differences assets and liability accounts according to the method presented in Appendix 1 of the notes to the annual financial statements relating to the accounting principles adopted by the Company. As part of our assessment on accounting principles adopted by the Company for the year-end closing, we have made sure that this dispensation is compliant with the accounting rules applied in France and that the practical details are correctly applied.

The assessments were made in the context of our audit of the financial statements, taken as a whole, and therefore contributed to the formation of the opinion expressed in the first part of this report.

## **3 Specific verifications and information**

We have also performed the specific verifications required by law in accordance with professional standards applicable in France.

We have no matters to report regarding the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors, and in the documents addressed to the shareholders with respect to the financial position and the financial statements

As required by French law, please be informed that, contrary to the requirements of article L.225-102-1 of the Commercial Code, your company has not included in its management report of the Board of Directors all the information pertaining to fees, benefits and any other undertakings granted to certain directors in connection with their appointment, resignation or changes in current or future functions. Consequently we cannot express an opinion on the fairness of this information.

Paris La Défense, 13 February 2008

**TOTAL CAPITAL  
2 PLACE DE LA COUPOLE  
92400 COURBEVOIE  
R.C.S. 428 292 023**

**FINANCIAL STATEMENTS  
AS OF 31 DECEMBER 2007**

TOTAL CAPITAL

- BALANCE SHEET AS OF 31 DECEMBER 2007
- INCOME STATEMENT AS OF 31 DECEMBER 2007
- CASH FLOW STATEMENT AS OF 31 DECEMBER 2007
- APPENDIX

TOTAL CAPITAL

**BALANCE SHEET  
AS OF 31 DECEMBER 2007**

# TOTAL CAPITAL

## BALANCE SHEET AS OF 31 DECEMBER 2007

EUROS

ASSETS	31 Dec 2007			31 Dec 2006	LIABILITIES	31 Dec 2007	31 Dec 2006
	Gross	Amortizations and depreciations	Net				
<b>FIXED ASSETS</b>					<b>SHAREHOLDERS' EQUITY (note 4)</b>		
<b>FINANCIAL ASSETS (note 2)</b>	<b>2 416 398 219</b>		<b>2 416 398 219</b>	<b>3 977 655 639</b>	<b>Capital</b>	<b>300 000</b>	<b>300 000</b>
Long-term loans	2 392 385 014		2 392 385 014	3 937 708 669	<b>Reserves</b>	<b>842 850</b>	<b>407 946</b>
Accrued interests on long-term loans	24 013 206		24 013 206	39 946 970	Legal Reserves	30 000	30 000
					Retained Earnings	812 850	377 946
					<b>Income for fiscal year 2006</b>		<b>7 436 904</b>
					<b>Income for fiscal year 2007</b>	<b>2 105 910</b>	
<b>TOTAL I</b>	<b>2 416 398 219</b>		<b>2 416 398 219</b>	<b>3 977 655 639</b>	<b>TOTAL I</b>	<b>3 248 760</b>	<b>8 144 850</b>
					<b>PROVISIONS</b>		9 632
					<b>TOTAL II</b>		<b>9 632</b>
<b>CURRENT ASSETS</b>					<b>LIABILITIES</b>		
<b>ACCOUNTS RECEIVABLE (note 3)</b>	<b>9 265 114 533</b>		<b>9 265 114 533</b>	<b>17 255 499 023</b>	<b>Debenture loans and similar debt debentures (note 5)</b>	<b>11 593 744 119</b>	<b>11 120 525 577</b>
Current accounts and inter-company loans	8 959 142 143		8 959 142 143	16 861 808 463	Debenture loans	11 348 955 011	10 894 556 824
Related accounts receivable	73 542 775		73 542 775	61 244 616	Accrued interests on debenture loans	244 789 108	225 968 753
Other receivables	2 939 996		2 939 996	736			
Accrued income / swaps	229 489 618		229 489 618	332 445 207	<b>Sundry debts and liabilities (note 6)</b>	<b>84 478 731</b>	<b>10 102 882 497</b>
					Issue of Commercial Papers		1 129 840 547
					Issue of Billets de Trésorerie		1 189 312 762
					Inter-company borrowings		7 119 911
					Related accounts payable / borrowings		7 541 195 786
					Creditor current accounts	3 784 504	4 468 335
					Related accounts payable / miscellaneous financial debts		230 945 156
					Accrued liabilities/swaps	80 694 228	
					<b>Operating liabilities (note 7)</b>	<b>41 142</b>	<b>1 758 757</b>
					Trade notes and accounts payable	41 142	1 222 597
					Tax and social liabilities		536 106
					Miscellaneous liabilities		54
<b>TOTAL II</b>	<b>9 265 114 533</b>		<b>9 265 114 533</b>	<b>17 255 499 023</b>	<b>TOTAL III</b>	<b>11 678 263 992</b>	<b>21 225 166 831</b>
<b>PREPAID EXPENSES III</b>				<b>166 651</b>	<b>PREPAID INCOME III</b>		
<b>GRAND TOTAL (I+II+III)</b>	<b>EUR 11 681 512 752</b>		<b>11 681 512 752</b>	<b>21 233 321 313</b>	<b>TOTAL GENERAL (I+II+III)</b>	<b>EUR 11 681 512 752</b>	<b>21 233 321 313</b>

TOTAL CAPITAL

**INCOME STATEMENT  
AS OF 31 DECEMBER 2007**

**TOTAL CAPITAL**  
**INCOME STATEMENT AS OF 31 DECEMBER 2007**

EUROS

EXPENSES	31 Dec 2007	31 Dec 2006	INCOME	31 Dec 2007	31 Dec 2006
<b>OPERATING EXPENSES (note 8)</b>			<b>OPERATING INCOME</b>		
External expenses	4 460 475	3 531 122	Miscellaneous income		-2 512
Taxes	251 130	208 926			
<b>TOTAL I</b>	<b>4 711 605</b>	<b>3 740 048</b>	<b>TOTAL I</b>	<b>0</b>	<b>-2 512</b>
<b>FINANCIAL EXPENSES (note 9)</b>			<b>FINANCIAL INCOME (note 10)</b>		
Allocations to amortizations, depreciations and provisions	0	9 632	Amortizations, depreciations and provisions write-off	9 633	110 401
Interests on debenture loans	445 820 564	356 613 589	Interests on long-term loans	161 953 072	199 879 340
Interests on commercial papers	220 758 742	403 335 720	Interests on current accounts	213 105 790	174 572 706
Interests on Billets de Trésorerie	94 434 366	47 755 688	Interests on inter-company loans	521 839 320	379 853 599
Interests on loans	11 684 042	59 819 055	Income from swaps	455 400 580	739 237 310
Interests on current accounts	47 129 172	324 358 021	Interests on bank deposits	70 678	245 724 863
Interests on swaps	522 241 359	570 455 975	Other interests received and similar income		35 631 702
Other financial expenses	1 293 936	49 318	Foreign exchange income		2 491 497
Foreign exchange loss	1 164 577				
<b>TOTAL II</b>	<b>1 344 526 756</b>	<b>1 762 396 998</b>	<b>TOTAL II</b>	<b>1 352 379 072</b>	<b>1 777 501 418</b>
<b>EXTRAORDINARY EXPENSES</b>			<b>EXTRAORDINARY INCOME</b>		
<b>TOTAL III</b>	<b>0</b>	<b>0</b>	<b>TOTAL III</b>	<b>0</b>	<b>0</b>
<b>INCOME TAX IV</b>	<b>1 034 800</b>	<b>3 924 957</b>			
<b>NET INCOME FOR THE PERIOD</b>	<b>2 105 910</b>	<b>7 436 904</b>	<b>NET LOSS FOR THE FISCAL YEAR</b>		
<b>GRAND TOTAL</b>	<b>EUR 1 352 379 072</b>	<b>1 777 498 906</b>	<b>GRAND TOTAL</b>	<b>EUR 1 352 379 072</b>	<b>1 777 498 906</b>

TOTAL CAPITAL

**CASH FLOW STATEMENT  
AS OF 31 DECEMBER 2007**

**CASH FLOW STATEMENT**

in thousands of euros

	31 Dec 2007	31 Dec 2006
<b><u>OPERATING CASH FLOW</u></b>		
Fiscal period income 2006		7 437
Fiscal period income 2007	2 106	
Minus (plus) working capital required	-1 840	1 328
<b>Net Operating Cash Flow</b>	<b>266</b>	<b>8 765</b>
<b><u>INVESTMENT CASH FLOW</u></b>		
Increase in long-term loans	0	-14 580
Repayment of long-term loans	1 261 120	835
<b>Net Investment Cash Flow</b>	<b>1 261 120</b>	<b>-13 745</b>
<b><u>FINANCING CASH FLOW</u></b>		
Paid dividends	-7 002	-4 002
Net loans issued	1 071 818	3 275 965
Changes in short-term financial liabilities	-9 720 945	1 959 144
Changes in short-term receivables	7 673 141	-5 009 928
<b>Net Financing Cash Flow</b>	<b>-982 988</b>	<b>221 179</b>
Cash increase (decrease)	278 398	216 199
Impact of foreign exchange fluctuations	-278 398	-374 704
Cash as of January 1	0	158 505
<b>Cash at the end of the period</b>	<b>0</b>	<b>0</b>

TOTAL CAPITAL

## APPENDIX

### TABLE OF CONTENTS

	Note
Accounting policies	1
Financial assets	2
Accounts receivable	3
Shareholders' equity	4
Debenture loans and similar debt debentures	5
Miscellaneous borrowings and financial debts	6
Operating liabilities	7
Operating expenses	8
Financial expenses	9
Financial income	10
Portfolio of derivative financial instruments	11
Market valuation of the derivative financial instruments	12
Consolidation	13
Fiscal Integration	14
Staff and Management Bodies	15

TOTAL CAPITAL

## **SIGNIFICANT EVENTS**

During 2007 Total Capital remained active on debt capital markets through various debt issuance programmes, together with a management of interest rate risk.

For short-term borrowings, Total Capital can issue under Commercial Papers programmes (USCP, EUCP, GBP CP and CAD CP since 15 May 2007) and under a *Billets de Trésorerie* programme.

For long-term borrowings, Total Capital can issue along with Total S.A., as principal issuer under the 12 billion EUR EMTN programme since 23 October 2007, guaranteed by Total S.A..

In 2007, Total Capital issued debenture loans under this programme for 2.1 billion EUR (after swap), which led to 5.5 billion USD and 4.9 billion EUR (after swap) the amount of funds raised by Total Capital under that programme.

Furthermore, in 2007 Total Capital issued stand-alone debenture loans for an amount of 0.6 billion EUR (after swap), guaranteed by Total S.A.. These debenture loans are placed on the Swiss market for 1.0 billion CHF.

Total Capital's issue programmes have a long term and a short term ratings by Standard and Poor's: AA/A-1+ with a Stable perspective, by Moody's: Aa1/P-1 with a Stable perspective and by DBRS: AA/R-1 middle with a Stable perspective since 15 May 2007.

These ratings were made possible thanks to Total S.A.'s guarantee granted to these programmes.

In addition to its financial activities, Total Capital concluded currency transactions, towards the group and as well as towards the market.

## **Note 1: ACCOUNTING RULES**

### **GENERAL PRINCIPLES**

The balance sheet and income statement are established in accordance with the provisions of French law and in compliance with generally accepted accounting principles used by corporations.

### **ACCOUNTING RULES AND METHODS**

The long- and medium-term financing transactions within the Total group are recorded as financial assets according to their face value.

#### **✓ Currency transactions**

Total Capital is mainly engaged in financial activities which involve a significant amount of foreign currency inflows and outflows. It therefore uses multi-currency

## TOTAL CAPITAL

accounting and refrains from using translation adjustment accounts. It revalues balance sheet and off-balance sheet entries whose impact is recorded in the income statement.

The revaluation of long-term off-balance sheet items in foreign currencies is recorded in the balance sheet as the financial derivative instruments with which they match (debenture loans).

The revaluation of short-term off-balance sheet items in foreign currencies is recorded under "revenue receivables from the revaluation of off-balance sheet foreign exchange positions" or "expenses payables for the revaluation of off-balance sheet foreign exchange positions."

The foreign exchange positions are converted into Euros based on the exchange rate at the end of the fiscal year.

### ✓ Interest Rate and Currency Financial Instruments

Outstanding transactions involving forward financial instruments are recognized as off-balance sheet liabilities. They consist primarily of interest rate and currency swap agreements negotiated for hedging purposes in order to manage Total Capital's exposure to fluctuations in interest rates and foreign exchange rates.

The interest differentials along with the premiums or discounts associated with these swaps or forward contracts are recorded, prorated over the period, in the income statement as financial expenses or income over the life of the items that they match.

A provision will be provided for possible losses related to these transactions, in cases where the accounting standards for hedging are not respected.

### ✓ Debenture loans

Debenture loans converted into US dollars or Euros through individually paired swaps are shown in the post-swap currency. They are converted at the closing rate on the date of the account statement. The profits and losses resulting from the conversion at the closing rate of the currency borrowings and currency swaps are recorded as revenue under the heading: Foreign Exchange Profits and Losses.

**Note 2: LONG-TERM INVESTMENTS**

Long-term investments are comprised exclusively of variable-rate and fixed-rate long-term loans that have been contracted with Total Treasury in US dollars and in euros. They are fully backed to the debenture loans after taking into account the hedging currency and interest rate swaps.

**a) Changes in long-term investment**

in thousands of euros

FIXED ASSETS	POSITION AT THE BEGINNING OF FISCAL YEAR	INCREASES ACQUISITIONS CONTRIBUTIONS	DECREASES DISPOSALS	GROSS VALUE AT CLOSING
Long-term loans	3 937 709		1 545 324	2 392 385
Accrued interests on long-term loans	39 947	24 013	39 947	24 013
<b>TOTAL</b>	<b>3 977 656</b>	<b>24 013</b>	<b>1 585 271</b>	<b>2 416 398</b>

**b) Long-term investment repayment schedule**

in thousands of euros

	GROSS AMOUNT	LESS THAN A YEAR	BETWEEN 1 AND 5 YEARS	MORE THAN 5 YEARS
Long-term loans	2 392 385	489 379	1 903 006	0
Accrued interests on long-term loans	24 013	24 013		
<b>TOTAL</b>	<b>2 416 398</b>	<b>513 392</b>	<b>1 903 006</b>	<b>0</b>

**Note 3: ACCOUNTS RECEIVABLE**

More than 97% of the accounts receivable are TOTAL group inter-company current accounts or loans (in particular Total Treasury) amounting to €9.033 billion.

**Detail of Accounts Receivable**

in thousands of euros

	GROSS AMOUNT	LESS THAN A YEAR	BETWEEN 1 AND 5 YEARS	MORE THAN 5 YEARS
Current accounts and inter-company loans	8 959 142	8 959 142		
Accrued interest (inter-company loans, current accounts)	73 543	73 543		
Other receivables	2 940	2 940		
Accrued income on swaps and forward transactions	229 490	229 490		
<b>TOTAL ACCOUNTS RECEIVABLE</b>	<b>9 265 115</b>	<b>9 265 115</b>		

**Note 4: SHAREHOLDERS' EQUITY****a) Changes in Shareholders' Equity**

in thousands of euros

	POSITION AT BEGINNING OF FISCAL YEAR	NET INCOME APPROPRIATION 2006	POSITION AS OF 31 DEC 2007
Share capital	300		300
Legal reserve	30		30
Retained earnings	378	435	813
Income for fiscal year 2006	7 437		0
Dividend distribution		7 002	
Income as of 31 Dec 2007			2 106
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>8 145</b>	<b>7 437</b>	<b>3 249</b>

**b) Structure of the Share Capital**

Total Capital comprises 30,000 shares with a face value of €10, held as follows:

TOTAL SA	29 994	shares representing	99.98%
DIRECTORS	6	shares representing	0.02%

**NOTE 5: DEBENTURE LOANS AND SIMILAR DEBT DEBENTURES**

The debenture loans are shown below first before conversion into variable-rate US dollars or euros, then following the impact of the revaluation of hedging currency and interest rate swaps. After the conversion into US dollars or euros, these debts finance all long-term loans, in addition to other items.

in thousands of euros

DEBENTURE LOANS		IN SPECIFIC CURRENCY	31 Dec 2007	LESS THAN A YEAR	BETWEEN 1 AND 5 YEARS	MORE THAN 5 YEARS	31 Dec 2006
FX.	DETAIL						
CHF	EXISTING AS OF 31 Dec 2006	3 700 000 000.00	2 236 055	302 170	1 269 112	664 773	3 049 350
	400 M CHF 2,625%	400 000 000.00	241 736			241 736	
	200 M CHF 3,125%	200 000 000.00	120 868			120 868	
	125 M CHF 3,125%	125 000 000.00	75 542			75 542	
	100 M CHF 2,625%	100 000 000.00	60 434			60 434	
	100 M CHF 2,375%	100 000 000.00	60 434		60 434		
	100 M CHF 3,125%	100 000 000.00	60 434			60 434	
AUD	EXISTING AS OF 31 Dec 2006	850 000 000.00	507 251	119 353	387 898		509 256
	100 M AUD 6,50%	100 000 000.00	59 677		59 677		
CAD	EXISTING AS OF 31 Dec 2006	600 000 000.00	415 254	69 209	346 045		392 644
	100 M CAD 4,125%	100 000 000.00	69 209		69 209		
EUR	EXISTING AS OF 31 Dec 2006	3 142 000 000.00	3 142 000	750 000	2 392 000		3 142 000
	300 M EUR 4,125%	300 000 000.00	300 000			300 000	
	300 M EUR 4,70%	300 000 000.00	300 000			300 000	
GBP	EXISTING AS OF 31 Dec 2006	800 000 000.00	1 090 884		1 090 884		1 861 504
	200 M GBP 5,50%	200 000 000.00	272 721			272 721	
	50 M GBP 5,50%	50 000 000.00	68 180			68 180	
	50 M GBP 4,875%	50 000 000.00	68 180		68 180		
	50 M GBP 4,625%	50 000 000.00	68 180		68 180		
	50 M GBP 5,50%	50 000 000.00	68 180			68 180	
JPY	8 000 M JPY 1,723 %	8 000 000 000.00	48 505			48 505	
	5 000 M JPY 1,505 %	5 000 000 000.00	30 316			30 316	
NZD	EXISTING AS OF 31 Dec 2006	200 000 000.00	105 130		52 565	52 565	106 809
USD	EXISTING AS OF 31 Dec 2006	2 450 000 000.00	1 664 289	305 686	1 338 224	20 379	2 410 782
	100 M USD 5%	100 000 000.00	67 930		67 930		
	500 M USD 5%	500 000 000.00	339 651		339 651		
	300 M USD 5%	300 000 000.00	203 791		203 791		
	Total debenture loans before hedge swaps		11 744 831	1 546 417	7 813 780	2 384 634	11 472 346
	Impact of revaluation of hedge swaps		-395 876	-395 876			-577 789
	Total debenture loans after hedge swaps		11 348 955	1 150 541	7 813 780	2 384 634	10 894 557
	Interest accrued / debenture loans		244 789	244 789			225 969
	Total		11 593 744	1 395 330	7 813 780	2 384 634	11 120 526

**Note 6: MISCELLANEOUS BORROWINGS AND FINANCIAL DEBTS****Repayment schedule for miscellaneous borrowings and financial debts**

In thousands of euros

	31 Dec 2007	LESS THAN A YEAR	BETWEEN 1 AND 5 YEARS	INCLUDING MORE THAN 5 YEARS	31 Dec 2006
Commercial Papers		0			1 129 841
Billets de Trésorerie		0			
Inter-company loans					1 189 313
Accrued interest (loans)					7 120
Current account receivable	3 785	3 785			7 541 196
Related accounts payable / miscellaneous financial debts					4 468
Accrued liabilities / swap	80 694	80 694			230 945
<b>TOTAL LIABILITIES</b>	<b>84 479</b>	<b>84 479</b>	<b>0</b>	<b>0</b>	<b>10 102 883</b>

**Note 7: OPERATING LIABILITIES****Repayment schedule for operating liabilities**

In thousands of euros

	31 Dec 2007	LESS THAN A YEAR	BETWEEN 1 AND 5 YEARS	INCLUDING MORE THAN 5 YEARS	31 Dec 2006
Trade notes and accounts payable	41 142	41 142			1 223
Taxes and social obligations		0			536
<b>TOTAL LIABILITIES</b>	<b>41 142</b>	<b>41 142</b>	<b>0</b>	<b>0</b>	<b>1 759</b>

**Note 8: OPERATING EXPENSES**

in thousands of euros

	as of 31 December 2007			as of 31 December 2006		
	Affiliated Corporations	Others	Total	Affiliated Corporations	Others	Total
External expenses	4 149	312	4 460	3 124	407	3 531
Taxes		251	251		209	209
Miscellaneous expenses						
<b>TOTAL</b>	<b>4 149</b>	<b>563</b>	<b>4 712</b>	<b>3 124</b>	<b>616</b>	<b>3 740</b>

**Note 9: FINANCIAL EXPENSES**

in thousands of euros

	31 December 2007			31 December 2006		
	Affiliated corporations	Others	Total	Affiliated corporations	Others	Total
Allocations to amortizations, depreciations and provisions			0		10	10
Interests on Debenture Loans		445 821	445 821		356 614	356 614
Interests on Commercial Papers		220 759	220 759		403 335	403 335
Interests on Billets de Trésorerie		94 434	94 434		47 756	47 756
Interests on Loans	11 458	226	11 684	43 389	16 430	59 819
Interests on Current Accounts	47 129		47 129	324 306	52	324 358
Interests on Swaps	8 011	514 230	522 241	9 942	560 514	570 456
Other expenses		1 294	1 294		49	49
Foreign exchange losses (1)		1 165	1 165			
<b>TOTAL</b>	<b>66 598</b>	<b>1 277 929</b>	<b>1 344 527</b>	<b>377 637</b>	<b>1 384 760</b>	<b>1 762 397</b>

(1) The foreign exchange losses break up as follows:

	31 Dec 2007	31 Dec 2006
Foreign exchange losses	(1 443 920)	(1 579 951)
Foreign exchange income	1 442 755	1 582 442
Total	(1 165)	2 491

**Note 10: FINANCIAL REVENUES**

in thousands of euros

	31 December 2007			31 December 2006		
	Affiliated corporations	Others	Total	Affiliated corporations	Others	Total
Amortizations, depreciations and provisions write-off		10	10		110	110
Interests on long-term loans	161 953		161 953	199 879		199 879
Interests on current accounts	213 106		213 106	174 573		174 573
Inter-company loans	521 839		521 839	379 854		379 854
Income from swaps	5 181	450 220	455 401	6 133	733 104	739 237
Interest on bank deposits		71	71		245 725	245 725
Other interests received and similar income					35 632	35 632
Net foreign exchange profits (1)					2 491	2 491
<b>TOTAL</b>	<b>902 079</b>	<b>450 301</b>	<b>1 352 380</b>	<b>760 439</b>	<b>1 017 062</b>	<b>1 777 501</b>

**Note 11: PORTFOLIO OF DERIVATIVE FINANCIAL INSTRUMENTS**

The off-balance sheet commitments for derivative financial instruments are shown below.  
These amounts establish the notional commitment without reflecting an underlying loss or gain.

in thousands of euros

MANAGEMENT OF INTEREST RATE RISK	As of 31 December 2007						As of 31 Dec 2006
	TOTAL	2008	2009	2010	2011	2012 and beyond	TOTAL
<b>Swaps / hedging fixed interest bond issues *</b>							
Notional amount	11 702 831	1 546 417	738 074	1 949 976	2 694 354	4 774 010	11 354 416
<b>Short-term currency swaps</b>							
Notional amount	0						938 976
<b>Long-term interest rate swaps</b>							
Fixed interest rate lending swaps							
Notional amount	1 155					1 155	1 298
Variable interest rate lending swaps							
Notional amount	3 484			2329		1 155	4 746
<b>Short-term interest rate swaps</b>							
Notional amount	0						9 891 209

\* Currency swaps and interest-rate swaps matched to bonds

in thousands of euros

MANAGEMENT OF FOREIGN EXCHANGE RISK	As of 31 December 2007						As of 31 Dec 2006
	TOTAL	2008	2009	2010	2011	2012 and beyond	TOTAL
<b>Foreign exchange swaps</b>							
Notional amount	1 537 675	603 284	405 030	119 635	73 726	336 000	12 850 859
<b>Forward currency contracts</b>							
Notional amount	6 000		6 000				21 916

**Note 12: MARKET VALUATION OF DERIVATIVE FINANCIAL INSTRUMENTS**

As of 31 December 2007, the details of the market valuation of derivative financial instruments were as follows:

in thousands of euros

	31 December 2007		31 December 2006	
Swaps hedging bond issues	247 285	*	403 218	*
Short-term currency swaps	0	*	-61 115	*
Short-term interest rate swaps	-58	*	-381	*
Forward currency financial instruments	52		-2 961	

(\*) The market value of the swaps is "ex coupon".

**NOTE 13: CONSOLIDATION**

Total Capital's accounts are fully consolidated into the financial statements of the Total S.A. Group.

**NOTE 14: FISCAL INTEGRATION**

A fiscal integration agreement was signed between Total Capital and Total S.A. Thus since 1<sup>st</sup> January 2000, Total Capital, a subsidiary of Total S.A., is included in the fiscal integration of Total S.A.

**NOTE 15: STAFF AND MANAGEMENT BODIES**

Total Capital benefits from the technical and administrative assistance of staff from Total S.A. and does not pay any remuneration to the members of the Board of Directors.