Activity of the Board of Directors in 2011

Definition of **strategic orientation** and approval of major investments
- Group strategy and budget
- Outlook for business divisions and market
- Downstream reorganization

**Closing accounts, internal control**

Role in **risk management**

**Governance**
- Assuring succession of executive officers
- Determination of the resolutions of Shareholders’ meeting (including shareholders’ and central works council resolutions)
- Approving compensation of executive officers
- Awarding stock options and performance shares

**Examples 2011**

**Investments**
- **Australia** – Gladstone
- **Russia** – Novatek
- **USA** – SunPower
- **Uganda** – Tullow

**Asset Sales**
- **Spain** – CEPSA
- **UK** – Marketing
- **Canada** – Joslyn
- **Colombia** – Ocensa

**Dividend**
Quarterly interim dividend of 0.57€ / share

**Finance**
Group financial policies

**Ethics**
Reports of the Ethics Committee

**Human Resources**
Policy of equal opportunity and salary equality
A renewed Executive Committee

From Jan. 1, 2012

Christophe de Margerie
Chairman and CEO

Yves-Louis Darricarrère
Exploration & Production

Patrick Pouyanné
Refining & Chemicals

Philippe Boisseau
Supply & Marketing

Jean-Jacques Guilbaud
Chief administrative Officer

Patrick de La Chevardière
CFO
Commitment of the Board to evaluation of major projects and risk management

Instances and procedures to identify and anticipate risks at all levels

Project assessments before all investment decisions

Risk monitoring on assets

Board of Directors
  - Audit Committee

Executive Committee
  - Risk Committee
  - Internal audit

Divisions
  - Internal control

Sovereign debt crisis in Eurozone

Political risks in Libya and Syria

Industrial and environmental risks

Safety at Total: a priority
Board actively engaged in governance “best practices”

Attendance rate of 92% at Board of Directors meetings

Broadening the Compensation Committee and the Nominating & Governance Committee:
- Increased each to 5 members since February 2012
- Independent directors are 80% of membership
- Attendance rate of 100% each

An employee-shareholder director on Board of Directors

Participation of 4 delegates from central works council on Board of Directors

Increased diversification of the Board after the 2012 Shareholders’ Meeting:
- 5 women out of 15 directors
- 27% non-French directors
- 80% independent directors

* subject to resolutions 10 and 11 proposed for the Shareholders’ Meeting of May 11, 2012
Regular evaluation of Board of Directors

Recurring missions of the Nominating & Governance Committee:
– Analyzing the Board’s composition
– Vetting potential directors

Annual review by the Board of its practices

Evaluation every 3 years by an independent firm

Summary of Board’s actions

Modifying procedure rules for committees and the Board in February 2012

Presenting the recommendations of the Ethics Committee to the Nominating & Governance Committee

Furthering strategic vision by creating the Strategic Committee in 2011

Strengthening international representation

Continual strengthening of our governance practices
Compensation of Chairman and CEO linked to company’s performance

Criteria applied to Chairman and CEO’s compensation

Variable portion 1,530,000 €

Fixed portion 1,500,000 €

- Cannot exceed 65% of fixed based salary
- Award based on operational criteria, including HSE results.
- Cannot exceed 100% of fixed base salary
- Economic criteria
- Set by comparison to compensation paid to Chairmen and CEOs of other CAC 40 companies

Stock options and performance shares awarded to Christophe de Margerie

- Variable portion is 102% of fixed portion

Retirement and severance benefits framework:

- Cash benefit for a maximum of 2 years of gross annual compensation in case of early retirement, except in cases of termination for cause or voluntary departure
- Retirement scheme identical to that of other employees whose earnings exceed specified threshold
- Total estimated amounts payable in pension are approximately 22% of gross annual compensation
- Subject to performance conditions
Compensation committee ensures a **balanced allocation** between executive officers, managers and employees

- Increased distribution of performance shares
- Reduced stock options awarded to management in 2011
- Very limited dilutive effect

**Performance conditions**

- On all stock options to be granted to the Chairman and CEO and on part of those for executive officers
- On all performance shares to be granted to the Chairman and CEO, executive officers, and on part of those for the other beneficiaries

**Allocation of performance shares by type of beneficiary in 2011**

- More than **10,000 beneficiaries** since 3 years

**Align the interests of management and employees with our shareholders’**
Strengthening individual and employee shareholding

• Approximately **520,000** individual shareholders

• Individual and employee shareholding increased by 18 million shares

* as of November 30, 2011, excluding treasury stock
An attractive investment based on an explicit dividend policy

**A solid return***

- For 1,000 Euros invested:
  - Total 1 year: 1,055
  - CAC 40 1 year: 857
  - Total 10 years: 1,538
  - CAC 40 10 years: 914

- Average payout of 50% since 2008

**Dividend Policy**

- Since 2011 quarterly dividend distribution
- In 2011, proposed dividend of 2.28 Euros per share
- At first quarter 2012, distribution of a stable first interim dividend of 0.57 Euro per share

*excluding tax effect, for 1,000 Euros invested in Total shares, assuming reinvestment of net dividend proceeds (excluding withholdings).
Creating value for all stakeholders

**Shareholders**
- **5.3 B€** Dividends

**Employees**
- **6.6 B€** Compensation and expenses
- **0.25 B€** Dividends

**Expanding our activities**
- **25 B€** Investments and R&D

**States and local authorities**
- **14.1 B€** Corporate taxes
- **3.0 B€** Production taxes

**Civil society**
- **335 M€** Total Foundation and community development
- **2,800** Ongoing projects

**Suppliers**
- **26 B€** Goods and services purchased

**Sales:** 185 B€  
**Adjusted net income:** 11.4 B€

2011 figures
Contribution of Total in France

**Employment**
- 3.2 B€ Compensation and expenses
- 35,037 Employees (36.5% of total)
- 6,552 New employees and 1,091 training contacts

**Taxes**
- 1.2 B€ of taxes, including corporate tax

**Expanding our activities**
- 1.5 B€ Investments
- 390 M€ for Research and Development

**Total Regional Development**
- 1,000 SMBs supported
- 60 M€ Financial commitments
- 15,000 New jobs planned including 2,000 in 2011

**Suppliers**
- 5 B€ Goods and services purchased

**Total Foundation**
- 1st Foundation in France (20th anniversary)
- 30 M€ distributed in France Solidarity, Health, Culture and Environment

2011 figures
Shareholders' meeting – May 11, 2012
RESULTS OF 2011 & 1Q 2012
Patrick de La Chevardière
Key figures for 2011

- 15% improvement in safety (TRIR)
- 2.35 Mboe/d production
- 3 giant discoveries
- 185% proved reserve replacement rate
- +11% adjusted net income to 11 B€
- 16 B€ net investment
Strong structural support for oil prices

Oil demand 2010-2020 growth of +1% per year, driven by non-OECD countries

Challenges to increase supply due to technological and geopolitical constraints

Market balance managed by OPEC
Increasing worldwide demand for gas and LNG

Increasing demand driven by 3 markets:

- Asia: +6.2% per year
- Europe: +1.8% per year
- North America: +1.5% per year

Europe and Asia to remain most attractive gas markets

* LNG supply based on existing facilities, approved and other identified projects for the 2020-30 period
Strong 2011 performance driven by Upstream

Adjusted net income

- **2009**: 7.8 B€
- **2010**: 10.3 B€ (11% increase)
- **2011**: 11.4 B€ (32% increase)

**Upstream**
- 20% ROACE
- Stable 2011 production
- Captured rising oil prices

**Downstream**
- 7% ROACE
- Challenging market conditions
- Improving resilience of Refining
- Strong Marketing

**Chemicals**
- 10% ROACE
- Contribution from growth areas
- Profitable Specialty Chemicals

2011 Group ROACE of 16%
First results of revitalized exploration strategy

- 3 giant discoveries
- 6 other discoveries
- 12 new licenses

Bolivia
French Guiana
Azerbaijan
2011 reserve replacement rate of 185 %

11.4 Bboe of proved reserves

13 years of proved reserve life at current production pace

20 years of proved and probable reserves

40 years of resource life with 35% in OECD countries
Repositioning through portfolio management

2010-11 finalized transactions

- Acquisitions
  - Upstream: 17 B$
  - New energies:
- Asset sales
  - Downstream: 15 B$
  - Chemicals
  - Other (Sanofi...)

- $5 Bboe resources acquired at less than 3 $/boe in Upstream
- Strengthening positions in growth segments and creating 3 new production poles

Asset sales integrated into strategy to unlock value
Increasing cash flow supports strong investment and dividend policy

* including foreign exchange effect and variations in working capital at replacement cost
** including net investments in equity and non-consolidated companies

50% increase in adjusted cash flow from operations (2009-11)

20.6 B$ in line with 2011 budget for organic investment

23% gearing end-2011
1Q 2012 Performance

Adjusted net income

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<th>4Q 2011</th>
<th>1Q 2012</th>
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<td>2.7 B€</td>
<td>3.1 B€</td>
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<td>+13%</td>
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**Upstream**
- Production stable
- Hydrocarbon prices continued to increase
- Start-up of Usan
- Launched 3 major projects, including Ichthys in Australia

**Downstream**
- Refining margins in Europe improved to 21 $/t
- Petrochemicals launched extension and modernization project in South Korea
- Marketing continues to perform well

**1Q 2012 : Group ROACE of 16%**

ROACE: return on average capital employed

Shareholders’ meeting – May 11, 2012
STRATEGY AND OUTLOOK
Christophe de Margerie
Keys to success

Operational excellence
- Safety first
- Experienced teams
- Expertise in project management
- Innovative technologies

Unlocking value
- Growing contributions of LNG and deep offshore
- Revitalized Exploration
- Restructuring Downstream-Chemicals
- Active portfolio management

Financial strength
- Prudent investment policy
- Net-debt-to-equity ratio of 20 et 30%
- Increasing free cash flow

Acceptability
- Business practices prioritizing ethics and sustainability
- Reduce our environmental impact
- Create value for our stakeholders

Safety is at the core of the new dynamic
A responsible actor

Improving access to new energies

Investing in photovoltaic solar and biofuels

Examples of “local impact” in Cameroon, Kenya and Indonesia: target of 150,000 photovoltaic lamps

Working with host countries

Pazflor (Angola)
3.6 M man-hours worked

USAN (Nigeria)
50% of man-hours provided by local content

Total Foundation supports Solidarity, Health, Culture and Environnement

Innovating to protect the environment

Reducing our environmental impact with improved production efficiencies

Ecosolutions Program with 32 products and services labeled

Acting ethically and sustainably

Member of UN Global Compact for socially responsible behaviour

Compliance and anti-corruption programs 35,000 employees trained

Engaging employees for mutual benefit

Shareholders’ meeting – May 11, 2012
Ambitious exploration program for 2012-2013

- Conventional wells
- Frontier wells

Targeting more wells on larger prospects
Increasing exploration budget to 2.5 B$ in 2012
2015 production growth fueled by more than 25 project start-ups
Second-largest LNG player

Since 2009, Upstream LNG* volumes +50%

More than 70% of Upstream LNG committed on long-term contracts indexed to oil price

Three LNG projects under development: Angola LNG, GLNG and Ichthys

LNG portfolio adjusted net operating income

- 1.6 B$ in 2009
- 2.7 B$ in 2010
- 3.9 B$ in 2011

20% of 2011 production
27% of Upstream results

* LNG sales, Group share, by affiliates and equity interests including production equivalent for Bontang LNG facility)
Industry leader in deep offshore

- **Exploration**
- **Planned FID/Under development**
- **Producing**

10% of production in 2011, about 20% of Upstream’s adjusted net income
Restructuring Downstream

Industrial

Refining-Chemicals
Refining and base chemicals, polymers, speciality chemicals, Trading

Commercial

Supply-Marketing
Retail network, plus wholesale for fuels, lubricants, LPG, bitumen, aviation, special fluids

Industrial assets to be more competitive

Increasing flexibility and visibility
Focusing on major integrated platforms

- Port Arthur
- Normandy
- Antwerp
- Jubail
- Qatar
- Daesan

- Refinery
- Refinery & Petrochemical plant
- Petrochemical plant
Downstream: 3 drivers to deliver 5% increase in profitability

ROACE for Refining-Chemicals and Supply-Marketing

- Major Refining-Petrochemicals projects: +1.5%
- Portfolio changes: +1.5%
- Efficiencies / Synergies/ Benefits of restructuring: +2.0%

In 2010 environment with ERMI 27 $/t, mid-cycle for petrochemicals, $/€ 1.33
20 B$ budget for 2012 net investments

For 2012: 1 € = $1,40

80% of investments dedicated to Upstream

Asset sales integrated into strategy

4 B$ of asset sales net of acquisitions in 2012
Ample cash flow to fund growing net investments and dividend

Robust cash flow generation enhanced by project start-ups

23 G$ average net investments for 2012-14

7 G$ dividends paid in 2011

*2012-2014, in a 100 $/b Brent scenario
net investments = investments including acquisitions and changes in non-current loans less asset sales

Shareholders’ meeting – May 11, 2012
Implementing the new dynamic

Priority to operate **safely** and **responsibly**

More ambitious **exploration** program

**Production** to grow for 2015

Increasing cash flow with **accretive start-ups**

Downstream **restructuring** to increase profitability by 5%

Active **portfolio management** integrated into strategy

Acknowledging the **relationship** between our image and our performance

Creating value for 2012 and beyond
This document may contain forward-looking statements, including within the meaning of the Private Securities Litigation Reform Act of 1995, notably with respect to the financial condition, results of operations, business, strategy and plans of TOTAL. Such statements are based on a number of assumptions that could ultimately prove inaccurate, and are subject to a number of risk factors, including currency fluctuations, the price of petroleum products, the ability to realize cost reductions and operating efficiencies without unduly disrupting business operations, environmental regulatory considerations and general economic and business conditions. Neither TOTAL nor any of its subsidiaries assumes any obligation to update publicly any forward-looking statement, whether as a result of new information, future events or otherwise. Further information on factors which could affect the company’s financial results is provided in documents filed by the Group with the French Autorité des Marchés Financiers and the U.S. Securities and Exchange Commission (“SEC”).

Financial information by business segment is reported in accordance with the internal reporting system and shows internal segment information that is used to manage and measure the performance of TOTAL. Performance indicators excluding the adjustment items, such as adjusted operating income, adjusted net operating income, and adjusted net income are meant to facilitate the analysis of the financial performance and the comparison of income between periods.

Adjustment items include:

(I) Special items
Due to their unusual nature or particular significance, certain transactions qualified as “special items” are excluded from the business segment figures. In general, special items relate to transactions that are significant, infrequent or unusual. However, in certain instances, transactions such as restructuring costs or asset disposals, which are not considered to be representative of the normal course of business, may be qualified as special items although they may have occurred within prior years or are likely to occur again within the coming years.

(II) Inventory valuation effect
The adjusted results of the Downstream and Chemicals segments are presented according to the replacement cost method. This method is used to assess the segments’ performance and facilitate the comparability of the segments’ performance with those of its competitors.

In the replacement cost method, which approximates the LIFO (Last-In, First-Out) method, the variation of inventory values in the statement of income is, depending on the nature of the inventory, determined using either the month-end prices differential between one period and another or the average prices of the period rather than the historical value. The inventory valuation effect is the difference between the results according to the FiFO (First-In, First-Out) and the replacement cost.

(III) Effect of changes in fair value
As from January 1, 2011, the effect of changes in fair value presented as an adjustment item reflects for some transactions differences between internal measures of performance used by TOTAL’s management and the accounting for these transactions under IFRS.

IFRS requires that trading inventories be recorded at their fair value using period-end spot prices. In order to best reflect the management of economic exposure through derivative transactions, internal indicators used to measure performance include valuations of trading inventories based on forward prices.

Furthermore, TOTAL, in its trading activities, enters into storage contracts, which future effects are recorded at fair value in Group’s internal economic performance. IFRS precludes recognition of this fair value effect.

(IV) Until June 30, 2010, TOTAL’s equity share of adjustment items reconciling “Business net income” to Net income attributable to equity holders of Sanofi
The adjusted results (adjusted operating income, adjusted net operating income, adjusted net income) are defined as replacement cost results, adjusted for special items, excluding the effect of changes in fair value as from January 1st, 2011 and excluding TOTAL’s equity share of adjustment items related to Sanofi until June 30, 2010.

Dollar amounts presented herein represent euro amounts converted at the average euro-dollar exchange rate for the applicable period and are not the result of financial statements prepared in dollars.

Cautionary Note to U.S. Investors – The SEC permits oil and gas companies, in their filings with the SEC, to separately disclose proved, probable and possible reserves that a company has determined in accordance with SEC rules. We may use certain terms in this presentation, such as resources, that the SEC’s guidelines strictly prohibit us from including in filings with the SEC. U.S. investors are urged to consider closely the disclosure in our Form 20-F, File No. 1-10888, available from us at 2, place Jean Millier – La Défense 6 – 92078 Paris – La Défense Cedex, France, or at our Web site: www.total.com. You can also obtain this form from the SEC by calling 1-800-SEC-0330 or on the SEC’s Web site: www.sec.gov.