TOTAL

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FIRST NINE MONTHS OF 2008

(unaudited)

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1) Accounting policies

The interim consolidated financial statements of TOTAL S.A. and its subsidiaries (the Group) as of September 30, 2008 have been prepared in accordance with International Accounting Standard (IAS) 34 "Interim Financial Reporting". The accounting policies applied for the consolidated financial statements as of September 30, 2008 do not differ significantly from those applied for the consolidated financial statements as of December 31, 2007 which have been prepared on the basis of IFRS (International Financial Reporting Standards) as adopted by the European Union and IFRS as issued by the IASB (International Accounting Standard Board). The new accounting standards and amendments mandatory for the annual period beginning January 1, 2008 are described in the Note 1X to the consolidated financial statements as of December 31, 2007 and have no material effect on the Group's consolidated financial statements for the first nine months of 2008.

The preparation of financial statements in accordance with IFRS requires management to make estimates and apply assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of preparation of the financial statements and reported income and expenses for the period. Management reviews these estimates and assumptions on an on-going basis, by reference to past experience and various other factors considered as reasonable which form the basis for assessing the carrying amount of assets and liabilities. Actual results may differ significantly from these estimates, if different assumptions or circumstances apply. These judgments and estimates relate principally to the application of the successful efforts method for the oil and gas accounting, the valuation of long-lived assets, the provisions for asset retirement obligations and environmental remediation, the pensions and postretirement benefits and the income tax computation.

Lastly, when the accounting treatment of a specific transaction is non addressed by any accounting standard or interpretation, management applies its judgment to define and apply accounting policies that will lead to relevant and reliable information, so that the financial statements:

- give a true and fair view of the Group's financial position, financial performance and cash flows;
- reflect the substance of transactions;
- are neutral;
- are prepared on a prudent basis;
- are complete in all material aspects.

Pursuant to the accrual basis of accounting followed by the Group, the financial statements reflect the effects of transactions and other events when they occur. Assets and liabilities such as property, plant and equipment and intangible assets are usually measured at amortized cost. Financial assets and liabilities are usually measured at fair value.

2) Changes in the Group structure, main acquisitions and divestments

Pursuant to its public offer and takeover bid circular dated May 13, 2008 and extended by notices of variation dated June 19, 2008, July 4, 2008 and July 16, 2008, TOTAL has acquired 100% of the common class "A" voting shares of Synenco Energy Inc.. The main asset of Synenco is an interest of 60% in the project Northern Lights located in the Athabasca region of the Canadian province of Alberta.

The acquisition cost, net of cash acquired (161 M€) for all shares amounts to 352 M€. This cost essentially represents the value of the company's mineral interests that have been recognized as intangible assets on the face of the consolidated balance sheet for 221 M€.

Synenco Energy Inc. is fully consolidated in TOTAL's consolidated financial statements. Its contribution to the first nine months 2008 consolidated net income is not material.

During the first nine months of 2008, TOTAL progressively sold 0.63% of Sanofi-Aventis capital, thus reducing its interest to 12.43%. Sanofi-Aventis is accounted for by the equity method in TOTAL's consolidated financial statements.

3) Adjustment items

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 some 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 ensure the comparability of the segments' performance with those of its competitors, mainly North American.

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 determined by the average prices of the period rather than the historical value. The inventory valuation effect is the difference between the results according to FIFO (First-In, First-Out) and the replacement cost.

(iii) Portion of intangible assets amortization related to the Sanofi-Aventis merger

The adjusted results (adjusted operating income, adjusted net operating income, adjusted net income) are defined as replacement cost results, adjusted for special items, and excluding TOTAL's equity share of amortization of intangible assets related to the Sanofi-Aventis merger.

The detail of the adjustment items is presented in the table below.

ADJUSTMENTS TO OPERATING INCOME

(M€)		Upstream	Downstream	Chemicals	Corporate	Total
3rd quarter 2008	Inventory valuation effect	-	(1,045)	(148)	-	(1,193)
	Restructuring charges	-	-	-	-	-
	Asset impairment charges	-	-	-	-	-
	Other items	-	-	-	-	-
Total		**-**	**(1,045)**	**(148)**	**-**	**(1,193)**
3rd quarter 2007	Inventory valuation effect	-	221	(11)	-	210
	Restructuring charges	-	-	-	-	-
	Asset impairment charges	-	-	-	-	-
	Other items	-	-	-	-	-
Total		**-**	**221**	**(11)**	**-**	**210**
9 months 2008	Inventory valuation effect	-	785	84	-	869
	Restructuring charges	-	-	-	-	-
	Asset impairment charges	-	-	-	-	-
	Other items	-	-	-	-	-
Total		**-**	**785**	**84**	**-**	**869**
9 months 2007	Inventory valuation effect	-	951	152	-	1,103
	Restructuring charges	-	-	-	-	-
	Asset impairment charges	-	-	-	-	-
	Other items	-	-	-	-	-
Total		**-**	**951**	**152**	**-**	**1,103**

ADJUSTMENTS TO NET INCOME

(M€)		Upstream	Downstream	Chemicals	Corporate	Total
3rd quarter 2008	Inventory valuation effect	-	(653)	(99)	-	(752)
	TOTAL's equity share of special items recorded by Sanofi-Aventis	-	-	-	-	-
	TOTAL's equity share of adjustments related to the Sanofi-Aventis merger	-	-	-	(78)	(78)
	Restructuring charges	-	(4)	-	-	(4)
	Asset impairment charges	(34)	-	-	-	(34)
	Gains (losses) on disposals of assets	-	-	-	50	50
	Other items	(174)	-	-	(28)	(202)
Total		**(208)**	**(657)**	**(99)**	**(56)**	**(1,020)**
3rd quarter 2007	Inventory valuation effect	-	148	(9)	-	139
	TOTAL's equity share of special items recorded by Sanofi-Aventis	-	-	-	75	75
	TOTAL's equity share of adjustments related to the Sanofi-Aventis merger	-	-	-	(77)	(77)
	Restructuring charges	-	(20)	-	-	(20)
	Asset impairment charges	-	-	-	-	-
	Gains (losses) on disposals of assets	-	-	-	-	-
	Other items	-	-	-	-	-
Total		**-**	**128**	**(9)**	**(2)**	**117**
9 months 2008	Inventory valuation effect	-	621	55	-	676
	TOTAL's equity share of special items recorded by Sanofi-Aventis	-	-	-	-	-
	TOTAL's equity share of adjustments related to the Sanofi-Aventis merger	-	-	-	(227)	(227)
	Restructuring charges	-	(39)	(9)	-	(48)
	Asset impairment charges	(34)	-	-	-	(34)
	Gains (losses) on disposals of assets	130	-	-	67	197
	Other items	(174)	-	(5)	(48)	(227)
Total		**(78)**	**582**	**41**	**(208)**	**337**
9 months 2007	Inventory valuation effect	-	655	100	-	755
	TOTAL's equity share of special items recorded by Sanofi-Aventis	-	-	-	75	75
	TOTAL's equity share of adjustments related to the Sanofi-Aventis merger	-	-	-	(225)	(225)
	Restructuring charges	-	(20)	-	-	(20)
	Asset impairment charges	-	-	-	-	-
	Gains (losses) on disposals of assets	-	-	-	-	-
	Other items	-	-	-	(100)	(100)
Total		**-**	**635**	**100**	**(250)**	**485**

4) Shareholders' equity

Treasury shares (TOTAL shares held by TOTAL S.A.)

As of September 30, 2008, TOTAL S.A. held 39,172,235 of its own shares, representing 1.65% of its share capital, detailed as follows:

- 15,172,235 shares allocated to covering TOTAL share purchase option plans and restricted shares plans for Group employees;
- 24,000,000 shares purchased the first nine months of 2008 for cancellation, pursuant to the authorizations granted by the shareholders' meetings held May 11, 2007 and May 16, 2008.

These 39,172,235 shares are deducted from the consolidated shareholders' equity.

TOTAL shares held by Group subsidiaries

As of September 30, 2008, TOTAL S.A. held indirectly through its subsidiaries 100,331,268 of its own shares, representing 4.23% of its share capital, detailed as follows:

- 2,023,672 shares held by a consolidated subsidiary, Total Nucléaire, 100% indirectly controlled by TOTAL S.A.;
- 98,307,596 shares held by subsidiaries of Elf Aquitaine (Financière Valorgest, Sogapar and Fingestval).

These 100,331,268 shares are deducted from the consolidated shareholders' equity.

Dividend

The shareholders' meeting of May 16, 2008 approved the payment of a cash dividend of € 2.07 per share for the fiscal year 2007. Taking into account an interim dividend of € 1 per share paid on November 16, 2007, the remaining balance of € 1.07 per share was paid on May 23, 2008.

In addition, the Board of Directors met on September 9, 2008 and decided to pay an interim 2008 dividend of € 1.14 per share on November 19, 2008.

5) Non-current financial debt

The Group issued bonds through its subsidiary Total Capital during the first nine months of 2008:

- Bond 2.375% 2008-2012 (225 million CHF)
- Bond 3.125% 2008-2015 (100 million CHF)
- Bond 4.875% 2008-2010 (50 million GBP)
- Bond 7.500% 2008-2013 (100 million AUD)
- Bond 3.875% 2008-2011 (50 million EUR)
- Bond 3.250% 2008-2012 (50 millions EUR)
- Bond 2.375% 2008-2012 (100 million CHF)
- Bond 3.125% 2008-2013 (200 million CHF)
- Bond 3.875% 2008-2011 (100 million EUR)
- Bond 4.625% 2008-2012 (50 million GBP)
- Bond 3.125% 2008-2018 (100 million CHF)
- Bond 7.500% 2008-2011 (150 million AUD)
- Bond 3.125% 2008-2015 (100 million CHF)
- Bond 4.000% 2008-2013 (300 million USD)
- Bond 4.125% 2008-2013 (200 million EUR)
- Bond 5.500% 2008-2013 (50 million GBP)
- Bond 6.000% 2008-2012 (500 million NOK)
- Bond 3.875% 2008-2011 (150 million EUR)
- Bond 7.500% 2008-2013 (100 million AUD)
- Bond 3.875% 2008-2011 (50 million EUR)
- Bond 4.125% 2008-2013 (100 million EUR)
- Bond Libor JPY 3 months + 0.120% 2008-2013 (25 billion JPY)
- Bond 3.625% 2008-2012 (200 million CHF)
- Bond 3.125% 2008-2013 (100 million CHF)
- Bond 4.625% 2008-2012 (50 million GBP)
- Bond 4.875% 2008-2010 (50 million GBP)
- Bond Libor JPY 3 months + 0.150% 2008-2011 (10 billion JPY)
- Bond 4.625% 2008-2012 (50 million GBP)
- Bond 2.125% 2008-2012 (100 million CHF)
- Bond 5.000% 2008-2012 (100 million USD)
- Bond 3.125% 2008-2015 (100 million CHF)
- Bond 3.750% 2008-2011 (150 million USD)

The Group reimbursed bonds during the first nine months of 2008:

- Bond Pibor 3 months + 0.380% 1998-2008 (230 million FRF)
- Bond 5.000% 2003-2008 (100 million AUD)
- Bond 3.500% 2003-2008 (500 million EUR)
- Bond 4.250% 2003-2008 (100 million CAD)
- Bond 3.250% 2003-2008 (250 million USD)
- Bond 5.000% 2003-2008 (100 million AUD)
- Bond 3.500% 2003-2008 (100 million EUR)
- Bond 3.500% 2003-2008 (150 million EUR)
- Bond 3.250% 2004-2008 (50 million USD)
- Bond 3.250% 2004-2008 (50 million USD)
- Bond 3.250% 2004-2008 (100 million USD)
- Bond 2.000% 2003-2008 (300 million CHF)
- Bond 2.000% 2003-2008 (200 million CHF)

In the context of its active cash management, the Group may temporarily increase its current borrowings, particularly in the form of commercial paper. The current borrowings, cash and equivalents and the current financial assets resulting from this cash management in the quarterly financial statements are not necessarily representative of a longer-term position.

6) Related parties

The related parties are principally equity affiliates and non-consolidated investments. There were no major changes concerning the main transactions with related parties during the first nine months of 2008.

7) Other risks and contingent liabilities

TOTAL is not currently aware of any event, litigation, risks or contingent liabilities that could have a material impact on the assets and liabilities, results, financial position or operations of the Group.

Antitrust investigations

1. Following investigations into certain commercial practices in the chemicals industry in the United States, certain chemicals subsidiaries of the Arkema group are involved in several civil liability lawsuits in the United States and Canada for violations of antitrust laws. TOTAL S.A. has been named in certain of these suits as the parent company.

In Europe, the European Commission commenced investigations in 2000, 2003 and 2004 into alleged anti-competitive practices involving certain products sold by Arkema[(1)]. In January 2005, following one of these investigations, the European Commission fined Arkema 13.5 M€ and jointly fined Arkema and Elf Aquitaine 45 M€. Arkema and Elf Aquitaine have appealed these decisions to the Court of First Instance of the European Union.

The Commission notified Arkema, TOTAL S.A. and Elf Aquitaine of complaints concerning two other product lines in January and August 2005, respectively. Arkema has cooperated with the authorities in these procedures and investigations. As a result of these proceedings, in May 2006 the European Commission fined Arkema 78.7 M€ and 219.1 M€, respectively. Elf Aquitaine was held jointly and severally liable for, respectively, 65.1 M€ and 181.35 M€ of these fines while TOTAL S.A. was held jointly and severally liable, respectively, for 42 M€ and 140.4 M€. TOTAL S.A., Elf Aquitaine and Arkema have appealed these decisions to the Court of First Instance of the European Union.

Arkema and Elf Aquitaine received a statement of objections from the European Commission in August 2007 concerning alleged anti-competitive practices related to another line of chemical products. As a result Arkema and Elf Aquitaine have been condemned jointly and severally to an amount of 22.7 M€ and individually to an amount of 20.43 M€ for Arkema and 15.89 M€ for Elf Aquitaine. Companies concerned have decided to appeal this decision to the European court.

No facts have been alleged that would implicate TOTAL S.A. or Elf Aquitaine in the practices questioned in these proceedings and the fines received are based solely on their status as parent companies.

Arkema began implementing compliance procedures in 2001 that are designed to prevent its employees from violating antitrust provisions. However, it is not possible to exclude the possibility that the relevant authorities could commence additional proceedings involving Arkema and TOTAL S.A. and Elf Aquitaine.

2. As part of the agreement related to the spin-off of Arkema, TOTAL S.A. or certain other Group companies agreed to grant Arkema guarantees for certain risks related to antitrust proceedings arising from events prior to the spin-off.

These guarantees cover, for a period of ten years having started in 2006, 90% of amounts paid by Arkema companies related to (i) fines imposed by European authorities or European member-states for competition law violations, (ii) fines imposed by American courts or antitrust authorities for federal antitrust violations or violations of the competition laws of U.S. states, (iii) damages awarded in civil proceedings related to the government proceedings mentioned above, and (iv) certain costs related to these proceedings.

[(1)] Arkema is used in this section to designate those companies of the Arkema group whose ultimate parent company is Arkema S.A.. Arkema became an independent company after being spun-off from TOTAL S.A. in May 2006.

The guarantee covering the risks related to anticompetition violations in Europe applies to amounts that rise above a 176.5 M€ threshold.

If one or more individuals or legal entities, acting alone or together, directly or indirectly holds more than one-third of the voting rights of Arkema, or if Arkema transfers more than 50% of its assets (as calculated under the enterprise valuation method, as of the date of the transfer) to a third party or parties acting together, irrespective of the type or number of transfers, these guarantees will become void.

In the same way, the agreements provide that Arkema will indemnify TOTAL S.A. or any Group companies for 10% of any amount that TOTAL S.A. or any Group companies are required to pay under any of the proceedings covered by these guarantees.

3. The Group has recorded provisions amounting to 85 M€ in its consolidated accounts as of September 30, 2008 to cover the risks mentioned above.

4. Moreover, as a result of investigations started by the European Commission in October 2002 concerning certain Refining & Marketing subsidiaries of the Group, Total Nederland N.V. and TOTAL S.A. received a statement of objections in October 2004. These proceedings resulted, in September 2006, in Total Nederland N.V. being fined 20.25 M€, and in TOTAL S.A. as its parent company being held jointly responsible for 13.5 M€ of this amount although no facts implicating TOTAL S.A. in the practices under investigation were alleged. TOTAL S.A. and Total Nederland N.V. have appealed this decision to the Court of First Instance of the European Union.

In addition, in May 2007, Total France and TOTAL S.A. received a statement of objections regarding alleged antitrust practices regarding another product line of the Refining & Marketing branch. These proceedings resulted, in October 2008, in Total France being fined 128.2 M€, and in TOTAL S.A. as its parent company being held jointly responsible although no facts implicating TOTAL S.A. in the practices under investigation were alleged.

5. Given the discretionary powers granted to the European Commission for determining fines, it is not currently possible to determine with certainty the outcome of these investigations and proceedings. TOTAL S.A. and Elf Aquitaine are contesting their liability and the method of determining these fines. Although it is not possible to predict the outcome of these proceedings, the Group believes that they will not have a material adverse effect on its financial condition or results.

Buncefield

On December 11, 2005, several explosions, followed by a major fire, occurred at an oil storage depot at Buncefield, north of London. This depot is operated by Hertfordshire Oil Storage Limited (HOSL), a company in which the British subsidiary of TOTAL holds 60% and another oil group holds 40%.

The explosion caused minor injuries to about 40 people and caused property damage to the depot and the buildings and homes located nearby. The official independent Investigation Board (supported by the HSE) has indicated that the explosion was caused by the overflow of a tank at the depot. The Board's final report detailing the circumstances and the exact cause of the explosion has not been released yet. At this stage, responsibility for the explosion has not yet been determined. The civil court procedure, concerning claims which have not been settled so far, started in October 2008.

The Group carries insurance for damage to its interests in these facilities, business interruption and civil liability claims from third parties, and believes that, based on the information currently available, this accident should not have a significant impact on its financial position, cash flows or results.

Venezuela

On February 26, 2007, the Venezuelan president signed a decree providing for the transformation of the Strategic Associations in the Faja region, including the Sincor project, into mixed companies with the government having an interest of at least 60%. The legislation further states that control of operations was to be transferred to PDVSA (Petróleos de Venezuela S.A.) no later than May 1, 2007 and set a four-month period (with an additional two months for submission to the National Assembly), from the date of the decree, for private companies to agree to the terms and conditions of their participation in the newly created mixed companies.

Within this framework, TOTAL signed two agreements with PDVSA and Statoil, with the approval of the ministry in charge of energy and oil:

- on April 25, 2007 an agreement according to which the control of Sincor operations was transferred temporarily from May 1, 2007, to PDVSA;
- on June 26, 2007, heads of agreement providing for the transformation of the Sincor association into a mixed company. Pursuant to these heads of agreement, TOTAL's interest in the project was to decrease from 47% to 30.323%, PDVSA's interest was to increase from 38% to 60% and Statoil's interest was to

decrease from 15% to 9.677%. This agreement also provides for compensation to be awarded to TOTAL, with the amount to be negotiated based on the value of the assets.

The conditions of this transformation were approved by the National Assembly in October 2007. The presidential decrees regarding the creation of the mixed company, PetroCedeño, and the transfer of the rights to conduct the principal activities were published in the Venezuelan official gazette in November 9, 2007 and January 10, 2008. The finalization of the transformation process occurred on February 8, 2008.

PetroCedeño (previously Sincor) has been accounted for under the equity method for 30.323% in the Group's financial statements since December 31, 2007; special items related to this transformation into a mixed company were recorded in the first quarter 2008.

Kazakhstan

On January 14, 2008, members of NCSPSA (North Caspian Sea Production Sharing Agreement) and the Kazakh authorities signed a Memorandum of Understanding to end the dispute among them that began at the end of August 2007.

The various agreements needed to implement this Memorandum and the supplemental Memorandum of Understanding signed on June 25, 2008 have been signed on October 31, 2008. An update of the costs and timetable for the first phase of development has been submitted to and approved by the authorities.

Pursuant to these Memorandums and agreements:

- a transfer of participating interest from foreign partners in favor of KMG (KazMunaiGas) will lead to a decrease of TOTAL's participation from 18.52% to 16.81% ; and
- the economic terms will be modified in favor of the Republic of Kazakhstan through (i) the creation of a Priority Payment representing a percentage of sales depending on oil prices, (ii) an increase of the production bonuses and (iii) a decrease of the interest rate on recoverable capital expenditures depending on oil price.

Erika

In response to the decision handed down by the Paris Criminal Court on January 16, 2008, TOTAL S.A. has decided, on the one hand, to file an appeal against the decision and, on the other hand, to finally and irrevocably pay the amounts awarded by the court to those parties who request such payment.

At the current stage of the proceedings, TOTAL S.A. believes that, based on a reasonable estimate of its liability, the case will not have a material impact on the Group's financial situation or consolidated results.

8) Information by business segment

9 months 2008 (M€)	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Non-Group sales	17,331	107,778	16,138	15	-	141,262
Intersegment sales	21,035	4,764	1,045	105	(26,949)	-
Excise taxes	-	(14,636)	-	-	-	(14,636)
Revenues from sales	**38,366**	**97,906**	**17,183**	**120**	**(26,949)**	**126,626**
Operating expenses	(15,727)	(93,790)	(16,097)	(482)	26,949	(99,147)
Depreciation, depletion, and amortization of tangible assets and mineral interests	(2,727)	(874)	(383)	(23)	-	(4,007)
Operating income	**19,912**	**3,242**	**703**	**(385)**	**-**	**23,472**
Equity in income (loss) of affiliates and other items	1,101	101	27	560	-	1,789
Tax on net operating income	(12,362)	(950)	(198)	207	-	(13,303)
Net operating income	**8,651**	**2,393**	**532**	**382**	**-**	**11,958**
Net cost of net debt						(229)
Minority interests						(345)
Net income						**11,384**

9 months 2008 (adjustments) (*) (M€)	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Non-Group sales						
Intersegment sales						
Excise taxes						
Revenues from sales						
Operating expenses	-	785	84	-		869
Depreciation, depletion, and amortization of tangible assets and mineral interests	-	-	-	-		-
Operating income [(a)]	**-**	**785**	**84**	**-**		**869**
Equity in income (loss) of affiliates and other items [(b)]	(78)	48	(23)	(206)		(259)
Tax on net operating income	-	(239)	(20)	(2)		(261)
Net operating income [(a)]	**(78)**	**594**	**41**	**(208)**		**349**
Net cost of net debt						-
Minority interests						(12)
Net income						**337**

(*) Adjustments include special items, inventory valuation effect and equity share of amortization of intangible assets related to the Sanofi-Aventis merger

	Upstream	Downstream	Chemicals	Corporate
(a) Of which inventory valuation effect				
On operating income	*-*	*785*	*84*	*-*
On net operating income	*-*	*633*	*55*	*-*
(b) Of which equity share of amortization of intangible assets related to the Sanofi-Aventis merger	*-*	*-*	*-*	*(227)*

9 months 2008 (adjusted) (M€)	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Non-Group sales	17,331	107,778	16,138	15	-	141,262
Intersegment sales	21,035	4,764	1,045	105	(26,949)	-
Excise taxes	-	(14,636)	-	-	-	(14,636)
Revenues from sales	**38,366**	**97,906**	**17,183**	**120**	**(26,949)**	**126,626**
Operating expenses	(15,727)	(94,575)	(16,181)	(482)	26,949	(100,016)
Depreciation, depletion, and amortization of tangible assets and mineral interests	(2,727)	(874)	(383)	(23)	-	(4,007)
Adjusted operating income	**19,912**	**2,457**	**619**	**(385)**	**-**	**22,603**
Equity in income (loss) of affiliates and other items	1,179	53	50	766	-	2,048
Tax on net operating income	(12,362)	(711)	(178)	209	-	(13,042)
Adjusted net operating income	**8,729**	**1,799**	**491**	**590**	**-**	**11,609**
Net cost of net debt						(229)
Minority interests						(333)
Ajusted net income						**11,047**

9 months 2008 (M€)	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Total expenditures	6,734	1,446	597	105		8,882
Total divestments	860	198	33	551		1,642
Cash flow from operating activities	11,626	2,508	(19)	461		14,576

9 months 2007 (M€)	**Upstream**	**Downstream**	**Chemicals**	**Corporate**	**Intercompany**	**Total**
Non-Group sales	13,833	86,793	14,921	20	-	115,567
Intersegment sales	15,269	3,568	827	125	(19,789)	-
Excise taxes	-	(16,440)	-	-	-	(16,440)
Revenues from sales	**29,102**	**73,921**	**15,748**	**145**	**(19,789)**	**99,127**
Operating expenses	(12,717)	(69,551)	(14,193)	(457)	19,789	(77,129)
Depreciation, depletion, and amortization of tangible assets and mineral interests	(2,709)	(876)	(367)	(23)	-	(3,975)
Operating income	**13,676**	**3,494**	**1,188**	**(335)**	**-**	**18,023**
Equity in income (loss) of affiliates and other items	976	202	43	536	-	1,757
Tax on net operating income	(8,372)	(1,063)	(371)	95	-	(9,711)
Net operating income	**6,280**	**2,633**	**860**	**296**	**-**	**10,069**
Net cost of net debt						(233)
Minority interests						(255)
Net income						**9,581**

9 months 2007 (adjustments) (*) (M€)	**Upstream**	**Downstream**	**Chemicals**	**Corporate**	**Intercompany**	**Total**
Non-Group sales						
Intersegment sales						
Excise taxes						
Revenues from sales						
Operating expenses	-	951	152	-		1,103
Depreciation, depletion, and amortization of tangible assets and mineral interests	-	-	-	-		-
Operating income [(a)]	**-**	**951**	**152**	**-**		**1,103**
Equity in income (loss) of affiliates and other items [(b)]	-	(10)	(1)	(250)		(261)
Tax on net operating income	-	(297)	(51)	-		(348)
Net operating income [(a)]	**-**	**644**	**100**	**(250)**		**494**
Net cost of net debt						-
Minority interests						(9)
Net income						**485**

(*) Adjustments include special items, inventory valuation effect and equity share of amortization of intangible assets related to the Sanofi-Aventis merger

(a) Of which inventory valuation effect				
On operating income	*-*	*951*	*152*	*-*
On net operating income	*-*	*664*	*100*	*-*
b) Of which equity share of amortization of intangible assets related to the Sanofi-Aventis merger	*-*	*-*	*-*	*(225)*

9 months 2007 (adjusted) (M€)	**Upstream**	**Downstream**	**Chemicals**	**Corporate**	**Intercompany**	**Total**
Non-Group sales	13,833	86,793	14,921	20	-	115,567
Intersegment sales	15,269	3,568	827	125	(19,789)	-
Excise taxes	-	(16,440)	-	-	-	(16,440)
Revenues from sales	**29,102**	**73,921**	**15,748**	**145**	**(19,789)**	**99,127**
Operating expenses	(12,717)	(70,502)	(14,345)	(457)	19,789	(78,232)
Depreciation, depletion, and amortization of tangible assets and mineral interests	(2,709)	(876)	(367)	(23)	-	(3,975)
Adjusted operating income	**13,676**	**2,543**	**1,036**	**(335)**	**-**	**16,920**
Equity in income (loss) of affiliates and other items	976	212	44	786	-	2,018
Tax on net operating income	(8,372)	(766)	(320)	95	-	(9,363)
Adjusted net operating income	**6,280**	**1,989**	**760**	**546**	**-**	**9,575**
Net cost of net debt						(233)
Minority interests						(246)
Ajusted net income						**9,096**

9 months 2007 (M€)	**Upstream**	**Downstream**	**Chemicals**	**Corporate**	**Intercompany**	**Total**
Total expenditures	6,079	1,026	546	43		7,694
Total divestments	427	77	63	8		575
Cash flow from operating activities	9,344	3,776	578	(172)		13,526

3rd quarter 2008 (M€)	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Non-Group sales	5,396	38,008	5,431	14	-	48,849
Intersegment sales	7,055	1,714	339	35	(9,143)	-
Excise taxes	-	(4,810)	-	-	-	(4,810)
Revenues from sales	**12,451**	**34,912**	**5,770**	**49**	**(9,143)**	**44,039**
Operating expenses	(5,030)	(34,444)	(5,449)	(126)	9,143	(35,906)
Depreciation, depletion, and amortization of tangible assets and mineral interests	(896)	(298)	(126)	(9)	-	(1,329)
Operating income	**6,525**	**170**	**195**	**(86)**	**-**	**6,804**
Equity in income (loss) of affiliates and other items	197	114	24	177	-	512
Tax on net operating income	(4,031)	(52)	(55)	57	-	(4,081)
Net operating income	**2,691**	**232**	**164**	**148**	**-**	**3,235**
Net cost of net debt						(84)
Minority interests						(101)
Net income						**3,050**

3rd quarter 2008 (adjustments) (*) (M€)	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Non-Group sales						
Intersegment sales						
Excise taxes						
Revenues from sales						
Operating expenses	-	(1,045)	(148)	-		(1,193)
Depreciation, depletion, and amortization of tangible assets and mineral interests	-	-	-	-		-
Operating income [(a)]	**-**	**(1,045)**	**(148)**	**-**		**(1,193)**
Equity in income (loss) of affiliates and other items [(b)]	(208)	33	(1)	(54)		(230)
Tax on net operating income	-	343	50	(2)		391
Net operating income [(a)]	**(208)**	**(669)**	**(99)**	**(56)**		**(1,032)**
Net cost of net debt						-
Minority interests						12
Net income						**(1,020)**

(*) Adjustments include special items, inventory valuation effect and equity share of amortization of intangible assets related to the Sanofi-Aventis merger

	Upstream	Downstream	Chemicals	Corporate
(a) Of which inventory valuation effect				
On operating income	-	*(1,045)*	*(148)*	-
On net operating income	-	*(665)*	*(99)*	-
(b) Of which equity share of amortization of intangible assets related to the Sanofi-Aventis merger	-	-	-	*(78)*

3rd quarter 2008 (adjusted) (M€)	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Non-Group sales	5,396	38,008	5,431	14	-	48,849
Intersegment sales	7,055	1,714	339	35	(9,143)	-
Excise taxes	-	(4,810)	-	-	-	(4,810)
Revenues from sales	**12,451**	**34,912**	**5,770**	**49**	**(9,143)**	**44,039**
Operating expenses	(5,030)	(33,399)	(5,301)	(126)	9,143	(34,713)
Depreciation, depletion, and amortization of tangible assets and mineral interests	(896)	(298)	(126)	(9)	-	(1,329)
Adjusted operating income	**6,525**	**1,215**	**343**	**(86)**	**-**	**7,997**
Equity in income (loss) of affiliates and other items	405	81	25	231	-	742
Tax on net operating income	(4,031)	(395)	(105)	59	-	(4,472)
Adjusted net operating income	**2,899**	**901**	**263**	**204**	**-**	**4,267**
Net cost of net debt						(84)
Minority interests						(113)
Ajusted net income						**4,070**

3rd quarter 2008 (M€)	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Total expenditures	2,480	638	212	41		3,371
Total divestments	188	46	14	470		718
Cash flow from operating activities	3,732	2,731	14	861		7,338

3rd quarter 2007 (M€)	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Non-Group sales	4,143	30,430	4,856	1	-	39,430
Intersegment sales	5,453	1,124	326	58	(6,961)	-
Excise taxes	-	(5,479)	-	-	-	(5,479)
Revenues from sales	**9,596**	**26,075**	**5,182**	**59**	**(6,961)**	**33,951**
Operating expenses	(3,845)	(25,000)	(4,726)	(165)	6,961	(26,775)
Depreciation, depletion, and amortization of tangible assets and mineral interests	(890)	(288)	(124)	(8)	-	(1,310)
Operating income	**4,861**	**787**	**332**	**(114)**	**-**	**5,866**
Equity in income (loss) of affiliates and other items	309	76	6	262	-	653
Tax on net operating income	(2,943)	(207)	(100)	12	-	(3,238)
Net operating income	**2,227**	**656**	**238**	**160**	**-**	**3,281**
Net cost of net debt						(78)
Minority interests						(82)
Net income						**3,121**

3rd quarter 2007 (adjustments) (*) (M€)	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Non-Group sales						
Intersegment sales						
Excise taxes						
Revenues from sales						
Operating expenses	-	221	(11)	-		210
Depreciation, depletion, and amortization of tangible assets and mineral interests	-	-	-	-		-
Operating income [(a)]	**-**	**221**	**(11)**	**-**		**210**
Equity in income (loss) of affiliates and other items [(b)]	-	(34)	(1)	(2)		(37)
Tax on net operating income	-	(57)	3	-		(54)
Net operating income [(a)]	**-**	**130**	**(9)**	**(2)**		**119**
Net cost of net debt						-
Minority interests						(2)
Net income						**117**

(*) Adjustments include special items, inventory valuation effect and equity share of amortization of intangible assets related to the Sanofi-Aventis merger

	Upstream	Downstream	Chemicals	Corporate
(a) Of which inventory valuation effect				
On operating income	*-*	*221*	*(11)*	*-*
On net operating income	*-*	*150*	*(9)*	*-*
(b) Of which equity share of amortization of intangible assets related to the Sanofi-Aventis merger	*-*	*-*	*-*	*(77)*

3rd quarter 2007 (adjusted) (M€)	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Non-Group sales	4,143	30,430	4,856	1	-	39,430
Intersegment sales	5,453	1,124	326	58	(6,961)	-
Excise taxes	-	(5,479)	-	-	-	(5,479)
Revenues from sales	**9,596**	**26,075**	**5,182**	**59**	**(6,961)**	**33,951**
Operating expenses	(3,845)	(25,221)	(4,715)	(165)	6,961	(26,985)
Depreciation, depletion, and amortization of tangible assets and mineral interests	(890)	(288)	(124)	(8)	-	(1,310)
Adjusted operating income	**4,861**	**566**	**343**	**(114)**	**-**	**5,656**
Equity in income (loss) of affiliates and other items	309	110	7	264	-	690
Tax on net operating income	(2,943)	(150)	(103)	12	-	(3,184)
Adjusted net operating income	**2,227**	**526**	**247**	**162**	**-**	**3,162**
Net cost of net debt						(78)
Minority interests						(80)
Ajusted net income						**3,004**

3rd quarter 2007 (M€)	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Total expenditures	1,981	381	200	28		2,590
Total divestments	63	27	15	4		109
Cash flow from operating activities	1,697	439	217	1,196		3,549

9) Reconciliation between information by business segment and the consolidated statement of income

9 months 2008 (M€)	**Ajusted**	**Adjustments**	**Consolidated statement of income**
Sales	**141,262**	**-**	**141,262**
Excise taxes	(14,636)	-	(14,636)
Revenues from sales	126,626	-	126,626
Purchases, net of inventory variation	(85,500)	869	(84,631)
Other operating expenses	(13,979)	-	(13,979)
Exploration costs	(537)	-	(537)
Depreciation, depletion, and amortization of tangible assets and mineral interests	(4,007)	-	(4,007)
Other income	76	199	275
Other expense	(129)	(302)	(431)
Financial interest on debt	(702)	-	(702)
Financial income from marketable securities and cash equivalents	356	-	356
Cost of net debt	(346)	-	(346)
Other financial income	485	-	485
Other financial expense	(230)	-	(230)
Income taxes	(12,925)	(261)	(13,186)
Equity in income (loss) of affiliates	1,846	(156)	1,690
Consolidated net income	**11,380**	**349**	**11,729**
Group share	11,047	337	11,384
Minority interests	333	12	345

9 months 2007 (M€)	**Ajusted**	**Adjustments**	**Consolidated statement of income**
Sales	**115,567**	**-**	**115,567**
Excise taxes	(16,440)	-	(16,440)
Revenues from sales	99,127	-	99,127
Purchases, net of inventory variation	(64,777)	1,103	(63,674)
Other operating expenses	(12,851)	-	(12,851)
Exploration costs	(604)	-	(604)
Depreciation, depletion, and amortization of tangible assets and mineral interests	(3,975)	-	(3,975)
Other income	279	-	279
Other expense	(100)	(130)	(230)
Financial interest on debt	(1,332)	-	(1,332)
Financial income from marketable securities and cash equivalents	955	-	955
Cost of net debt	(377)	-	(377)
Other financial income	492	-	492
Other financial expense	(211)	-	(211)
Income taxes	(9,219)	(348)	(9,567)
Equity in income (loss) of affiliates	1,558	(131)	1,427
Consolidated net income	**9,342**	**494**	**9,836**
Group share	9,096	485	9,581
Minority interests	246	9	255

3rd quarter 2008 (M€)	Ajusted	Adjustments	Consolidated statement of income
Sales	**48,849**	**-**	**48,849**
Excise taxes	(4,810)	-	(4,810)
Revenues from sales	44,039	-	44,039
Purchases, net of inventory variation	(29,861)	(1,193)	(31,054)
Other operating expenses	(4,708)	-	(4,708)
Exploration costs	(144)	-	(144)
Depreciation, depletion, and amortization of tangible assets and mineral interests	(1,329)	-	(1,329)
Other income	55	52	107
Other expense	(55)	(207)	(262)
Financial interest on debt	(241)	-	(241)
Financial income from marketable securities and cash equivalents	114	-	114
Cost of net debt	(127)	-	(127)
Other financial income	140	-	140
Other financial expense	(79)	-	(79)
Income taxes	(4,429)	391	(4,038)
Equity in income (loss) of affiliates	681	(75)	606
Consolidated net income	**4,183**	**(1,032)**	**3,151**
Group share	4,070	(1,020)	3,050
Minority interests	113	(12)	101

3rd quarter 2007 (M€)	Ajusted	Adjustments	Consolidated statement of income
Sales	**39,430**	**-**	**39,430**
Excise taxes	(5,479)	-	(5,479)
Revenues from sales	33,951	-	33,951
Purchases, net of inventory variation	(22,790)	210	(22,580)
Other operating expenses	(4,060)	-	(4,060)
Exploration costs	(135)	-	(135)
Depreciation, depletion, and amortization of tangible assets and mineral interests	(1,310)	-	(1,310)
Other income	123	-	123
Other expense	(34)	(30)	(64)
Financial interest on debt	(455)	-	(455)
Financial income from marketable securities and cash equivalents	324	-	324
Cost of net debt	(131)	-	(131)
Other financial income	155	-	155
Other financial expense	(70)	-	(70)
Income taxes	(3,131)	(54)	(3,185)
Equity in income (loss) of affiliates	516	(7)	509
Consolidated net income	**3,084**	**119**	**3,203**
Group share	3,004	117	3,121
Minority interests	80	2	82

10) Sales by segment

(M€)	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
1st quarter 2008						
Non-Group sales	6,196	32,780	5,229	8	-	44,213
Intersegment sales	6,118	1,553	257	33	(7,961)	-
Excise taxes	-	(4,926)	-	-	-	(4,926)
Revenues from sales	**12,314**	**29,407**	**5,486**	**41**	**(7,961)**	**39,287**
2nd quarter 2008						
Non-Group sales	5,739	36,990	5,478	(7)	-	48,200
Intersegment sales	7,862	1,497	449	37	(9,845)	-
Excise taxes	-	(4,900)	-	-	-	(4,900)
Revenues from sales	**13,601**	**33,587**	**5,927**	**30**	**(9,845)**	**43,300**
3rd quarter 2008						
Non-Group sales	5,396	38,008	5,431	14	-	48,849
Intersegment sales	7,055	1,714	339	35	(9,143)	-
Excise taxes	-	(4,810)	-	-	-	(4,810)
Revenues from sales	**12,451**	**34,912**	**5,770**	**49**	**(9,143)**	**44,039**
9 months 2008						
Non-Group sales	17,331	107,778	16,138	15	-	141,262
Intersegment sales	21,035	4,764	1,045	105	(26,949)	-
Excise taxes	-	(14,636)	-	-	-	(14,636)
Revenues from sales	**38,366**	**97,906**	**17,183**	**120**	**(26,949)**	**126,626**
1st quarter 2007						
Non-Group sales	5,234	26,801	4,995	13	-	37,043
Intersegment sales	4,743	1,243	232	42	(6,260)	-
Excise taxes	-	(5,366)	-	-	-	(5,366)
Revenues from sales	**9,977**	**22,678**	**5,227**	**55**	**(6,260)**	**31,677**
2nd quarter 2007						
Non-Group sales	4,456	29,562	5,070	6	-	39,094
Intersegment sales	5,073	1,201	269	25	(6,568)	-
Excise taxes	-	(5,595)	-	-	-	(5,595)
Revenues from sales	**9,529**	**25,168**	**5,339**	**31**	**(6,568)**	**33,499**
3rd quarter 2007						
Non-Group sales	4,143	30,430	4,856	1	-	39,430
Intersegment sales	5,453	1,124	326	58	(6,961)	-
Excise taxes	-	(5,479)	-	-	-	(5,479)
Revenues from sales	**9,596**	**26,075**	**5,182**	**59**	**(6,961)**	**33,951**
9 months 2007						
Non-Group sales	13,833	86,793	14,921	20	-	115,567
Intersegment sales	15,269	3,568	827	125	(19,789)	-
Excise taxes	-	(16,440)	-	-	-	(16,440)
Revenues from sales	**29,102**	**73,921**	**15,748**	**145**	**(19,789)**	**99,127**