

TOTAL
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FIRST NINE MONTHS OF 2010
(unaudited)

1) Accounting policies

The interim consolidated financial statements of TOTAL S.A. and its subsidiaries (the Group) as of September 30, 2010 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, 2010 do not differ significantly from those applied for the consolidated financial statements as of December 31, 2009 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, 2010 are described in Note 1W to the consolidated financial statements as of December 31, 2009 and have no material effect on the Group's consolidated financial statements for the first nine months of 2010.

Among these new standards or interpretations effective for annual periods beginning on or after January 1, 2010, the revised versions of IFRS 3 "Business Combinations" and IAS 27 "Consolidated and Separate Financial Statements" should be noted. These revised standards introduce new provisions regarding the accounting for business combinations. Their application is prospective.

In addition, as of January 1, 2010, jointly-controlled entities are consolidated under the equity method, as provided for in the alternative method of IAS 31 "Interests in Joint Ventures". Until December 31, 2009, these entities were consolidated under the proportionate consolidation method. This change involves two entities and is not material.

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 ongoing 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 post-retirement benefits and the income tax computation. These estimates and assumptions are described in the Notes to the consolidated financial statements as of December 31, 2009.

Lastly, when the accounting treatment of a specific transaction is not 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

During the first nine months of 2010, the main changes in the Group structure, main acquisitions and divestments are the following:

Public tender offer followed by a squeeze out for the shares issued by the company Elf Aquitaine

On March 24, 2010, TOTAL S.A. filed a public tender offer followed by a squeeze out with the French Autorité des Marchés Financiers (AMF) in order to buy the 1,468,725 Elf Aquitaine shares that it did not already hold, representing 0.52% of Elf Aquitaine's share capital and 0.27% of its voting rights, at a price of €305 per share (including the remaining 2009 dividend). On April 13, 2010, the French Autorité des marchés financiers (AMF) issued its clearance decision for this offer.

The public tender offer was open from April 16 to April 29, 2010 inclusive. The Elf Aquitaine shares targeted by the offer which were not tendered to the offer have been transferred to TOTAL S.A. under the squeeze out upon payment to the shareholders equal to the offer price on the first trading day after the offer closing date, i.e. on April 30, 2010.

On April 30, 2010, TOTAL S.A. announced that, following the squeeze out, it held 100% of Elf Aquitaine shares, with the transaction amounting to €450 million.

In application of revised standard IAS 27 "Consolidated and Separate Financial Statements", effective for annual periods beginning on or after January 1, 2010, transactions with minority interests are accounted for as equity transactions, i.e. in consolidated shareholder's equity.

As a consequence, following the squeeze out of the Elf Aquitaine shares by TOTAL S.A., the difference between the consideration paid and the book value of minority interests acquired was recognized directly as a decrease in equity.

Sale of Mapa Spontex

TOTAL closed on April 1, 2010 the sale of its consumer specialty chemicals business, Mapa Spontex, to U.S.-based Jarden Corporation for an enterprise value of €335 million.

Sales of Sanofi-Aventis shares and loss of significant influence over Sanofi-Aventis

During the first nine months of 2010, TOTAL progressively sold 1.72% of Sanofi-Aventis' share capital, thus reducing its interest to 5.67%.

As from July 1, 2010, given its reduced participation to the Board of Directors and the decrease in the percentage of voting rights, TOTAL considers that it ceases to have a significant influence over Sanofi-Aventis and no longer consolidates this investment under the equity method. The investment in Sanofi-Aventis is accounted for as a financial asset available for sale in the line "Other investments" of the balance sheet at its fair value, i.e. at the stock price.

Net income as of September 30, 2010 includes a €135 million gain relating to this change in the accounting treatment.

Acquisition of UTS Corporation with its 20% interest in the Canadian Fort Hills

Total E&P Canada Ltd., a TOTAL subsidiary, signed in July 2010 an agreement with UTS Energy Corporation (UTS) to acquire UTS Corporation with its main asset, a 20% interest in the Fort Hills mining project in the Athabasca region of the Canadian province of Alberta.

Total E&P Canada completed on September 30, 2010 the acquisition of all UTS shares for a cash amount of 3.08 Canadian dollars (CAD) per share. Taking into account the cash held by UTS and acquired by TOTAL (CAD 365 million), the cost of the acquisition for TOTAL amounts to approximately CAD 1,130 million.

Sale of interests in the Valhall and Hod fields

TOTAL completed in September 2010 an agreement for the sale to BP and Hess of its interests in the Valhall (15.72%) and Hod (25%) fields, in the Norwegian North Sea, for an amount of \$991 million.

Acquisition of a 20% interest in GLNG Project in Australia

TOTAL announced in September 2010 the signature of an agreement with Santos and Petronas to acquire a 20% interest in the GLNG project in Australia, for \$750 million, Santos and Petronas transferring 15% and 5% respectively to TOTAL.

Upon completion of this transaction, the project will bring together Santos (45%, operator), Petronas (35%) and TOTAL (20%).

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 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. The inventory valuation effect is the difference between the results according to FIFO (First-In, First-Out) and the replacement cost.

(iii) Until June 30, 2010, TOTAL's equity share of adjustment items reconciling "Business net income" and Net income attributable to equity holders of Sanofi-Aventis (see note 2, paragraph "Sales of Sanofi-Aventis shares and loss of significant influence over Sanofi-Aventis")

The adjusted results (adjusted operating income, adjusted net operating income, adjusted net income) are defined as replacement cost results, adjusted for special items, and, until June 30, 2010, excluding TOTAL's equity share of adjustment items related to Sanofi-Aventis.

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

ADJUSTMENTS TO OPERATING INCOME

(M€)		Upstream	Downstream	Chemicals	Corporate	Total
3rd quarter 2010	Inventory valuation effect	-	(71)	(33)	-	(104)
	Restructuring charges	-	-	-	-	-
	Asset impairment charges	(15)	-	-	-	(15)
	Other items	-	-	-	-	-
Total		(15)	(71)	(33)	-	(119)
3rd quarter 2009	Inventory valuation effect	-	150	64	-	214
	Restructuring charges	-	-	-	-	-
	Asset impairment charges	-	-	(3)	-	(3)
	Other items	-	(2)	(4)	-	(6)
Total		-	148	57	-	205
9 months 2010	Inventory valuation effect	-	564	32	-	596
	Restructuring charges	-	-	-	-	-
	Asset impairment charges	(15)	-	(8)	-	(23)
	Other items	-	(50)	(16)	-	(66)
Total		(15)	514	8	-	507
9 months 2009	Inventory valuation effect	-	1,428	328	-	1,756
	Restructuring charges	-	-	-	-	-
	Asset impairment charges	-	(62)	(46)	-	(108)
	Other items	-	(183)	(9)	-	(192)
Total		-	1,183	273	-	1,456

ADJUSTMENTS TO NET INCOME GROUP SHARE

(M€)		Upstream	Downstream	Chemicals	Corporate	Total
3rd quarter 2010	Inventory valuation effect	-	(18)	(30)	-	(48)
	TOTAL's equity share of adjustments related to Sanofi-Aventis	-	-	-	-	-
	Restructuring charges	-	-	(1)	-	(1)
	Asset impairment charges	(101)	-	-	-	(101)
	Gains (losses) on disposals of assets	362	-	4	136	502
	Other items	-	-	-	-	-
Total		261	(18)	(27)	136	352
3rd quarter 2009	Inventory valuation effect	-	77	45	-	122
	TOTAL's equity share of adjustments related to Sanofi-Aventis	-	-	-	(70)	(70)
	Restructuring charges	-	-	(7)	-	(7)
	Asset impairment charges	-	-	(2)	-	(2)
	Gains (losses) on disposals of assets	-	-	-	46	46
	Other items	(31)	(1)	(3)	-	(35)
Total		(31)	76	33	(24)	54
9 months 2010	Inventory valuation effect	-	445	20	-	465
	TOTAL's equity share of adjustments related to Sanofi-Aventis	-	-	-	(81)	(81)
	Restructuring charges	-	-	(11)	-	(11)
	Asset impairment charges	(160)	-	(6)	-	(166)
	Gains (losses) on disposals of assets	362	-	33	299	694
	Other items	(44)	(39)	(9)	-	(92)
Total		158	406	27	218	809
9 months 2009	Inventory valuation effect	-	1,021	216	-	1,237
	TOTAL's equity share of adjustments related to Sanofi-Aventis	-	-	-	(252)	(252)
	Restructuring charges	-	(16)	(96)	-	(112)
	Asset impairment charges	-	(41)	(32)	-	(73)
	Gains (losses) on disposals of assets	-	-	-	87	87
	Other items	(70)	(132)	(6)	-	(208)
Total		(70)	832	82	(165)	679

4) Shareholders' equity

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

As of September 30, 2010, TOTAL S.A. held 13,805,444 of its own shares, representing 0.59% of its share capital, detailed as follows:

- 8,810,952 shares allocated to TOTAL restricted shares plans for Group employees; and
- 4,994,492 shares intended to be allocated to new TOTAL share purchase option plans or to new restricted shares plans.

These 13,805,444 shares are deducted from the consolidated shareholders' equity.

TOTAL shares held by Group subsidiaries

As of September 30, 2010, TOTAL S.A. held indirectly through its subsidiaries 100,331,268 of its own shares, representing 4.27% 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 21, 2010 approved the payment of a cash dividend of €2.28 per share for the fiscal year 2009. Taking into account an interim dividend of €1.14 per share paid on November 18, 2009, the remaining balance of €1.14 per share was paid on June 1, 2010.

The Board of Directors approved the 2010 interim dividend of €1.14 per share at their July 29, 2010 meeting. It will be paid on November 17, 2010.

Other Comprehensive Income

Detail of other comprehensive income showing items reclassified from equity to net income is presented in the table below:

(M€)	9 months 2010	9 months 2009
Currency translation adjustment	1,469	(859)
- unrealized gain/(loss) of the period	1,472	(858)
- less gain/(loss) included in net income	3	1
Available for sale financial assets	(48)	50
- unrealized gain/(loss) of the period	1	50
- less gain/(loss) included in net income	49	-
Cash flow hedge	(89)	63
- unrealized gain/(loss) of the period	(170)	301
- less gain/(loss) included in net income	(81)	238
Share of other comprehensive income of equity affiliates, net amount	275	51
Other	(6)	(6)
- unrealized gain/(loss) of the period	(6)	(6)
- less gain/(loss) included in net income	-	-
Tax effect	31	(31)
Total other comprehensive income, net amount	1,632	(732)

Tax effects relating to each component of other comprehensive income are as follows:

(M€)	9 months 2010			9 months 2009		
	Pre-tax amount	Tax effect	Net amount	Pre-tax amount	Tax effect	Net amount
Currency translation adjustment	1,469		1,469	(859)		(859)
Available for sale financial assets	(48)	2	(46)	50	(10)	40
Cash flow hedge	(89)	29	(60)	63	(21)	42
Share of other comprehensive income of equity affiliates, net amount	275		275	51		51
Other	(6)		(6)	(6)		(6)
Total other comprehensive income	1,601	31	1,632	(701)	(31)	(732)

5) Non-current financial debt

The Group issued bonds through its subsidiary Total Capital during the first nine months of 2010:

- Bond 6.000% 2010-2015 (100 million AUD)
- Bond 2.875% 2010-2015 (250 million USD)
- Bond 6.000% 2010-2015 (100 million AUD)
- Bond 3.000% 2010-2015 (1,250 million USD)
- Bond 4.450% 2010-2020 (1,250 million USD)
- Bond 6.000% 2010-2015 (100 million AUD)
- Bond 5.750% 2010-2014 (150 million AUD)
- Bond 2.500% 2010-2014 (150 million CAD)
- Bond 4.750% 2010-2014 (100 million NZD)
- Bond 3.125% 2010-2022 (500 million EUR)
- Bond 2.250% 2010-2016 (1,000 million USD)

The Group reimbursed bonds during the first nine months of 2010:

- Bond 3.750% 2004-2010 (500 million EUR)
- Bond 3.750% 2006-2010 (100 million EUR)
- Bond 3.750% 2006-2010 (50 million EUR)
- Bond 3.750% 2006-2010 (50 million EUR)
- Bond 2.375% 2003-2010 (300 million CHF)
- Bond 2.375% 2004-2010 (200 million CHF)
- Bond 2.375% 2007-2010 (100 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 changes in current borrowings, cash and cash equivalents and 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 2010.

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, some subsidiaries of the Arkema⁽¹⁾ group have been involved in criminal investigations, closed as of today, and civil liability lawsuits in the United States 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. In January 2005, under one of these investigations, the European Commission fined Arkema €13.5 million and jointly fined Arkema and Elf Aquitaine €45 million. The appeal from Arkema and Elf Aquitaine before the Court of First Instance of the European Union has been rejected on September 30, 2009. A recourse before the Court of Justice of the European Communities has been filed.

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. In May 2006, the European Commission fined Arkema €78.7 million and €219.1 million, as a result of, respectively, each of these two proceedings. Elf Aquitaine was held jointly and severally liable for, respectively, €65.1 million and €181.35 million of these fines while TOTAL S.A. was held jointly and severally liable, respectively, for €42 million and €140.4 million. TOTAL S.A., Arkema and Elf Aquitaine 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, in June 2008, Arkema and Elf Aquitaine have been jointly and severally fined in an amount of €22.7 million and individually in an amount of €20.43 million for Arkema and €15.89 million for Elf Aquitaine. The concerned companies appealed this decision to the relevant European court.

Arkema and Elf Aquitaine received a statement of objections from the European Commission in March 2009 concerning alleged anti-competitive practices related to another line of chemical products. The decision has been rendered by the Commission in November 2009. The companies have been jointly and severally fined in an amount of €11 million and individually in an amount of €9.92 million for Arkema and €7.71 million for Elf Aquitaine. The concerned companies appealed this decision to the relevant 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, as well as TOTAL S.A. and Elf Aquitaine.

2. As part of the agreement relating 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 that began in 2006, 90% of amounts paid by Arkema related to (i) fines imposed by European authorities or European member-states for competition law violations, (ii) fines imposed by U.S. 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.

The guarantee covering the risks related to anticompetition violations in Europe applies to amounts above a €176.5 million 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.

On the other hand, the agreements provide that Arkema will indemnify TOTAL S.A. or any Group company for 10% of any amount that TOTAL S.A. or any Group company are required to pay under any of the proceedings covered by these guarantees.

3. The Group has recorded provisions amounting to €17 million in its consolidated financial statements as of September 30, 2010 to cover the risks mentioned above.

(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. on May 12, 2006.

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 million and in TOTAL S.A. as its parent company being held jointly responsible for €13.5 million 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 concerning another product line of the Refining & Marketing division. These proceedings resulted, in October 2008, in Total France being fined €128.2 million 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. TOTAL S.A. and Total Raffinage Marketing (the new corporate name of Total France) have appealed this decision to the Court of First Instance of the European Union.

Furthermore, in July 2009, the French antitrust Authority sent to TotalGaz and Total Raffinage Marketing a statement of objections regarding alleged antitrust practices concerning another product line of the Refining & Marketing division.

5. Given the discretionary powers granted to antitrust Authorities for determining fines, it is not currently possible to determine with certainty the ultimate 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 situation or consolidated 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 a number of people and caused property damage to the depot and the buildings and homes located nearby. The official Independent Investigation Board has indicated that the explosion was caused by the overflow of a tank at the depot. The Board's final report was released on December 11, 2008. The civil procedure for claims, which had not yet been settled, took place between October and December 2008. The Court's decision of March 20, 2009, declared the British subsidiary of TOTAL responsible for the accident and solely liable for indemnifying the victims. TOTAL's British subsidiary has appealed this decision. The appeal trial took place in January 2010. The Court of Appeals, by a decision handed down on March 4, 2010, confirmed the prior judgment. The Supreme Court has partially authorized TOTAL's British subsidiary to appeal this decision. The pleadings before Supreme Court are scheduled to take place in the first half 2011.

The Group carries insurance for damage to its interests in these facilities, business interruption and civil liability claims from third parties. With respect to civil liability the provision recorded in the Group's consolidated financial statements as of September 30, 2010 amounts to €222 million after payments already completed.

The Group believes that, based on the information currently available, on a reasonable estimate of its liability and on provisions recognized, this accident should not have a significant impact on the Group's financial situation or consolidated results.

On December 1, 2008, the Health and Safety Executive (HSE) and the Environment Agency (EA) issued a Notice of prosecution against five companies, including the British subsidiary of TOTAL. By decision dated July 16, 2010, the judge fined TOTAL's British subsidiary £3.6 million. The decision takes into account a number of elements that have mitigated the impact of the charges brought against the subsidiary. The TOTAL's British subsidiary has decided not to appeal the judgment.

Erika

Following the sinking in December 1999 of the Erika, a tanker that was transporting products belonging to one of the Group companies, the *Tribunal de grande instance* of Paris convicted TOTAL S.A. of marine pollution pursuant to a judgment issued on January 16, 2008, finding that TOTAL S.A. was negligent in its vetting procedure for vessel selection. TOTAL S.A. was fined €375,000. The court also ordered compensation to be paid to the victims of pollution from the Erika up to an aggregate amount of €192 million, declaring TOTAL S.A. jointly and severally liable for such payments together with the Erika's inspection and classification firm, the Erika's owner and the Erika's manager.

TOTAL has appealed the verdict of January 16, 2008. In the meantime, it has nevertheless proposed to pay third parties who so requested definitive compensation as determined by the court. Forty-one third parties have received compensation payments, representing an aggregate amount of €171.5 million.

By decision dated March 30, 2010, the Court of Appeal upheld the lower court judgment pursuant to which TOTAL S.A. was convicted of marine pollution and fined the Company €375,000. TOTAL S.A. filed an appeal in the French Supreme Court (Cour de cassation) in this respect. The Erika's inspection and classification firm, the ship's owner and the ship's manager were also convicted of marine pollution.

On the other hand, the Court of Appeal ruled that TOTAL S.A. bears no civil liability according to the applicable international conventions. An appeal in the French Supreme Court (Cour de Cassation) regarding this decision was filed by the third parties still in the procedure.

TOTAL S.A. considers, according to the information currently available to it, that this case will not have a material impact on the Group's financial situation or consolidated results.

Jubail refinery : commitments

SAUDI ARAMCO TOTAL Refining and Petrochemical Company (SATORP), a company that is 62.5% owned by Saudi Aramco and 37.5% owned by TOTAL signed on June 24, 2010, the finance documents for \$8.5 billion of senior project finance facilities that have been secured for the Jubail refinery.

As part of this project financing, TOTAL S.A. and some of its subsidiaries have granted a group of guarantees that have been specifically approved by TOTAL's Board of Directors.

8) Information by business segment

9 months 2010 (M€)	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Non-Group sales	13,525	92,305	13,272	10	-	119,112
Intersegment sales	16,679	3,624	750	131	(21,184)	-
Excise taxes	-	(14,396)	-	-	-	(14,396)
Revenues from sales	30,204	81,533	14,022	141	(21,184)	104,716
Operating expenses	(13,380)	(79,083)	(12,861)	(461)	21,184	(84,601)
Depreciation, depletion and amortization of tangible assets and mineral interests	(3,881)	(959)	(393)	(28)	-	(5,261)
Operating income	12,943	1,491	768	(348)	-	14,854
Equity in income (loss) of affiliates and other items	893	256	166	581	-	1,896
Tax on net operating income	(7,381)	(441)	(220)	186	-	(7,856)
Net operating income	6,455	1,306	714	419	-	8,894
Net cost of net debt						(168)
Minority interests						(185)
Net income						8,541

9 months 2010 (adjustments) ^(a) (M€)	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Non-Group sales						
Intersegment sales						
Excise taxes						
Revenues from sales						
Operating expenses	-	514	16	-	-	530
Depreciation, depletion and amortization of tangible assets and mineral interests	(15)	-	(8)	-	-	(23)
Operating income^(b)	(15)	514	8	-	-	507
Equity in income (loss) of affiliates and other items ^(c)	(61)	66	16	223	-	244
Tax on net operating income	234	(176)	3	(5)	-	56
Net operating income^(b)	158	404	27	218	-	807
Net cost of net debt						-
Minority interests						2
Net income						809

(a) Adjustments include special items, inventory valuation effect and, until June 30, 2010, equity share of adjustments related to Sanofi-Aventis.

(b) Of which inventory valuation effect

On operating income - 564 32 -

On net operating income - 443 20 -

(c) Of which equity share of adjustments related to Sanofi-Aventis - - - (81)

9 months 2010 (adjusted) (M€)	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Non-Group sales	13,525	92,305	13,272	10	-	119,112
Intersegment sales	16,679	3,624	750	131	(21,184)	-
Excise taxes	-	(14,396)	-	-	-	(14,396)
Revenues from sales	30,204	81,533	14,022	141	(21,184)	104,716
Operating expenses	(13,380)	(79,597)	(12,877)	(461)	21,184	(85,131)
Depreciation, depletion and amortization of tangible assets and mineral interests	(3,866)	(959)	(385)	(28)	-	(5,238)
Adjusted operating income	12,958	977	760	(348)	-	14,347
Equity in income (loss) of affiliates and other items	954	190	150	358	-	1,652
Tax on net operating income	(7,615)	(265)	(223)	191	-	(7,912)
Adjusted net operating income	6,297	902	687	201	-	8,087
Net cost of net debt						(168)
Minority interests						(187)
Adjusted net income						7,732

9 months 2010 (M€)	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Total expenditures	9,266	1,586	349	46	-	11,247
Total divestments	1,296	66	324	1,286	-	2,972
Cash flow from operating activities	11,665	2,396	602	443	-	15,106

9 months 2009 (M€)	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Non-Group sales	11,192	73,095	10,794	18	-	95,099
Intersegment sales	11,498	2,569	517	115	(14,699)	-
Excise taxes	-	(14,241)	-	-	-	(14,241)
Revenues from sales	22,690	61,423	11,311	133	(14,699)	80,858
Operating expenses	(10,453)	(58,235)	(10,381)	(466)	14,699	(64,836)
Depreciation, depletion and amortization of tangible assets and mineral interests	(3,266)	(990)	(474)	(25)	-	(4,755)
Operating income	8,971	2,198	456	(358)	-	11,267
Equity in income (loss) of affiliates and other items	691	173	(102)	502	-	1,264
Tax on net operating income	(5,298)	(632)	(72)	197	-	(5,805)
Net operating income	4,364	1,739	282	341	-	6,726
Net cost of net debt						(204)
Minority interests						(140)
Net income						6,382

9 months 2009 (adjustments) ^(a) (M€)	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Non-Group sales						
Intersegment sales						
Excise taxes						
Revenues from sales						
Operating expenses	-	1,245	319	-		1,564
Depreciation, depletion and amortization of tangible assets and mineral interests	-	(62)	(46)	-		(108)
Operating income^(b)	-	1,183	273	-		1,456
Equity in income (loss) of affiliates and other items ^(c)	(70)	44	(146)	(163)		(335)
Tax on net operating income	-	(390)	(45)	(1)		(436)
Net operating income^(b)	(70)	837	82	(164)		685
Net cost of net debt						-
Minority interests						(6)
Net income						679

(a) Adjustments include special items, inventory valuation effect and, until June 30, 2010, equity share of adjustments related to Sanofi-Aventis.

(b) Of which inventory valuation effect

On operating income

- 1,428 328 -

On net operating income

- 1,026 216 -

(c) Of which equity share of adjustments related to Sanofi-Aventis

- - - (252)

9 months 2009 (adjusted) (M€)	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Non-Group sales	11,192	73,095	10,794	18	-	95,099
Intersegment sales	11,498	2,569	517	115	(14,699)	-
Excise taxes	-	(14,241)	-	-	-	(14,241)
Revenues from sales	22,690	61,423	11,311	133	(14,699)	80,858
Operating expenses	(10,453)	(59,480)	(10,700)	(466)	14,699	(66,400)
Depreciation, depletion and amortization of tangible assets and mineral interests	(3,266)	(928)	(428)	(25)	-	(4,647)
Adjusted operating income	8,971	1,015	183	(358)	-	9,811
Equity in income (loss) of affiliates and other items	761	129	44	665	-	1,599
Tax on net operating income	(5,298)	(242)	(27)	198	-	(5,369)
Adjusted net operating income	4,434	902	200	505	-	6,041
Net cost of net debt						(204)
Minority interests						(134)
Ajusted net income						5,703

9 months 2009 (M€)	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Total expenditures	7,426	1,927	406	66		9,825
Total divestments	321	85	27	1,704		2,137
Cash flow from operating activities	7,375	2,564	758	(226)		10,471

3 rd quarter 2010 (M€)	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Non-Group sales	4,410	31,307	4,460	3	-	40,180
Intersegment sales	5,660	1,149	243	44	(7,096)	-
Excise taxes	-	(4,952)	-	-	-	(4,952)
Revenues from sales	10,070	27,504	4,703	47	(7,096)	35,228
Operating expenses	(4,562)	(27,002)	(4,308)	(143)	7,096	(28,919)
Depreciation, depletion and amortization of tangible assets and mineral interests	(1,333)	(336)	(127)	(9)	-	(1,805)
Operating income	4,175	166	268	(105)	-	4,504
Equity in income (loss) of affiliates and other items	595	101	43	149	-	888
Tax on net operating income	(2,386)	(27)	(82)	44	-	(2,451)
Net operating income	2,384	240	229	88	-	2,941
Net cost of net debt						(61)
Minority interests						(53)
Net income						2,827

3 rd quarter 2010 (adjustments) ^(a) (M€)	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Non-Group sales						
Intersegment sales						
Excise taxes						
Revenues from sales						
Operating expenses	-	(71)	(33)	-		(104)
Depreciation, depletion and amortization of tangible assets and mineral interests	(15)	-	-	-		(15)
Operating income^(b)	(15)	(71)	(33)	-		(119)
Equity in income (loss) of affiliates and other items ^(c)	85	25	(6)	139		243
Tax on net operating income	191	22	12	(3)		222
Net operating income^(b)	261	(24)	(27)	136		346
Net cost of net debt						-
Minority interests						6
Net income						352

(a) Adjustments include special items, inventory valuation effect and, until June 30, 2010, equity share of adjustments related to Sanofi-Aventis.

(b) Of which inventory valuation effect

On operating income

- (71) (33) -

On net operating income

- (24) (30) -

(c) Of which equity share of adjustments related to Sanofi-Aventis

- - - -

3 rd quarter 2010 (adjusted) (M€)	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Non-Group sales	4,410	31,307	4,460	3	-	40,180
Intersegment sales	5,660	1,149	243	44	(7,096)	-
Excise taxes	-	(4,952)	-	-	-	(4,952)
Revenues from sales	10,070	27,504	4,703	47	(7,096)	35,228
Operating expenses	(4,562)	(26,931)	(4,275)	(143)	7,096	(28,815)
Depreciation, depletion and amortization of tangible assets and mineral interests	(1,318)	(336)	(127)	(9)	-	(1,790)
Adjusted operating income	4,190	237	301	(105)	-	4,623
Equity in income (loss) of affiliates and other items	510	76	49	10	-	645
Tax on net operating income	(2,577)	(49)	(94)	47	-	(2,673)
Adjusted net operating income	2,123	264	256	(48)	-	2,595
Net cost of net debt						(61)
Minority interests						(59)
Ajusted net income						2,475

3 rd quarter 2010 (M€)	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Total expenditures	3,400	568	111	13		4,092
Total divestments	1,035	28	(10)	21		1,074
Cash flow from operating activities	2,831	900	215	958		4,904

3 rd quarter 2009 (M€)	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Non-Group sales	3,318	26,409	3,892	9	-	33,628
Intersegment sales	4,149	923	241	36	(5,349)	-
Excise taxes	-	(4,812)	-	-	-	(4,812)
Revenues from sales	7,467	22,520	4,133	45	(5,349)	28,816
Operating expenses	(3,086)	(21,982)	(3,746)	(113)	5,349	(23,578)
Depreciation, depletion and amortization of tangible assets and mineral interests	(1,145)	(307)	(139)	(8)	-	(1,599)
Operating income	3,236	231	248	(76)	-	3,639
Equity in income (loss) of affiliates and other items	119	46	19	166	-	350
Tax on net operating income	(1,885)	(51)	(73)	54	-	(1,955)
Net operating income	1,470	226	194	144	-	2,034
Net cost of net debt						(59)
Minority interests						(52)
Net income						1,923

3 rd quarter 2009 (adjustments) ^(a) (M€)	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Non-Group sales						
Intersegment sales						
Excise taxes						
Revenues from sales						
Operating expenses	-	148	60	-		208
Depreciation, depletion and amortization of tangible assets and mineral interests	-	-	(3)	-		(3)
Operating income^(b)	-	148	57	-		205
Equity in income (loss) of affiliates and other items ^(c)	(31)	(19)	(8)	(22)		(80)
Tax on net operating income	-	(49)	(16)	(1)		(66)
Net operating income^(b)	(31)	80	33	(23)		59
Net cost of net debt						-
Minority interests						(5)
Net income						54

(a) Adjustments include special items, inventory valuation effect and, until June 30, 2010, equity share of adjustments related to Sanofi-Aventis.

(b) Of which inventory valuation effect

On operating income

- 150 64 -

On net operating income

- 81 45 -

(c) Of which equity share of adjustments related to Sanofi-Aventis

- - - (70)

3 rd quarter 2009 (adjusted) (M€)	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Non-Group sales	3,318	26,409	3,892	9	-	33,628
Intersegment sales	4,149	923	241	36	(5,349)	-
Excise taxes	-	(4,812)	-	-	-	(4,812)
Revenues from sales	7,467	22,520	4,133	45	(5,349)	28,816
Operating expenses	(3,086)	(22,130)	(3,806)	(113)	5,349	(23,786)
Depreciation, depletion and amortization of tangible assets and mineral interests	(1,145)	(307)	(136)	(8)	-	(1,596)
Adjusted operating income	3,236	83	191	(76)	-	3,434
Equity in income (loss) of affiliates and other items	150	65	27	188	-	430
Tax on net operating income	(1,885)	(2)	(57)	55	-	(1,889)
Adjusted net operating income	1,501	146	161	167	-	1,975
Net cost of net debt						(59)
Minority interests						(47)
Ajusted net income						1,869

3 rd quarter 2009 (M€)	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
Total expenditures	2,512	607	112	25		3,256
Total divestments	87	23	13	684		807
Cash flow from operating activities	2,854	944	300	440		4,538

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

9 months 2010 (M€)	Adjusted	Adjustments	Consolidated statement of income
Sales	119,112	-	119,112
Excise taxes	(14,396)	-	(14,396)
Revenues from sales	104,716	-	104,716
Purchases net of inventory variation	(70,144)	596	(69,548)
Other operating expenses	(14,320)	(66)	(14,386)
Exploration costs	(667)	-	(667)
Depreciation, depletion and amortization of tangible assets and mineral interests	(5,238)	(23)	(5,261)
Other income	303	511	814
Other expense	(208)	(179)	(387)
Financial interest on debt	(339)	-	(339)
Financial income from marketable securities & cash equivalents	88	-	88
Cost of net debt	(251)	-	(251)
Other financial income	324	-	324
Other financial expense	(293)	-	(293)
Equity in income (loss) of affiliates	1,526	(88)	1,438
Income taxes	(7,829)	56	(7,773)
Consolidated net income	7,919	807	8,726
Group share	7,732	809	8,541
Minority interests	187	(2)	185

9 months 2009 (M€)	Adjusted	Adjustments	Consolidated statement of income
Sales	95,099	-	95,099
Excise taxes	(14,241)	-	(14,241)
Revenues from sales	80,858	-	80,858
Purchases net of inventory variation	(52,224)	1,756	(50,468)
Other operating expenses	(13,715)	(192)	(13,907)
Exploration costs	(461)	-	(461)
Depreciation, depletion and amortization of tangible assets and mineral interests	(4,647)	(108)	(4,755)
Other income	102	89	191
Other expense	(167)	(231)	(398)
Financial interest on debt	(419)	-	(419)
Financial income from marketable securities & cash equivalents	116	-	116
Cost of net debt	(303)	-	(303)
Other financial income	466	-	466
Other financial expense	(253)	-	(253)
Equity in income (loss) of affiliates	1,451	(193)	1,258
Income taxes	(5,270)	(436)	(5,706)
Consolidated net income	5,837	685	6,522
Group share	5,703	679	6,382
Minority interests	134	6	140

3rd quarter 2010 (M€)	Adjusted	Adjustments	Consolidated statement of income
Sales	40,180	-	40,180
Excise taxes	(4,952)	-	(4,952)
Revenues from sales	35,228	-	35,228
Purchases net of inventory variation	(23,814)	(104)	(23,918)
Other operating expenses	(4,841)	-	(4,841)
Exploration costs	(160)	-	(160)
Depreciation, depletion and amortization of tangible assets and mineral interests	(1,790)	(15)	(1,805)
Other income	223	317	540
Other expense	(41)	(20)	(61)
Financial interest on debt	(126)	-	(126)
Financial income from marketable securities & cash equivalents	40	-	40
Cost of net debt	(86)	-	(86)
Other financial income	111	-	111
Other financial expense	(103)	-	(103)
Equity in income (loss) of affiliates	455	(54)	401
Income taxes	(2,648)	222	(2,426)
Consolidated net income	2,534	346	2,880
Group share	2,475	352	2,827
Minority interests	59	(6)	53

3rd quarter 2009 (M€)	Adjusted	Adjustments	Consolidated statement of income
Sales	33,628	-	33,628
Excise taxes	(4,812)	-	(4,812)
Revenues from sales	28,816	-	28,816
Purchases net of inventory variation	(19,154)	214	(18,940)
Other operating expenses	(4,502)	(6)	(4,508)
Exploration costs	(130)	-	(130)
Depreciation, depletion and amortization of tangible assets and mineral interests	(1,596)	(3)	(1,599)
Other income	22	48	70
Other expense	(54)	(41)	(95)
Financial interest on debt	(108)	-	(108)
Financial income from marketable securities & cash equivalents	21	-	21
Cost of net debt	(87)	-	(87)
Other financial income	67	-	67
Other financial expense	(90)	-	(90)
Equity in income (loss) of affiliates	485	(87)	398
Income taxes	(1,861)	(66)	(1,927)
Consolidated net income	1,916	59	1,975
Group share	1,869	54	1,923
Minority interests	47	5	52

10) Sales by segment

(M€)	Upstream	Downstream	Chemicals	Corporate	Intercompany	Total
1st quarter 2010						
Non-Group sales	4,569	28,808	4,223	3	-	37,603
Intersegment sales	5,302	1,081	237	42	(6,662)	-
Excise taxes	-	(4,442)	-	-	-	(4,442)
Revenues from sales	9,871	25,447	4,460	45	(6,662)	33,161
2nd quarter 2010						
Non-Group sales	4,546	32,190	4,589	4	-	41,329
Intersegment sales	5,717	1,394	270	45	(7,426)	-
Excise taxes	-	(5,002)	-	-	-	(5,002)
Revenues from sales	10,263	28,582	4,859	49	(7,426)	36,327
3rd quarter 2010						
Non-Group sales	4,410	31,307	4,460	3	-	40,180
Intersegment sales	5,660	1,149	243	44	(7,096)	-
Excise taxes	-	(4,952)	-	-	-	(4,952)
Revenues from sales	10,070	27,504	4,703	47	(7,096)	35,228
9 months 2010						
Non-Group sales	13,525	92,305	13,272	10	-	119,112
Intersegment sales	16,679	3,624	750	131	(21,184)	-
Excise taxes	-	(14,396)	-	-	-	(14,396)
Revenues from sales	30,204	81,533	14,022	141	(21,184)	104,716
1st quarter 2009						
Non-Group sales	4,447	22,368	3,218	8	-	30,041
Intersegment sales	3,242	641	124	37	(4,044)	-
Excise taxes	-	(4,573)	-	-	-	(4,573)
Revenues from sales	7,689	18,436	3,342	45	(4,044)	25,468
2nd quarter 2009						
Non-Group sales	3,427	24,318	3,684	1	-	31,430
Intersegment sales	4,107	1,005	152	42	(5,306)	-
Excise taxes	-	(4,856)	-	-	-	(4,856)
Revenues from sales	7,534	20,467	3,836	43	(5,306)	26,574
3rd quarter 2009						
Non-Group sales	3,318	26,409	3,892	9	-	33,628
Intersegment sales	4,149	923	241	36	(5,349)	-
Excise taxes	-	(4,812)	-	-	-	(4,812)
Revenues from sales	7,467	22,520	4,133	45	(5,349)	28,816
9 months 2009						
Non-Group sales	11,192	73,095	10,794	18	-	95,099
Intersegment sales	11,498	2,569	517	115	(14,699)	-
Excise taxes	-	(14,241)	-	-	-	(14,241)
Revenues from sales	22,690	61,423	11,311	133	(14,699)	80,858

11) Post-closing events

Repurposing project for the Flanders refinery

On June 30, 2010, the Douai Court of Appeals ordered TOTAL to resume its refining activities at the Flanders refinery even though the procedure for the information and consultation of personnel representatives on the repurposing of the Flanders plant had been completed by June 24, 2010, and authorized TOTAL to proceed with the definitive shutdown of its refining operations at Dunkirk.

After having examined the paradoxical legal situation thus created, TOTAL decided to appeal the decision of the Douai Court of Appeals.

At the same time TOTAL asked the Nanterre Superior Court to rule that the procedure for the information and consultation of employee representatives complied with all applicable legal provisions. By decision dated October 22, 2010, the Superior Court held that the procedure for the information and consultation completed on June 24, 2010 complied with all applicable legal provisions and allowed the company to implement its repurposing project for the Flanders refinery. The Court also confirmed that the company does not have to resume its refining activities at the Flanders refinery.

At the current stage of procedures, no significant impact has been recorded in the Group's consolidated financial statements for the first nine months of 2010.