



**TOTAL GABON**

*Société anonyme* incorporated in Gabon with a Board of Directors and share capital of \$76,500,000

Headquarters: Boulevard Hourcq, Port-Gentil, BP 525, Gabonese Republic

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Registered in Port-Gentil: 2000 B 00011

## PRESS RELEASE

### THIRD-QUARTER 2011 RESULTS

Port-Gentil — November 8, 2011

#### Main Financial Indicators

		Q3 11	Q2 11	Q3 10	Q3 11 vs. Q3 10	9M 11	9M 10	9M 11 vs. 9M 10
Average Brent price	\$/b	113.4	117.0	76.9	+48%	111.9	77.1	+45%
Average Total Gabon crude price	\$/b	108.1	113.7	74.2	+46%	107.9	73.7	+46%
Crude oil production from fields operated by Total Gabon	kb/d	57.5	56.5	64.5	-11%	57.6	66.8	-14%
Crude oil production from Total Gabon interests <sup>1</sup>	kb/d	47.0	46.7	51.6	-9%	47.4	54.0	-12%
Revenues	\$M	458	346	360	+27%	1,185	1,037	+14%
Funds generated from operations	\$M	218	165	213	+2%	598	611	-2%
Capital expenditure	\$M	190	162	84	+126%	445	206	+115%
Net income	\$M	105	80	70	+49%	269	159	+69%

(1) Including the oil tax reverting to the Republic as per the production sharing contracts.

#### Third-Quarter and Nine-Month Results

##### Selling Price

In the third quarter of 2011, Brent averaged \$113.4 per barrel, up 48% from the prior-year period, but down 3% from the second quarter of the year.

The selling price of the Mandji and Rabi Light crude oil grades marketed by Total Gabon averaged

\$108.1 per barrel in the third quarter of 2011, up 46% from a year earlier, but down 5% from second-quarter of the year.

The selling price of the two oil grades marketed by Total Gabon averaged \$107.9 per barrel in the first nine months of the year, up 46% from \$73.7 in the prior-year period.

## **Production**

Total Gabon's equity share of operated and non-operated oil produced<sup>1</sup> averaged 47,000 barrels per day in the third quarter 2011, down 9% from 51,600 barrels per day in the prior-year period, but up 1% from 46,700 barrels per day in second-quarter 2011. This was mainly attributable to:

### **Third-Quarter 2011 Versus Third-Quarter 2010**

- A 7% decrease resulting from naturally declining output from certain fields, which was partially offset by optimizing existing wells and bringing new wells on stream.
- A 3% decrease due to a shut-in on Hylia following a power supply problem.
- A 1% increase related to lower level of shutdowns in the third quarter 2011 compared to the prior-year period.

### **Third-Quarter 2011 Versus Second-Quarter 2011**

- A 3% increase related to shorter shutdowns in the third quarter compared to the second quarter (strike in April 2011).
- A 2% decrease resulting from naturally declining output from certain fields, which was partially offset by bringing a new well on stream (TRM 31).

Total Gabon's equity share of operated and non-operated oil produced<sup>1</sup> averaged 47,400 barrels per day in **the first nine months of 2011**, down 12% from 54,000 barrels per day in the prior-year period. The decrease can be attributed to the following factors:

- A 6% decrease resulting from naturally declining output from certain fields, which was partially offset by optimizing existing wells and bringing new wells on stream.
- Non-recurrent events accounting for an additional 6% decline. Incidents affecting two subsea pipelines reduced production from the Barbier and Baudroie fields, the Hylia field was shut in as a result of a power supply problem, installation of the *Constellation* drilling rig required a stoppage on the Torpille field, and production was halted by a strike in April.

## **Revenues**

Third-quarter 2011 revenues rose 27% to \$458 million from \$360 million in the prior-year period, lifted by higher average selling prices for crude over the period considered.

Revenues increased 32% from \$346 million in the second quarter due to higher volumes marketed, which exceeded production levels.

As a result of less oil marketed in the first nine months of the year, and higher average selling prices., revenues for the period amounted to \$1,185 million, up 14% from \$1,037 million in the first nine months of 2010.

## **Net Income**

Third-quarter 2011 net income rose 49% to \$105 million from \$70 million in the prior-year period, and was up 31% compared to second-quarter net income of \$80 million. The increase was essentially due to higher revenues.

For the first nine months of the year, net income amounted to \$269 million, up 69% from \$159 million in the first nine months of 2010, due mainly to higher revenues and lower depreciation and amortization expense and provisions year-on-year.

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<sup>1</sup> Including the oil tax reverting to the Republic as per the production sharing contracts.

## Capital Expenditure

Capital expenditure stood at \$190 million in third-quarter 2011, up from \$84 million in the prior-year period and \$162 million in the second quarter of this year. Capital expenditure mainly consisted of continued redevelopment of the Anguille field and drilling programs on the Avocette, Girelle and Torpille fields.

## Funds Generated from Operations

In light of the above and higher income taxes as a result of lower depreciation and amortization expense and provisions, funds generated from operations amounted to \$218 million in third-quarter 2011, an increase of 2% from the prior-year figure of \$213 million and of 32% over the second-quarter 2011 figure of \$165 million, reflecting the increase in revenues and net income.

## Highlights Since the Beginning of Third-Quarter 2011

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### Board of Directors Meeting on August 26, 2011

Chaired by Jacques Marraud des Grottes, the Board of Directors of Total Gabon met on August 26 and reviewed the financial accounts for first-half 2011. Benoît Chagué was appointed Chief Executive Officer of the company effective September 1, 2011. The Interim Financial Report of June 30, 2011 was published on August 26.

### Exploration

Total Gabon decided to pull out of the DE7 license after the unsuccessful B'Oba well. Studies are under way for an exploration well on the onshore Mutamba license in 2012.

A project group dedicated to exploring the deep offshore Diaba license was set up in September 2011. Processing of the seismic data acquired on the acreage in 2010 will be completed by year-end.

### Anguille Field Redevelopment

Construction of the AGMN platform, from which the Phase 3 twenty-one wells will be drilled, continues in Fos-sur-Mer, France, with fabrication of the jacket and installation of the crane on the deck. The platform is scheduled to depart France in December 2011 and arrive in Gabon in February 2012.

### Other Operated Activities

The *Constellation 1* drilling rig began an offshore drilling program on the Girelle field in September 2011. The *Setty* jack-up rig began drilling on the offshore Torpille field in February 2011 and the *SMP 102* rig began drilling on the onshore Avocette field in March 2011; both programs are ongoing.

Civil engineering work is continuing on the PG2 site, in preparation for construction of a gas-fired power plant as part of the refurbishment of the electrical installations for the offshore Anguille and Torpille fields.

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