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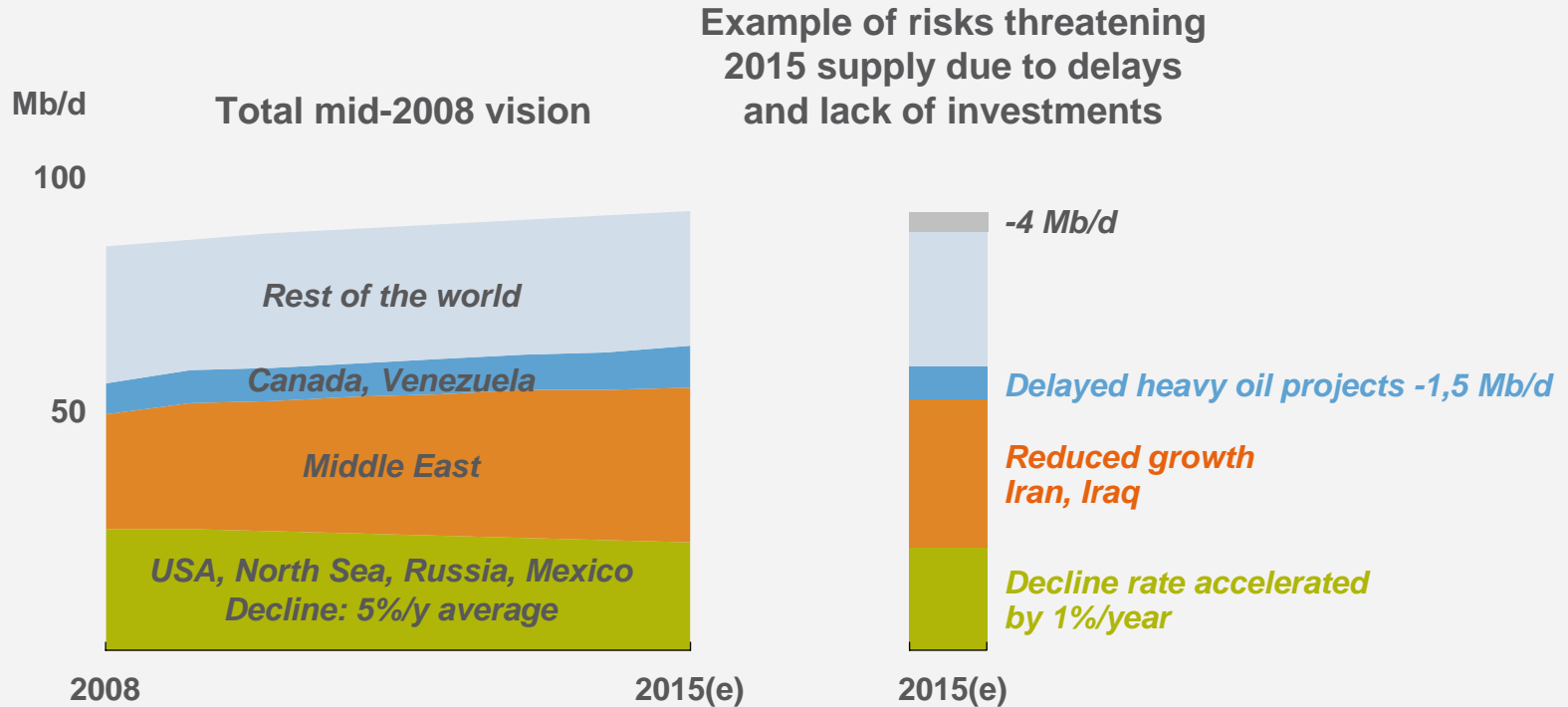
Coping with the new price environment: Oil company strategies

Yves-Louis Darricarrère
President, Exploration & Production



Greater risk to sustainable long-term oil production capacity

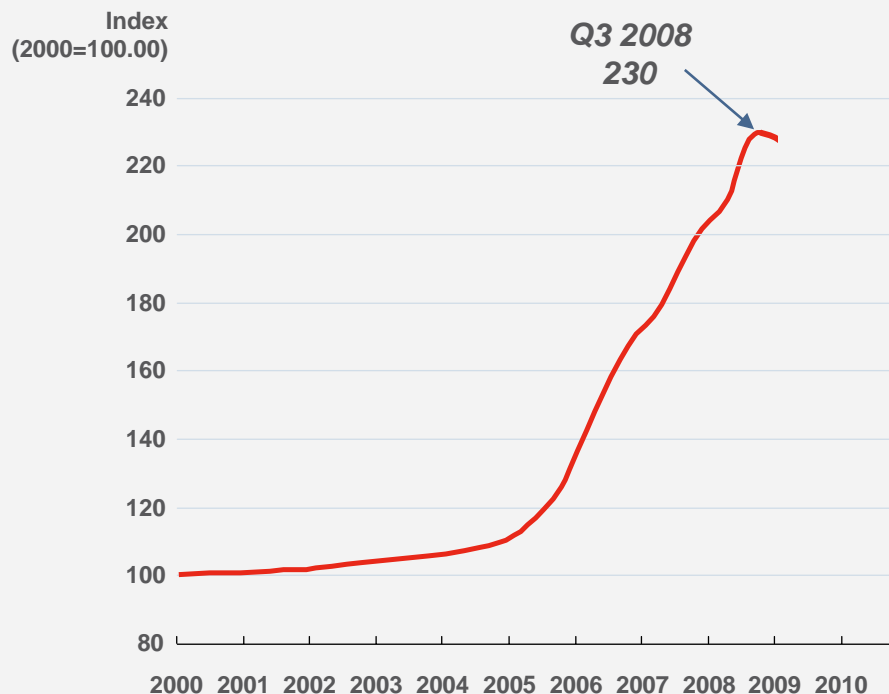
World oil production



No change in Total's long term strategy

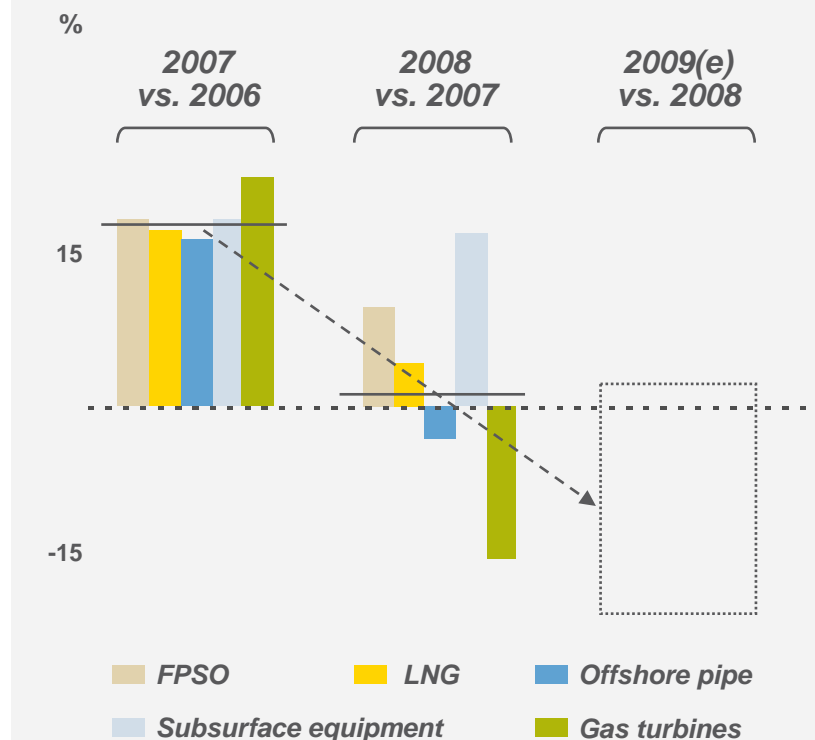
Total will sustain its upstream investment effort

CERA Upstream Capital Cost Index



source: Cambridge Energy Research Associates.

Cost trends for major components of Capex



Total estimates

But costs have to reflect the new environment

Renewed legitimacy for the Majors

- ▶ Capacity to maintain activity through the economic cycle
- ▶ Robust value proposition
 - Technology
 - Integrated project management
 - Financing
- ▶ Long term view, requiring
 - Highly qualified staff and preparing the next generation for even more challenging developments
 - Developing and maintaining expertise
 - Responding to resource holders' expectations
 - A clear commitment to sustainable development

Primary responsibility: a sustainable hydrocarbon supply to our customers



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