



TOTAL S.A.

Head office: 2, place Jean Millier
La Défense 6-92400 Courbevoie
Nanterre Trade and Companies Register 542 051 180

Paris, March 14, 2011

PRESS RELEASE

TOTAL S.A. is launching a capital increase program reserved for employees and former employees of the TOTAL group (the "Group"), the principal terms of which are described below. Through this program, the Group intends to closely associate its employees with the Group's business and growth. As of December 31, 2010, employees held 4.03% of the shares of TOTAL S.A.

ISSUER

TOTAL S.A. (the "Company")

Head office: 2, place Jean Millier - La Défense 6 - 92400 Courbevoie
Share capital: €5,874,102,327.50, *i.e.*, 2,349,640,931 shares as of December 31, 2010.
Nanterre TCR Number: 542 051 180

Classification

Industry: Oil and Gas
Sector: Oil and Gas Producers
Subsector: Integrated Oil and Gas

Information related to the Group is available on TOTAL's Web site (www.total.com) and in particular in the Group's 2009 Registration Document available on this Web site.

AUTHORIZATION OF THE PROGRAM – PURPOSE OF THE OFFER

The twentieth resolution of the Combined General Meeting held on May 21, 2010, granted the Board of Directors the authority to undertake, in one or several steps and within a maximum period of 26 months, a capital increase reserved for the employees participating in a Savings Plan of TOTAL S.A. or certain of its subsidiaries, pursuant to articles L. 3332-2 and L. 3332-18 of the French Labor Code and articles L.225-129-2, L.225-129-6 and L.225-138-1 of the French Commercial Code.

Pursuant to this authorization, the maximum number of shares to be issued cannot exceed 1.5% of the Company's share capital on the day of the Board meeting authorizing the issue. The amount of the share capital issued will be counted against the overall ceiling for capital increases with preferential subscription rights, as authorized by the seventeenth resolution of the same General Meeting (*i.e.*, a nominal amount of €2.5 billion or 1,000 million shares).

In order to continue to encourage the holding of Company shares by Group employees, pursuant to the above-mentioned authorization dated May 21, 2010, the Board of Directors, at its meeting on October 28, 2010, decided to carry out a new capital increase program reserved for employees and former employees of the Group.

SECURITIES OFFERED

- ✓ **Issue type:** Ordinary shares issuance, without preferential subscription rights, for employees and former employees of TOTAL S.A. and its French and non-French subsidiaries included in the Group's scope of the operation having adhered to the Group's Shareholding Savings Plan ("PEG-A") (see the paragraph "companies concerned" below).

- ✓ **Maximum number of shares offered – Total amount:** 12 million shares with a nominal value of €2.50 each, representing a total nominal amount of €30 million, the equivalent of 0.51% of the share capital of TOTAL S.A. as of December 31, 2010.
- ✓ **Share subscription price:** The subscription price per share is equal to €34.80 (*i.e.* a maximum amount of the capital increase of €417.6 million). It is equal to the average of the closing trading prices of the TOTAL share on Euronext Paris (ISIN code FR0000120271) during the 20 trading days preceding March 14, 2011, the date on which the Chairman and Chief Executive Officer established the subscription period, with the average calculated price reduced by a discount of 20% and then rounded up to the highest tenth of a euro.

This subscription price has been determined in compliance with the provisions of article L. 225-138-1 of the French Commercial Code and of article L.3332-19 of the French Labor Code. It is definitive and will remain valid irrespective of upward or downward variations in the price of the TOTAL share prior to the date subscriptions are closed.

- ✓ **Description of the new shares:** The new shares are ordinary shares of the company. The shares are of the same category as the existing shares. The new shares bear rights as of January 1, 2010.
- ✓ **Rights attached to the new shares:** The rights of the new shares, including any restrictions that apply to them, and the manner of exercising these rights are the same as the rights attached to the existing shares of the Company, and are described under “General Information” concerning the Company starting on page 165 of the 2009 Registration Document which is available free of charge at the Head office of the Company or on the Company’s Web site (www.total.com). The French version of the Registration Document was filed with the French Financial Markets Authority (the “AMF”) on April 1, 2010 under the registration number D.10-0200.
- ✓ **Subscription period:** from March 16, 2011 to April 1, 2011 included.
- ✓ **Issuance of new shares and listing:** The listing of new shares will be requested from the issuance. The shares will be listed on Euronext Paris on the same line as the existing shares (ISIN code FR0000120271). ADRs (American Depositary Receipts) corresponding to the new shares may also be listed on the New York Stock Exchange, with one TOTAL ADR representing one TOTAL share.
- ✓ **Market price of the TOTAL share (Euronext Paris):**
 - €39.65 at the closing on December 31, 2010.
 - Highest price of 2010 (during regular trading session): €46.735 on January 11, 2010.
 - Lowest price of 2010 (during regular trading session): €35.655 on July 1, 2010.
- ✓ **Establishment administering the share service for TOTAL S.A.:**
 - BNP Paribas Securities Services
 - Grands Moulins de Pantin
 - 9, rue du débarcadère
 - 93500 Pantin, France

TERMS OF SUBSCRIPTION

- ✓ **Companies concerned:**

This capital increase is open to employees of TOTAL S.A. and to the employees of its French and non-French subsidiaries of which more than 50% of the voting rights are directly or indirectly held by TOTAL S.A. (“eligible subsidiaries”) having adhered to the PEG-A and for which the local administrative authorizations have been obtained; and the retirees and early retirees of TOTAL S.A. and its eligible subsidiaries having adhered to the PEG-A (see the paragraph “Beneficiaries of the reserved issue” below).

✓ **Beneficiaries of the reserved issue:**

- Employees with an employment contract on the subscription closing date with one of the eligible companies (TOTAL S.A. or a eligible subsidiary), and who have at least 3 months of seniority on that date (with the possibility of specific local exceptions), whether calculated on a continuous or interrupted basis over the current calendar year and the 12 months preceding the subscription closing date, pursuant to article L.3342-1 of the French Labor Code;
- Early retirees and retirees who directly retired or pre-retired and who, at the time of their departure, were employees of a company currently included in the above perimeter and who still have assets invested in a Company Savings Plan (PEE) or a Group Savings Plan (PEG), subject to applicable local regulations and, if applicable, the approval of the local company.

Approximately 110,000 beneficiaries are eligible to take part in this capital increase program.

✓ **Subscription details and manner of shareholding**

On the subscription closing date, April 1, 2011, employees of companies outside of France must have completed, signed and returned to their companies the individual subscription form made available to them. Employees of French companies have the possibility to subscribe online through a secure Web site, or, in the alternative, they must have completed, signed and returned their individual subscription form to their companies before the subscription closing date, April 1, 2011. The individual subscription form is available on the dedicated Web site or by request to their company.

In France and abroad (except for the United States, Italy and Germany), employees will have to subscribe through a Company Mutual Fund ("CMF") indicated below:

- "TOTAL ACTIONNARIAT FRANCE RELAIS 2011" (Part "C" of capitalization: Code AMF n° 990000105889 – Part "D" of distribution: code AMF n° 990000105899) for the shares subscribed by the employees of French companies. This "Relais" CMF has been created specifically for this capital increase program, and will subsequently be absorbed by the "TOTAL ACTIONNARIAT FRANCE" CMF (Part "C" of capitalization: Code AMF n° 990000061089 – Part "D" of distribution : code AMF n° 990000101569), after contribution of the subscribed shares to the "Relais" CMF and the decisions of their respective Supervisory Boards.
- "TOTAL ACTIONNARIAT INTERNATIONAL RELAIS 2011" (code AMF n° 990000105909) for the employees of companies in other countries around the world except for the United States, Italy and Germany. This "Relais" CMF has also been created specifically for this capital increase program, and will subsequently be absorbed by the "TOTAL ACTIONNARIAT INTERNATIONAL CAPITALISATION" CMF (code AMF n°990000080669), after contribution of the subscribed shares to the "Relais" CMF and the decisions of their respective Supervisory Boards.

Employees whose employer is (or was) an American, Italian or German subsidiary of the Group will directly subscribe for shares (for employees or former employees of Italian or German companies in the Group) or for TOTAL ADRs (for employees or former employees of American companies in the Group). This manner of subscription applies to approximately 10,000 beneficiaries of the program.

✓ **Maximum subscription**

Pursuant to article L.3332-10 of the French Labor Code, the amount of the payments (including profit-sharing) made each year by an employee as part of a Savings Plan cannot exceed one quarter of the employee's gross annual salary, including expatriation bonuses or retirement benefits received for 2011. The method of calculating this limit is described in the internal brochure prepared for this capital increase program.

Individual subscriptions must comply with this limit taking into account all other payments made by the employees as part of the Savings Plans of their companies and/or the Group.

✓ **Manner of payment for shares**

Depending on the contractual terms between employees and their company and the applicable legislation in each country, payment of the entire subscription price of the shares will be made:

- in cash by personal contribution; or
- by means of an advance, repayable by monthly payroll deduction, that may be granted by the employer to subscribing employees, with the exception of the members of the Management Committee or Treasurer ("Executive Officers", *i.e.*, 28 people as of today), subject to the respect of the applicable legislation. In France, this deduction must not exceed 10% of the average monthly net salary; or
- through a combination of both of these options.

The advance is repayable starting in May 2011 in 24 equal monthly installments deducted from the employee's salary. In France, interest will not be charged on the advance, and this will be considered as a benefit in kind (see below – "Taxation").

✓ **Holding period for the units or shares**

In compliance with the twentieth resolution of the Combined General Meeting held on May 21, 2010, and pursuant to article L.3332-25 of the French Labor Code, employees subscribing for the issuance are required to retain units of the "TOTAL ACTIONNARIAT FRANCE" CMF or "TOTAL ACTIONNARIAT INTERNATIONAL CAPITALISATION" CMF or shares held directly for a legal holding period of five years, with the exception of certain early release cases provided for by articles L. 3324-10 et R. 3324-22 of the French Labor Code for employees who are French tax residents. For employees who are not French tax residents, the list of early release cases may be limited to certain cases as provided for by French law and depending on legal provisions applicable in the countries in which they reside.

✓ **Order reduction rule**

The Company will increase its share capital to take into account the number of shares subscribed by the "TOTAL ACTIONNARIAT FRANCE RELAIS 2011" CMF, the "TOTAL ACTIONNARIAT INTERNATIONAL RELAIS 2011" CMF and employees directly subscribing in the United States, Italy and Germany. However, should the amount of the commitments to subscribe for shares exceed the maximum amount of the capital increase authorized by the Board of Directors meeting on October 28, 2010 (12 millions of shares), such commitments will be reduced in the following manner:

- All subscription commitments would be honored in full up to the Subscription Average, defined as the quotient of the budget allocated by the Board of Directors and the number of subscribers;
- For subscription commitments greater than that Subscription Average, the part of the commitment exceeding this amount would be reduced proportionally, taking into account the outstanding balance of the budget to be allocated.

If a reduction were necessary, it would be performed first on the part of the subscription paid by a salary advance. If that proved to be insufficient, the next step would be subscriber repayment.

TAXATION IN FORCE ON THE DATE OF ISSUANCE OF THE PRESENT DOCUMENT

✓ **For employees who are French tax residents**

For employees who are French tax residents, the subscription discount is exempt from income tax. The income and earnings from the shares are also exempt from income tax if they are re-invested in the Savings Plan.

The redemptions of available "TOTAL ACTIONNARIAT FRANCE" CMF and "TOTAL ACTIONNARIAT INTERNATIONAL CAPITALISATION" CMF units (after the 5-year holding period) and early reimbursements (before the expiration of this same period) are exempt from capital gains taxation on the sale of securities. However, these capital gains will be subject to the CSG (generalized social security contribution), social security charges, the contribution for the elderly and disabled, the CRDS (contribution to the repayment of the social security debt) and the RSA (supplementary income for solidarity). The respective rates of these charges are 8.2%, 2.2%, 0.3%, 0.5% and 1.1%, *i.e.*, a total of 12.3%.

Interest will not be charged on 25-months advances, and this interest-free advance is considered to be a benefit in kind, calculated on the basis of the legal interest rate applicable on the subscription date (article L.313-2 of the French Monetary and Financial Code) and is subject to social security contributions, social security deductions and income tax.

✓ **For employees who are not French tax residents**

Employees who are not French tax residents will be subject to the legal provisions applicable in the countries in which they reside.

NOTE FOR INTERNATIONALS- OTHER INFORMATION

The program, reserved to eligible employees of the Group, will be implemented in France as well as in certain foreign countries, including the United States where the offer will be registered with the Securities and Exchange Commission (SEC) under cover of a *Form S-8*.

Outside of France, this press release is produced for information purposes only and does not constitute an offer for the sale or the subscription of securities.

The regulations of the Relais mutual funds were approved by the French Financial Markets Authority (see above – “Subscription provisions and share conservation methods”) on 21 December 2010.

THE TOTAL GROUP

TOTAL S.A., a French *société anonyme* (limited company) incorporated in France on March 28, 1924, together with its subsidiaries and affiliates, is the fifth largest publicly-traded integrated international oil and gas company in the world. With operations in more than 130 countries, TOTAL has operations in every sector of the oil industry, including in the Upstream (oil and gas exploration, development and production, LNG) and Downstream (refining, marketing and the trading and shipping of crude oil and petroleum products) segments. TOTAL also produces base chemicals (petrochemicals and fertilizers) and specialty chemicals, mainly for the industrial market. In addition, TOTAL has interests in the coal mining and power generation sectors, as well as a financial interest in Sanofi-Aventis.

EMPLOYEE CONTACT

For questions relating to the capital increase program, beneficiaries may contact their Human Resources Department.

INVESTOR CONTACT

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