

This is a free translation into English of the statutory auditors' review report issued in French and it is provided solely for the convenience of English-speaking users. This report should be read in conjunction with and construed in accordance with French law and professional standards applicable in France.

Total Capital

Period from January 1 to March 31, 2011

Statutory auditors' review report on the interim financial statements

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Membre de la compagnie
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Commissaire aux Comptes
Membre de la compagnie
régionale de Versailles

Total Capital

Period from January 1 to March 31, 2011

Statutory auditors' review report on the interim financial statements

To the Chairman of the Board of Directors,

In our capacity as statutory auditors of Total Capital and in accordance with your request, we have performed a review of the accompanying interim financial statements of Total Capital for the period from January 1 to March 31, 2011.

Management is responsible for the preparation and fair presentation of these interim financial statements. As they are not intended to be presented to the shareholders, they have not been approved by the board of directors. Our role is to express a conclusion on these financial statements based on our review.

We conducted our review in accordance with professional standards applicable in France. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that the interim financial statements, taken as a whole, are free from material misstatement, as we would not become aware of all significant matters that might be identified in an audit.

Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements do not give a true and fair view of the assets, liabilities and financial position of the company, and the results of its operations for the period ended March 31, 2011, in accordance with accounting rules and principles applicable in France.

Paris-La Défense, April 28, 2011

The statutory auditors
French original signed by

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Département de KPMG S.A.

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**FINANCIAL STATEMENTS
AS OF 31 MARCH 2011**

TOTAL CAPITAL

- BALANCE SHEET AS OF 31 MARCH 2011
- INCOME STATEMENT AS OF 31 MARCH 2011
- CASH FLOW STATEMENT AS OF 31 MARCH 2011
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TOTAL CAPITAL

**BALANCE SHEET
AS OF 31 MARCH 2011**

TOTAL CAPITAL

BALANCE SHEET AS OF 31 March 2011

EUROS

ASSETS	31 March 2011			31 December 2010	LIABILITIES	31 March 2011	31 December 2010
	Gross	Amortizations and depreciations	Net				
FIXED ASSETS					SHAREHOLDERS' EQUITY (note 4)		
FINANCIAL ASSETS (note 2)	21 705 113 228		21 705 113 228	21 203 903 028	Capital	300 000	300 000
Long-term loans	7 850 989 409		7 850 989 409	7 292 586 518	Reserves	497 113	497 113
Drawdowns on credit facilities	13 787 859 360		13 787 859 360	13 787 859 360	Legal Reserves	30 000	30 000
Accrued interests on long-term loans	21 157 697		21 157 697	75 104 004	Retained Earnings	467 113	467 113
Accrued interests on credit facilities	45 106 762		45 106 762	48 353 145	Income for fiscal year	4 700 294	4 700 294
						1 036 166	4 700 294
TOTAL I	21 705 113 228		21 705 113 228	21 203 903 028	TOTAL I	6 533 573	5 497 407
CURRENT ASSETS					PROVISIONS		
					TOTAL II		
ACCOUNTS RECEIVABLE (note 3)	2 115 623 503		2 115 623 503	2 708 495 911	LIABILITIES		
Current accounts and inter-company loans	1 802 688 655		1 802 688 655	2 262 546 856	Debenture loans and similar debt debentures (note 5)	22 253 092 577	21 930 556 444
Related accounts receivable	530 416		530 416	497 499	Debenture loans after hedge swaps	21 924 303 123	21 491 458 451
Other receivables	24 518		24 518	30 644	Accrued interests on debenture loans	328 789 454	439 097 993
Accrued income / swaps	312 379 913		312 379 913	445 420 911	Miscellaneous borrowings and financial debts (note 6)	1 560 550 000	1 975 949 077
					Commercial Papers		
					Billets de Trésorerie		
					Surety deposits	1 373 400 000	1 808 700 000
					Creditor current accounts	1 590 100	247 525
					Related accounts payables / miscellaneous financial debts	781 277	670 056
					Accrued liabilities / swaps	184 778 623	166 331 496
					Operating liabilities (note 7)	560 581	396 010
					Trade notes and accounts payable	222 725	53 944
					Tax and social liabilities	337 856	342 066
TOTAL II	2 115 623 503		2 115 623 503	2 708 495 911	TOTAL III	23 814 203 158	23 906 901 531
PREPAID EXPENSES III					PREPAID INCOME IV		
GRAND TOTAL (I+II+III)	EUR 23 820 736 730		23 820 736 730	23 912 398 938	GRAND TOTAL (I+II+III+IV)	EUR 23 820 736 730	23 912 398 938

TOTAL CAPITAL

**INCOME STATEMENT
AS OF 31 MARCH 2011**

TOTAL CAPITAL
INCOME STATEMENT AS OF 31 MARCH 2011

EUROS

EXPENSES	31 March 2011	31 Dec. 2010	31 March 2010	INCOME	31 March 2011	31 Dec. 2010	31 March 2010
OPERATING EXPENSES (note 8)				OPERATING INCOME			
External expenses	1 012 489	3 969 316	981 944	Miscellaneous income			
Taxes	152 696	313 660	110 000				
TOTAL I	1 165 186	4 282 975	1 091 944	TOTAL I	0	0	0
FINANCIAL EXPENSES (note 9)				FINANCIAL INCOME (note 10)			
Interests on debenture loans	218 021 240	874 452 234	211 873 445	Interests on long-term loans	41 424 767	135 733 681	25 244 636
Interests on commercial papers	49 142	4 332 394	1 498 203	Interests on credit facilities	55 688 721	196 971 203	47 361 002
Interests on Billets de Trésorerie		7 655	5 417	Interests on inter-company loans	252 704	4 542 605	1 850 743
Interests on loans				Interests on current accounts	2 622 345	7 550 358	836 295
Interests on current accounts	1 092	4 286	2 019	Interests on bank deposits	0	181	180
Interests on bank deposits	2 581 357	6 293 762	829 651	Income from swaps	215 369 852	888 706 086	216 454 602
Interests on swaps	92 144 693	337 023 848	74 671 456	Other interests and similar income			
Other financial expenses	0	1 022	317	Foreign exchange income	26 078	22 448	
Foreign exchange loss			66 310				
TOTAL II	312 797 524	1 222 115 200	288 946 817	TOTAL II	315 384 468	1 233 526 560	291 747 458
EXTRAORDINARY EXPENSES				EXTRAORDINARY INCOME			
TOTAL III	0	0	0	TOTAL III	0	0	0
INCOME TAX IV	385 592	2 428 090	582 068				
NET INCOME FOR THE PERIOD	1 036 166	4 700 294	1 126 630	NET LOSS FOR THE FISCAL YEAR			
GRAND TOTAL	EUR 315 384 468	1 233 526 560	291 747 458	GRAND TOTAL	EUR 315 384 468	1 233 526 560	291 747 458

TOTAL CAPITAL

**CASH FLOW STATEMENT
AS OF 31 MARCH 2011**

CASH FLOW STATEMENT

in thousands of euros

	31 March 2011	31 Dec. 2010
<u>OPERATING CASH FLOW</u>		
Fiscal period income		4 700
Fiscal period income	2010	
	2011	
	1 036	
Minus (plus) working capital required	2	399
Net Operating Cash Flow	1 038	5 099
<u>INVESTMENT CASH FLOW</u>		
Increase in long-term loans	(1 106 794)	(3 898 800)
Repayment of long-term loans	237 990	2 163 898
Net Investment Cash Flow	(868 805)	(1 734 902)
<u>FINANCING CASH FLOW</u>		
Paid dividends		(3 012)
Net loans issued	857 760	2 044 267
Changes in short-term financial liabilities	(512 761)	907 148
Changes in short-term receivables	555 048	(908 581)
Net Financing Cash Flow	900 047	2 039 822
Cash increase (decrease)	32 280	310 019
Impact of foreign exchange fluctuations	(32 280)	(310 019)
Cash at the beginning of the period	0	0
Cash at the end of the period	0	0

TOTAL CAPITAL

APPENDIX

APPENDIX

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SIGNIFICANT EVENTS

During the first quarter 2011 Total Capital remained active on debt capital markets through various debt issuance programmes, together with a management of interest rate risk.

For short-term borrowings, Total Capital can issue under Commercial Papers programmes (US CP, EURO CP, GBP CP and CAD CP) and under a *Billets de Trésorerie* programme.

For long-term borrowings, Total Capital can issue along with TOTAL S.A. and Total Capital Canada Ltd., as principal issuer under the EMTN programme (guaranteed by TOTAL S.A.), on a US SEC Registered Shelf programme (guaranteed by TOTAL S.A.) and on a stand-alone basis (guaranteed by TOTAL S.A.) on the Swiss market. Total Capital can also issue under an AMTN programme (guaranteed by TOTAL S.A.) in Australia, and under a CMTN programme (guaranteed by TOTAL S.A.) in Canada.

Note 1: ACCOUNTING RULES

GENERAL PRINCIPLES

The balance sheet and income statement are established in accordance with the provisions of French law and in compliance with generally accepted accounting principles used by corporations.

ACCOUNTING RULES AND METHODS

The long- and medium-term financing transactions within the Total group are recorded as financial assets according to their face value.

✓ Currency transactions

Given Total Capital's financial activities and the significant amount of its foreign currency inflows and outflows, Total Capital uses multi-currency accounting, as financial institutions do.

Therefore, at closing, Total Capital does not use translation adjustment accounts but revalues balance sheet and off-balance sheet entries whose impact is recorded in the income statement.

TOTAL CAPITAL

The revaluation of long-term off-balance sheet items in foreign currencies is recorded in the balance sheet as the financial derivative instruments with which they match (debenture loans).

The revaluation of short-term off-balance sheet items in foreign currencies is recorded under “revenue receivables from the revaluation of off-balance sheet foreign exchange positions” or “expenses payables for the revaluation of off-balance sheet foreign exchange positions.”

The foreign exchange positions are converted into euros based on the exchange rate at the end of the fiscal year.

✓ **Interest Rate and Currency Financial Instruments**

Outstanding transactions involving forward financial instruments are recognized as off-balance sheet liabilities. They consist primarily of interest rate and currency swap agreements negotiated for hedging purposes in order to manage Total Capital's exposure to fluctuations in interest rates and foreign exchange rates.

The interest differentials along with the premiums or discounts associated with these swaps or forward contracts are recorded, prorated over the period, in the income statement as financial expenses or income over the life of the items that they match.

A provision will be booked for possible losses relating to transactions where the accounting standards for hedging are not respected.

✓ **Debenture loans**

Debenture loans converted into US dollars or euros through individually paired swaps are shown in the post-swap currency. They are converted at the closing rate on the date of the account statement. The profits and losses resulting from the conversion at the closing rate of the currency borrowings and currency swaps are recorded as revenue under the heading: Foreign Exchange Profits and Losses.

Note 2: FINANCIAL ASSETS

Long-term investments are comprised of drawdowns on credit facilities in euros with TOTAL S.A. for a nominal amount of € 13.788 billion, of long-term loans with Total S.A. in US dollars for a nominal amount of € 1.760 billion, of variable-rate long-term loans with Total Treasury in US dollars for a nominal amount of € 2.729 billion and of long-term loans in euros and US dollars with Total Finance Exploitation for a nominal amount of € 3.362 billion. They are fully backed to the debenture loans after taking into account the issue swaps.

a) Changes in financial assets

in thousands of euros

FINANCIAL ASSETS	POSITION AT THE OPENING OF FISCAL YEAR	INCREASES ACQUISITIONS CONTRIBUTIONS	DECREASES DISPOSALS	GROSS VALUE AT CLOSING
Long-term loans	7 292 587	1 039 990	481 588	7 850 989
Drawdowns on credit facilities	13 787 859	0	0	13 787 859
Accrued interests on long-term loans	75 104	21 697	75 643	21 158
Accrued interests on credit facilities	48 353	45 107	48 353	45 107
TOTAL	21 203 903	1 106 794	605 584	21 705 113

b) Financial assets repayment schedule

in thousands of euros

	GROSS AMOUNT	LESS THAN A YEAR	BETWEEN 1 AND 5 YEARS	MORE THAN 5 YEARS
Long-term loans	7 850 989	839 988	2 735 499	4 275 502
Drawdowns on credit facilities	13 787 859	3 800 761	8 501 140	1 485 958
Accrued interests on long-term loans	21 158	21 158		
Accrued interests on credit facilities	45 107	45 107		
TOTAL	21 705 113	4 707 014	11 236 639	5 761 460

Note 3: ACCOUNTS RECEIVABLE

More than 85% of the accounts receivable are loans with Total Treasury amounting to € 1.803 billion.

Detail of Accounts Receivable

in thousands of euros

	GROSS AMOUNT	LESS THAN A YEAR	BETWEEN 1 AND 5 YEARS	MORE THAN 5 YEARS
Current accounts and inter-company loans	1 802 689	1 802 689		
Accrued interest (inter-company loans, current accounts)	530	530		
Other receivables	25	25		
Accrued income on swaps and forward transactions	312 380	312 380		
TOTAL ACCOUNTS RECEIVABLE	2 115 624	2 115 624		

Note 4: SHAREHOLDERS' EQUITY**a) Changes in Shareholders' Equity**

in thousands of euros

2010	POSITION AT THE OPENING OF FISCAL YEAR	NET INCOME APPROPRIATION 2009	POSITION AS OF 31 Dec. 2010
Share capital	300		300
Legal reserve	30		30
Retained earnings	433	34	467
Income for fiscal year 2009	3 046	(3 046)	0
Dividend distribution		3 012	
Income as of 31 December 2010			4 700
TOTAL SHAREHOLDERS' EQUITY	3 809	0	5 497

in thousands of euros

2011	POSITION AT THE OPENING OF FISCAL YEAR	NET INCOME APPROPRIATION 2010	POSITION AS OF 31 March 2011
Share capital	300		300
Legal reserve	30		30
Retained earnings	467		467
Income for fiscal year 2010	4 700		4 700
Dividend distribution			
Income as of 31 March 2011			1 036
TOTAL SHAREHOLDERS' EQUITY	5 497	0	6 533

b) Structure of the Share Capital

Total Capital comprises 30,000 shares with a face value of € 10 each, held as follows:

TOTAL S.A.	29 994	shares representing	99.98%
DIRECTORS	6	shares representing	0.02%

NOTE 5: DEBENTURE LOANS AND SIMILAR DEBT DEBENTURES

The debenture loans are shown below first before conversion into US dollars or euros mainly with variable-rate, then following the impact of the revaluation of swaps for currency risk. They are redeemed at maturity. After the conversion into US dollars or euros, these debts finance all long-term loans and drawdowns on credit facilities, in addition to other items.

in thousands of euros

DEBENTURE LOANS		IN SPECIFIC CURRENCY	31 March 2011	LESS THAN A YEAR	BETWEEN 1 AND 5 YEARS	MORE THAN 5 YEARS	31 Dec. 2010
FX.	DETAIL						
AUD	EXISTING AS OF 31.12.10 150 M AUD 6.500%	1 550 000 000 150 000 000	1 128 422 109 202	254 805	873 617 109 202		1 256 091
CAD	EXISTING AS OF 31.12.10	550 000 000	398 984	290 170	108 814		487 915
CHF	EXISTING AS OF 31.12.10	5 350 000 000	4 113 802	807 382	2 902 730	403 691	4 278 630
EUR	EXISTING AS OF 31.12.10	8 342 000 000	8 342 000	2 092 000	3 300 000	2 950 000	8 342 000
GBP	EXISTING AS OF 31.12.10 500 M GBP 3.875%	1 100 000 000 500 000 000	1 244 766 565 803	509 223	396 062	339 482 565 803	1 277 955
HKD	EXISTING AS OF 31.12.10	1 146 000 000	103 655		35 818	67 837	110 345
JPY	EXISTING AS OF 31.12.10	48 000 000 000	408 129	85 027	323 102		441 786
NOK	EXISTING AS OF 31.12.10	500 000 000	63 833		63 833		64 103
NZD	EXISTING AS OF 31.12.10	300 000 000	161 308		161 308		174 419
USD	EXISTING AS OF 31.12.10 500 M USD 4.125%	8 500 000 000 500 000 000	5 982 966 351 939	1 844 161	2 907 018	1 231 787 351 939	6 361 324
	Total debenture loans before hedge swaps		22 974 809	5 882 768	11 181 499	5 910 540	22 794 566
	Impact of revaluation of hedge swaps		(1 050 506)	(1 050 506)			(1 303 108)
	Total debenture loans after hedge swaps		21 924 303	4 832 262	11 181 499	5 910 540	21 491 458
	Interest accrued / debenture loans		328 789	328 789			439 098
	Total		22 253 093	5 161 051	11 181 499	5 910 540	21 930 556

Note 6: MISCELLANEOUS BORROWINGS AND FINANCIAL DEBTS**Repayment schedule for miscellaneous borrowings and financial debts**

in thousands of euros

	31 March 2011	LESS THAN A YEAR	BETWEEN 1 AND 5 YEARS	INCLUDING MORE THAN 5 YEARS	31 Dec. 2010
Surety deposits (1)	1 373 400	1 373 400			1 808 700
Current account receivable	1 590	1 590			248
Related accounts payables / miscellaneous financial debts	781	781			670
Accrued liabilities / swap	184 779	184 779			166 331
TOTAL LIABILITIES	1 560 550	1 560 550	0	0	1 975 949

(1) Represent deposits made by banks in relation to margin call agreements to limit counterparty risk. It mainly concerns swaps associated with debenture loans.

Note 7: OPERATING LIABILITIES**Repayment schedule for operating liabilities**

in thousands of euros

	31 March 2011	LESS THAN A YEAR	BETWEEN 1 AND 5 YEARS	INCLUDING MORE THAN 5 YEARS	31 Dec. 2010
Trade notes and accounts payable	223	223			54
Taxes and social obligations	338	338			342
TOTAL LIABILITIES	561	561	0	0	396

Note 8: OPERATING EXPENSES

in thousands of euros

	31 March 2011			31 Dec. 2010			31 March 2010		
	Affiliated Corporations	Others	Total	Affiliated Corporations	Others	Total	Affiliated Corporations	Others	Total
External expenses	936	77	1 012	3 743	226	3 969	910	72	982
Taxes		153	153		314	314		110	110
TOTAL	936	230	1 165	3 743	540	4 283	910	182	1 092

Note 9: FINANCIAL EXPENSES

in thousands of euros

	31 March 2011			31 Dec. 2010			31 March 2010		
	Affiliated corporations	Others	Total	Affiliated corporations	Others	Total	Affiliated corporations	Others	Total
Interests on Debenture Loans		218 021	218 021		874 452	874 452		211 873	211 873
Interests on Commercial Papers		49	49		4 332	4 332		1 498	1 498
Interests on Billets de Trésorerie					8	8		5	5
Interests on Current Accounts	1		1	4		4	2		2
Interests on Bank deposits		2 581	2 581		6 294	6 294		830	830
Interests on Swaps	21 222	70 923	92 145	85 763	251 261	337 024	21 275	53 397	74 672
Other expenses			0		1	1		0	0
Foreign exchange losses (1)			0		0	0		66	66
TOTAL	21 223	291 574	312 798	85 767	1 136 348	1 222 115	21 277	267 669	288 946

Note 10: FINANCIAL INCOME

in thousands of euros

	31 March 2011			31 Dec. 2010			31 March 2010		
	Affiliated corporations	Others	Total	Affiliated corporations	Others	Total	Affiliated corporations	Others	Total
Interests on long-term loans	41 425		41 425	135 734		135 734	25 245		25 245
Interests on credit facilities	55 689		55 689	196 971		196 971	47 361		47 361
Inter-company loans	253		253	4 543		4 543	1 851		1 851
Interests on current accounts	2 622		2 622	7 550		7 550	836		836
Interests on Bank deposits			0			0			0
Income from swaps	17 701	197 669	215 370	80 731	807 975	888 706	20 825	195 630	216 455
Other Interests and similar income			0			0			0
Net foreign exchange profits (1)		26	26		22	22			0
TOTAL	117 689	197 695	315 384	425 529	807 997	1 233 526	96 118	195 630	291 748

(1) The foreign exchange profits and losses break up as follows:

in thousands of euros

	31 March 2011	31 Dec. 2010	31 March 2010
Foreign exchange losses	(183 613)	(2 054 508)	(367 400)
Foreign exchange profits	183 639	2 054 530	367 333
Total	26	22	(66)

Note 11: OFF-BALANCE SHEET COMMITMENTS**a) Portfolio of derivative financial instruments**

The off-balance sheet commitments for derivative financial instruments are shown below.
These amounts establish the notional commitment without reflecting an underlying loss or gain.

in thousands of euros

MANAGEMENT OF INTEREST RATE RISK	31 March 2011						31 Dec. 2010
	TOTAL	2011	2012	2013	2014	2015 and beyond	TOTAL
Swaps / hedging fixed interest bond issues * Notional amount	21 755 367	3 276 208	3 345 168	3 243 530	2 313 949	9 576 512	21 494 941
Swaps / hedging floating interest bond issues * Notional amount	1 915 976	85 027		212 567	271 535	1 346 847	1 230 286
Long-term cross-currency swaps							
Fixed interest rate lending swaps Notional amount	1 635 928				72 801	1 563 127	1 661 978
Variable interest rate lending swaps Notional amount	2 210 101				2 210 101		
Interest rate swaps							
Fixed interest rate lending swaps Notional amount	579 517	50 922			527 909	686	53 002
Variable interest rate lending swaps Notional amount	579 517	50 922			527 909	686	53 002

* Cross-currency swaps and interest-rate swaps matched to bonds

in thousands of euros

MANAGEMENT OF FOREIGN EXCHANGE RISK	31 March 2011						31 Dec. 2010
	TOTAL	2011	2012	2013	2014	2015 and beyond	TOTAL
Foreign exchange swaps Notional amount	384 974	48 974	32 000	32 000	32 000	240 000	403 550
Forward currency contracts Notional amount							

b) Market valuation of derivative financial instruments

As of 31 March 2011, the details of the market valuation of derivative financial instruments are as follows:

in thousands of euros

	31 March 2011	31 Dec. 2010
Swaps hedging bond issues	1 205 924 *	1 812 297 *
Short-term interest rate swaps	*	*
Forward currency financial instruments	(50)	(53)

(*) The market value of the swaps is "ex coupon".

c) Other off-balance sheet commitments

in thousands of euros

COMMITMENT CATEGORY	31 March 2011		31 Dec. 2010	
	Affiliated corporations	Others	Affiliated corporations	Others
Commitments given				
-Credit facilities granted	15 100 000		15 100 000	
-Drawdowns on credit facilities	(13 787 859)		(13 787 859)	
-Non-utilised credit facilities	1 312 141		1 312 141	
Commitments received				
-Credit facilities allocated				
-Drawdowns on credit facilities				
-Non-utilised credit facilities				

NOTE 12: CONSOLIDATION

Total Capital's accounts are fully consolidated into the financial statements of the TOTAL S.A. Group.

NOTE 13: FISCAL INTEGRATION

A fiscal integration agreement was signed between Total Capital and TOTAL S.A.. Thus since 1 January 2000, Total Capital, a subsidiary of TOTAL S.A., is included in the fiscal integration of TOTAL S.A..

NOTE 14: STAFF AND MANAGEMENT BODIES

Total Capital benefits from the technical and administrative assistance of staff from TOTAL S.A. and does not pay any remuneration to the members of the Board of Directors.