

TOTAL

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST NINE MONTHS OF 2016

(unaudited)

1) Accounting policies

The interim consolidated financial statements of TOTAL S.A. and its subsidiaries (the Group) as of September 30, 2016 are presented in U.S. dollars and 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, 2016 do not differ significantly from those applied for the consolidated financial statements as of December 31, 2015 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 Standards Board). New texts or amendments which were mandatory for the periods beginning on or after January 1, 2016 did not have a material impact on the Group's consolidated financial statements as of September 30, 2016.

The preparation of financial statements in accordance with IFRS requires the executive management to make estimates, judgments and assumptions considered reasonable, which affect the Consolidated Financial Statements and their notes. Different estimates, assumptions and judgments could have significant impacts on the Consolidated Financial Statements and their notes and consequently the final achievements could also be different from the amounts included in the Consolidated Financial Statements.

These estimates, assumptions and judgments are regularly reviewed if circumstances change or as a result of new information or changes in the Group's experience; they could therefore be significantly changed later.

The main estimates, judgments and assumptions relate to the estimation of hydrocarbon reserves in application of the successful efforts method for the oil and gas activities, the impairment of assets, the employee benefits, the asset retirement obligations and the income taxes. These estimates and assumptions are described in the Notes to the Consolidated Financial Statements as of December 31, 2015.

Furthermore, when the accounting treatment of a specific transaction is not addressed by any accounting standard or interpretation, the management applies its judgment to define and apply accounting policies that provide information consistent with the general IFRS concepts: faithful representation, relevance and materiality.

2) Changes in the Group structure, main acquisitions and divestments

➤ Upstream

- In March 2016, TOTAL finalized the sale to North Sea Midstream Partners of all its interests in the FUKA and SIRGE gas pipelines, and the St. Fergus gas terminal in the United Kingdom.
- In June 2016, TOTAL has signed an agreement with Qatar Petroleum, granting the Group a 30% interest in the concession covering the offshore Al Shaheen oil field in Qatar for a period of 25 years beginning July 14, 2017.
- In June 2016, TOTAL and Lampiris, the third-largest supplier of natural gas and renewable power to the Belgium residential sector, have signed an agreement under which Total has acquired all of the shares in Lampiris. All regulatory approvals being obtained, the transaction was finalized on September 29, 2016.
- In August 2016, TOTAL finalized the transfer to Zarubezhneft of a 20% stake and the operatorship in Kharyaga, Russia.
- In September 2016, TOTAL exercised its preemption rights to acquire Chesapeake's 75% interests in the Barnett Shale operating area located in North Texas, in which it already held a 25% interest since December 2009.

➤ **Marketing & Services**

- In January 2016, TOTAL finalized the acquisition of a majority 70% interest in the leading Dominican fuel retailer.
- In April 2016, TOTAL finalized the sale to Demirören Group of its service station network and commercial sales, supply and logistics assets located in Turkey.
- In May 2016, TOTAL has acquired Gulf Africa Petroleum Corporation's (GAPCO) assets in Kenya, Uganda and Tanzania. The transaction is subject to the authorities' approval in the three countries.
- In July 2016, TOTAL has acquired via a friendly tender offer a majority 90.14% interest in SAFT Groupe, a world leading designer and manufacturer of advanced technology batteries for the industry. In August 2016, following the reopening of the public tender offer, TOTAL increased its interest to 100%.

The acquisition cost amounts to €959 million (\$1,070 million), for a net book value of the assets and liabilities acquired at 100% of €452 million (\$502 million). In accordance with IFRS 3, TOTAL is currently assessing the fair value of identifiable acquired assets, liabilities and contingent liabilities.

The acquisition was carried out in two steps :

- ✓ a first step where TOTAL obtained control over SAFT by the acquisition of 90.14% of its shares for an amount of €856 million and recorded on this operation a preliminary partial goodwill of €450 million (\$500 million). This goodwill must be allocated within twelve months from the acquisition date.
- ✓ a second step where TOTAL acquired the remaining 9.86% for an amount of €103 million, treated as a transaction with non-controlling interests.

The net book value by main categories of assets and liabilities is as follows:

(\$ million)	Net book value at the acquisition date
Goodwill	139
Intangible assets	206
Tangible assets	236
Net debt	(92)
Other capital employed	13
Net assets of SAFT (100%)	502

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 and which is reviewed by the main operational decision-making body of the Group, namely the Executive committee.

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 certain 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 Refining & Chemicals and Marketing & Services 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 rather than the historical value. The inventory valuation effect is the difference between the results according to the FIFO (First-In, First-Out) and the replacement cost.

(iii) Effect of changes in fair value

The effect of changes in fair value presented as adjustment item reflects for some transactions differences between internal measure of performance used by TOTAL's management and the accounting for these transactions under IFRS.

IFRS requires that trading inventories be recorded at their fair value using period-end spot prices. In order to best reflect the management of economic exposure through derivative transactions, internal indicators used to measure performance include valuations of trading inventories based on forward prices.

Furthermore, TOTAL, in its trading activities, enters into storage contracts, which future effects are recorded at fair value in Group's internal economic performance. IFRS precludes recognition of this fair value effect.

The adjusted results (adjusted operating income, adjusted net operating income, adjusted net income) are defined as replacement cost results, adjusted for special items and the effect of changes in fair value.

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

ADJUSTMENTS TO OPERATING INCOME

(M\$)	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Total
3rd quarter 2016					
Inventory valuation effect	-	4	(51)	-	(47)
Effect of changes in fair value	(18)	-	-	-	(18)
Restructuring charges	-	-	(15)	-	(15)
Asset impairment charges	-	-	-	-	-
Other items	(98)	-	(2)	-	(100)
Total	(116)	4	(68)	-	(180)
3rd quarter 2015					
Inventory valuation effect	-	(934)	(193)	-	(1,127)
Effect of changes in fair value	(10)	-	-	-	(10)
Restructuring charges	-	-	-	-	-
Asset impairment charges	(650)	-	-	-	(650)
Other items	(9)	11	(6)	-	(4)
Total	(669)	(923)	(199)	-	(1,791)
9 months 2016					
Inventory valuation effect	-	315	(10)	-	305
Effect of changes in fair value	(21)	-	-	-	(21)
Restructuring charges	(19)	-	(15)	-	(34)
Asset impairment charges	(200)	-	-	-	(200)
Other items	(899)	(67)	(12)	-	(978)
Total	(1,139)	248	(37)	-	(928)
9 months 2015					
Inventory valuation effect	-	(500)	(149)	-	(649)
Effect of changes in fair value	(16)	-	-	-	(16)
Restructuring charges	-	-	-	-	-
Asset impairment charges	(1,890)	(31)	(23)	-	(1,944)
Other items	(449)	(106)	(6)	-	(561)
Total	(2,355)	(637)	(178)	-	(3,170)

ADJUSTMENTS TO NET INCOME, GROUP SHARE

(M\$)	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Total
3rd quarter 2016					
Inventory valuation effect	-	22	(27)	-	(5)
Effect of changes in fair value	(13)	-	-	-	(13)
Restructuring charges	-	-	(18)	-	(18)
Asset impairment charges	-	-	(33)	-	(33)
Gains (losses) on disposals of assets	(32)	-	-	-	(32)
Other items	6	(12)	(9)	-	(15)
Total	(39)	10	(87)	-	(116)
3rd quarter 2015					
Inventory valuation effect	-	(631)	(129)	-	(760)
Effect of changes in fair value	(5)	-	-	-	(5)
Restructuring charges	-	(12)	-	-	(12)
Asset impairment charges	(650)	-	-	-	(650)
Gains (losses) on disposals of assets	(98)	-	-	-	(98)
Other items	(9)	-	(143)	-	(152)
Total	(762)	(643)	(272)	-	(1,677)
9 months 2016					
Inventory valuation effect	-	219	(2)	-	217
Effect of changes in fair value	(15)	-	-	-	(15)
Restructuring charges	(4)	-	(18)	-	(22)
Asset impairment charges	(129)	-	(82)	-	(211)
Gains (losses) on disposals of assets	326	-	(14)	-	312
Other items	(411)	(68)	(34)	-	(513)
Total	(233)	151	(150)	-	(232)
9 months 2015					
Inventory valuation effect	-	(343)	(89)	-	(432)
Effect of changes in fair value	(9)	-	-	-	(9)
Restructuring charges	-	(38)	(5)	-	(43)
Asset impairment charges	(1,936)	(31)	(37)	-	(2,004)
Gains (losses) on disposals of assets	201	670	360	-	1,231
Other items	(149)	(135)	(189)	-	(473)
Total	(1,893)	123	40	-	(1,730)

During the first nine months of 2016, the Group recognized under the headings "Other items" and "Asset impairment charges", in the Upstream segment, charges related to onerous contracts in the United States of America and charges related to the security situation in Yemen (\$(549) million in operating income, \$(391) million in net income, Group share), the impact on the deferred tax position of the removal of the Petroleum Revenue Tax and the decrease of the Supplementary Charge Tax in the United Kingdom (\$206 million in net income, Group share) and, charges related to the cessation of the Group activities in Kurdistan (\$(550) million in operating income, \$(355) million in net income, Group share).

In addition, the heading "Gains (losses) on disposals of assets" includes the sale of TOTAL's interests in the FUKA and SIRGE gas pipelines and the St. Fergus Gas Terminal in the United Kingdom.

4) Shareholders' equity

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

As of September 30, 2016, TOTAL S.A. holds 10,589,372 of its own shares, representing 0.42% of its share capital, detailed as follows:

- 10,556,407 shares allocated to TOTAL share grant plans for Group employees; and
- 32,965 shares intended to be allocated to new TOTAL share purchase option plans or to new share grant plans.

These shares are deducted from the consolidated shareholders' equity.

TOTAL shares held by Group subsidiaries

As of September 30, 2016, TOTAL S.A. holds indirectly through its subsidiaries 100,331,268 of its own shares, representing 4.01% 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.; and
- 98,307,596 shares held by subsidiaries of Elf Aquitaine (Financière Valorgest, Sogapar and Fingestval), 100% indirectly controlled by TOTAL S.A.

These shares are deducted from the consolidated shareholders' equity.

Dividend

A first interim dividend for the fiscal year 2016 of €0.61 per share, decided by the Board of Directors on April 26, 2016 has been paid on October 14, 2016 (the ex-dividend date was September 27, 2016). The number of shares issued in lieu of the cash dividend was based on the dividend amount divided by €38.00 per share, equal to 90% of the average Euronext Paris opening price of the shares for the 20 trading days preceding the Board of Directors meeting on September 21, 2016 reduced by the amount of the first interim dividend. On October 14, 2016, 25,329,951 shares have been issued at a price of €38.00 per share.

A second interim dividend for the fiscal year 2016 of €0.61 per share, decided by the Board of Directors on July 27, 2016, would be paid on January 12, 2017 (the ex-dividend date will be December 21, 2016).

A third interim dividend for the fiscal year 2016 of €0.61 per share, decided by the Board of Directors on October 27, 2016, would be paid on April 6, 2017 (the ex-dividend date will be March 20, 2017).

Issuance of perpetual subordinated notes

During the first nine months of 2016, the Group issued a perpetual deeply subordinated note 3.875% callable after 6 years on May 18, 2022 (€1,750 million).

Based on its characteristics and in compliance with the IAS 32 standard, this note was recorded in equity.

Earnings per share in Euro

Earnings per share in Euro, calculated from the earnings per share in U.S. dollars converted at the average Euro/USD exchange rate for the period, amounted to €0.71 per share for the 3rd quarter 2016 (€0.77 per share for the 2nd quarter 2016 and €0.40 per share for the 3rd quarter 2015). Diluted earnings per share calculated using the same method amounted to €0.71 per share for the 3rd quarter 2016 (€0.76 per share for the 2nd quarter 2016 and €0.40 per share for the 3rd quarter 2015).

Earnings per share are calculated after remuneration of perpetual subordinated notes.

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 2016	9 months 2015
Actuarial gains and losses	(576)	199
Tax effect	119	(138)
Currency translation adjustment generated by the parent company	1,967	(5,097)
Items not potentially reclassifiable to profit and loss	1,510	(5,036)
Currency translation adjustment	(1,717)	1,852
- unrealized gain/(loss) of the period	(1,488)	2,389
- less gain/(loss) included in net income	229	537
Available for sale financial assets	1	(7)
- unrealized gain/(loss) of the period	1	-
- less gain/(loss) included in net income	-	7
Cash flow hedge	145	(189)
- unrealized gain/(loss) of the period	248	(355)
- less gain/(loss) included in net income	103	(166)
Share of other comprehensive income of equity affiliates, net amount	477	215
- unrealized gain/(loss) of the period	494	215
- less gain/(loss) included in net income	17	-
Other	-	1
Tax effect	(44)	60
Items potentially reclassifiable to profit and loss	(1,138)	1,932
Total other comprehensive income, net amount	372	(3,104)

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

(M\$)	9 months 2016			9 months 2015		
	Pre-tax amount	Tax effect	Net amount	Pre-tax amount	Tax effect	Net amount
Actuarial gains and losses	(576)	119	(457)	199	(138)	61
Currency translation adjustment generated by the parent company	1,967	-	1,967	(5,097)	-	(5,097)
Items not potentially reclassifiable to profit and loss	1,391	119	1,510	(4,898)	(138)	(5,036)
Currency translation adjustment	(1,717)	-	(1,717)	1,852	-	1,852
Available for sale financial assets	1	-	1	(7)	1	(6)
Cash flow hedge	145	(44)	101	(189)	59	(130)
Share of other comprehensive income of equity affiliates, net amount	477	-	477	215	-	215
Other	-	-	-	1	-	1
Items potentially reclassifiable to profit and loss	(1,094)	(44)	(1,138)	1,872	60	1,932
Total other comprehensive income	297	75	372	(3,026)	(78)	(3,104)

5) Financial debt

The Group issued the following bonds during the first nine months of 2016:

- Bond 0.250% 2016-2023 (EUR 1,250 million)
- Bond 0.750% 2016-2028 (EUR 1,500 million)

The Group reimbursed bonds during the first nine months of 2016:

- Bond 6.500% 2011-2016 (AUD 150 million)
- Bond 2.300% 2010-2016 (USD 1,000 million)
- Bond 0.750% 2012-2016 (USD 750 million)
- Bond US Libor 3 months + 38 bp 2013-2016 (USD 1,000 million)
- Bond 2.375% 2006-2016 (CHF 500 million)
- Bond 2.375% 2009-2016 (CHF 150 million)
- Bond 2.250% 2012-2016 (NOK 600 million)
- Bond 4.000% 2011-2016 (NOK 600 million)
- Bond 3.625% 2011-2016 (SEK 600 million)
- Bond 1.000% 2013-2016 (USD 500 million)

In the context of its active cash management, the Group may temporarily increase its current borrowings, particularly in the form of treasury bills and 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 transactions with related parties during the first nine months of 2016.

7) Other risks and contingent liabilities

TOTAL is not currently aware of any exceptional event, dispute, risks or contingent liabilities that could have a material impact on the assets and liabilities, results, financial position or operations of the Group.

Alitalia

In the Marketing & Services segment, a civil proceeding was initiated in Italy, in 2013, against TOTAL S.A. and its subsidiary Total Aviazione Italia Srl before the competent Italian civil court. The plaintiff claims against TOTAL S.A., its subsidiary and other third parties, damages that it estimates to be nearly €908 million. This proceeding follows practices that had been condemned by the Italian competition authority in 2006. The parties have exchanged preliminary findings. The existence and the assessment of the alleged damages in this procedure involving multiple defendants remain contested.

Blue Rapid and the Russian Olympic Committee – Russian regions and Interneft

Blue Rapid, a Panamanian company, and the Russian Olympic Committee filed a claim for damages with the Paris Commercial Court against Elf Aquitaine, alleging a so-called non-completion by a former subsidiary of Elf Aquitaine of a contract related to an exploration and production project in Russia negotiated in the early 1990s. Elf Aquitaine believed this claim to be unfounded and opposed it. On January 12, 2009, the Commercial Court of Paris rejected Blue Rapid's claim against Elf Aquitaine and found that the Russian Olympic Committee did not have standing in the matter. On June 30, 2011, the Court of Appeal of Paris dismissed as inadmissible the claim of Blue Rapid and the Russian Olympic Committee against Elf Aquitaine, notably on the grounds of the contract having lapsed. The judgment of the Court of Appeal of Paris is now final and binding following two decisions issued on February 18, 2016 by the French Supreme Court to put an end to this proceeding.

In connection with the same facts, and fifteen years after the aforementioned exploration and production contract was rendered null and void ("caduc"), a Russian company, which was held not to be the contracting party to the contract, and two regions of the Russian Federation that were not even parties to the contract, launched an arbitration procedure against the aforementioned former subsidiary of Elf Aquitaine that was liquidated in 2005, claiming alleged damages of \$22.4 billion. For the same reasons as those successfully adjudicated by Elf Aquitaine against Blue Rapid and the Russian Olympic Committee, the Group considers this claim to be unfounded as a matter of law and fact.

The Group has lodged a criminal complaint to denounce the fraudulent claim of which the Group believes it is a victim and, has taken and reserved its rights to take other actions and measures to defend its interests.

FERC

The Office of Enforcement of the U.S. Federal Energy Regulatory Commission (FERC) began in 2015 an investigation in connection with the natural gas trading activities of Total Gas & Power North America, Inc. (TGPNA), a U.S. subsidiary of the Group. The investigation covered transactions made by TGPNA between June 2009 and June 2012 on the natural gas market. TGPNA received a Notice of Alleged Violations from FERC on September 21, 2015. On April 28, 2016, FERC issued an order to show cause to TGPNA and two of its former employees, and to TOTAL S.A. and Total Gas & Power Ltd., regarding the same facts. A class action has been launched to seek damages from these three companies.

TGPNA has cooperated in the investigation with the U.S. authorities and contests the claims brought against it.

Yemen

Due to the further deterioration in the security situation in the vicinity of its Balhaf site, the company Yemen LNG, in which the Group holds a 39.62% stake, decided to stop its commercial LNG production and export activities. The plant is in a preservation mode and no expatriate personnel remain on site. As a consequence of this situation, Yemen LNG declared Force Majeure to its various stakeholders in early April 2015.

8) Information by business segment

9 months 2016 (M\$)	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	10,208	46,555	50,702	3	-	107,468
Intersegment sales	12,122	14,760	487	225	(27,594)	-
Excise taxes	-	(2,760)	(13,650)	-	-	(16,410)
Revenues from sales	22,330	58,555	37,539	228	(27,594)	91,058
Operating expenses	(14,708)	(54,404)	(35,697)	(710)	27,594	(77,925)
Depreciation, depletion and impairment of tangible assets and mineral interests	(7,258)	(750)	(549)	(27)	-	(8,584)
Operating income	364	3,401	1,293	(509)	-	4,549
Equity in net income (loss) of affiliates and other items	1,452	664	105	285	-	2,506
Tax on net operating income	453	(851)	(408)	87	-	(719)
Net operating income	2,269	3,214	990	(137)	-	6,336
Net cost of net debt						(617)
Non-controlling interests						(71)
Net income						5,648

9 months 2016 (adjustments) ^(a) (M\$)	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	(248)	-	-	-	-	(248)
Intersegment sales	-	-	-	-	-	-
Excise taxes	-	-	-	-	-	-
Revenues from sales	(248)	-	-	-	-	(248)
Operating expenses	(691)	248	(37)	-	-	(480)
Depreciation, depletion and impairment of tangible assets and mineral interests	(200)	-	-	-	-	(200)
Operating income ^(b)	(1,139)	248	(37)	-	-	(928)
Equity in net income (loss) of affiliates and other items	206	(11)	(146)	-	-	49
Tax on net operating income	700	(86)	(2)	-	-	612
Net operating income ^(b)	(233)	151	(185)	-	-	(267)
Net cost of net debt						(17)
Non-controlling interests						52
Net income						(232)

^(a) Adjustments include special items, inventory valuation effect and the effect of changes in fair value.

^(b) Of which inventory valuation effect

- On operating income	-	315	(10)	-
- On net operating income	-	219	1	-

9 months 2016 (adjusted) (M\$) ^(a)	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	10,456	46,555	50,702	3	-	107,716
Intersegment sales	12,122	14,760	487	225	(27,594)	-
Excise taxes	-	(2,760)	(13,650)	-	-	(16,410)
Revenues from sales	22,578	58,555	37,539	228	(27,594)	91,306
Operating expenses	(14,017)	(54,652)	(35,660)	(710)	27,594	(77,445)
Depreciation, depletion and impairment of tangible assets and mineral interests	(7,058)	(750)	(549)	(27)	-	(8,384)
Adjusted operating income	1,503	3,153	1,330	(509)	-	5,477
Equity in net income (loss) of affiliates and other items	1,246	675	251	285	-	2,457
Tax on net operating income	(247)	(765)	(406)	87	-	(1,331)
Adjusted net operating income	2,502	3,063	1,175	(137)	-	6,603
Net cost of net debt						(600)
Non-controlling interests						(123)
Adjusted net income						5,880
Adjusted fully-diluted earnings per share (\$)						2.42

^(a) Except for earnings per share.

9 months 2016 (M\$)	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Total expenditures	11,424	1,289	1,904	58	-	14,675
Total divestments	1,492	73	373	12	-	1,950
Cash flow from operating activities	5,476	2,837	720	470	-	9,503

9 months 2015 (M\$)	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	13,383	54,654	59,561	10	-	127,608
Intersegment sales	13,585	21,262	696	159	(35,702)	-
Excise taxes	-	(3,034)	(13,445)	-	-	(16,479)
Revenues from sales	26,968	72,882	46,812	169	(35,702)	111,129
Operating expenses	(16,135)	(68,068)	(45,022)	(635)	35,702	(94,158)
Depreciation, depletion and impairment of tangible assets and mineral interests	(8,668)	(799)	(561)	(20)	-	(10,048)
Operating income	2,165	4,015	1,229	(486)	-	6,923
Equity in net income (loss) of affiliates and other items	1,448	1,021	394	491	-	3,354
Tax on net operating income	(1,622)	(1,031)	(450)	(47)	-	(3,150)
Net operating income	1,991	4,005	1,173	(42)	-	7,127
Net cost of net debt						(541)
Non-controlling interests						127
Net income						6,713

9 months 2015 (adjustments)^(a) (M\$)	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	(314)	-	-	-	-	(314)
Intersegment sales	-	-	-	-	-	-
Excise taxes	-	-	-	-	-	-
Revenues from sales	(314)	-	-	-	-	(314)
Operating expenses	(151)	(606)	(155)	-	-	(912)
Depreciation, depletion and impairment of tangible assets and mineral interests	(1,890)	(31)	(23)	-	-	(1,944)
Operating income^(b)	(2,355)	(637)	(178)	-	-	(3,170)
Equity in net income (loss) of affiliates and other items	(206)	576	140	-	-	510
Tax on net operating income	526	184	42	-	-	752
Net operating income^(b)	(2,035)	123	4	-	-	(1,908)
Net cost of net debt						-
Non-controlling interests						178
Net income						(1,730)

^(a) Adjustments include special items, inventory valuation effect and the effect of changes in fair value.

^(b) Of which inventory valuation effect

- On operating income	-	(500)	(149)	-
- On net operating income	-	(343)	(101)	-

9 months 2015 (adjusted) (M\$) ^(a)	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	13,697	54,654	59,561	10	-	127,922
Intersegment sales	13,585	21,262	696	159	(35,702)	-
Excise taxes	-	(3,034)	(13,445)	-	-	(16,479)
Revenues from sales	27,282	72,882	46,812	169	(35,702)	111,443
Operating expenses	(15,984)	(67,462)	(44,867)	(635)	35,702	(93,246)
Depreciation, depletion and impairment of tangible assets and mineral interests	(6,778)	(768)	(538)	(20)	-	(8,104)
Adjusted operating income	4,520	4,652	1,407	(486)	-	10,093
Equity in net income (loss) of affiliates and other items	1,654	445	254	491	-	2,844
Tax on net operating income	(2,148)	(1,215)	(492)	(47)	-	(3,902)
Adjusted net operating income	4,026	3,882	1,169	(42)	-	9,035
Net cost of net debt						(541)
Non-controlling interests						(51)
Adjusted net income						8,443
Adjusted fully-diluted earnings per share (\$)						3.64

^(a) Except for earnings per share.

9 months 2015 (M\$)	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Total expenditures	18,977	1,257	1,152	53	-	21,439
Total divestments	1,813	2,652	800	22	-	5,287
Cash flow from operating activities	8,558	4,305	2,034	211	-	15,108

3rd quarter 2016 (M\$)	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	3,398	16,050	17,964	-	-	37,412
Intersegment sales	4,701	5,072	147	74	(9,994)	-
Excise taxes	-	(875)	(4,712)	-	-	(5,587)
Revenues from sales	8,099	20,247	13,399	74	(9,994)	31,825
Operating expenses	(4,954)	(19,101)	(12,708)	(197)	9,994	(26,966)
Depreciation, depletion and impairment of tangible assets and mineral interests	(2,480)	(251)	(194)	(11)	-	(2,936)
Operating income	665	895	497	(134)	-	1,923
Equity in net income (loss) of affiliates and other items	213	227	57	84	-	581
Tax on net operating income	(40)	(196)	(138)	58	-	(316)
Net operating income	838	926	416	8	-	2,188
Net cost of net debt						(208)
Non-controlling interests						(26)
Net income						1,954

3rd quarter 2016 (adjustments)^(a) (M\$)	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	(116)	-	-	-	-	(116)
Intersegment sales	-	-	-	-	-	-
Excise taxes	-	-	-	-	-	-
Revenues from sales	(116)	-	-	-	-	(116)
Operating expenses	-	4	(68)	-	-	(64)
Depreciation, depletion and impairment of tangible assets and mineral interests	-	-	-	-	-	-
Operating income^(b)	(116)	4	(68)	-	-	(180)
Equity in net income (loss) of affiliates and other items	(123)	16	(67)	-	-	(174)
Tax on net operating income	200	(11)	6	-	-	195
Net operating income^(b)	(39)	9	(129)	-	-	(159)
Net cost of net debt						(6)
Non-controlling interests						49
Net income						(116)

^(a) Adjustments include special items, inventory valuation effect and the effect of changes in fair value.

^(b) Of which inventory valuation effect

- On operating income	-	4	(51)	-
- On net operating income	-	21	(33)	-

3rd quarter 2016 (adjusted) (M\$) ^(a)	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	3,514	16,050	17,964	-	-	37,528
Intersegment sales	4,701	5,072	147	74	(9,994)	-
Excise taxes	-	(875)	(4,712)	-	-	(5,587)
Revenues from sales	8,215	20,247	13,399	74	(9,994)	31,941
Operating expenses	(4,954)	(19,105)	(12,640)	(197)	9,994	(26,902)
Depreciation, depletion and impairment of tangible assets and mineral interests	(2,480)	(251)	(194)	(11)	-	(2,936)
Adjusted operating income	781	891	565	(134)	-	2,103
Equity in net income (loss) of affiliates and other items	336	211	124	84	-	755
Tax on net operating income	(240)	(185)	(144)	58	-	(511)
Adjusted net operating income	877	917	545	8	-	2,347
Net cost of net debt						(202)
Non-controlling interests						(75)
Adjusted net income						2,070
Adjusted fully-diluted earnings per share (\$)						0.84

^(a)Except for earnings per share.

3rd quarter 2016 (M\$)	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Total expenditures	3,648	550	1,175	(172)	-	5,201
Total divestments	129	21	40	2	-	192
Cash flow from operating activities	2,380	1,698	495	167	-	4,740

3rd quarter 2015 (M\$)	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	3,660	17,397	19,522	1	-	40,580
Intersegment sales	4,280	6,912	201	51	(11,444)	-
Excise taxes	-	(1,094)	(4,589)	-	-	(5,683)
Revenues from sales	7,940	23,215	15,134	52	(11,444)	34,897
Operating expenses	(4,717)	(22,169)	(14,651)	(216)	11,444	(30,309)
Depreciation, depletion and impairment of tangible assets and mineral interests	(2,898)	(256)	(185)	(6)	-	(3,345)
Operating income	325	790	298	(170)	-	1,243
Equity in net income (loss) of affiliates and other items	360	152	(29)	23	-	506
Tax on net operating income	(345)	(152)	(126)	128	-	(495)
Net operating income	340	790	143	(19)	-	1,254
Net cost of net debt						(189)
Non-controlling interests						14
Net income						1,079

3rd quarter 2015 (adjustments)^(a) (M\$)	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	(10)	-	-	-	-	(10)
Intersegment sales	-	-	-	-	-	-
Excise taxes	-	-	-	-	-	-
Revenues from sales	(10)	-	-	-	-	(10)
Operating expenses	(9)	(923)	(199)	-	-	(1,131)
Depreciation, depletion and impairment of tangible assets and mineral interests	(650)	-	-	-	-	(650)
Operating income^(b)	(669)	(923)	(199)	-	-	(1,791)
Equity in net income (loss) of affiliates and other items	(151)	(14)	(145)	-	-	(310)
Tax on net operating income	53	294	64	-	-	411
Net operating income^(b)	(767)	(643)	(280)	-	-	(1,690)
Net cost of net debt						-
Non-controlling interests						13
Net income						(1,677)

^(a) Adjustments include special items, inventory valuation effect and the effect of changes in fair value.

^(b) Of which inventory valuation effect

- On operating income	-	(934)	(193)	-
- On net operating income	-	(631)	(139)	-

3rd quarter 2015 (adjusted) (M\$) ^(a)	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	3,670	17,397	19,522	1	-	40,590
Intersegment sales	4,280	6,912	201	51	(11,444)	-
Excise taxes	-	(1,094)	(4,589)	-	-	(5,683)
Revenues from sales	7,950	23,215	15,134	52	(11,444)	34,907
Operating expenses	(4,708)	(21,246)	(14,452)	(216)	11,444	(29,178)
Depreciation, depletion and impairment of tangible assets and mineral interests	(2,248)	(256)	(185)	(6)	-	(2,695)
Adjusted operating income	994	1,713	497	(170)	-	3,034
Equity in net income (loss) of affiliates and other items	511	166	116	23	-	816
Tax on net operating income	(398)	(446)	(190)	128	-	(906)
Adjusted net operating income	1,107	1,433	423	(19)	-	2,944
Net cost of net debt						(189)
Non-controlling interests						1
Adjusted net income						2,756
Adjusted fully-diluted earnings per share (\$)						1.17

^(a)Except for earnings per share.

3rd quarter 2015 (M\$)	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Total expenditures	5,173	358	501	8	-	6,040
Total divestments	272	12	121	5	-	410
Cash flow from operating activities	2,320	2,291	1,011	367	-	5,989

9) Reconciliation of the information by business segment with consolidated financial statements

9 months 2016 (M\$)	Adjusted	Adjustments^(a)	Consolidated statement of income
Sales	107,716	(248)	107,468
Excise taxes	(16,410)	-	(16,410)
Revenues from sales	91,306	(248)	91,058
Purchases net of inventory variation	(59,663)	253	(59,410)
Other operating expenses	(17,128)	(383)	(17,511)
Exploration costs	(654)	(350)	(1,004)
Depreciation, depletion and impairment of tangible assets and mineral interests	(8,384)	(200)	(8,584)
Other income	627	335	962
Other expense	(274)	(280)	(554)
Financial interest on debt	(792)	(17)	(809)
Financial income from marketable securities & cash equivalents	6	-	6
Cost of net debt	(786)	(17)	(803)
Other financial income	768	-	768
Other financial expense	(475)	-	(475)
Equity in net income (loss) of affiliates	1,811	(6)	1,805
Income taxes	(1,145)	612	(533)
Consolidated net income	6,003	(284)	5,719
Group share	5,880	(232)	5,648
Non-controlling interests	123	(52)	71

(a) Adjustments include special items, inventory valuation effect and the effect of changes in fair value.

9 months 2015 (M\$)	Adjusted	Adjustments^(a)	Consolidated statement of income
Sales	127,922	(314)	127,608
Excise taxes	(16,479)	-	(16,479)
Revenues from sales	111,443	(314)	111,129
Purchases net of inventory variation	(74,148)	(649)	(74,797)
Other operating expenses	(17,921)	(176)	(18,097)
Exploration costs	(1,177)	(87)	(1,264)
Depreciation, depletion and impairment of tangible assets and mineral interests	(8,104)	(1,944)	(10,048)
Other income	1,299	1,474	2,773
Other expense	(358)	(921)	(1,279)
Financial interest on debt	(726)	-	(726)
Financial income from marketable securities & cash equivalents	69	-	69
Cost of net debt	(657)	-	(657)
Other financial income	582	-	582
Other financial expense	(483)	-	(483)
Equity in net income (loss) of affiliates	1,804	(43)	1,761
Income taxes	(3,786)	752	(3,034)
Consolidated net income	8,494	(1,908)	6,586
Group share	8,443	(1,730)	6,713
Non-controlling interests	51	(178)	(127)

(a) Adjustments include special items, inventory valuation effect and the effect of changes in fair value.

3rd quarter 2016	Consolidated		
(M\$)	Adjusted	Adjustments^(a)	statement of income
Sales	37,528	(116)	37,412
Excise taxes	(5,587)	-	(5,587)
Revenues from sales	31,941	(116)	31,825
Purchases net of inventory variation	(21,176)	(47)	(21,223)
Other operating expenses	(5,452)	(17)	(5,469)
Exploration costs	(274)	-	(274)
Depreciation, depletion and impairment of tangible assets and mineral interests	(2,936)	-	(2,936)
Other income	284	6	290
Other expense	(155)	(196)	(351)
Financial interest on debt	(262)	(6)	(268)
Financial income from marketable securities & cash equivalents	(5)	-	(5)
Cost of net debt	(267)	(6)	(273)
Other financial income	265	-	265
Other financial expense	(154)	-	(154)
Equity in net income (loss) of affiliates	515	16	531
Income taxes	(446)	195	(251)
Consolidated net income	2,145	(165)	1,980
Group share	2,070	(116)	1,954
Non-controlling interests	75	(49)	26

(a) Adjustments include special items, inventory valuation effect and the effect of changes in fair value.

3rd quarter 2015	Consolidated		
(M\$)	Adjusted	Adjustments^(a)	statement of income
Sales	40,590	(10)	40,580
Excise taxes	(5,683)	-	(5,683)
Revenues from sales	34,907	(10)	34,897
Purchases net of inventory variation	(23,113)	(1,127)	(24,240)
Other operating expenses	(5,790)	(4)	(5,794)
Exploration costs	(275)	-	(275)
Depreciation, depletion and impairment of tangible assets and mineral interests	(2,695)	(650)	(3,345)
Other income	415	15	430
Other expense	(123)	(318)	(441)
Financial interest on debt	(233)	-	(233)
Financial income from marketable securities & cash equivalents	10	-	10
Cost of net debt	(223)	-	(223)
Other financial income	185	-	185
Other financial expense	(154)	-	(154)
Equity in net income (loss) of affiliates	493	(7)	486
Income taxes	(872)	411	(461)
Consolidated net income	2,755	(1,690)	1,065
Group share	2,756	(1,677)	1,079
Non-controlling interests	(1)	(13)	(14)

(a) Adjustments include special items, inventory valuation effect and the effect of changes in fair value.

10) Sales by business segment

(M\$)	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
1st quarter 2016						
Non-Group sales	3,466	13,938	15,433	4	-	32,841
Intersegment sales	3,262	4,148	132	70	(7,612)	-
Excise taxes	-	(961)	(4,358)	-	-	(5,319)
Revenues from sales	6,728	17,125	11,207	74	(7,612)	27,522
2nd quarter 2016						
Non-Group sales	3,344	16,567	17,305	(1)	-	37,215
Intersegment sales	4,159	5,540	208	81	(9,988)	-
Excise taxes	-	(924)	(4,580)	-	-	(5,504)
Revenues from sales	7,503	21,183	12,933	80	(9,988)	31,711
3rd quarter 2016						
Non-Group sales	3,398	16,050	17,964	-	-	37,412
Intersegment sales	4,701	5,072	147	74	(9,994)	-
Excise taxes	-	(875)	(4,712)	-	-	(5,587)
Revenues from sales	8,099	20,247	13,399	74	(9,994)	31,825
9 months 2016						
Non-Group sales	10,208	46,555	50,702	3	-	107,468
Intersegment sales	12,122	14,760	487	225	(27,594)	-
Excise taxes	-	(2,760)	(13,650)	-	-	(16,410)
Revenues from sales	22,330	58,555	37,539	228	(27,594)	91,058
1st quarter 2015						
Non-Group sales	5,225	17,464	19,620	4	-	42,313
Intersegment sales	4,384	6,967	272	52	(11,675)	-
Excise taxes	-	(933)	(4,417)	-	-	(5,350)
Revenues from sales	9,609	23,498	15,475	56	(11,675)	36,963
2nd quarter 2015						
Non-Group sales	4,498	19,793	20,419	5	-	44,715
Intersegment sales	4,921	7,383	223	56	(12,583)	-
Excise taxes	-	(1,007)	(4,439)	-	-	(5,446)
Revenues from sales	9,419	26,169	16,203	61	(12,583)	39,269
3rd quarter 2015						
Non-Group sales	3,660	17,397	19,522	1	-	40,580
Intersegment sales	4,280	6,912	201	51	(11,444)	-
Excise taxes	-	(1,094)	(4,589)	-	-	(5,683)
Revenues from sales	7,940	23,215	15,134	52	(11,444)	34,897
9 months 2015						
Non-Group sales	13,383	54,654	59,561	10	-	127,608
Intersegment sales	13,585	21,262	696	159	(35,702)	-
Excise taxes	-	(3,034)	(13,445)	-	-	(16,479)
Revenues from sales	26,968	72,882	46,812	169	(35,702)	111,129

11) Changes in progress in the Group structure

➤ Refining & Chemicals

- Following the sale offering of its electroplating activity Atotech in May 2016, the assets and liabilities have been respectively classified in the consolidated balance sheet in “assets classified as held for sale” for an amount of \$1,045 million and “liabilities directly associated with the assets classified as held for sale” for an amount of \$525 million at September 30, 2016. The assets and liabilities concerned mainly include tangible assets for an amount of \$342 million, inventories for an amount of \$195 million, receivables for an amount of \$236 million, non-current liabilities for an amount of \$197 million, payables for an amount of \$92 million and other creditors and accrued liabilities for an amount of \$221 million.

On October 7, 2016, TOTAL announced the sale of Atotech to the Carlyle Group for an amount of \$3.2 billion.

12) Post-closing and other events

- On September 29, 2016, the Group issued perpetual deeply subordinated notes:
 - Deeply subordinated note 2.708% perpetual maturity callable after 6.6 years (€1,000 million),
 - Deeply subordinated note 3.369% perpetual maturity callable after 10 years (€1,500 million).

The proceeds were paid on October 6, 2016.