FINANCIAL REPORT

FIRST HALF 2018

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Financial report half-year 2018

CERTIFICATION OF THE PERSON RESPONSIBLE FOR THE HALF-YEAR FINANCIAL REPORT

This translation is a non binding translation into English of the Chairman and Chief Executive Officer's certification issued in French, and is provided solely for the convenience of English-speaking readers.

"I certify, to the best of my knowledge, that the condensed Consolidated Financial Statements of TOTAL S.A. (the Company) for the first half of 2018 have been prepared in accordance with the applicable set of accounting standards and give a fair view of the assets, liabilities, financial position and profit or loss of the Company and all the entities included in the consolidation, and that the half-year financial report on pages 3 to 14 herein includes a fair review of the important events that have occurred during the first six months of the financial year and their impact on the financial statements, major related parties transactions and the principal risks and uncertainties for the remaining six months of the financial year.

The statutory auditors' report on the limited review of the above-mentioned condensed Consolidated Financial Statements is included on page 15 of this half-year financial report."

Courbevoie, July 25, 2018

Patrick Pouyanné
Chairman and Chief Executive Officer

AUTORITÉ DES MARCHÉS FINANCIERS
AMF

The French language version of this *Rapport financier semestriel* (half-year financial report) was filed with the French Financial Markets Authority (Autorité des marchés financiers) on July 26, 2018 pursuant to paragraph III of Article L. 451-1-2 of the French Monetary and Financial Code.

Definitions

The terms "TOTAL" and "Group" as used in this half-year financial report refer to TOTAL S.A. collectively with all of its direct and indirect consolidated companies located in or outside of France. The term "Company" as used in this half-year financial report refers to TOTAL S.A., which is the parent company of the Group.

Abbreviations

€:	euro
$ or dollar:	U.S. dollar
ADR:	American depositary receipt (evidencing an ADS)
ADS:	American depositary share (representing a share of a company)
AMF:	Autorité des marchés financiers (French Financial Markets Authority)
API:	American Petroleum Institute
DACF:	debt adjusted cash flow. Cash flow from operating activities before changes in working capital at remplacement costs, without financial charges.
ERMI:	The European refining margin indicator (ERMI) is a Group indicator intended to represent the margin after variable costs for a hypothetical complex refinery located around Rotterdam in Northern Europe that processes a mix of crude oil and other inputs commonly supplied to this region to produce and market the main refined products at prevailing prices in this region. The indicator margin may not be representative of the actual margins achieved by the Group in any period because of TOTAL's particular refinery configurations, product mix effects or other company-specific operating conditions.
FPSO:	floating production, storage and offloading
GHG:	greenhouse gas
IFRS:	International Financial Reporting Standards
LNG:	liquefied natural gas
LPG:	liquefied petroleum gas
NGL:	natural gas liquids
NGV:	natural gas vehicle
ROE:	return on equity
ROACE:	return on average capital employed
SEC:	United States Securities and Exchange Commission

Units of measurement

b = barrel(1)

B = billion

boe = barrel of oil equivalent

Btu = British thermal unit

cf = cubic feet

CO_2 eq = carbon dioxide equivalent

/d = per day

GWh = gigawatt hour

k = thousand

km = kilometer

m = meter

m^3 (cm) = cubic meter(1)

M = million

MW = megawatt

MWp = megawatt peak (direct current)

t = (Metric) ton

TWh = terawatt hour

W = watt

/y = per year

Conversion table

1 acre ≈ 0.405 hectares

1 b = 42 U.S. gallons ≈ 159 liters

1 b/d of crude oil ≈ 50 t/y of crude oil

1 Bm^3/y (1 Bcm) ≈ 0.1 Bcf/d

1 km ≈ 0.62 miles

1 m^3 ≈ 35.3 cf

1 Mt of LNG ≈ 48 Bcf of gas

1 Mt/y of LNG ≈ 131 Mcf/d of gas

1 t of oil ≈ 7.5 b of oil (assuming a specific gravity of 37° API)

1 boe = 1 b of crude oil ≈ 5,396 cf of gas in 2017(2) (5,403 cf in 2016 and 5,390 cf in 2015)

(1) Liquid and gas volumes are reported at international standard metric conditions (15°C and 1 atm).

(2) Natural gas is converted to barrels of oil equivalent using a ratio of cubic feet of natural gas per one barrel. This ratio is based on the actual average equivalent energy content of TOTAL's natural gas reserves during the applicable periods, and is subject to change. The tabular conversion rate is applicable to TOTAL's natural gas reserves on a Group-wide basis.

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HALF-YEAR FINANCIAL REPORT

1.1 Key figures[a]

(M$, except effective tax rate, earnings per share and number of shares)	**1H18**	1H17	1H18 vs 1H17
Adjusted net operating income from business segments	7,564	5,515	+37%
- Exploration & Production	4,870	2,741	+78%
- Gas, Renewables & Power	308	156	+97%
- Refining & Chemicals	1,541	1,884	-18%
- Marketing & Services	845	734	+15%
Contribution of equity affiliates to adjusted net income	1,403	1,169	+20%
Group effective tax rate[b]	39.2%	29.9%	
Adjusted net income	6,437	5,032	+28%
Adjusted fully-diluted earnings per share *(dollars)*[c]	2.41	1.98	+22%
Adjusted fully-diluted earnings per share *(euros)**	1.99	1.83	+9%
Fully-diluted weighted-average shares *(millions)*	2,608	2,471	+6%
NET INCOME (GROUP SHARE)	6,357	4,886	+30%
Investments[d]	10,511	7,883	+33%
Divestments[e]	3,859	3,258	+18%
Net investments[f]	6,652	4,625	+44%
Organic investments[g]	5,400	6,893	-22%
Resource acquisitions	3,807	64	n.s.
Operating cash flow before working capital changes[h]	11,769	10,021	+17%
Operating cash flow before working capital changes w/o financial charges (DACF)[i]	12,465	10,483	+19%
Cash flow from operations	8,327	9,341	-11%

* Average €/$ exchange rate: 1.1915 in the second quarter 2018 and 1.2104 in the first half 2018.
(a) Adjusted results are defined as income using replacement cost, adjusted for special items, excluding the impact of changes for fair value; adjustment items are on page 11.
(b) Tax on adjusted net operating income / (adjusted net operating income - income from equity affiliates - dividends received from investments - impairment of goodwill + tax on adjusted net operating income).
(c) In accordance with IFRS norms, adjusted fully-diluted earnings per share is calculated from the adjusted net income less the interest on the perpetual subordinated bond.
(d) Including acquisitions and increases in non-current loans.
(e) Including divestments and reimbursements of non-current loans.
(f) Net investments = investments - divestments - repayment of non-current loans - other operations with non-controlling interests.
(g) Organic investments = net investments excluding acquisitions, asset sales and other operations with non-controlling interests.
(h) Operating cash flow before working capital changes, previously referred to as adjusted cash flow from operations, is defined as cash flow from operating activities before changes in working capital at replacement cost. The inventory valuation effect is explained on page 14. The reconciliation table for different cash flow figures is on page 12.
(i) DACF = debt adjusted cash flow, is defined as operating cash flow before working capital changes and financial charges.

1.2 Highlights since the beginning of 2018[1]

- TOTAL became the second-largest North Sea operator with the closing of the Maersk Oil acquisition.
- Finalized the acquisition of interests in the deep-offshore fields of Lapa and Iara in Brazil as part of the strategic alliance with Petrobras.
- Obtained interests in two new 40-year concessions for offshore fields Umm Shaif and Nasr (20%) and Lower Zakum (5%) in Abu Dhabi.
- Acquired a 16.33% interest in the onshore Waha concession in Libya.
- Strengthened the Group's presence in the deep-offshore Gulf of Mexico with the major Ballymore discovery as well as acquiring from Cobalt increased interests in the Anchor discovery and North Platte to reach 32.5% and 60% respectively and exploration assets.
- Engie LNG acquisition closed July 13, 2018: TOTAL becomes world No. 2 in LNG.
- Finalized acquisition of 73% of Direct Energie and launched mandatory public offer for remaining shares.
- Expanded partnership with Novatek through the Arctic 2 LNG project in Russia.
- Launched the Zinia 2 project on Block 17 in Angola.
- Strengthened cooperation with Sonatrach in Algeria by extending license for the TFT gas field and launched engineering studies for petrochemical project at Arzew.
- Acquired exploration permits in prolific basins in Guyana and Mediterranean Sea offshore Lebanon.
- Created a petrochemical joint venture in the United States with Borealis and NOVA Chemicals.
- Signed MOU with Saudi Aramco to build petrochemical complex at Jubail in Saudi Arabia.
- Acquired 25% of Clean Energy to accelerate use of natural gas for heavy-duty trucks in the United States.
- Expanding LNG as marine fuel in Singapore in the framework of cooperation with Pavillion.
- Finalized the sale of the Martin Linge field in Norway.
- Signed an agreement to sell interest in Dunkirk LNG terminal.
- Started production at the Timimoun gas field in Algeria and the Fort Hills project in Canada.

1.3 Analysis of business segments

1.3.1 Exploration & Production

1.3.1.1 Environment – liquids and gas price realizations*

	1H18	1H17	1H18 vs 1H17
Brent *($/b)*	70.6	51.7	+37%
Average liquids price *($/b)*	65.3	47.1	+39%
Average gas price *($/Mbtu)*	4.61	4.01	+15%
Average hydrocarbon price *($/boe)*	50.9	36.7	+39%

* Consolidated subsidiaries, excluding fixed margins.

1.3.1.2 Production

Hydrocarbon production	1H18	1H17	1H18 vs 1H17
Combined production *(kboe/d)*	2,710	2,534	+7%
- Liquids *(kb/d)*	1,532	1,300	+18%
- Gas *(Mcf/d)*	6,419	6,696	-4%

In the first half 2018, hydrocarbon production was 2,710 kboe/d, an increase of 7% compared to the first half 2017, due to:

- +7% due to new project start-ups and ramp-ups, notably Moho Nord, Yamal LNG, Edradour-Glenlivet, Kashagan, Fort Hills and Libra;
- +3% portfolio effect, mainly due to the integration of Al-Shaheen in Qatar, the Maersk Oil assets, Waha in Libya, and Lapa and Iara in Brazil, which were partially offset by the expiration of the Mahakam permit in Indonesia at the end of 2017;
- -3% due to heavier seasonal maintenance activity, the PSC price effect and natural field decline.

(1) Certain transactions referred to in the highlights are subject to approval by authorities or to other conditions as per the agreements.

1.3.1.3 Results

(M$, except effective tax rate)	1H18	1H17	1H18 vs 1H17
Adjusted net operating income[(a)]	4,870	2,741	+78%
including income from equity affiliates	*1,021*	*688*	*+48%*
Effective tax rate[(b)]	47.1%	39.3%	
Investments	8,851	6,084	+45%
Divestments	2,751	245	x11.2
Organic investments	4,171	5,802	-28%
Operating cash flow before working capital changes[(c)]	9,380	6,916	+36%
Cash flow from operations[(c)]	8,197	5,637	+45%

(a) Details of adjustment items are shown in the business segment information notes to financial statements.
(b) Tax on adjusted net operating income/(adjusted net operating income - income from equity affiliates - dividends received from investments - impairment of goodwill + tax on adjusted net operating income).
(c) Excluding financial charges.

Exploration & Production adjusted net operating income was $4,870 million in the first half 2018, an increase of 78% compared to the first half 2017. The Group benefited fully from the increase in hydrocarbon prices, thanks to higher production and lower costs, despite an increase in tax rates over the year to 47.1% in line with increasing hydrocarbon prices.

Operating cash flow before working capital changes was $9.4 billion in the first half, an increase of 36%. Exploration & Production generated $5.2 billion of cash flow after organic investments in the first half 2018.

1.3.2 Gas, Renewables & Power

1.3.2.1 Results

(M$)	1H18	1H17	1H18 vs 1H17
Adjusted net operating income[(a)]	308	156	+97%
Investments	328	392	-16%
Divestments	483	27	x17.9
Organic investments	136	170	-20%
Operating cash flow before working capital changes[(b)]	226	159	+42%
Cash flow from operations[(b)]	(75)	40	n.s.

(a) Detail of adjustment items shown in the business segment information notes to financial statements.
(b) Excluding financial charges.

Adjusted net operating income for Gas, Renewables & Power was $308 million in the first half 2018, thanks to an increased contribution from the gas business and better performance from new energies.

1.3.3 Refining & Chemicals

1.3.3.1 Refinery throughput and utilization rates[(a)]

	1H18	1H17	1H18 vs 1H17
Total refinery throughput *(kb/d)*	1,784	1,796	-1%
- France	597	600	-1%
- Rest of Europe	708	742	-5%
- Rest of world	479	454	+6%
Utlization rate based on crude only[(b)]	85%	86%	

(a) Includes share of TotalErg, and African refineries reported in the Marketing & Services segment.
(b) Based on distillation capacity at the beginning of the year.

Refinery throughput was stable in the first half 2018 compared to the first half 2017. Lower throughput in Europe linked to planned maintenance, notably at Antwerp, was offset by higher throughput in the rest of the world.

1.3.3.2 Results

(M$, except the ERMI)	1H18	1H17	1H18 vs 1H17
European refining margin indicator - ERMI *($/t)*	30.1	40.0	-25%
Adjusted net operating income[a]	1,541	1,884	-18%
Investments	736	667	+10%
Divestments	349	2,760	-87%
Organic investments	694	603	+15%
Operating cash flow before working capital changes[b]	1,938	2,378	-19%
Cash flow from operations[b]	(110)	3,729	n.s.

(a) Detail of adjustment items shown in the business segment information notes to financial statements.
(b) Excluding financial charges.

The Group's European refining margin indicator (ERMI) decreased by 25% from a year ago to 30.1$/t for the first half 2018. Petrochemical margins continue to benefit from a favorable environment, notably in the United States and Asia-Middle East, but margins in Europe were lower compared to a year ago mainly due to an increase in feedstock prices.

In this context, Refining & Chemicals adjusted net operating income was $1,541 million in the first half 2018, a decrease of 18% compared to the first half 2017.

1.3.4 Marketing & Services

1.3.4.1 Petroleum product sales

Sales *(in kb/d*)*	1H18	1H17	1H18 vs 1H17
Total Marketing & Services sales	1,800	1,744	+3%
- Europe	997	1,039	-4%
- Rest of world	803	705	+14%

* Excludes trading and bulk refining sales, includes share of TotalErg.

Petroleum product sales increased by 3% in the first half 2018 compared to the first half 2017, despite the sale of TotalErg in Italy, due to growth in the business, notably in Asia and Africa.

1.3.4.2 Results

(M$)	1H18	1H17	1H18 vs 1H17
Adjusted net operating income[a]	845	734	+15%
Investments	538	697	-23%
Divestments	273	218	+25%
Organic investments	342	280	+22%
Operating cash flow before working capital changes[b]	1,076	1,053	+2%
Cash flow from operations[b]	781	582	+34%

(a) Detail of adjustment items shown in the business segment information notes to financial statements.
(b) Excluding financial charges.

Adjusted net operating income for the Marketing & Services segment was $845 million in the first half 2018, a 15% increase compared to the first half 2017, due to volume growth in a context of favorable margins, notably in Africa.

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1.4 Group results

1.4.1 Adjusted net operating income from business segments

Adjusted net operating income from the business segments was $7,564 million in the first half 2018, a 37% increase compared to the first half 2017, essentially due to the strong performance of Exploration & Production, whose contribution increased by 78% compared to a year ago thanks to increasing production in a context of higher hydrocarbon prices and lower costs.

1.4.2 Adjusted net income (Group share)

Adjusted net income was $6,437 million in the first half 2018, a 28% increase compared to the first half 2017, essentially due to 37% increase in the contribution of the segments, partially offset by higher net cost of net debt, mainly due to an increase in dollar interest rates.

Adjusted net income excludes the after-tax inventory effect, special items and the impact of changes in fair value[1].

Total adjustments affecting net income[2] were -$80 million in the first half 2018.

The effective tax rate for the Group was 39.2% in the first half 2018, compared to 29.9% in the first half 2017, due to the increase in the effective tax rate for Exploration & Production, in line with higher hydrocarbon prices, and the larger contribution of this segment to the Group's results this quarter;

1.4.3 Adjusted fully-diluted earnings per share and share buyback

Adjusted earnings per share increased by 22% to $2.41 in the first half 2018, calculated based on a weighted average of 2,608 million fully-diluted shares, from $1.98 in the first half 2017.

On June 30, 2018, the number of fully-diluted shares was 2,644 million.

Within the framework of the shareholder return policy announced in February 2018, the Group bought back shares in the first half 2018 for cancellation. The buyback is comprised of repurchasing shares issued as scrip dividend to eliminate dilution and additional shares to share with shareholders the benefit resulting from higher oil prices. 28.4 million shares were repurchased in the first half 2018, including additional shares for $589 million.

1.4.4 Divestments – acquisitions

Completed asset sales were $2,862 million in the first half 2018, comprised mainly of the high-cost Martin Linge field in Norway, an interest in Fort Hills in Canada, the marketing activities of TotalErg in Italy, SunPower's sale of its interest in 8point3, and of the sale of the Bayport (US) polyethylene plant to the joint venture formed with Borealis and Nova in which TOTAL holds 50%.

Completed acquisitions were $4,114 million in the first half 2018, comprised mainly of interests in the Iara and Lapa fields in Brazil, in two new 40-year concessions in offshore Abu Dhabi, in the Waha field in Libya, in offshore assets from Cobalt in the Gulf of Mexico, notably including 20% interest in the North Platte and Anchor discoveries, and of an interest in Clean Energy in the United States to expand into marketing natural gas for vehicles.

1.4.5 Net cash flow

The Group's net cash flow[3] was $5,117 million in the first half 2018 compared to $5,396 million in the first half 2017. Net investments increased by $2,027 million compared to the first half 2017 due to an increase in completed acquisitions, in line with the strategy of the Group to invest counter-cyclically in 2016-17. This well-timed investment effort was partially offset by a $1,748 million increase in operating cash flow before working capital changes.

(1) Details shown on page 11 and in the notes to the financial statements.
(2) Details shown on page 11.
(3) Net cash flow = operating cash flow before working capital changes - net investments (including other transactions with non-controlling interests).

1.4.6 Profitability

Return on equity for the twelve months ended June 30, 2018, was 10.9%, an increase compared to the same period a year ago.

(M$)	**July 1, 2017 to June 30, 2018**	April 1, 2017 to March 31, 2018	January 1, 2017 to December 31, 2017
Adjusted net income	12,299	11,150	10,762
Average adjusted shareholders' equity	113,251	111,522	106,078
Return on equity (ROE)	**10.9%**	**10.0%**	**10.1%**

Return on average capital employed was 10.1% for the twelve months ended June 30, 2018, an increase compared to the same period a year ago.

(M$)	**July 1, 2017 to June 30, 2018**	April 1, 2017 to March 31, 2018	January 1, 2017 to December 31, 2017
Adjusted net operating income	13,748	12,428	11,958
Average capital employed	136,355	136,384	127,575
ROACE	**10.1%**	**9.1%**	**9.4%**

1.5 TOTAL S.A., parent company accounts

Net income for TOTAL S.A., the parent company, was €4,079 million in the first half 2018, compared to €1,460 million in the first half 2017.

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1.6 2018 Sensitivities[(a)]

	Scenario	Change	Estimated impact on adjusted net operating income	Estimated impact on cash flow
Dollar	1.2 $/€	+/-0.1 $ per €	-/+0.1 B$	~0 B$
Brent	50 $/b	+/-10 $/b[(b)]	+/-2.3 B$	+/-2.8 B$
European refining margin indicator (ERMI)	**35 $/t**	**+/-10 $/t**	**+/-0.5 B$**	**+/-0.6 B$**

(a) Sensitivities are revised once per year upon publication of the previous year's fourth quarter results. Sensitivities are estimates based on assumptions about the Group's portfolio in 2018. Actual results could vary significantly from estimates based on the application of these sensitivities. The impact of the $/€ sensitivity on adjusted net operating income is essentially attributable to Refining & Chemicals.
(b) Assumes constant liquids price differentials.

1.7 Summary and outlook

Supported by inventory reductions and geopolitical tensions, Brent continued to trade at around 70 $/b at the start of the third quarter, despite the announced increase in production by OPEC. The Group, however, resolutely continues to implement programs to improve operational efficiency and to reduce its breakeven so as to remain profitable whatever the market context.

The Upstream is well positioned to take advantage of the increase in oil prices thanks to production growth which should be above 7% in 2018. It will benefit in the coming months from the start-ups of Kaombo, Tempa Rossa, Ichthys and Egina, which are all strong cash flow generators, as well as ramping production up at recent start-ups like Yamal LNG, Fort Hills and Timimoun.

Since the start of the third quarter, European refining margins have been around 35 $/t. While still favorable, petrochemical margins are lower in Europe compared to a year ago.

The cost reduction program is on track to surpass the $4 billion objective for the year and reach $4.2 billion of cost saving over the 2014-18 period. The Group confirms that investments (organic and net acquisitions) should be between $16-17 billion in 2018.

Conforming to the announced shareholder return policy, the Group will continue to buy back shares issued as scrip dividend to eliminate dilution. It will also continue to buy back additional shares for an amount of up to $5 billion over the period 2018-20.

1.8 Other information

1.8.1 Operating information by segment

1.8.1.1 Exploration & Production

Combined liquids and gas production by region *(in kboe/d)*	1H18	1H17	1H18 vs 1H17
Europe and Central Asia	864	776	+11%
Africa	673	646	+4%
Middle East and North Africa	660	524	+26%
Americas	386	339	+14%
Asia Pacific	128	249	-49%
Total production	2,710	2,534	+7%
including equity affiliates	670	621	+8%

Liquids production by region *(in kb/d)*	1H18	1H17	1H18 vs 1H17
Europe and Central Asia	315	268	+17%
Africa	507	495	+2%
Middle East and North Africa	520	384	+36%
Americas	177	126	+41%
Asia Pacific	12	28	-57%
Total production	1,532	1,300	+18%
including equity affiliates	268	254	+6%

Gas production by region *(in Mcf/d)*	1H18	1H17	1H18 vs 1H17
Europe and Central Asia	2,954	2,740	+8%
Africa	815	696	+17%
Middle East and North Africa	774	776	-
Americas	1,175	1,197	-2%
Asia Pacific	701	1,287	-46%
Total production	6,419	6,696	-4%
including equity affiliates	2,141	1,921	+11%

Liquefied natural gas	1H18	1H17	1H18 vs 1H17
LNG sales* *(Mt)*	4.97	5.66	-12%

* Sales, Group share, excluding trading; 2017 data restated to reflect volume estimates for Bontang LNG in Indonesia based on the 2017 SEC coefficient.

1.8.1.2 Downstream (Refining & Chemicals and Marketing & Services)

Petroleum product sales by region *(in kb/d)*[(a)]	**1H18**	1H17[(b)]	1H18 vs 1H17
Europe	1,922	2,078	-7%
Africa	703	587	+20%
Americas	781	615	+27%
Rest of world	662	765	-14%
TOTAL CONSOLIDATED SALES	**4,068**	**4,045**	**+1%**
including bulk sales	563	577	-2%
including trading	1,705	1,724	-1%

(a) Includes share of TotalErg.
(b) 2017 data restated.

1.8.2 Adjustment items to net income (Group share)

(M$)	**1H18**	1H17
Special items affecting net income (Group share)	(553)	128
- Gain (loss) on asset sales	(103)	2,264
- Restructuring charges	(67)	(59)
- Impairments	(248)	(1,750)
- Other	(135)	(327)
After-tax inventory effect: FIFO vs. replacement cost	472	(255)
Effect of changes in fair value	1	(19)
TOTAL ADJUSTMENTS AFFECTING NET INCOME	**(80)**	**(146)**

1.8.3 Investments - Divestments

(M$)	**1H18**	1H17	1H18 vs 1H17
Organic investments	5,400	6,893	-22%
capitalized exploration	*248*	*277*	*-10%*
increase in non-current loans	*311*	*601*	*-48%*
repayment of non-current loans	*(997)*	*(340)*	*x2.9*
Acquisitions	4,114	650	x6.3
Asset sales	2,862	2,918	-2%
Other transactions with non-controlling interests	-	-	-
Net investments	6,652	4,625	+44%

1.8.4 Cash flow

(M$)	1H18	1H17	1H18 vs 1H17
Operating cash flow before working capital changes w/o financial charges (DACF)	**12,465**	**10,483**	**+19%**
- Financial charges	(696)	(462)	+51%
Operating cash flow before working capital changes (A)	**11,769**	**10,021**	**+17%**
- (Increase) decrease in working capital	(4,078)	(322)	n.s.
- Inventory effect	636	(358)	n.s.
Cash flow from operations	**8,327**	**9,341**	**-11%**
Organic investments (B)	5,400	6,893	-22%
FREE CASH FLOW AFTER ORGANIC INVESTMENTS, W/O NET ASSET SALES (A - B)	**6,369**	**3,128**	**x2**
Net investments (C)	6,652	4,625	+44%
***NET CASH* FLOW (A - C)**	**5,117**	**5,396**	**-5%**

1.8.5 Gearing ratios

(M$)	06/30/2018	03/31/2018	06/30/2017
Current borrowings	15,659	14,909	13,070
Net current financial assets	(2,806)	(1,920)	(3,377)
Net financial assets classified as held for sale	0	0	(2)
Non-current financial debt	38,362	40,257	41,548
Hedging instruments of non-current debt	(967)	(1,154)	(558)
Cash and cash equivalents	(26,475)	(30,092)	(28,720)
Net debt (A)	**23,773**	**22,000**	**21,961**
Shareholders' equity - Group share	117,975	121,187	107,188
Non-controlling interests	2,288	2,499	2,772
Shareholders' equity (B)	**120,263**	**123,686**	**109,960**
NET-DEBT-TO-EQUITY RATIO = A / B	**19.8%**	**17.8%**	**20.0%**
NET-DEBT-TO-CAPITAL RATIO = A / (A + B)	**16.5%**	**15.1%**	**16.6%**

1.8.6 Return on average capital employed

1.8.6.1 Twelve months ended June 30, 2018

(M$)	Exploration & Production	Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Group
Adjusted net operating income	8,114	637	3,447	1,787	13,748
Capital employed at 06/30/2017*	108,618	5,363	10,957	6,937	130,831
Capital employed at 06/30/2018*	118,715	4,442	12,939	7,040	141,878
ROACE	**7.1%**	**13.0%**	**28.9%**	**25.6%**	**10.1%**

* At replacement cost (excluding after-tax inventory effect).

1.8.6.2 Twelve months ended March 31, 2018

(M$)	Exploration & Production	Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Group
Adjusted net operating income	6,786	539	3,487	1,742	12,428
Capital employed at 03/31/2017*	106,937	5,036	11,130	6,331	128,810
Capital employed at 03/31/2018*	119,035	5,237	13,428	7,409	143,957
ROACE	**6.0%**	**10.5%**	**28.4%**	**25.4%**	**9.1%**

* At replacement cost (excluding after-tax inventory effect).

1.8.6.3 Twelve months ended June 30, 2017

(M$)	Exploration & Production	Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Group
Adjusted net operating income	4,529	479	3,931	1,584	10,609
Capital employed at 06/30/2016*	107,405	4,622	12,249	5,789	129,635
Capital employed at 06/30/2017*	108,618	5,363	10,957	6,937	130,831
ROACE	**4.2%**	**9.6%**	**33.9%**	**24.9%**	**8.1%**

* At replacement cost (excluding after-tax inventory effect).

1.9 Principal risks and uncertainties for the remaining six months of 2018

The Group and its businesses are subject to various risks relating to changing political, economic, monetary, legal, environmental, social, industrial, competitive, operating and financial conditions. A description of such risk factors is provided in TOTAL's 2017 Registration Document filed with the Autorité des marchés financiers (French Financial Markets Authority) on March 16, 2018. These conditions are subject to change not only in the six months remaining in the current financial year, but also in the years to come.

Additionally, a description of certain risks is included in the Notes to the condensed Consolidated Financial Statements for the first half of 2018 (pages 30 and 31 of this half-year financial report).

1.10 Major related parties' transactions

Information concerning the major related parties' transactions for the first six months of 2018 is provided in Note 6 to the condensed Consolidated Financial Statements for the first half of 2018 (page 30 of this half-year financial report).

Disclaimer

This document may contain forward-looking information on the Group (including objectives and trends), as well as forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, notably with respect to the financial condition, results of operations, business, strategy and plans of TOTAL. These data do not represent forecasts within the meaning of European Regulation No. 809/2004.

Such forward-looking information and statements included in this document are based on a number of economic data and assumptions made in a given economic, competitive and regulatory environment. They may prove to be inaccurate in the future, and are subject to a number of risk factors that could lead to a significant difference between actual results and those anticipated, including the price of petroleum products, the ability to realize cost reductions and operating efficiencies without unduly disrupting business operations, changes in regulations including environmental and climate, currency fluctuations, as well as economic and political developments and changes in business conditions. Certain financial information is based on estimates particularly in the assessment of the recoverable value of assets and potential impairments of assets relating thereto.

Neither TOTAL nor any of its subsidiaries assumes any obligation to update publicly any forward-looking information or statement, objectives or trends contained in this document whether as a result of new information, future events or otherwise. Further information on factors, risks and uncertainties that could affect the Group's business, financial condition, including its operating income and cash flow, reputation or outlook is provided in the most recent Registration Document, the French language version of which is filed by the Company with the French Autorité des Marchés Financiers and annual report on Form 20-F filed with the United States Securities and Exchange Commission ("SEC").

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.

In addition to IFRS measures, certain alternative performance indicators are presented, such as performance indicators excluding the adjustment items described below (adjusted operating income, adjusted net operating income, adjusted net income), return on equity (ROE), return on average capital employed (ROACE) and gearing ratio. These indicators are meant to facilitate the analysis of the financial performance of TOTAL and the comparison of income between periods. They allow investors to track the measures used internally to manage and measure the performance of the Group.

These 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 price differentials 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 an adjustment item reflects, for some transactions, differences between internal measures 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, whose 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, excluding the effect of changes in fair value.

Euro amounts presented for the fully adjusted-diluted earnings per share represent dollar amounts converted at the average euro-dollar (€-$) exchange rate for the applicable period and are not the result of financial statements prepared in euros.

Cautionary Note to U.S. Investors – The SEC permits oil and gas companies, in their filings with the SEC, to separately disclose proved, probable and possible reserves that a company has determined in accordance with SEC rules. We may use certain terms in this half-year financial report, such as "potential reserves" or "resources", that the SEC's guidelines strictly prohibit us from including in filings with the SEC. U.S. investors are urged to consider closely the disclosure in our Form 20-F, File N° 1-10888, available from us at 2, place Jean Millier – Arche Nord Coupole/Regnault – 92078 Paris-La Défense Cedex, France, or at our website total.com. You can also obtain this form from the SEC by calling 1-800-SEC-0330 or on the SEC's website sec.gov.

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CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2018

2.1 Statutory Auditors' review report on the half-yearly financial information

This is a free translation into English of the statutory auditors' review report on the half-yearly financial information issued in French and it is provided solely for the convenience of English-speaking users. This report also includes information relating to the specific verification of information given in the Group's half-yearly management report.

This report should be read in conjunction with, and construed in accordance, with French law and professional standards applicable in France.

Period from January 1 to June 30, 2018

To the Shareholders,

In compliance with the assignment entrusted to us by your Annual General Meeting and in accordance with the requirements of Article L. 451-1-2 III of the French Monetary and Financial Code (*Code monétaire et financier*), we hereby report to you on:

- the review of the accompanying condensed half-yearly consolidated financial statements of TOTAL S.A., for the period from January 1 to June 30, 2018;
- the verification of the information presented in the half-yearly management report.

These condensed half-yearly consolidated financial statements are the Chairman and CEO's responsibility and are reviewed by your Board of Directors. Our role is to express a conclusion on these financial statements based on our review.

Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other 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 we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-yearly consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 – standard of the IFRSs as adopted by the European Union applicable to interim financial information.

Specific verification

We have also verified the information presented in the half-yearly management report on the condensed half-yearly consolidated financial statements subject to our review.

We have no matters to report as to its fair presentation and consistency with the condensed half-yearly consolidated financial statements.

Paris-La Défense, July 25, 2018

The Statutory Auditors

French original signed by

KPMG Audit A Division of KPMG S.A.		ERNST & YOUNG Audit	
Jacques-François Lethu Partner	Eric Jacquet Partner	Yvon Salaün Partner	Céline Eydieu-Boutté Partner

2.2 Consolidated statement of income - half-yearly

TOTAL

(unaudited) (M$)[a]	1st half 2018	1st half 2017
Sales	**102,151**	**81,098**
Excise taxes	(12,757)	(10,523)
Revenues from sales	89,394	70,575
Purchases, net of inventory variation	(60,045)	(47,385)
Other operating expenses	(13,698)	(12,272)
Exploration costs	(362)	(396)
Depreciation, depletion and impairment of tangible assets and mineral interests	(6,351)	(7,377)
Other income	775	2,895
Other expense	(603)	(397)
Financial interest on debt	(868)	(676)
Financial income and expense from cash & cash equivalents	(95)	(48)
Cost of net debt	(963)	(724)
Other financial income	561	513
Other financial expense	(329)	(319)
Net income (loss) from equity affiliates	1,587	858
Income taxes	(3,683)	(1,165)
CONSOLIDATED NET INCOME	**6,283**	**4,806**
Group share	6,357	4,886
Non-controlling interests	(74)	(80)
Earnings per share *($)*	2.39	1.93
Fully-diluted earnings per share *($)*	2.38	1.92

(a) Except for per share amounts.

2.3 Consolidated statement of comprehensive income - half-yearly

TOTAL

(unaudited) *(M$)*	1st half 2018	1st half 2017
CONSOLIDATED NET INCOME	**6,283**	**4,806**
Other comprehensive income		
Actuarial gains and losses	67	158
Change in fair value of investments in equity instruments	5	-
Tax effect	(18)	(53)
Currency translation adjustment generated by the parent company	(2,630)	5,464
ITEMS NOT POTENTIALLY RECLASSIFIABLE TO PROFIT AND LOSS	**(2,576)**	**5,569**
Currency translation adjustment	968	(1,418)
Available for sale financial assets	-	-
Cash flow hedge	255	34
Variation of foreign currency basis spread	(27)	-
Share of other comprehensive income of equity affiliates, net amount	(132)	(463)
Other	(2)	-
Tax effect	(75)	(9)
ITEMS POTENTIALLY RECLASSIFIABLE TO PROFIT AND LOSS	**987**	**(1,856)**
TOTAL OTHER COMPREHENSIVE INCOME (NET AMOUNT)	**(1,589)**	**3,713**
COMPREHENSIVE INCOME	**4,694**	**8,519**
Group share	*4,806*	*8,581*
Non-controlling interests	*(112)*	*(62)*

2.4 Consolidated statement of income - quarterly

TOTAL

(unaudited) *(M$)*[a]	2nd quarter 2018	1st quarter 2018	2nd quarter 2017
Sales	**52,540**	**49,611**	**39,915**
Excise taxes	(6,438)	(6,319)	(5,433)
Revenues from sales	46,102	43,292	34,482
Purchases, net of inventory variation	(30,599)	(29,446)	(23,398)
Other operating expenses	(6,761)	(6,937)	(6,106)
Exploration costs	(158)	(204)	(199)
Depreciation, depletion and impairment of tangible assets and mineral interests	(3,435)	(2,916)	(2,798)
Other income	252	523	570
Other expense	(413)	(190)	(106)
Financial interest on debt	(478)	(390)	(345)
Financial income and expense from cash & cash equivalents	(54)	(41)	(37)
Cost of net debt	(532)	(431)	(382)
Other financial income	321	240	285
Other financial expense	(159)	(170)	(159)
Net income (loss) from equity affiliates	1,103	484	310
Income taxes	(2,087)	(1,596)	(472)
CONSOLIDATED NET INCOME	**3,634**	**2,649**	**2,027**
Group share	3,721	2,636	2,037
Non-controlling interests	(87)	13	(10)
Earnings per share *($)*	1.38	1.00	0.79
Fully-diluted earnings per share *($)*	1.38	0.99	0.79

(a) Except for earning per share.

2.5 Consolidated statement of comprehensive income - quarterly

2

TOTAL

(unaudited) *(M$)*	2nd quarter 2018	1st quarter 2018	2nd quarter 2017
CONSOLIDATED NET INCOME	**3,634**	**2,649**	**2,027**
Other comprehensive income			
Actuarial gains and losses	42	25	32
Change in fair value of investments in equity instruments	(2)	7	-
Tax effect	(20)	2	(12)
Currency translation adjustment generated by the parent company	(4,761)	2,131	4,524
ITEMS NOT POTENTIALLY RECLASSIFIABLE TO PROFIT AND LOSS	**(4,741)**	**2,165**	**4,544**
Currency translation adjustment	1,330	(362)	(1,218)
Available for sale financial assets	-	-	1
Cash flow hedge	77	178	(79)
Variation of foreign currency basis spread	2	(29)	-
Share of other comprehensive income of equity affiliates, net amount	36	(168)	(794)
Other	(2)	-	(3)
Tax effect	(27)	(48)	30
ITEMS POTENTIALLY RECLASSIFIABLE TO PROFIT AND LOSS	**1,416**	**(429)**	**(2,063)**
TOTAL OTHER COMPREHENSIVE INCOME (NET AMOUNT)	**(3,325)**	**1,736**	**2,481**
COMPREHENSIVE INCOME	**309**	**4,385**	**4,508**
Group share	*450*	*4,356*	*4,507*
Non-controlling interests	*(141)*	*29*	*1*

2.6 Consolidated balance sheet

TOTAL

Assets

(unaudited) *(M$)*	June 30, 2018 (unaudited)	March 31, 2018 (unaudited)	December 31, 2017	June 30, 2017 (unaudited)
Non-current assets				
Intangible assets, net	24,562	24,502	14,587	14,119
Property, plant and equipment, net	114,047	116,181	109,397	112,659
Equity affiliates: investments and loans	22,443	22,332	22,103	21,705
Other investments	1,396	1,710	1,727	1,483
Non-current financial assets	967	1,154	679	558
Deferred income taxes	5,348	5,519	5,206	4,981
Other non-current assets	3,384	3,633	3,984	4,411
TOTAL NON-CURRENT ASSETS	**172,147**	**175,031**	**157,683**	**159,916**
Current assets				
Inventories, net	18,392	17,006	16,520	14,273
Accounts receivable, net	16,974	17,774	14,893	12,923
Other current assets	14,408	14,824	14,210	14,034
Current financial assets	3,609	2,289	3,393	3,618
Cash and cash equivalents	26,475	30,092	33,185	28,720
Assets classified as held for sale	-	-	2,747	421
TOTAL CURRENT ASSETS	**79,858**	**81,985**	**84,948**	**73,989**
TOTAL ASSETS	**252,005**	**257,016**	**242,631**	**233,905**

Liabilities & shareholders' equity

(unaudited) *(M$)*	June 30, 2018 (unaudited)	March 31, 2018 (unaudited)	December 31, 2017	June 30, 2017 (unaudited)
Shareholders' equity				
Common shares	8,305	8,207	7,882	7,797
Paid-in surplus and retained earnings	121,896	120,559	112,040	110,305
Currency translation adjustment	(9,764)	(6,413)	(7,908)	(10,314)
Treasury shares	(2,462)	(1,166)	(458)	(600)
TOTAL SHAREHOLDERS' EQUITY - GROUP SHARE	**117,975**	**121,187**	**111,556**	**107,188**
Non-controlling interests	**2,288**	**2,499**	**2,481**	**2,772**
TOTAL SHAREHOLDERS' EQUITY	**120,263**	**123,686**	**114,037**	**109,960**
Non-current liabilities				
Deferred income taxes	11,969	11,943	10,828	10,920
Employee benefits	3,329	3,796	3,735	4,127
Provisions and other non-current liabilities	18,807	19,268	15,986	16,924
Non-current financial debt	38,362	40,257	41,340	41,548
TOTAL NON-CURRENT LIABILITIES	**72,467**	**75,264**	**71,889**	**73,519**
Current liabilities				
Accounts payable	25,021	24,836	26,479	21,914
Other creditors and accrued liabilities	17,792	17,952	17,779	14,862
Current borrowings	15,659	14,909	11,096	13,070
Other current financial liabilities	803	369	245	241
Liabilities directly associated with the assets classified as held for sale	-	-	1,106	339
TOTAL CURRENT LIABILITIES	**59,275**	**58,066**	**56,705**	**50,426**
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	**252,005**	**257,016**	**242,631**	**233,905**

2.7 Consolidated statement of cash flow

TOTAL

(unaudited) *(M$)*	1st half 2018	1st half 2017
CASH FLOW FROM OPERATING ACTIVITIES		
Consolidated net income	6,283	4,806
Depreciation, depletion, amortization and impairment	6,554	7,590
Non-current liabilities, valuation allowances and deferred taxes	149	(247)
(Gains) losses on disposals of assets	(273)	(2,383)
Undistributed affiliates' equity earnings	(557)	206
(Increase) decrease in working capital	(4,078)	(322)
Other changes, net	249	(309)
CASH FLOW FROM OPERATING ACTIVITIES	**8,327**	**9,341**
CASH FLOW USED IN INVESTING ACTIVITIES		
Intangible assets and property, plant and equipment additions	(9,178)	(6,001)
Acquisitions of subsidiaries, net of cash acquired	(714)	(325)
Investments in equity affiliates and other securities	(308)	(956)
Increase in non-current loans	(311)	(601)
Total expenditures	**(10,511)**	**(7,883)**
Proceeds from disposals of intangible assets and property, plant and equipment	2,282	80
Proceeds from disposals of subsidiaries, net of cash sold	(4)	2,696
Proceeds from disposals of non-current investments	584	142
Repayment of non-current loans	997	340
Total divestments	**3,859**	**3,258**
CASH FLOW USED IN INVESTING ACTIVITIES	**(6,652)**	**(4,625)**
CASH FLOW USED IN FINANCING ACTIVITIES		
Issuance (repayment) of shares:		
- Parent company shareholders	482	421
- Treasury shares	(1,740)	-
Dividends paid:		
- Parent company shareholders	(4,208)	(2,000)
- Non-controlling interests	(84)	(76)
Issuance of perpetual subordinated notes	-	-
Payments on perpetual subordinated notes	(266)	(219)
Other transactions with non-controlling interests	-	-
Net issuance (repayment) of non-current debt	(2,428)	346
Increase (decrease) in current borrowings	969	(2,580)
Increase (decrease) in current financial assets and liabilities	(624)	1,637
CASH FLOW USED IN FINANCING ACTIVITIES	**(7,899)**	**(2,471)**
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**(6,224)**	**2,245**
Effect of exchange rates	(486)	1,878
Cash and cash equivalents at the beginning of the period	33,185	24,597
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**26,475**	**28,720**

2.8 Consolidated statement of cash flow

TOTAL

(unaudited) *(M$)*	2nd quarter 2018	1st quarter 2018	2nd quarter 2017
CASH FLOW FROM OPERATING ACTIVITIES			
Consolidated net income	3,634	2,649	2,027
Depreciation, depletion, amortization and impairment	3,508	3,046	2,930
Non-current liabilities, valuation allowances and deferred taxes	35	114	(50)
(Gains) losses on disposals of assets	(148)	(125)	(151)
Undistributed affiliates' equity earnings	(298)	(259)	501
(Increase) decrease in working capital	(856)	(3,222)	(268)
Other changes, net	371	(122)	(349)
CASH FLOW FROM OPERATING ACTIVITIES	**6,246**	**2,081**	**4,640**
CASH FLOW USED IN INVESTING ACTIVITIES			
Intangible assets and property, plant and equipment additions	(3,513)	(5,665)	(3,323)
Acquisitions of subsidiaries, net of cash acquired	12	(726)	(6)
Investments in equity affiliates and other securities	(146)	(162)	(433)
Increase in non-current loans	(140)	(171)	(443)
Total expenditures	**(3,787)**	**(6,724)**	**(4,205)**
Proceeds from disposals of intangible assets and property, plant and equipment	304	1,978	74
Proceeds from disposals of subsidiaries, net of cash sold	(7)	3	-
Proceeds from disposals of non-current investments	396	188	133
Repayment of non-current loans	581	416	153
Total divestments	**1,274**	**2,585**	**360**
CASH FLOW USED IN INVESTING ACTIVITIES	**(2,513)**	**(4,139)**	**(3,845)**
CASH FLOW USED IN FINANCING ACTIVITIES			
Issuance (repayment) of shares:			
- Parent company shareholders	473	9	406
- Treasury shares	(1,182)	(558)	-
Dividends paid:			
- Parent company shareholders	(2,692)	(1,516)	(1,462)
- Non-controlling interests	(72)	(12)	(61)
Issuance of perpetual subordinated notes	-	-	-
Payments on perpetual subordinated notes	(116)	(150)	(90)
Other transactions with non-controlling interests	-	-	-
Net issuance (repayment) of non-current debt	52	(2,480)	290
Increase (decrease) in current borrowings	(738)	1,707	(1,167)
Increase (decrease) in current financial assets and liabilities	(1,779)	1,155	979
CASH FLOW USED IN FINANCING ACTIVITIES	**(6,054)**	**(1,845)**	**(1,105)**
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**(2,321)**	**(3,903)**	**(310)**
Effect of exchange rates	(1,296)	810	1,504
Cash and cash equivalents at the beginning of the period	30,092	33,185	27,526
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**26,475**	**30,092**	**28,720**

2.9 Consolidated statement of changes in shareholders' equity

TOTAL

(unaudited) *(M$)*	Common shares issued Number	Common shares issued Amount	Paid-in surplus and retained earnings	Currency translation adjustment	Treasury shares Number	Treasury shares Amount	**Shareholders' equity - Group share**	**Non-controlling interests**	**Total shareholders' equity**
AS OF JANUARY 1, 2017	**2,430,365,862**	**7,604**	**105,547**	**(13,871)**	**(10,587,822)**	**(600)**	**98,680**	**2,894**	**101,574**
Net income of the first half 2017	-	-	4,886	-	-	-	4,886	(80)	4,806
Other comprehensive Income	-	-	138	3,557	-	-	3,695	18	3,713
Comprehensive Income	**-**	**-**	**5,024**	**3,557**	**-**	**-**	**8,581**	**(62)**	**8,519**
Dividend	-	-	(3,297)	-	-	-	(3,297)	(76)	(3,373)
Issuance of common shares	71,170,026	193	3,103	-	-	-	3,296	-	3,296
Purchase of treasury shares	-	-	-	-	-	-	-	-	-
Sale of treasury shares[a]	-	-	-	-	4,000	-	-	-	-
Share-based payments	-	-	74	-	-	-	74	-	74
Share cancellation	-	-	-	-	-	-	-	-	-
Issuance of perpetual subordinated notes	-	-	-	-	-	-	-	-	-
Payments on perpetual subordinated notes	-	-	(142)	-	-	-	(142)	-	(142)
Other operations with non-controlling interests	-	-	(7)	-	-	-	(7)	7	-
Other items	-	-	3	-	-	-	3	9	12
AS OF JUNE 30, 2017	**2,501,535,888**	**7,797**	**110,305**	**(10,314)**	**(10,583,822)**	**(600)**	**107,188**	**2,772**	**109,960**
Net income from July 1 to December 31, 2017	-	-	3,745	-	-	-	3,745	(252)	3,493
Other comprehensive Income	-	-	580	2,406	-	-	2,986	26	3,012
Comprehensive Income	**-**	**-**	**4,325**	**2,406**	**-**	**-**	**6,731**	**(226)**	**6,505**
Dividend	-	-	(3,695)	-	-	-	(3,695)	(65)	(3,760)
Issuance of common shares	27,453,728	85	1,328	-	-	-	1,413	-	1,413
Purchase of treasury shares	-	-	-	-	-	-	-	-	-
Sale of treasury shares[a]	-	-	(142)	-	2,207,066	142	-	-	-
Share-based payments	-	-	77	-	-	-	77	-	77
Share cancellation	-	-	-	-	-	-	-	-	-
Issuance of perpetual subordinated notes	-	-	-	-	-	-	-	-	-
Payments on perpetual subordinated notes	-	-	(160)	-	-	-	(160)	-	(160)
Other operations with non-controlling interests	-	-	(1)	-	-	-	(1)	(3)	(4)
Other items	-	-	3	-	-	-	3	3	6
AS OF DECEMBER 31, 2017	**2,528,989,616**	**7,882**	**112,040**	**(7,908)**	**(8,376,756)**	**(458)**	**111,556**	**2,481**	**114,037**
Net income of the first half 2018	-	-	6,357	-	-	-	6,357	(74)	6,283
Other comprehensive Income	-	-	305	(1,856)	-	-	(1,551)	(38)	(1,589)
Comprehensive Income	**-**	**-**	**6,662**	**(1,856)**	**-**	**-**	**4,806**	**(112)**	**4,694**
Dividend	-	-	(4,070)	-	-	-	(4,070)	(84)	(4,154)
Issuance of common shares	136,887,716	423	7,270	-	-	-	7,693	-	7,693
Purchase of treasury shares	-	-	-	-	(33,056,514)	(2,004)	(2,004)	-	(2,004)
Sale of treasury shares[a]	-	-	-	-	3,450	-	-	-	-
Share-based payments	-	-	192	-	-	-	192	-	192
Share cancellation	-	-	-	-	-	-	-	-	-
Issuance of perpetual subordinated notes	-	-	-	-	-	-	-	-	-
Payments on perpetual subordinated notes	-	-	(161)	-	-	-	(161)	-	(161)
Other operations with non-controlling interests	-	-	(4)	-	-	-	(4)	4	-
Other items	-	-	(33)	-	-	-	(33)	(1)	(34)
AS OF JUNE 30, 2018	**2,665,877,332**	**8,305**	**121,896**	**(9,764)**	**(41,429,820)**	**(2,462)**	**117,975**	**2,288**	**120,263**

(a) Treasury shares related to the restricted stock grants.

2.10 Notes to the consolidated financial statements for the first six months of 2018

(unaudited)

1) Accounting policies

The consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and IFRS as published by the International Accounting Standards Board (IASB).

The interim consolidated financial statements of TOTAL S.A. and its subsidiaries (the Group) as of June 30, 2018, are presented in U.S. dollars and have been prepared in accordance with International Accounting Standard (IAS) 34 "Interim Financial Reporting".

The accounting principles applied for the consolidated financial statements at June 30, 2018, are consistent with those used for the financial statements at December 31, 2017, with the exception of those texts or amendments that must be applied for periods beginning January 1, 2018.

First-time application of IFRS 15 "Revenue from Contracts with Customers"

The Group applied IFRS 15 as of January 1, 2018, without restating comparative information from past periods. The cumulative effect of the first application of the standard, recognized in equity as at January 1, 2018, is non-material.

The new standard does not lead to any material change in the accounting principles applied by the Group.

First time application of IFRS 9 "Financial Instruments"

The Group applied IFRS 9 as of January 1, 2018 without restating comparative information from past periods. The impacts related to the first application of the standard, recognized in opening equity at January 1, 2018, are not material.

This standard has three components: classification and measurement of financial instruments, impairment of financial assets, and hedging transactions except macro hedging.

The main changes induced by each component are the following:

1. the application of the "Classification and valuation of financial instruments" component led the Group to create a new non-recyclable component in its comprehensive income to record, from January 1, 2018, changes in the fair value of "Investments in equity instruments at the fair value through equity" previously classified as "Available-for-sale financial assets" under IAS 39;
2. the application of the "Impairment of financial assets" component has no significant impact for the Group on January 1, 2018;
3. the application of the "Hedging transactions" component led the Group to recognize in a separate component of the comprehensive income the changes in the Foreign Currency Basis Spread identified in the hedging relationships qualifying as a fair value hedge.

The application of the provisions of IFRS 9 "Financial Instruments" has no significant effect on the Group's balance sheet, income statement and consolidated equity as of June 30, 2018.

The preparation of financial statements in accordance with IFRS for the closing as of June 30, 2018, requires the executive management to make estimates, assumptions and judgments that affect the information reported in the Consolidated Financial Statements and the Notes thereto.

These estimates, assumptions and judgments are based on historical experience and other factors believed to be reasonable at the date of preparation of the financial statements. They are reviewed on an on-going basis by the executive management and therefore could be revised as circumstances change or as a result of new information.

Different estimates, assumptions and judgments could significantly affect the information reported, and actual results may differ from the amounts included in the Consolidated Financial Statements and the Notes thereto.

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, 2017.

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

As regards the application of IFRS 16 "Leases" on January 1, 2019, the Group intends to:

- apply the simplified retrospective transition method, by accounting for the cumulative effect of the initial application of the standard at the date of first application, without restating the comparative periods;
- use the following simplification measures provided by the standard in the transitional provisions:
  - not apply the standard to contracts that the Group had not previously identified as containing a lease under IAS 17 and IFRIC 4,
  - not take into account leases whose term ends within 12 months of the date of first application;
- recognize each lease component of the lease as a separate lease, apart from non-lease components (services) of the lease.

2) Changes in the Group structure

2.1 Main acquisitions and divestments

Exploration & Production

- On January 15, 2018, as part of the Strategic Alliance signed in March 2017, TOTAL announced the conclusion of transfer agreements from Petrobras to TOTAL:
  - 35% of the rights, as well as the role of operator in the Lapa field,
  - 22.5% of the rights of the Iara area.

  The amount of this transaction is $1.95 billion.

  The details of the acquisition are presented in Note 2.2 to the consolidated financial statements.
- On March 1, 2018, TOTAL finalized the acquisition of Marathon Oil Libya Limited which holds a 16.33% stake in the Waha Concessions in Libya. This transaction amounts to $451 million.

  The details of the acquisition are presented in Note 2.2 to the consolidated financial statements.
- On March 8, 2018, TOTAL announced the closing of the Maersk Oil acquisition signed on August 21, 2017. The integration of Maersk Oil, which holds a portfolio of high quality assets, largely complementary to those held by TOTAL, and mainly located in OECD countries, allows the Group to become the second largest operator in the North Sea.

  The details of the acquisition are presented in Note 2.2 to the consolidated financial statements.
- On March 15, 2018, TOTAL finalized the sale to Statoil of all of its interests in the Martin Linge field (51%) and the discovery of Garantiana (40%) on the Norwegian Continental Shelf.
- On March 18, 2018, TOTAL was awarded participating interests in two Offshore Concessions on Umm Shaif & Nasr (20%) and Lower Zakum (5%) in return for the payment of a global bonus of $1.45 billion.
- On April 11, 2018, TOTAL acquired several assets located in the Gulf of Mexico as part of the Cobalt International Energy company's bankruptcy auction sale.

Marketing & Services

- In January 2018, the sale of the joint venture TotalErg (Erg 51%, TOTAL 49%) to the Italian company API was finalized.

2.2 Major business combinations

In accordance with IFRS 3, TOTAL is assessing the fair value of identifiable acquired assets, liabilities and contingent liabilities on the basis of available information. This assessment will be finalised within 12 months following the acquisition date.

Exploration & Production

Transfer of rights in the Lapa and Iara concessions in Brazil

On January 15, 2018 Petrobras transferred to TOTAL 35% of the rights of the Lapa field which was put in production in December 2016, with a 100,000 barrel per day capacity FPSO.

Petrobras also transferred to TOTAL 22.5% of the rights of the Iara area. Production in Iara is expected to start in 2018 and 2019 depending on the fields.

The acquisition cost amounts to $1,950 million.

In the balance sheet as of June 30, 2018, the provisional fair value of identifiable acquired assets, liabilities and contingent liabilities amounts to $1,950 million.

The provisional purchase price allocation is shown below:

(M$)	At the acquisition date
Intangible assets	1,072
Tangible assets	1,662
Other assets and liabilities	(119)
Net debt	(665)
FAIR VALUE OF CONSIDERATION TRANSFERRED	**1,950**

Marathon Oil Lybia Limited

On March 1, 2018, TOTAL finalized the acquisition of Marathon Oil Libya Limited which holds a 16.33% stake in the Waha Concessions in Libya. The acquisition cost amounts to $451 million.

In the balance sheet as of June 30, 2018, the provisional fair value of identifiable acquired assets, liabilities and contingent liabilities amounts to $451 million.

The provisional purchase price allocation is shown below:

(M$)	At the acquisition date
Intangible assets	326
Tangible assets	192
Other assets and liabilities	(91)
Net debt	24
FAIR VALUE OF CONSIDERATION TRANSFERRED	**451**

Maersk Oil

On March 8, 2018, TOTAL finalized the acquisition of Maersk Oil, following the signature of the "Share Transfer Agreement" on August 21, 2017.

The Group acquired all the voting rights of Maersk Olie og Gas A/S (Maersk Oil), a wholly owned subsidiary of A.P. Møller – Maersk A/S (Maersk), for a purchase consideration of $5,741 million. This includes the fair value ($5,585 million) of 97,522,593 shares issued in exchange for all Maersk Oil shares, calculated using the market price of the company's shares of €46.11 on the Euronext Paris Stock Exchange at its opening of business on March 8, 2018, and the amount of price adjustments ($156 million) paid on closing.

In the balance sheet as of June 30, 2018, the provisional fair value of identifiable acquired assets, liabilities and contingent liabilities amounts to $3,113 million.

The Group recognized a $2,628 million goodwill.

The provisional purchase price allocation is shown below:

(M$)	At the acquisition date
Goodwill	2,628
Intangible assets	4,227
Tangible assets	4,033
Other assets and liabilities	(3,223)
Including provision for site restitution	(2,100)
Including deferred tax	(675)
Net debt	(1,924)
FAIR VALUE OF CONSIDERATION TRANSFERRED	**5,741**

3) Adjustment items

Description of the business segments

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.

The operational profit and assets are broken down by business segment prior to the consolidation and inter-segment adjustments.

Sales prices between business segments approximate market prices.

The organization of the Group's activities is structured around the four followings segments:

- an Exploration & Production segment;
- a Gas, Renewables & Power segment including downstream Gas activities, New Energies activities (excluding biotechnologies) and Energy Efficiency division;
- a Refining & Chemicals segment constituting a major industrial hub comprising the activities of refining, petrochemicals and specialty chemicals. This segment also includes the activities of oil Supply, Trading and marine Shipping;
- a Marketing & Services segment including the global activities of supply and marketing in the field of petroleum products;

In addition the Corporate segment includes holdings operating and financial activities.

Adjustment items

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 assets 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) The 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 items 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$)		Exploration & Production	Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Total
2nd quarter 2018	Inventory valuation effect	-	-	569	134	-	703
	Effect of changes in fair value	-	16	-	-	-	16
	Restructuring charges	-	-	-	-	-	-
	Asset impairment charges	-	(424)	-	-	-	(424)
	Other items	(97)	(1)	-	-	-	(98)
TOTAL		**(97)**	**(409)**	**569**	**134**	**-**	**197**
2nd quarter 2017	Inventory valuation effect	-	-	(372)	(54)	-	(426)
	Effect of changes in fair value	-	(27)	-	-	-	(27)
	Restructuring charges	(40)	-	-	-	-	(40)
	Asset impairment charges	(15)	1	-	-	-	(14)
	Other items	(77)	(25)	(39)	(26)	(64)	(231)
TOTAL		**(132)**	**(51)**	**(411)**	**(80)**	**(64)**	**(738)**
1st half 2018	Inventory valuation effect	-	-	531	105	-	636
	Effect of changes in fair value	-	5	-	-	-	5
	Restructuring charges	(53)	-	-	-	-	(53)
	Asset impairment charges	-	(446)	-	-	-	(446)
	Other items	(97)	(93)	-	-	(9)	(199)
TOTAL		**(150)**	**(534)**	**531**	**105**	**(9)**	**(57)**
1st half 2017	Inventory valuation effect	-	-	(289)	(69)	-	(358)
	Effect of changes in fair value	-	(27)	-	-	-	(27)
	Restructuring charges	(40)	-	-	-	-	(40)
	Asset impairment charges	(1,869)	(25)	(50)	-	-	(1,944)
	Other items	(77)	(114)	(65)	(26)	(64)	(346)
TOTAL		**(1,986)**	**(166)**	**(404)**	**(95)**	**(64)**	**(2,715)**

Adjustments to net income, Group share

(M$)		Exploration & Production	Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	**Total**
2nd quarter 2018	Inventory valuation effect	-	-	436	81	-	517
	Effect of changes in fair value	-	9	-	-	-	9
	Restructuring charges	(44)	(2)	-	-	-	(46)
	Asset impairment charges	-	(236)	-	-	-	(236)
	Gains (losses) on disposals of assets	(2)	-	-	-	-	(2)
	Other items	(71)	(3)	-	-	-	(74)
TOTAL		**(117)**	**(232)**	**436**	**81**	**-**	**168**
2nd quarter 2017	Inventory valuation effect	-	-	(268)	(42)	-	(310)
	Effect of changes in fair value	-	(19)	-	-	-	(19)
	Restructuring charges	(12)	(3)	(39)	-	-	(54)
	Asset impairment charges	(27)	(5)	-	-	-	(32)
	Gains (losses) on disposals of assets	-	-	-	125	-	125
	Other items	(50)	(11)	(26)	(18)	(42)	(147)
TOTAL		**(89)**	**(38)**	**(333)**	**65**	**(42)**	**(437)**
1st half 2018	Inventory valuation effect	-	-	412	60	-	472
	Effect of changes in fair value	-	1	-	-	-	1
	Restructuring charges	(59)	(8)	-	-	-	(67)
	Asset impairment charges	-	(248)	-	-	-	(248)
	Gains (losses) on disposals of assets	(103)	-	-	-	-	(103)
	Other items	(51)	(58)	(17)	-	(9)	(135)
TOTAL		**(213)**	**(313)**	**395**	**60**	**(9)**	**(80)**
1st half 2017	Inventory valuation effect	-	-	(210)	(45)	-	(255)
	Effect of changes in fair value	-	(19)	-	-	-	(19)
	Restructuring charges	(12)	(8)	(39)	-	-	(59)
	Asset impairment charges	(1,641)	(59)	(50)	-	-	(1,750)
	Gains (losses) on disposals of assets	-	-	2,139	125	-	2,264
	Other items	(144)	(78)	(45)	(18)	(42)	(327)
TOTAL		**(1,797)**	**(164)**	**1,795**	**62**	**(42)**	**(146)**

4) Shareholders' equity

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

In accordance with the February 2018 announcements regarding the shareholder return policy over 2018-2020, TOTAL S.A. started share buybacks.

At June 30, 2018, TOTAL S.A. holds 41,429,820 of its own shares, representing 1.55% of its share capital, detailed as follows:

- 8,760,020 shares allocated to TOTAL share grant plans for Group employees;
- 69,759 shares intended to be allocated to new TOTAL share purchase option plans or to new share grant plans;
- 32,600,041 shares acquired and intended to be canceled out of which:
  - 9,820,488 shares definitively acquired during the first quarter and intended to be canceled,
  - 18,576,360 shares definitively acquired during the second quarter and intended to be canceled,
  - 4,203,193 shares corresponding to the portion not yet executed on June 30, 2018, of the share buyback for which the Group is contractually bound.

These shares are deducted from the consolidated shareholders' equity.

Dividend

The Annual Shareholders' Meeting on June 1, 2018 approved the payment of a dividend of €2.48 per share for the 2017 fiscal year. Taking into account the three interim dividends of €0.62 per share that have been paid on October 12, 2017, January 11 and April 9, 2018, the remaining balance of €0.62 per share was paid on June 28, 2018.

The Annual Shareholders' Meeting on June 1, 2018 approved that shareholders will be given the option to receive the 2017 final dividend in new shares or in cash. The share price of new shares has been set at €52.03 per share. This price is equal to the average opening price on Euronext Paris for the twenty trading days preceding June 1, 2018, the date of the Annual Shareholders' Meeting, reduced by the amount of the final dividend, without any discount. On June 28, 2018, 5,798,335 shares have been issued at a price of €52.03 per share.

Another resolution has been approved at the Annual Shareholders' Meeting on June 1, 2018, if one or more interim dividends are decided by the Board of Directors for the fiscal year 2018, then shareholders will be given the option to receive this or these interim dividends in new shares or in cash.

The Board of Directors, during its April 25, 2018, meeting, decided to set the first interim dividend for the fiscal year 2018 at €0.64 per share. This interim dividend will be paid in cash or in shares on October 12, 2018 (the ex-dividend date will be September 25, 2018).

The Board of Directors, during its July 25, 2018, meeting, decided to set the second interim dividend for the fiscal year 2018 at €0.64 per share. This interim dividend will be paid in cash or in shares on December 18, 2018 (the ex-dividend date will be January 10, 2019).

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 €1.16 per share for the 2nd quarter 2018 (€0.81 per share for the 1st quarter 2018 and €0.71 per share for the 2nd quarter 2017). Diluted earnings per share calculated using the same method amounted to €1.16 per share for the 2nd quarter 2018 (€0.81 per share for the 1st quarter 2018 and €0.71 per share for the 2nd quarter 2017).

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$)	**1st half 2018**		1st half 2017	
Actuarial gains and losses		67		158
Change in fair value of investments in equity instruments		5		-
Tax effect		(18)		(53)
Currency translation adjustment generated by the parent company		(2,630)		5,464
SUB-TOTAL ITEMS NOT POTENTIALLY RECLASSIFIABLE TO PROFIT AND LOSS		**(2,576)**		**5,569**
Currency translation adjustment		**968**		**(1,418)**
- Unrealized gain/(loss) of the period	1,078		(1,372)	
- Less gain/(loss) included in net income	110		46	
Available for sale financial assets		**-**		**-**
- Unrealized gain/(loss) of the period	-		-	
- Less gain/(loss) included in net income	-		-	
Cash flow hedge		**255**		**34**
- Unrealized gain/(loss) of the period	142		164	
- Less gain/(loss) included in net income	(113)		130	
Variation of *foreign currency* basis spread		**(27)**		**-**
- Unrealized gain/(loss) of the period	(27)		-	
- Less gain/(loss) included in net income	-		-	
Share of other comprehensive income of equity affiliates, net amount		**(132)**		**(463)**
- Unrealized gain/(loss) of the period	(93)		(465)	
- Less gain/(loss) included in net income	39		(2)	
Other		**(2)**		**-**
Tax effect		**(75)**		**(9)**
SUB-TOTAL ITEMS POTENTIALLY RECLASSIFIABLE TO PROFIT AND LOSS		**987**		**(1,856)**
TOTAL OTHER COMPREHENSIVE INCOME, NET AMOUNT		**(1,589)**		**3,713**

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

	1st half 2018			1st half 2017		
(M$)	Pre-tax amount	Tax effect	Net amount	Pre-tax amount	Tax effect	Net amount
Actuarial gains and losses	67	(18)	49	158	(53)	105
Change in fair value of investments in equity instruments	5	-	5	-	-	-
Currency translation adjustment generated by the parent company	(2,630)	-	(2,630)	5,464	-	5,464
SUB-TOTAL ITEMS NOT POTENTIALLY RECLASSIFIABLE TO PROFIT AND LOSS	**(2,558)**	**(18)**	**(2,576)**	**5,622**	**(53)**	**5,569**
Currency translation adjustment	968	-	968	(1,418)	-	(1,418)
Available for sale financial assets	-	-	-	-	(1)	(1)
Cash flow hedge	255	(81)	174	34	(8)	26
Variation of foreign currency basis spread	(27)	6	(21)	-	-	-
Share of other comprehensive income of equity affiliates, net amount	(132)	-	(132)	(463)	-	(463)
Other	(2)	-	(2)	-	-	-
SUB-TOTAL ITEMS POTENTIALLY RECLASSIFIABLE TO PROFIT AND LOSS	**1,062**	**(75)**	**987**	**(1,847)**	**(9)**	**(1,856)**
TOTAL OTHER COMPREHENSIVE INCOME	**(1,496)**	**(93)**	**(1,589)**	**3,775**	**(62)**	**3,713**

5) Financial debt

The Group has not issued any bond during the first six months of 2018.

The Group reimbursed bonds during the first six months of 2018:

- bond 1.450% issued in 2013 and maturing in January 2018 (USD 1,000 million);
- bond 2.500% issued in 2013 and maturing in June 2018 (NOK 600 million);
- bond with floating rate coupon issued in 2014 and maturing in June 2018 (USD 135 million);
- bond 3.125% issued in several tranches between 2006/2008 and maturing in June 2018 (CHF 525 million).

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 six months of 2018.

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 and a request for an expert opinion has been approved by the court. The existence and the assessment of the alleged damages in this procedure involving multiple defendants remain contested.

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 in the United States 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. TGPNA contests the claims brought against it.

A class action has been launched to seek damages from these three companies and was dismissed by a judgment of the U.S. District court of New York issued on March 15, 2017. The court of Appeal upheld this judgment.

Yemen

Due to the security conditions in the vicinity of Balhaf, Yemen LNG, in which the Group holds a stake of 39.62%, stopped its commercial production and export of LNG in April 2015, when it declared *Force Majeure* to its various stakeholders. The plant is in a preservation mode.

8) Information by business segment

1st half 2018 *(M$)*	Exploration & Production	Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	**Total**
Non-Group sales	5,865	7,359	45,088	43,836	3	-	102,151
Intersegment sales	14,717	898	17,396	491	34	(33,536)	-
Excise taxes	-	-	(1,714)	(11,043)	-	-	(12,757)
REVENUES FROM SALES	**20,582**	**8,257**	**60,770**	**33,284**	**37**	**(33,536)**	**89,394**
Operating expenses	(8,979)	(8,096)	(58,248)	(31,919)	(399)	33,536	(74,105)
Depreciation, depletion and impairment of tangible assets and mineral interests	(4,834)	(534)	(617)	(346)	(20)	-	(6,351)
OPERATING INCOME	**6,769**	**(373)**	**1,905**	**1,019**	**(382)**	**-**	**8,938**
Net income (loss) from equity affiliates and other items	1,210	162	417	193	9	-	1,991
Tax on net operating income	(3,322)	(34)	(383)	(297)	181	-	(3,855)
NET OPERATING INCOME	**4,657**	**(245)**	**1,939**	**915**	**(192)**	**-**	**7,074**
Net cost of net debt							(791)
Non-controlling interests							74
NET INCOME - GROUP SHARE							**6,357**

1st half 2018 (adjustments)[a] *(M$)*	Exploration & Production	Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	**Total**
Non-Group sales	-	13	-	-	-	-	13
Intersegment sales	-	-	-	-	-	-	-
Excise taxes	-	-	-	-	-	-	-
REVENUES FROM SALES	**-**	**13**	**-**	**-**	**-**	**-**	**13**
Operating expenses	(150)	(101)	531	105	(9)	-	376
Depreciation, depletion and impairment of tangible assets and mineral interests	-	(446)	-	-	-	-	(446)
OPERATING INCOME[b]	**(150)**	**(534)**	**531**	**105**	**(9)**	**-**	**(57)**
Net income (loss) from equity affiliates and other items	(167)	(15)	25	-	-	-	(157)
Tax on net operating income	104	(4)	(158)	(35)	-	-	(93)
NET OPERATING INCOME[b]	**(213)**	**(553)**	**398**	**70**	**(9)**	**-**	**(307)**
Net cost of net debt							(19)
Non-controlling interests							246
NET INCOME - GROUP SHARE							**(80)**

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

	Exploration & Production	Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate
– On operating income	-	-	531	105	-
– On net operating income	-	-	415	70	-

1st half 2018 (adjusted) *(M$)*	Exploration & Production	Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	**Total**
Non-Group sales	5,865	7,346	45,088	43,836	3	-	102,138
Intersegment sales	14,717	898	17,396	491	34	(33,536)	-
Excise taxes	-	-	(1,714)	(11,043)	-	-	(12,757)
REVENUES FROM SALES	**20,582**	**8,244**	**60,770**	**33,284**	**37**	**(33,536)**	**89,381**
Operating expenses	(8,829)	(7,995)	(58,779)	(32,024)	(390)	33,536	(74,481)
Depreciation, depletion and impairment of tangible assets and mineral interests	(4,834)	(88)	(617)	(346)	(20)	-	(5,905)
ADJUSTED OPERATING INCOME	**6,919**	**161**	**1,374**	**914**	**(373)**	**-**	**8,995**
Net income (loss) from equity affiliates and other items	1,377	177	392	193	9	-	2,148
Tax on net operating income	(3,426)	(30)	(225)	(262)	181	-	(3,762)
ADJUSTED NET OPERATING INCOME	**4,870**	**308**	**1,541**	**845**	**(183)**	**-**	**7,381**
Net cost of net debt							(772)
Non-controlling interests							(172)
ADJUSTED NET INCOME - GROUP SHARE							**6,437**

1st half 2018 *(M$)*	Exploration & Production	Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	**Total**
Total expenditures	8,851	328	736	538	58	-	10,511
Total divestments	2,751	483	349	273	3	-	3,859
Cash flow from operating activities*	8,197	(75)	(110)	781	(466)	-	8,327

* As of January 1, 2018, for a better reflection of the operating performance of the segments, financial expenses were all transferred to the Corporate segment. 2017 comparative information have been restated.

1st half 2017 *(M$)*	Exploration & Production	Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	**Total**
Non-Group sales	4,171	5,868	35,921	35,129	9	-	81,098
Intersegment sales	10,666	583	12,362	443	195	(24,249)	-
Excise taxes	-	-	(1,381)	(9,142)	-	-	(10,523)
REVENUES FROM SALES	**14,837**	**6,451**	**46,902**	**26,430**	**204**	**(24,249)**	**70,575**
Operating expenses	(7,234)	(6,326)	(44,796)	(25,394)	(552)	24,249	(60,053)
Depreciation, depletion and impairment of tangible assets and mineral interests	(6,412)	(112)	(532)	(302)	(19)	-	(7,377)
OPERATING INCOME	**1,191**	**13**	**1,574**	**734**	**(367)**	**-**	**3,145**
Net income (loss) from equity affiliates and other items	677	(32)	2,601	288	16	-	3,550
Tax on net operating income	(951)	(61)	(498)	(231)	385	-	(1,356)
NET OPERATING INCOME	**917**	**(80)**	**3,677**	**791**	**34**	**-**	**5,339**
Net cost of net debt							(533)
Non-controlling interests							80
NET INCOME - GROUP SHARE							**4,886**

1st half 2017 (adjustments)[(a)] *(M$)*	Exploration & Production	Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	-	(27)	-	-	-	-	(27)
Intersegment sales	-	-	-	-	-	-	-
Excise taxes	-	-	-	-	-	-	-
REVENUES FROM SALES	**-**	**(27)**	**-**	**-**	**-**	**-**	**(27)**
Operating expenses	(117)	(114)	(354)	(95)	(64)	-	(744)
Depreciation, depletion and impairment of tangible assets and mineral interests	(1,869)	(25)	(50)	-	-	-	(1,944)
OPERATING INCOME[(b)]	**(1,986)**	**(166)**	**(404)**	**(95)**	**(64)**	**-**	**(2,715)**
Net income (loss) from equity affiliates and other items	(214)	(79)	2,156	126	-	-	1,989
Tax on net operating income	376	9	41	26	22	-	474
NET OPERATING INCOME[(b)]	**(1,824)**	**(236)**	**1,793**	**57**	**(42)**	**-**	**(252)**
Net cost of net debt							(14)
Non-controlling interests							120
NET INCOME - GROUP SHARE							**(146)**

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

	Exploration & Production	Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate
– On operating income	-	-	(289)	(69)	-
– On net operating income	-	-	(212)	(50)	-

1st half 2017 (adjusted) *(M$)*	Exploration & Production	Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	4,171	5,895	35,921	35,129	9	-	81,125
Intersegment sales	10,666	583	12,362	443	195	(24,249)	-
Excise taxes	-	-	(1,381)	(9,142)	-	-	(10,523)
REVENUES FROM SALES	**14,837**	**6,478**	**46,902**	**26,430**	**204**	**(24,249)**	**70,602**
Operating expenses	(7,117)	(6,212)	(44,442)	(25,299)	(488)	24,249	(59,309)
Depreciation, depletion and impairment of tangible assets and mineral interests	(4,543)	(87)	(482)	(302)	(19)	-	(5,433)
ADJUSTED OPERATING INCOME	**3,177**	**179**	**1,978**	**829**	**(303)**	**-**	**5,860**
Net income (loss) from equity affiliates and other items	891	47	445	162	16	-	1,561
Tax on net operating income	(1,327)	(70)	(539)	(257)	363	-	(1,830)
ADJUSTED NET OPERATING INCOME	**2,741**	**156**	**1,884**	**734**	**76**	**-**	**5,591**
Net cost of net debt							(519)
Non-controlling interests							(40)
ADJUSTED NET INCOME - GROUP SHARE							**5,032**

1st half 2017 *(M$)*	Exploration & Production	Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Total expenditures	6,084	392	667	697	43	-	7,883
Total divestments	245	27	2,760	218	8	-	3,258
Cash flow from operating activities*	5,637	40	3,729	582	(647)	-	9,341

* As of January 1, 2018, for a better reflection of the operating performance of the segments, financial expenses were all transferred to the Corporate segment. 2017 comparative information have been restated.

2nd quarter 2018 *(M$)*	Exploration & Production	Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	3,398	3,268	23,349	22,528	(3)	-	52,540
Intersegment sales	7,793	430	9,440	293	(63)	(17,893)	-
Excise taxes	-	-	(867)	(5,571)	-	-	(6,438)
REVENUES FROM SALES	**11,191**	**3,698**	**31,922**	**17,250**	**(66)**	**(17,893)**	**46,102**
Operating expenses	(4,934)	(3,570)	(30,369)	(16,416)	(122)	17,893	(37,518)
Depreciation, depletion and impairment of tangible assets and mineral interests	(2,484)	(464)	(304)	(172)	(11)	-	(3,435)
OPERATING INCOME	**3,773**	**(336)**	**1,249**	**662**	**(199)**	**-**	**5,149**
Net income (loss) from equity affiliates and other items	569	128	289	107	11	-	1,104
Tax on net operating income	(1,772)	(19)	(279)	(194)	85	-	(2,179)
NET OPERATING INCOME	**2,570**	**(227)**	**1,259**	**575**	**(103)**	**-**	**4,074**
Net cost of net debt							(440)
Non-controlling interests							87
NET INCOME - GROUP SHARE							**3,721**

2nd quarter 2018 (adjustments)[a] *(M$)*	Exploration & Production	Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	-	24	-	-	-	-	24
Intersegment sales	-	-	-	-	-	-	-
Excise taxes	-	-	-	-	-	-	-
REVENUES FROM SALES	**-**	**24**	**-**	**-**	**-**	**-**	**24**
Operating expenses	(97)	(9)	569	134	-	-	597
Depreciation, depletion and impairment of tangible assets and mineral interests	-	(424)	-	-	-	-	(424)
OPERATING INCOME[b]	**(97)**	**(409)**	**569**	**134**	**-**	**-**	**197**
Net income (loss) from equity affiliates and other items	(66)	(4)	46	1	-	-	(23)
Tax on net operating income	46	(7)	(177)	(38)	-	-	(176)
NET OPERATING INCOME[b]	**(117)**	**(420)**	**438**	**97**	**-**	**-**	**(2)**
Net cost of net debt							(9)
Non-controlling interests							179
NET INCOME - GROUP SHARE							**168**

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

	Exploration & Production	Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate
– On operating income	-	-	569	134	-
– On net operating income	-	-	438	97	-

2nd quarter 2018 (adjusted) *(M$)*	Exploration & Production	Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	3,398	3,244	23,349	22,528	(3)	-	52,516
Intersegment sales	7,793	430	9,440	293	(63)	(17,893)	-
Excise taxes	-	-	(867)	(5,571)	-	-	(6,438)
REVENUES FROM SALES	**11,191**	**3,674**	**31,922**	**17,250**	**(66)**	**(17,893)**	**46,078**
Operating expenses	(4,837)	(3,561)	(30,938)	(16,550)	(122)	17,893	(38,115)
Depreciation, depletion and impairment of tangible assets and mineral interests	(2,484)	(40)	(304)	(172)	(11)	-	(3,011)
ADJUSTED OPERATING INCOME	**3,870**	**73**	**680**	**528**	**(199)**	**-**	**4,952**
Net income (loss) from equity affiliates and other items	635	132	243	106	11	-	1,127
Tax on net operating income	(1,818)	(12)	(102)	(156)	85	-	(2,003)
ADJUSTED NET OPERATING INCOME	**2,687**	**193**	**821**	**478**	**(103)**	**-**	**4,076**
Net cost of net debt							(431)
Non-controlling interests							(92)
ADJUSTED NET INCOME - GROUP SHARE							**3,553**

2nd quarter 2018 *(M$)*	Exploration & Production	Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Total expenditures	2,980	79	404	310	14	-	3,787
Total divestments	500	405	324	45	-	-	1,274
Cash flow from operating activities*	4,628	104	999	841	(326)	-	6,246

* As of January 1, 2018, for a better reflection of the operating performance of the segments, financial expenses were all transferred to the Corporate segment. 2017 comparative information have been restated.

2nd quarter 2017 *(M$)*	Exploration & Production	Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	2,068	2,671	17,347	17,831	(2)	-	39,915
Intersegment sales	5,118	274	6,016	169	90	(11,667)	-
Excise taxes	-	-	(680)	(4,753)	-	-	(5,433)
REVENUES FROM SALES	**7,186**	**2,945**	**22,683**	**13,247**	**88**	**(11,667)**	**34,482**
Operating expenses	(3,547)	(2,857)	(21,918)	(12,729)	(319)	11,667	(29,703)
Depreciation, depletion and impairment of tangible assets and mineral interests	(2,344)	(40)	(245)	(158)	(11)	-	(2,798)
OPERATING INCOME	**1,295**	**48**	**520**	**360**	**(242)**	**-**	**1,981**
Net income (loss) from equity affiliates and other items	487	13	148	258	(6)	-	900
Tax on net operating income	(512)	(24)	(142)	(123)	214	-	(587)
NET OPERATING INCOME	**1,270**	**37**	**526**	**495**	**(34)**	**-**	**2,294**
Net cost of net debt							(267)
Non-controlling interests							10
NET INCOME - GROUP SHARE							**2,037**

2nd quarter 2017 (adjustments)[a] (M$)	Exploration & Production	Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	-	(27)	-	-	-	-	(27)
Intersegment sales	-	-	-	-	-	-	-
Excise taxes	-	-	-	-	-	-	-
REVENUES FROM SALES	**-**	**(27)**	**-**	**-**	**-**	**-**	**(27)**
Operating expenses	(117)	(25)	(411)	(80)	(64)	-	(697)
Depreciation, depletion and impairment of tangible assets and mineral interests	(15)	1	-	-	-	-	(14)
OPERATING INCOME[b]	**(132)**	**(51)**	**(411)**	**(80)**	**(64)**	**-**	**(738)**
Net income (loss) from equity affiliates and other items	(4)	(16)	(53)	121	-	-	48
Tax on net operating income	47	9	129	21	22	-	228
NET OPERATING INCOME[b]	**(89)**	**(58)**	**(335)**	**62**	**(42)**	**-**	**(462)**
Net cost of net debt							(7)
Non-controlling interests							32
NET INCOME - GROUP SHARE							**(437)**

(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	-	-	(372)	(54)	-
– On net operating income	-	-	(270)	(45)	-

2nd quarter 2017 (adjusted) (M$)	Exploration & Production	Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	2,068	2,698	17,347	17,831	(2)	-	39,942
Intersegment sales	5,118	274	6,016	169	90	(11,667)	-
Excise taxes	-	-	(680)	(4,753)	-	-	(5,433)
REVENUES FROM SALES	**7,186**	**2,972**	**22,683**	**13,247**	**88**	**(11,667)**	**34,509**
Operating expenses	(3,430)	(2,832)	(21,507)	(12,649)	(255)	11,667	(29,006)
Depreciation, depletion and impairment of tangible assets and mineral interests	(2,329)	(41)	(245)	(158)	(11)	-	(2,784)
ADJUSTED OPERATING INCOME	**1,427**	**99**	**931**	**440**	**(178)**	**-**	**2,719**
Net income (loss) from equity affiliates and other items	491	29	201	137	(6)	-	852
Tax on net operating income	(559)	(33)	(271)	(144)	192	-	(815)
ADJUSTED NET OPERATING INCOME	**1,359**	**95**	**861**	**433**	**8**	**-**	**2,756**
Net cost of net debt							(260)
Non-controlling interests							(22)
ADJUSTED NET INCOME - GROUP SHARE							**2,474**

2nd quarter 2017 (M$)	Exploration & Production	Gas, Renewables & Power	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Total expenditures	3,448	77	401	258	21	-	4,205
Total divestments	132	23	20	182	3	-	360
Cash flow from operating activities*	2,836	(100)	1,967	251	(314)	-	4,640

* As of January 1, 2018, for a better reflection of the operating performance of the segments, financial expenses were all transferred to the Corporate segment. 2017 comparative information have been restated.

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

1st half 2018 (M$)	Adjusted	Adjustments[a]	Consolidated statement of income
Sales	**102,138**	**13**	**102,151**
Excise taxes	(12,757)	-	(12,757)
Revenues from sales	89,381	13	89,394
Purchases net of inventory variation	(60,623)	578	(60,045)
Other operating expenses	(13,496)	(202)	(13,698)
Exploration costs	(362)	-	(362)
Depreciation, depletion and impairment of tangible assets and mineral interests	(5,905)	(446)	(6,351)
Other income	628	147	775
Other expense	(115)	(488)	(603)
Financial interest on debt	(849)	(19)	(868)
Financial income and expense from cash & cash equivalents	(95)	-	(95)
Cost of net debt	(944)	(19)	(963)
Other financial income	561	-	561
Other financial expense	(329)	-	(329)
Net income (loss) from equity affiliates	1,403	184	1,587
Income taxes	(3,590)	(93)	(3,683)
CONSOLIDATED NET INCOME	**6,609**	**(326)**	**6,283**
Group share	6,437	(80)	6,357
Non-controlling interests	172	(246)	(74)

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

1st half 2017 (M$)	Adjusted	Adjustments[a]	Consolidated statement of income
Sales	**81,125**	**(27)**	**81,098**
Excise taxes	(10,523)	-	(10,523)
Revenues from sales	70,602	(27)	70,575
Purchases net of inventory variation	(46,929)	(456)	(47,385)
Other operating expenses	(11,984)	(288)	(12,272)
Exploration costs	(396)	-	(396)
Depreciation, depletion and impairment of tangible assets and mineral interests	(5,433)	(1,944)	(7,377)
Other income	314	2,581	2,895
Other expense	(116)	(281)	(397)
Financial interest on debt	(662)	(14)	(676)
Financial income and expense from cash & cash equivalents	(48)	-	(48)
Cost of net debt	(710)	(14)	(724)
Other financial income	513	-	513
Other financial expense	(319)	-	(319)
Net income (loss) from equity affiliates	1,169	(311)	858
Income taxes	(1,639)	474	(1,165)
CONSOLIDATED NET INCOME	**5,072**	**(266)**	**4,806**
Group share	5,032	(146)	4,886
Non-controlling interests	40	(120)	(80)

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

2nd quarter 2018 (M$)	Adjusted	Adjustments[a]	Consolidated statement of income
Sales	**52,516**	**24**	**52,540**
Excise taxes	(6,438)	-	(6,438)
Revenues from sales	46,078	24	46,102
Purchases net of inventory variation	(31,263)	664	(30,599)
Other operating expenses	(6,694)	(67)	(6,761)
Exploration costs	(158)	-	(158)
Depreciation, depletion and impairment of tangible assets and mineral interests	(3,011)	(424)	(3,435)
Other income	254	(2)	252
Other expense	(55)	(358)	(413)
Financial interest on debt	(469)	(9)	(478)
Financial income and expense from cash & cash equivalents	(54)	-	(54)
Cost of net debt	(523)	(9)	(532)
Other financial income	321	-	321
Other financial expense	(159)	-	(159)
Net income (loss) from equity affiliates	766	337	1,103
Income taxes	(1,911)	(176)	(2,087)
CONSOLIDATED NET INCOME	**3,645**	**(11)**	**3,634**
Group share	3,553	168	3,721
Non-controlling interests	92	(179)	(87)

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

2nd quarter 2017 (M$)	Adjusted	Adjustments[a]	Consolidated statement of income
Sales	**39,942**	**(27)**	**39,915**
Excise taxes	(5,433)	-	(5,433)
Revenues from sales	34,509	(27)	34,482
Purchases net of inventory variation	(22,939)	(459)	(23,398)
Other operating expenses	(5,868)	(238)	(6,106)
Exploration costs	(199)	-	(199)
Depreciation, depletion and impairment of tangible assets and mineral interests	(2,784)	(14)	(2,798)
Other income	206	364	570
Other expense	(58)	(48)	(106)
Financial interest on debt	(338)	(7)	(345)
Financial income and expense from cash & cash equivalents	(37)	-	(37)
Cost of net debt	(375)	(7)	(382)
Other financial income	285	-	285
Other financial expense	(159)	-	(159)
Net income (loss) from equity affiliates	578	(268)	310
Income taxes	(700)	228	(472)
CONSOLIDATED NET INCOME	**2,496**	**(469)**	**2,027**
Group share	2,474	(437)	2,037
Non-controlling interests	22	(32)	(10)

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

10) Post-closing and other events

Gas, Renewables & Power

- On July 6, 2018, TOTAL announced the closing of the acquisition of a 73.04% interest in Direct Energie for an estimated amount of €1.4 billion and on the same day filed a mandatory tender offer for the shares in Direct Energie not yet held by TOTAL.
- On July 13, 2018, TOTAL announced the closing of the acquisition of Engie's portfolio of upstream liquefied natural gas (LNG) assets for an overall enterprise value of $1.5 billion.

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