

TOTAL

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

(unaudited)

1) Accounting policies

The interim consolidated financial statements of TOTAL S.A. and its subsidiaries (the Group) as of March 31, 2016 are presented in U.S. dollars and have been prepared in accordance with International Accounting Standard (IAS) 34 "Interim Financial Reporting".

The accounting policies applied for the consolidated financial statements as of March 31, 2016 do not differ significantly from those applied for the consolidated financial statements as of December 31, 2015 which have been prepared on the basis of IFRS (International Financial Reporting Standards) as adopted by the European Union and IFRS as issued by the IASB (International Accounting Standards Board). New texts or amendments which were mandatory for the periods beginning on or after January 1, 2016 did not have a material impact on the Group's consolidated financial statements as of March 31, 2016.

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

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

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

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

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

➤ Upstream

- In March 2016, TOTAL finalized the sale to North Sea Midstream Partners of all its interests in the FUKA and SIRGE gas pipelines and the St. Fergus Gas Terminal in the United Kingdom.

➤ Marketing & Services

- In January 2016, TOTAL finalized the acquisition of a majority 70% interest in the leading Dominican fuel retailer.

3) Adjustment items

Financial information by business segment is reported in accordance with the internal reporting system and shows internal segment information that is used to manage and measure the performance of TOTAL and which is reviewed by the main operational decision-making body of the Group, namely the Executive committee.

Performance indicators excluding the adjustment items, such as adjusted operating income, adjusted net operating income, and adjusted net income are meant to facilitate the analysis of the financial performance and the comparison of income between periods.

Adjustment items include:

(i) Special items

Due to their unusual nature or particular significance, certain transactions qualified as "special items" are excluded from the business segment figures. In general, special items relate to transactions that are significant, infrequent or unusual. However, in certain instances, transactions such as restructuring costs or asset disposals, which are not considered to be representative of the normal course of business, may be qualified as special items although they may have occurred within prior years or are likely to occur again within the coming years.

(ii) Inventory valuation effect

The adjusted results of the Refining & Chemicals and Marketing & Services segments are presented according to the replacement cost method. This method is used to assess the segments' performance and facilitate the comparability of the segments' performance with those of its competitors.

In the replacement cost method, which approximates the LIFO (Last-In, First-Out) method, the variation of inventory values in the statement of income is, depending on the nature of the inventory, determined using either the month-end prices differential between one period and another or the average prices of the period rather than the historical value. The inventory valuation effect is the difference between the results according to the FIFO (First-In, First-Out) and the replacement cost.

(iii) Effect of changes in fair value

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

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

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

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

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

ADJUSTMENTS TO OPERATING INCOME

	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Total
(M\$)					
1st quarter 2016					
Inventory valuation effect	-	(205)	(77)	-	(282)
Effect of changes in fair value	3	-	-	-	3
Restructuring charges	(11)	-	-	-	(11)
Asset impairment charges	-	-	-	-	-
Other items	(451)	(2)	-	-	(453)
Total	(459)	(207)	(77)	-	(743)
1st quarter 2015					
Inventory valuation effect	-	235	(7)	-	228
Effect of changes in fair value	4	-	-	-	4
Restructuring charges	-	-	-	-	-
Asset impairment charges	(1,046)	-	-	-	(1,046)
Other items	(290)	(41)	-	-	(331)
Total	(1,332)	194	(7)	-	(1,145)

ADJUSTMENTS TO NET INCOME, GROUP SHARE

	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Total
(M\$)					
1st quarter 2016					
Inventory valuation effect	-	(133)	(50)	-	(183)
Effect of changes in fair value	3	-	-	-	3
Restructuring charges	(2)	-	-	-	(2)
Asset impairment charges	-	-	-	-	-
Gains (losses) on disposals of assets	358	-	-	-	358
Other items	(191)	(4)	(11)	-	(206)
Total	168	(137)	(61)	-	(30)
1st quarter 2015					
Inventory valuation effect	-	150	4	-	154
Effect of changes in fair value	2	-	-	-	2
Restructuring charges	-	(26)	(5)	-	(31)
Asset impairment charges	(1,092)	-	(17)	-	(1,109)
Gains (losses) on disposals of assets	328	674	-	-	1,002
Other items	140	(53)	(44)	-	43
Total	(622)	745	(62)	-	61

In the first quarter of 2016, the heading "Other items" includes, in the Upstream segment, charges related to onerous contracts in the United States of America and charges related to the security situation in Yemen (\$(451) million in operating income, \$(313) million in net income, Group share) as well as the impact (\$122 million in net income, Group share) on the deferred tax position of the removal, passed by Parliament, of the Petroleum Revenue Tax in the United Kingdom from January 1, 2016.

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

4) Shareholders' equity

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

As of March 31, 2016, TOTAL S.A. holds 13,635,260 of its own shares, representing 0.56% of its share capital, detailed as follows:

- 13,602,295 shares allocated to TOTAL share grant plans for Group employees; and
- 32,965 shares intended to be allocated to new TOTAL share purchase option plans or to new share grant plans.

These shares are deducted from the consolidated shareholders' equity.

TOTAL shares held by Group subsidiaries

As of March 31, 2016, TOTAL S.A. holds indirectly through its subsidiaries 100,331,268 of its own shares, representing 4.09% of its share capital, detailed as follows:

- 2,023,672 shares held by a consolidated subsidiary, Total Nucléaire, 100% indirectly controlled by TOTAL S.A.; and
- 98,307,596 shares held by subsidiaries of Elf Aquitaine (Financière Valorgest, Sogapar and Fingestval), 100% indirectly controlled by TOTAL S.A.

These shares are deducted from the consolidated shareholders' equity.

Dividend

For the fiscal year 2015, TOTAL S.A. already paid three quarterly interim dividends:

- Payment of the first interim dividend for the fiscal year 2015 of €0.61 per share, decided by the Board of Directors on September 22, 2015 has been done in cash or in shares on October 21, 2015 (the ex-dividend date was September 28, 2015). The number of shares issued in lieu of the cash dividend was based on the dividend amount divided by €35.63 per share, equal to 90% of the average Euronext Paris opening price of the shares for the 20 trading days preceding the Board of Directors meeting, reduced by the amount of the first interim dividend. On October 21, 2015, 24,231,876 shares have been issued at a price of €35.63 per share.
- Payment of the second interim dividend for the fiscal year 2015 of €0.61 per share, decided by the Board of Directors on December 16, 2015 has been done in cash or in shares on January 14, 2016 (the ex-dividend date was December 21, 2015). The number of shares issued in lieu of the cash dividend was based on the dividend amount divided by €39.77 per share, equal to 90% of the average Euronext Paris opening price of the shares for the 20 trading days preceding the Board of Directors meeting, reduced by the amount of the second interim dividend. On January 14, 2016, 13,945,709 shares have been issued at a price of €39.77 per share.
- Payment of the third interim dividend for the fiscal year 2015 of €0.61 per share, decided by the Board of Directors on March 15, 2016 has been done in cash or in shares on April 12, 2016 (the ex-dividend date was March 21, 2016). The number of shares issued in lieu of the cash dividend was based on the dividend amount divided by €36.24 per share, equal to 90% of the average Euronext Paris opening price of the shares for the 20 trading days preceding the Board of Directors meeting, reduced by the amount of the third interim dividend. On April 12, 2016, 24,752,821 shares have been issued at a price of €36.24 per share.

A resolution will be submitted at the shareholders' meeting on May 24, 2016 to pay a dividend of €2.44 per share for the 2015 fiscal year, i.e. a balance of €0.61 per share to be distributed after deducting the three quarterly interim dividends of €0.61 per share that have already been paid.

Earnings per share in Euro

Earnings per share in Euro, calculated from the earnings per share in U.S. dollars converted at the average Euro/USD exchange rate for the period, amounted to €0.65 per share for the 1st quarter 2016 (€(0.65) per share for the 4th quarter 2015 and €1.03 per share for the 1st quarter 2015). Diluted earnings per share calculated using the same method amounted to €0.64 per share for the 1st quarter 2016 (€(0.65) per share for the 4th quarter 2015 and €1.03 per share for the 1st quarter 2015).

Earnings per share includes the effects of the 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\$)	1 st quarter 2016	1 st quarter 2015
Actuarial gains and losses	(81)	(95)
Tax effect	32	(36)
Currency translation adjustment generated by the parent company	3,641	(8,192)
Items not potentially reclassifiable to profit and loss	3,592	(8,323)
Currency translation adjustment	(1,944)	3,748
- unrealized gain/(loss) of the period	(1,853)	4,032
- less gain/(loss) included in net income	91	284
Available for sale financial assets	(10)	8
- unrealized gain/(loss) of the period	(10)	8
- less gain/(loss) included in net income	-	-
Cash flow hedge	98	(130)
- unrealized gain/(loss) of the period	160	(441)
- less gain/(loss) included in net income	62	(311)
Share of other comprehensive income of equity affiliates, net amount	(1)	1,042
- unrealized gain/(loss) of the period	1	1,042
- less gain/(loss) included in net income	2	-
Other	3	3
Tax effect	(24)	37
Items potentially reclassifiable to profit and loss	(1,878)	4,708
Total other comprehensive income, net amount	1,714	(3,615)

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

(M\$)	1 st quarter 2016			1 st quarter 2015		
	Pre-tax amount	Tax effect	Net amount	Pre-tax amount	Tax effect	Net amount
Actuarial gains and losses	(81)	32	(49)	(95)	(36)	(131)
Currency translation adjustment generated by the parent company	3,641	-	3,641	(8,192)	-	(8,192)
Items not potentially reclassifiable to profit and loss	3,560	32	3,592	(8,287)	(36)	(8,323)
Currency translation adjustment	(1,944)	-	(1,944)	3,748	-	3,748
Available for sale financial assets	(10)	4	(6)	8	1	9
Cash flow hedge	98	(28)	70	(130)	36	(94)
Share of other comprehensive income of equity affiliates, net amount	(1)	-	(1)	1,042	-	1,042
Other	3	-	3	3	-	3
Items potentially reclassifiable to profit and loss	(1,854)	(24)	(1,878)	4,671	37	4,708
Total other comprehensive income	1,706	8	1,714	(3,616)	1	(3,615)

5) Financial debt

The Group did not issue any bond, during the first three months of 2016.

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

- Bond 6.50% 2011-2016 (150 million AUD)
- Bond 2.30% 2010-2016 (1,000 million USD)
- Bond 0.75% 2012-2016 (750 million USD)
- Bond US Libor 3 months + 38 bp 2013-2016 (1,000 million USD)
- Bond 2.375% 2006-2016 (500 million CHF)
- Bond 2.385% 2009-2016 (150 million CHF)

In the context of its active cash management, the Group may temporarily increase its current borrowings, particularly in the form of commercial paper. The changes in current borrowings, cash and cash equivalents and current financial assets resulting from this cash management in the quarterly financial statements are not necessarily representative of a longer-term position.

6) Related parties

The related parties are principally equity affiliates and non-consolidated investments. There were no major changes concerning transactions with related parties during the first three months of 2016.

7) Other risks and contingent liabilities

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

Alitalia

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

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

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

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

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

FERC

The Office of Enforcement of the U.S. Federal Energy Regulatory Commission (FERC) has begun investigation in connection with the natural gas trading activities of TOTAL Gas & Power North America, Inc, an American subsidiary of the Group. The investigation covers transactions made by the Group's subsidiary between June 2009 and June 2012 on the natural gas market. TOTAL Gas & Power North America, Inc received a Notice of Alleged Violations of the FERC on September 21, 2015.

The Group's subsidiary is cooperating in the investigation with the U.S. authorities, while contesting the claims brought against it.

Russia

Since July 2014, the United States of America and the European community have adopted economic sanctions against certain Russian persons and entities, including various entities operating in the financial, energy and defense sectors, in response to the situation in Ukraine.

Among other things, the United States has adopted economic sanctions targeting OAO Novatek¹ ("Novatek"), as well as entities in which Novatek (individually or with other similarly targeted persons or entities collectively) owns an interest of at least 50%, including OAO Yamal LNG² ("Yamal LNG").

These sanctions prohibit U.S. persons from transacting in, providing financing for or otherwise dealing in debt issued by these entities after July 16, 2014 of greater than 90 days maturity. Consequently, the use of the U.S. dollar for such financing, including for Yamal LNG, is effectively prohibited.

¹ A Russian company listed on stock exchanges in Moscow and London and in which the Group held an interest of 18.9% as of December 31, 2015.

² A company jointly owned by Novatek (50.1%), Total E&P Yamal (20%), CNODC (20%), a subsidiary of China National Petroleum Corporation ("CNPC") and Silk Road Fund (9.9%).

As a result, the financing plan for the Yamal LNG project is being reviewed, and the project's partners are engaged in efforts to develop a financing plan in compliance with the applicable regulations.

The economic sanctions initially adopted by the European Union in 2014 and subsequently extended do not materially affect TOTAL's activities in Russia. TOTAL has been formally authorized to continue all of its activities in Russia (in the Kharyaga field as operator, and in the Termokarstovoye gas field and Yamal LNG project in which the Group holds interests) by the French government which is the competent authority for granting authorization under EU sanctions regime.

TOTAL's activities in Russia are also not materially affected by restrictive measures adopted by the United States in August 2015 imposing export controls and restrictions relating to the export of certain goods, services, and technologies destined for projects located in Russia in the field of oil exploration.

With respect to the exploration project in the Bazhenov play (tight oil) in western Siberia, which has been suspended since 2014, TOTAL signed in July 2015 an agreement transferring the exploration licenses it held in the play to OAO Lukoil. This agreement also sets out the conditions under which TOTAL and OAO Lukoil could potentially resume their joint activities in Russia.

TOTAL continues to monitor the different international economic sanctions with respect to its activities in Russia.

In January 2016, TOTAL signed an agreement to sell 50% of its interest in the Kharyaga field and transfer the operatorship to Zarubezhneft. After the sale, which is expected to be completed in 2016, TOTAL's interest in the Kharyaga field will be 20%.

As of December 31, 2015, the Group held 19% of its proved reserves in Russia.

Yemen

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

8) Information by business segment

1 st quarter 2016 (M\$)	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	3,466	13,938	15,433	4	-	32,841
Intersegment sales	3,262	4,148	132	70	(7,612)	-
Excise taxes	-	(961)	(4,358)	-	-	(5,319)
Revenues from sales	6,728	17,125	11,207	74	(7,612)	27,522
Operating expenses	(4,798)	(15,782)	(10,781)	(220)	7,612	(23,969)
Depreciation, depletion and impairment of tangible assets and mineral interests	(2,247)	(253)	(172)	(8)	-	(2,680)
Operating income	(317)	1,090	254	(154)	-	873
Equity in net income (loss) of affiliates and other items	670	177	14	103	-	964
Tax on net operating income	313	(276)	(80)	37	-	(6)
Net operating income	666	991	188	(14)	-	1,831
Net cost of net debt						(210)
Non-controlling interests						(15)
Net income						1,606

1 st quarter 2016 (adjustments) ^(a) (M\$)	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	(126)	-	-	-	-	(126)
Intersegment sales	-	-	-	-	-	-
Excise taxes	-	-	-	-	-	-
Revenues from sales	(126)	-	-	-	-	(126)
Operating expenses	(333)	(207)	(77)	-	-	(617)
Depreciation, depletion and impairment of tangible assets and mineral interests	-	-	-	-	-	-
Operating income	(459)	(207)	(77)	-	-	(743)
Equity in net income (loss) of affiliates and other items	329	-	(17)	-	-	312
Tax on net operating income	298	70	30	-	-	398
Net operating income	168	(137)	(64)	-	-	(33)
Net cost of net debt						(6)
Non-controlling interests						9
Net income						(30)

^(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	-	(205)	(77)	-
- On net operating income	-	(133)	(50)	-

1st quarter 2016 (adjusted) (M\$)	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	3,592	13,938	15,433	4	-	32,967
Intersegment sales	3,262	4,148	132	70	(7,612)	-
Excise taxes	-	(961)	(4,358)	-	-	(5,319)
Revenues from sales	6,854	17,125	11,207	74	(7,612)	27,648
Operating expenses	(4,465)	(15,575)	(10,704)	(220)	7,612	(23,352)
Depreciation, depletion and impairment of tangible assets and mineral interests	(2,247)	(253)	(172)	(8)	-	(2,680)
Adjusted operating income	142	1,297	331	(154)	-	1,616
Equity in net income (loss) of affiliates and other items	341	177	31	103	-	652
Tax on net operating income	15	(346)	(110)	37	-	(404)
Adjusted net operating income	498	1,128	252	(14)	-	1,864
Net cost of net debt						(204)
Non-controlling interests						(24)
Adjusted net income						1,636
Adjusted fully-diluted earnings per share (\$)						0.68

^(a) Except for earnings per share.

1st quarter 2016 (M\$)	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Total expenditures	4,237	259	390	22	-	4,908
Total divestments	915	29	37	4	-	985
Cash flow from operating activities	2,113	(421)	240	(51)	-	1,881

1 st quarter 2015 (M\$)	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	5,225	17,464	19,620	4	-	42,313
Intersegment sales	4,384	6,967	272	52	(11,675)	-
Excise taxes	-	(933)	(4,417)	-	-	(5,350)
Revenues from sales	9,609	23,498	15,475	56	(11,675)	36,963
Operating expenses	(5,969)	(21,717)	(14,863)	(239)	11,675	(31,113)
Depreciation, depletion and impairment of tangible assets and mineral interests	(3,441)	(252)	(174)	(5)	-	(3,872)
Operating income	199	1,529	438	(188)	-	1,978
Equity in net income (loss) of affiliates and other items	769	762	(80)	294	-	1,745
Tax on net operating income	(368)	(446)	(131)	(82)	-	(1,027)
Net operating income	600	1,845	227	24	-	2,696
Net cost of net debt						(188)
Non-controlling interests						155
Net income						2,663

1 st quarter 2015 (adjustments) ^(a) (M\$)	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	(146)	-	-	-	-	(146)
Intersegment sales	-	-	-	-	-	-
Excise taxes	-	-	-	-	-	-
Revenues from sales	(146)	-	-	-	-	(146)
Operating expenses	(140)	194	(7)	-	-	47
Depreciation, depletion and impairment of tangible assets and mineral interests	(1,046)	-	-	-	-	(1,046)
Operating income	(1,332)	194	(7)	-	-	(1,145)
Equity in net income (loss) of affiliates and other items	136	661	(89)	-	-	708
Tax on net operating income	437	(110)	2	-	-	329
Net operating income	(759)	745	(94)	-	-	(108)
Net cost of net debt						-
Non-controlling interests						169
Net income						61

^(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	-	235	(7)	-
- On net operating income	-	150	(5)	-

1st quarter 2015 (adjusted) (M\$)	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Non-Group sales	5,371	17,464	19,620	4	-	42,459
Intersegment sales	4,384	6,967	272	52	(11,675)	-
Excise taxes	-	(933)	(4,417)	-	-	(5,350)
Revenues from sales	9,755	23,498	15,475	56	(11,675)	37,109
Operating expenses	(5,829)	(21,911)	(14,856)	(239)	11,675	(31,160)
Depreciation, depletion and impairment of tangible assets and mineral interests	(2,395)	(252)	(174)	(5)	-	(2,826)
Adjusted operating income	1,531	1,335	445	(188)	-	3,123
Equity in net income (loss) of affiliates and other items	633	101	9	294	-	1,037
Tax on net operating income	(805)	(336)	(133)	(82)	-	(1,356)
Adjusted net operating income	1,359	1,100	321	24	-	2,804
Net cost of net debt						(188)
Non-controlling interests						(14)
Adjusted net income						2,602
Adjusted fully-diluted earnings per share (\$)						1.13

^(a) Except for earnings per share.

1st quarter 2015 (M\$)	Upstream	Refining & Chemicals	Marketing & Services	Corporate	Intercompany	Total
Total expenditures	8,151	434	215	9	-	8,809
Total divestments	1,162	1,766	52	4	-	2,984
Cash flow from operating activities	3,525	314	644	(96)	-	4,387

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

1st quarter 2016			Consolidated
(M\$)	Adjusted	Adjustments^(a)	statement
			of income
Sales	32,967	(126)	32,841
Excise taxes	(5,319)	-	(5,319)
Revenues from sales	27,648	(126)	27,522
Purchases net of inventory variation	(17,357)	(282)	(17,639)
Other operating expenses	(5,801)	(335)	(6,136)
Exploration costs	(194)	-	(194)
Depreciation, depletion and impairment of tangible assets and mineral interests	(2,680)	-	(2,680)
Other income	171	329	500
Other expense	(54)	(16)	(70)
Financial interest on debt	(268)	(6)	(274)
Financial income from marketable securities & cash equivalents	10	-	10
Cost of net debt	(258)	(6)	(264)
Other financial income	191	-	191
Other financial expense	(155)	-	(155)
Equity in net income (loss) of affiliates	499	(1)	498
Income taxes	(350)	398	48
Consolidated net income	1,660	(39)	1,621
Group share	1,636	(30)	1,606
Non-controlling interests	24	(9)	15

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

1st quarter 2015			Consolidated
(M\$)	Adjusted	Adjustments^(a)	statement
			of income
Sales	42,459	(146)	42,313
Excise taxes	(5,350)	-	(5,350)
Revenues from sales	37,109	(146)	36,963
Purchases net of inventory variation	(24,432)	228	(24,204)
Other operating expenses	(6,176)	(96)	(6,272)
Exploration costs	(552)	(85)	(637)
Depreciation, depletion and impairment of tangible assets and mineral interests	(2,826)	(1,046)	(3,872)
Other income	526	1,095	1,621
Other expense	(99)	(343)	(442)
Financial interest on debt	(262)	-	(262)
Financial income from marketable securities & cash equivalents	31	-	31
Cost of net debt	(231)	-	(231)
Other financial income	142	-	142
Other financial expense	(166)	-	(166)
Equity in net income (loss) of affiliates	634	(44)	590
Income taxes	(1,313)	329	(984)
Consolidated net income	2,616	(108)	2,508
Group share	2,602	61	2,663
Non-controlling interests	14	(169)	(155)

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

10) Changes in progress in the Group structure

➤ Upstream

- TOTAL has signed in January 2016 an agreement for the sale to Zarubezhneft of a 20% stake in Kharyaga, Russia. Completion of the sale is subject to approval by the relevant authorities. At March 31, 2016 the assets and liabilities remain respectively classified in the consolidated balance sheet in “assets classified as held for sale” for an amount of \$247 million and “liabilities directly associated with the assets classified as held for sale” for an amount of \$167 million. The assets and liabilities concerned mainly include tangible assets for an amount of \$185 million and deferred tax liabilities for an amount of \$91 million.

➤ Marketing & Services

- TOTAL has signed in September 2015 an agreement for the sale to Demirören Group of its service station network and commercial sales, supply and logistics assets located in Turkey. At March 31, 2016 the assets and liabilities remain respectively classified in the consolidated balance sheet in “assets classified as held for sale” for an amount of \$477 million and “liabilities directly associated with the assets classified as held for sale” for an amount of \$203 million. The assets and liabilities concerned mainly include intangible and tangible assets for an amount of \$135 million, trade receivables for an amount of \$151 million and current bank debt for an amount of \$108 million. This transaction was finalized on April 15, 2016.

11) Post-closing and other events

- On April 15, 2016, TOTAL finalized the sale to Demirören Group of its service station network and commercial sales, supply and logistics assets located in Turkey.